

ATLAS

PEARLS AND PERFUMES

ABN 32 009 220 053

ASX RELEASE

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ATLAS EXPERIENCES \$1.7 MILLION INCREASE IN REVENUE

Atlas Pearls and Perfumes Ltd (ASX: ATP) ("Atlas") is pleased to announce that due to a significant increase in pearl prices in the past year, the six-month revenue to 31 December 2013 was \$8.6M compared to \$6.9M for the corresponding period in 2012.

Atlas Wholesale and Distribution Manager, Tim Jones, said the main variables influencing the recent surge in pearl prices are the declining production levels and strengthening demand as the global economy improves.

"For Atlas, our product is currently in particularly strong demand as we specialise in fine quality South Sea pearls in the 9-12mm size range. At the moment this specific size range is in scarce supply in the market."

Pearl production, particularly out of Australia, has dramatically changed due to the combined effect of a strong Australian dollar and the rapid increase in the costs of Australian labour as the mining industry ramped up infrastructure and production.

This, along with global economic corrections, set in train a five year bear market for pearls, with international prices bottoming well below soaring Australian production costs.

Executive Chairman, Stephen Birkbeck, said that Atlas has been insulated from many of these factors.

"At a time when many other producers were going out of business we were consolidating the quality of our pearls and expanding production," he explained.

The multitude of successful results seen over the past six months has translated through to the market with the Atlas share price increasing substantially from 4.1 cents on 30 June 2013, to 5.9 cents today.

Mr Birkbeck said that in addition to favourable trends in pearl prices, the increase is supported by Atlas' value adding strategy and the use of pearl by-products in perfumes and cosmetics.

"Technical innovation allows us to link perfume into the pearl retail sector and is the cornerstone of our corporate strategy: generating demand for value added pearls, releasing higher margins and creating consumer demand for perfumes through the global jewellery retail sector," he said.

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For more information please visit: www.atlaspearlsandperfumes.com.au

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Yours sincerely



Stephen Birkbeck
Chairman

About Atlas

Atlas Pearls and Perfumes Limited ("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 jeweller 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.