



ABN 32 009 220 053

**NOTICE OF ANNUAL GENERAL MEETING,
EXPLANATORY MEMORANDUM
AND PROXY FORM**

Date of Meeting: 31 May 2011

Time of Meeting: 2.30 pm (WST)

Place of Meeting: Offices of BDO, 38 Station Street, Subiaco, WA

What Action You Need to Take

Read Meeting Documents

The attached meeting documents set out the details of the Resolutions being put to Shareholders. This information is important. You should read the documents carefully and if necessary seek your own independent advice on any aspect about which you are not certain.

Vote on Resolutions

Your vote is important. Details of the Resolutions are set out in the Notice of Meeting and the Explanatory Memorandum.

If you are unable to attend the AGM in person and wish to vote on the Resolutions that will be put to the meeting, then you should complete the Proxy Form and return it by mail or facsimile so as to be received by the Company before 2.30 pm (WST) on Sunday 29 May 2011.

Proxy Forms received later than this time will be invalid.

Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Act 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of shareholders as at 5.00pm (Perth time) on Friday 27 May 2011.

Proxies

A Proxy Form is attached to this Notice of Meeting and to be effective must be lodged with the Company at 43 York Street, Subiaco WA 6008 or by facsimile on +61 (0)8 9380 9970

Key Dates

Date and time for determining eligibility to vote	Friday 27 May 2011 at 5.00pm (WST)
Deadline for lodgment of Proxy Forms	Sunday 29 May 2011 at 2.30 pm (WST)
Date of Annual General Meeting	Tuesday 31 May 2011 at 2.30pm (WST)

Queries

If you have any queries about any matters contained in these meeting documents, please call the Company Secretary, Cecilia Tyndall on 0400596734.

NOTICE IS GIVEN that the Atlas South Sea Pearl Ltd Annual General Meeting of Shareholders will be held at the offices of BDO Accounting, 38 Station Street, Subiaco, WA on 31 May 2011 commencing at 2.30 pm (WST).

AGENDA

Report by Chair and Managing Director

BUSINESS

1. Annual Accounts and Reports

To receive and consider the annual financial report of the Company for the year ended 31 December 2010 and the reports of the Directors and of the Auditors thereon.

2. Resolution 1 – Re-Election of Director – Stephen Birkbeck

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, Stephen Birkbeck who retires by rotation in accordance with Rule 3.6 of the Company’s Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for election, be elected as a Director.”

3. Resolution 2 – Re-Election of Director - Mr Simon Adams

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, Mr Simon Adams who retires in accordance with Rule 3.3 of the Company’s Constitution and being eligible offers himself for election, be elected as a Director.”

4. Resolution 3 – Re-Election of Director - Mr Geoff Newman

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, Mr Geoff Newman who retires in accordance with Rule 3.3 of the Company’s Constitution and being eligible offers himself for election, be elected as a Director.”

5. Resolution 4 – Ratification of Share Issues

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the allotment and issue of 16,400,000 shares, on the dates and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement: the Company will disregard any votes cast on this Resolution by any person who participated in the issue, and any associates of that person. However the Company will not disregard a vote cast:

- by a person as a proxy for a person who is entitled to vote (in accordance with the directions on a proxy form); or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

6. Resolution 5 – Dividend Reinvestment Plan

To consider and, if thought fit, pass, with or without amendment, the following as an ordinary resolution:

“That the Directors be authorised to establish and maintain a dividend reinvestment plan in respect of dividends distributed by the Company on such terms and conditions as the Directors consider appropriate from time to time.”

7. Resolution 6 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company’s annual financial report for the financial year ended 31 December 2010.”

Members entitled to attend and vote at the Meeting

In accordance with Regulation 7.11.37 of the Corporations Act 2001, the Board has determined that a person’s entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of shareholders as at 5.00pm (Perth time) on Friday 27 May 2011.

Proxies

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company. A Shareholder that is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies, each proxy may exercise half of the Shareholder’s votes if no proportion or number of votes is specified.

A Proxy Form accompanies this Notice of Meeting and, to be effective, duly completed Proxy Forms, together with any relevant power of attorney must be received at the Company’s registered office:

43 York Street
Subiaco WA 6008

or by facsimile on:

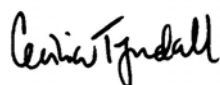
+61 8 9380 9970

by no later than 2.30 pm (WST), 29 May 2011

Corporate Representatives

Any body corporate wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with a copy of the resolution by its directors or other governing body authorising the person to act as the corporate shareholder’s representative at the Meeting.

By Order of the Board



Cecilia Tyndall
Company Secretary
21 April 2011

ATLAS SOUTH SEA PEARL LTD
ABN 32 009 220 053

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions proposed for the Annual General Meeting of Atlas South Sea Pearl Ltd (**Company**) to be held at the offices of BDO Accountants, 38 Station Street, Subiaco, WA on 31 May 2011.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

There is no formal resolution to be put in respect of this matter. However shareholders will be given the opportunity to make comments and ask questions of the Board and the Auditors in respect of the report. In addition shareholders are able to submit questions to the Company for the Auditor prior to the meeting. The list of any such questions will be presented at the meeting for discussion and response.

RESOLUTION 1 – Re-election of Mr Stephen Birkbeck

Resolution 1 seeks shareholder approval for the re-election of Mr Stephen Birkbeck as a Director of the Company. In accordance with Listing Rule 14.4 and Rule 3.6 of the Company's Constitution, one-third of the Directors shall retire from office at every Annual General Meeting of the Company and that such director is eligible for re-election at that meeting.

Mr Birkbeck retires by rotation and seeks re-election.

Mr Birkbeck's qualifications and experience are provided on page 4 of the Company's 2010 Annual Report.

RESOLUTION 2 –Re - Election of Mr Simon Adams

Resolution 2 seeks shareholder approval for the re-election of Mr Simon Adams as a Director of the Company. In accordance with Rule 3.3 of the Company's Constitution, new Directors appointed during the year by the Board shall retire at the next Annual General Meeting of the Company and are eligible for re-election at that meeting.

Mr Adams retires and seeks re-election.

Mr Adam's qualifications and experience are provided on page 4 of the Company's 2010 Annual Report.

RESOLUTION 3 – Election of Mr Geoff Newman

Resolution 3 seeks shareholder approval for the election of Mr Geoff Newman as a Director of the Company. In accordance with Rule 3.3 of the Company's Constitution, new Directors appointed during by the Board during the year shall retire at the next Annual General Meeting of the Company and are eligible for re-election at that meeting.

Mr Newman retires and seeks re-election.

Mr Newman's qualifications and experience are provided on page 5 of the Company's 2010 Annual Report.

RESOLUTION 4 – Ratification of Share Issues

GENERAL

Listing Rule 7.1 provides generally that a company must not, subject to certain exceptions, issue during any 12 month period securities if the number of securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 4, the Company is seeking from Shareholders approval for, and ratification of, the issues of securities set out below so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities in the next 12 months.

In accordance with ASX Listing Rule 7.5 the following information is provided to shareholders in relation to Resolution 4:

- 10,000,000 shares, at an issue price of \$0.10 per share, were issued on 15 November 2010 without shareholder approval,
- 6,400,000 shares, at an issue price of \$0.12 per share, were issued on 8 April 2011 without shareholder approval
- the shares were issued in placements to sophisticated investors as listed in the Table below;
- the shares rank equally in all respects with the Company's existing ordinary shares on issue; and
- the proceeds from the placement will be used to fund facilitate the expansion of Atlas' pearling operations in Indonesia and retailing operations in Australia and Indonesia.

Shareholder	Number of Shares
William Gordon Martin and Beverley Michelle Martin as trustee for the Chemco Superannuation Fund	10,000,000
Quiet Voice Limited	2,000,000
Clough Nominees Pty Ltd	2,000,000
Byron Bay Celebrant Pty Ltd atf The Christopher and Lynda Dean Super Fund	2,400,000

RESOLUTION 5 – Dividend Reinvestment Plan

GENERAL

The Company intends to establish a new dividend reinvestment plan. Shareholders previously approved the terms of a dividend reinvestment plan on 30 May 2006. However, that plan has never been used by the Company and the Company considers it prudent to update its terms to accord with market practice.

There is no requirement under either the ASX Listing Rules or the Corporations Act 2001 (Cth) for a company to obtain shareholder approval before it establishes a dividend reinvestment plan. However, rule 28 of the Company's constitution provides that a general meeting of the Company may authorise the Board to establishment such a plan. It is because of this rule that the Directors seek authorisation from shareholders for the establishment of a dividend reinvestment plan.

A dividend reinvestment plan is a convenient way for members to increase their shareholding in a company by reinvesting their dividends in additional shares. Generally, shares provided under a dividend reinvestment plan rank equally with all other fully paid shares on issue.

Some typical features of a dividend reinvestment plan include:

- No brokerage, commission or other transaction costs are payable by members on shares provided. Under present law, participants do not pay any stamp duty or other transaction duties either.
- The number of shares provided is calculated by reference to the daily volume weighted average sale price of fully paid ordinary shares sold on the ASX during a specified period following the record date of each dividend. The Board may apply a discount to the volume weighted average sale price if it chooses to do so.
- Participation is optional and members who participate may choose to have all or part of their dividends reinvested. If you choose not to participate in the DRP you will continue to be entitled to receive dividends in cash in the usual manner.

The Board unanimously recommends that members vote in favour of the resolution.

RESOLUTION 6 – Adoption of Remuneration Report

The remuneration report is set out on pages 13 to 19 of the Company's 2010 annual report. The remuneration report:

1. explains the Board's policies in relation to the nature and level of remuneration paid to Directors and senior managers within the Atlas South Sea Pearl Group;
2. sets out the remuneration details of each Director and for each member of Atlas South Sea Pearl's senior executive management team.

Please note that a copy of the Company's annual report and the Dividend Reinvestment Plan rules are available by contacting the Company Secretary by telephone on +61 (0)8 9380 9444 or by facsimile on +61 (0)8 9380 9970 or from its web site at www.atlassouthseapearl.com.au.

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PROXY FORM
 APPOINTMENT OF PROXY
 ATLAS SOUTH SEA PEARL LTD
 ABN 32 009 220 053

ANNUAL GENERAL MEETING

I/We

Shareholder Reference Number (SRN)/
 Holder Identification Number (HIN)

being a member of Atlas South Sea Pearl Ltd entitled to attend and vote at the Annual General Meeting

Appoint

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 2.30pm (WST), 31 May 2011 at BDO, 38 Station Street, Subiaco WA, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Re-election of Director – Mr S Birkbeck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Mr Simon Adams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Mr Geoff Newman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Share Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Dividend Reinvestment Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy place a mark in this box. By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of the Resolution and that votes cast by the Chair of the Annual General Meeting other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolution and your vote will not be counted in calculating the required majority if a poll is called on the Resolutions.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

Signed this day of 2011

By:

Individuals and joint holders

Signature
Signature

Companies (affix common seal if appropriate)

Director
Sole Director and Sole Company Secretary

ATLAS SOUTH SEA PEARL LTD

ABN 32 009 220 053

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary, that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Atlas South Sea Pearl Ltd; or
 - (b) facsimile to the Company on facsimile number +61 8 9380 9970,

so that it is received not later than 2:30pm (WST) on Sunday 29 May 2011.

Proxy forms received later than this time will be invalid.