

# ATLAS

PEARLS AND PERFUMES

ABN 32 009 220 053

**ASX RELEASE**

ASX: ATP

13<sup>th</sup> December 2013

## **Extraction R & D for Perfume and Cosmetics nears Finalisation**

Atlas Pearls and Perfumes are pleased to announce we are in the final stages in a series of research initiatives and commercialisation of various extraction processes is imminent. Growth initiatives are already in place to create new regional employment and exports in Australia as a consequence to these initiatives. Atlas and Essential Oils of Tasmania have applied for a range of Government export development support schemes including grants, rebates and tax incentives. These applications will also tap into the emerging retail opportunities in Tasmanian tourism.

### **R & D Tax Incentives**

Two R&D projects registered with AusIndustry (genomic selection for pearl oyster breeding and extracting proteins from pearls for perfume/cosmetic use) have been accepted for Australian content resulting in a stage one rebate of \$430,517 for the 2012 Calendar year. We will lodge further claims relating to subsequent financial periods in 2014.

Essential Oils of Tasmania has received R&D Tax Incentives in the past. Research into genetic improvement of mother stock clones continues and is consistent with world's best practice. A claim for the 2012/13 tax year will be lodged in the new year.

### **Commercialisation Australia**

A Commercialisation Australia application for our innovative fragrance extraction from pearls and indigenous botanical products has been lodged. We anticipate receiving a decision from the government within the next 30 days. If successful Essential Oils of Tasmania will receive \$1,134,208 in funding over a two year period to expand its Australian export capacity through pioneering exclusive new perfume extracts and consumer products. The Board gives no guidance into the likely outcome of this grant application.

### **Export Marketing Development Grant**

With the move from research to commercial roll out, Atlas is placing greater emphasis on our World Senses Joint Venture and renewing efforts to gain Austrade recognition.

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## **Perfume factory Heads of Agreement**

A Heads of Agreement to cooperatively develop land in Tasmania for a new extraction and tourism facility has been reached with the property owner. The land-owner will assist with this development and inject the first \$1.5 million which will fast track the scale up of production and greatly reduce internal funding pressure on Atlas.

## **Cost Effective, Zero Interest and Non-dilutionary**

All of the above funding arrangements are non-dilutionary with zero interest providing extremely cost effective means of expanding the Atlas business and greater recognition for the groups leading position in both pearls and perfumes.

Yours sincerely



**Stephen Birkbeck**  
**Chairman**

### **About Atlas**

Atlas Pearls and Perfumes Ltd ("Atlas", ASX:ATP) is an Australian based pearling and perfume business established in 1992. Atlas has earned an enviable reputation as a world leading pearl producer of "nature's most precious gift", the South Sea pearl, specialising in highly sought after white and silver pearls. Atlas operates pearl farms spread across the Indonesian archipelago including Bali, Flores, Alor and Papua. Atlas is a fully integrated pearling business with its own high quality grading and loose pearl distribution business, a jewellery manufacturing capability and sales direct to customers through wholesale partners and via its retail outlets. In 2012 the Company expanded its operations into perfumes and is currently developing a range of propriety products which include pearl powder (cosmetics and nutraceuticals), pearl proteins (cosmetics), pearl volatiles and fire tree (perfumes) for supply into the global luxury supply chain.