



ASX Release  
30 June 2020

**Atlas Pearls: Sale of Joint Venture June 2020 & Funding Update**

Atlas Pearls Ltd (ASX: ATP) ("Atlas" or "the Company") today announces the sale of 50% ownership in the joint venture Essential Oils of Tasmania Pty Ltd (EOT) and a further update in relation to the repayment schedule associated with the Company's loan with Boneyard Investments Pty Ltd (Boneyard). Atlas announced to ASX on 30 January 2017 a loan with Boneyard which was varied on 28 June 2017 ("the Varied Loan Agreement"). Boneyard is an entity associated with Tim Martin, Non-executive Director of Atlas.

**Joint Venture Update**

EOT, purchased by Atlas on 15 January 2013, has been involved in the production and transformation of essential oils for the past seven years.

As previously announced, Atlas has been actively reviewing the strategic options around the EOT joint venture. The growing need for additional funding in EOT to produce the required commercial return has culminated in Atlas' decision to sell its holding. Completion of the sale will realise a cash injection of \$1,500,000.

The sale is expected to be completed by close of business today.

**Funding Update**

The Company previously advised on 29 May 2020 that a repayment of \$750,000 and a repayment of \$500,000 due to Boneyard was deferred until 30 June 2020. As part of the ongoing negotiations on the repayment schedule for its total debt of \$2.5m due to Boneyard, the Company advises that the repayment of \$750,000 and \$500,000 due on 30 June 2020, is now scheduled for 31 July 2020. Additionally, a further repayment of \$750,000 due on 30 June 2020 is also deferred to 31 July 2020. All other terms of the Varied Loan Agreement remain the same.

The Company continues negotiations with Boneyard regarding the revision of the remaining loan repayment schedule. A summary of the Varied Loan Agreement and Security terms including the initial repayment schedule for the loan was included at Schedule 1 of the Company's Notice of General Meeting released to ASX on 14 August 2017. An ASX announcement will be made on this matter on conclusion of the negotiations with Boneyard.

Atlas remains focused on the production of quality white and silver South Sea pearls.

This ASX announcement was approved for release by the Board of Atlas Pearls Ltd.

**Investor & Media Queries:**

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## 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 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.

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.