

ATLAS PEARLS

ASX Release

April 20, 2018

STRONG DEMAND FOR ATLAS PEARLS AT SPRING AUCTION

Atlas Pearls Ltd (ASX:ATP) (“Atlas” or “the Company”) is pleased to report a positive outcome at its latest private pearl auction held in Kobe, Japan on April 10 and 11, 2018, with total sales amounting to A\$2.4M.

The auction was well attended by over 50 companies and a good spread of successful bids across the two days. This positive result comes on the back of a good inaugural private sale held in Kobe last February.

“Bidding on our best lots exceeded expectations, with good quality pearls reaching prices close to 2016 levels” said Tim Jones, Atlas Pearls Distribution Manager. “We expect to reach a balanced position between private and auction sales that would allow our loyal customers to have improved access to merchandise.”

“On-going changes affecting climate and the global economy are calling for more collaboration along the pearling value chain” said Pierre Fallourd, Managing Director of Atlas Pearls. “We are really pleased to see that the commercial side of the industry is supportive and delivered a response that goes beyond the supply/demand equation” he added.

As part of this effort, Atlas secured another 12 months unsecured US\$600,000 trade loan to be received from a prominent Hong Kong based pearl house on May 1, 2018. The facility combined with the Yen 100M received in February 2018 will allow Atlas to harvest within ideal windows while going to market at the right time.

SUBSIDIARY BUSINESS UPDATE

Atlas’ 50% owned subsidiary Essential Oils of Tasmania Pty Ltd (EOT) was granted a shareholder facility of \$1M in April to support the expansion of its oil extraction business as well as exploring new projects and trading opportunities.

With reference to Atlas’ August 28th, 2017 ASX announcement, EOT is reviewing its strategic options around the growing and extraction of native, second grade and high value crops such as Kunzea, Cherries and Medical Cannabis.

“The challenge for EOT is to find the right path forward both on its core business and the other promising ventures the company could embark on.” said Geoff Newman, Atlas Chairman. “We are very pleased by the commercial drive demonstrated by both Atlas and EOT.” he added.

Atlas’ next private auction is scheduled for June 5 and 6, 2018 in Kobe, Japan.

For more information please visit: www.atlaspearls.com.au or contact

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ABOUT ATLAS PEARLS LTD

Atlas Pearls (ASX: ATP) is an Australian listed pearling business with core operations in Indonesia established in 1992. Atlas has earned an enviable reputation as a world leading pearl producer of “the queen of all gems”, the South Sea pearl, specialising in high quality white and silver pearls. Atlas operates pearl farms spread across the Indonesian archipelago, including Bali, Flores and West Papua. Atlas is a fully integrated business including hatchery, seeding, harvesting, grading, trading, design and manufacturing capabilities to sell directly to customers through wholesale partners and via its retail outlets.

The company is also involved in the production and transformation of essential oils as well as other plant grown active ingredients extraction and value adding via its Tasmanian based 50% owned subsidiary Essential Oils of Tasmania (EOT).

Atlas Pearls has been involved since its inception in managing active community relationships in Indonesia in the areas of environment protection, education and alternative livelihood programs.

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