

ASX ANNOUNCEMENT

02 August 2021

## PEARL GLOBAL LIMITED CAPITAL RAISING

### HIGHLIGHTS:

- Pearl Global to raise up to \$6 million from major institutional investors and an SPP for existing shareholders
- ROC participating and maintaining its major shareholding in Pearl Global (subject to required approvals)
- Funds to be used for expansion of production capabilities at the Stapylton facility and working capital

The Directors of **Pearl Global Limited (ASX: PG1)** (**Pearl Global** or the **Company**) are pleased to advise the intention to raise up to \$6 million through a placement for \$5.25 million and up to a further \$750,000 through a non-underwritten Share Purchase Plan (**SPP**) which will be offered to existing eligible shareholders.

The Company has received commitments to raise **\$4.04 million** through a placement of approximately 115.43 million fully paid ordinary shares at 3.5 cents per share (**Placement**) to institutional, sophisticated and professional investor clients of Bell Potter Securities, Lead Manager to the issue.

Subject to regulatory approval, approval from ROC's investment committee, and Pearl shareholders, the Company's cornerstone shareholder, ROC Asset Management (**ROC**) will subscribe for a further **\$1.18 million**, approximately 33.70 million fully paid ordinary shares, on the same terms as the Placement to maintain their current percentage interest in the Company. A number of the Directors also intend to participate in the placement, subject to shareholder approval.

### Placement Details

The Company will issue up to 150,000,050 shares at a price of 3.5 cents each in two tranches as follows:

- **Tranche 1** - Under the first tranche of the Placement, Pearl Global will issue 92,857,184 shares to sophisticated and professional investors under the Company's current placement capacity to raise \$3.25 million. 55,658,184 shares are to be issued pursuant to ASX listing rule 7.1 and the remaining 37,199,000 shares under ASX listing rule 7.1A.
- **Tranche 2** - Under tranche two of the Placement, Pearl Global will, subject to shareholder approval, issue up to a total of 57,142,866 shares to raise up to \$2.0 million. ROC has indicated their willingness to maintain their current percentage interest in Pearl Global and will subscribe for 33,697,466 shares in tranche two, subject to regulatory approval, the approval of Pearl shareholders and ROC's investment committee. Company Directors, Gary Foster and Brian Mumme, intend to participate for approximately \$20,000 and \$10,500, respectively, subject to shareholder approval.

Settlement of Tranche 1 of the Placement is expected to occur by Monday, 9 August 2021 with the issue and quotation of the shares expected on Tuesday, 10 August 2021. The General Meeting of shareholders to approve the Tranche 2 Placement, the issue to ROC and the participation of Directors is expected to be held on or around 27 September 2021 with completion in the week following the meeting.

## SPP

The Board of Pearl Global is pleased to provide existing eligible shareholders that are residents of Australia or New Zealand the opportunity to participate in the capital raising at the same price as the Placement through a non-underwritten SPP of up to \$30,000 of shares without incurring any brokerage or transaction costs to raise up to an additional \$750,000.

Due to the pricing of the offer the SPP will require approval by shareholders at the general meeting being convened to approve tranche two of the Placement.

The record date for the SPP is 30 July 2021. Documentation for the SPP is expected to be lodged and dispatched to shareholders on 10 August 2021 with the offer to close the day after the shareholder meeting.

## Use of Funds

Funds will be directed towards expanding the Company's current Stapylton operations, with a focus on plant and equipment for materials handling which will assist in further expansion of Pearl's facility at Stapylton, Queensland, cost of the issue and general working capital. A management/selling fee of 5% will be payable on the proceeds from the Placement.

## Timetable

Below is an indicative timetable of key dates for the Placement and SPP:

Event	Date
SPP Record Date (7:00pm)	30 July 2021
ASX Announcement of Placement and SPP / Trading resumes on ASX	2 August 2021
Expected date of issue and quotation of new shares to be issued under the Tranche 1 Placement	10 August 2021
SPP Offer Booklet despatched and SPP offer opens	10 August 2021
General Meeting to approve the Tranche 2 Placement and the issue of the shares under the SPP	27 September 2021
SPP offer closes	28 September 2021
Expected date of issue of new shares to be issued under the SPP	4 October 2021
Expected date of issue of new shares to be issued under the Tranche 2 Placement	5 October 2021
Expected date of quotation of new shares to be issued under the SPP and Tranche 2 Placement	5 October 2021

This timetable is indicative only and remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules. The Company reserves the right to change the timetable or cancel or withdraw the Placement or SPP at any time before relevant new shares are issued, subject to regulatory requirements. The Company reserves the right to close the SPP or to accept late applications, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to the ASX. The commencement and quotation of shares offered under the Placement or the SPP is subject to confirmation from the ASX.

## **New Growth Opportunities and Board and Executive management**

Given the strong positive environmental impact and strategic positioning of Pearl's business, the Company has been in active discussions about expansion plans with several large industry players. Due to the potential of these opportunities, the Board sees this as the right time to further add to its skills and experience. Following engagement with key internal and external stakeholders, the Company is well progressed in its process for Board and management renewal, consistent with Pearl's development and focus on these new growth opportunities. Candidates for the Board have been identified and a highly reputable search firm is engaged for CEO placement with further updates expected during the third quarter.

Authorised by:  
**Gary Foster**  
Chairman

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## **About Pearl Global Limited**

*Pearl Global Limited (Pearl) (ASX: PG1) is a revolutionary tyre processing company that applies unique, next-generation thermal desorption technology to cleanly convert tyres into valuable secondary products including waste to energy opportunities. Pearl holds Australia's first environmental approvals for the thermal treatment of rubber and is in commercial production at its facility in Stapylton, Queensland.*

*Pearl's technology is a significant advancement on other methods of processing waste tyres because it has low emissions, no hazardous by-products, requires no chemical intervention and is the only process that meets the standard emissions criteria set by the Australian regulators for this type of technology.*