



**Arafura Pearls Holdings Ltd ABN 88 092 266 067
ASX Announcement**

Director Appointment/Resignation

Perth, 21 December 2010

Arafura Pearls is pleased to announce the appointment of Dr Francis Lung to its Board as a non-executive Director.

Dr Lung is highly credentialed with a PHD in engineering (University of Leeds) and a Bachelor of Laws (University of London). He has received awards for his scientific research in engineering and held senior positions within the infrastructure and utility industries over the past 22 years at companies such as Duke Energy, Royal Dutch Shell and Hong Kong Mass Transit Railway.

Dr Lung is currently the Managing Director of the China Urban Infrastructure Fund which is a multi billion dollar private equity fund investing in infrastructure projects in China. He is also the CEO of a software company, and on the Board of Hydro tech International, an ASX listed waterproofing technology company.

Arafura Pearls looks forward to enjoying the benefit of Dr Lung's strategic input and his extensive network throughout the Pan Asian region.

Non-executive director Mr Mark Ceglinski has taken this opportunity to step down from the Board due to increased work commitments. Arafura Pearls would like to thank Mark for his valuable contribution to the Company's development.

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About Arafura Pearls (ASX:APB)

Arafura Pearls Holdings Ltd (Arafura) is a listed public company involved in the growing, harvesting and sale of premium Australian South Sea Pearls.

Arafura has operated a state-of-the-art pearl oyster hatchery and farm in Arnhem Land in the Northern Territory (NT) since 1998, and harvested its first pearls in 2001. The pearling industry is controlled through a quota system to support the industry's long term sustainability. Arafura has access to quota of 260,000 pearl oysters, making it the second largest quota holder in Australia and the largest in the NT. With production lead times, Arafura's operations will continue to expand based on current quota towards an annual full production harvest of approximately 300-350,000 pearls (including re-seeds) over the coming years.