



To: ASX – Company Announcements

Fax: 1300 135 638

From: Private Portfolio Managers Pty Ltd

Page 1 of: 3 (including cover page)

Date: 5th April 2011

RE: FOLKESTONE LIMITED (FLK)

Please find attached form 603 for Notice of initial substantial holder of Folkestone Limited (FLK).

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Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme **FOLKESTONE LIMITED**

ACN/ARSN

1. Details of substantial holder
Name **PRIVATE PORTFOLIO MANAGERS PTY LIMITED (PPM) & SUBSIDIARY
PORTFOLIO NOMINEES PTY LIMITED on behalf of clients**ACN/ARSN (if applicable) **069 865 827**The holder became a substantial holder on 31 /03 /2011

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY SHARES	20,000,000	20,000,000	6.32 %

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
PORTFOLIO NOMINEES PTY LTD	NON-BENEFICIAL	ORDINARY 20,000,000

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
PRIVATE PORTFOLIO NOMINEES PTY LTD	NATIONAL NOMINEES PTY LTD	Client base of Portfolio Nominees as Nominee of PPM	20,000,000

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
PRIVATE PORTFOLIO NOMINEES PTY LTD	25/03/11	2,400,000		20,000,000

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
PORTFOLIO NOMINEES PTY LIMITED	DISCRETIONARY FUNDS MANAGER

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
PORTFOLIO NOMINEES PTY LIMITED	LEVEL 3, 2 MARTIN PLACE SYDNEY NSW 2000

Signature

print name **Elton Doyle** capacity **DIRECTOR**
sign here  date **05 / 04 / 11**

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