

ATLAS PEARLS

ASX Release
17 May 2023

Corporate Update

Business Update

Atlas Pearls Ltd (ASX: ATP) (“Atlas” or “the Company”) is pleased to provide a business update.

Atlas’ year-to-date sales have been buoyed by continued strong global demand for South Sea Pearls. A successful online and physical auction in Kobe in March 2023 and private sales throughout the year has resulted in continued positive results. One final physical and online auction is planned for the financial year in June 2023 which will be supported by ongoing private sales.

The Company is using its improved data analytics capability to better understand the ongoing quality issues in Atlas’ pearl production. These issues, which are largely manifested in smaller pearl sizes, appear to have some basis in genetics with oysters spawned in one hatchery in 2019 seeming to be over-represented in the smaller pearl population. The last of this cohort is currently being harvested and results will be reviewed for environmental, farm location and other influences on growth and quality. These smaller pearls are of good quality and have a ready market so sales revenue outcomes have been protected.

On the genetics front, 1,750 samples of brood stock from both North Bali and a further 1,750 samples from Lembata have been sent to GenomNZ for DNA sequencing. GenomNZ is the commercial arm of the Animal Genomics Group of AgResearch, based in New Zealand. Once samples from both sites have been sequenced by GenomNZ, the results will be provided to the Norwegian Institute of Food, Fisheries and Aquaculture Research (NOFIMA), a leading institute for applied research within the fields of fisheries, aquaculture and food research, who will provide the Company with interrelated analysis and a breeding matrix for future production spawns and establishment of a founder population.

Appointment of New Non-executive Director

Atlas is pleased to announce the appointment of Mr José Martins as a new independent Non-executive Director to join the Company’s Board effective immediately.

Mr Martins is a highly regarded finance executive with over 25 years’ experience in the management of public and private companies. He has previously held CFO roles with Macmahon Holdings Limited, Ausdrill Limited (now part of Perenti) and Alliance Mining Commodities Limited. He qualified as a Chartered Accountant in South Africa and holds a Bachelor of Accountancy (with distinction) from the University of the Witwatersrand, Johannesburg and is a member of the Australian Institute of Company Directors (AICD). He is also a non-executive director of ASX listed GenusPlus Group Limited.

Atlas’ Chairman Geoffrey Newman said “We are delighted that José has agreed to join the Board as a Non-executive Director. José’s knowledge of current governance practices and his experience in working with companies with offshore operations will be a welcome addition to the Board. It also marks the start of considerations around succession and broader Board membership to include pearling industry representation”.

Investor and Media Inquires Geoff Newman, Chairman or Michael Ricci, CEO
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Change of Chief Financial Officer

The Company wishes to advise that Ms Diana Kubicki has resigned as Chief Financial Officer of the Company effective 8 June 2023. The Company's CEO Mr Michael Ricci and Chairman Mr Geoffrey Newman thanked Diana for her contribution to Atlas over the past five years acknowledging, in particular, her role in assisting the organisation to re-invent its distribution strategy during COVID with lasting benefits for the organisation. The Board wishes Diana all the very best for the future.

Atlas is pleased to announce that Ms Gemma Cann, the Company's current Financial Controller, has been appointed as the new Chief Financial Officer. Ms Cann is a Chartered Accountant (Australia and New Zealand) and holds a Bachelor of Accounting from the University of South Australia.

CEO Mr Michael Ricci commented that Gemma has extensive knowledge of the pearling industry having started as a Group Accountant in 2017 before being promoted to Financial Controller in April 2018. Mr Ricci said, "Gemma is highly regarded by the Indonesian finance and production teams and is well placed to advance the integration of the finance function across the Perth office and our PTCI Indonesian subsidiary."

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Authorised for lodgment by the Board of Directors of Atlas.

ABOUT ATLAS PEARLS LTD

Atlas Pearls Ltd (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 high quality white and silver pearls. Atlas operates seven pearl farms spread across the Indonesian archipelago, including Bali, Flores, and West Papua. Atlas is a fully integrated business including hatchery, seeding, harvesting, grading and trading.

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