



ABN 32 009 220 053

29 January 2013

ASX RELEASE

ATP

Appendix 3B

Atlas Pearls and Perfumes Ltd (ASX:ATP) ("Atlas" or the "Company") is pleased to advise that 30,240,735 fully paid ordinary shares and 30,240,735 unlisted options expiring on 29 January 2014 exercisable at \$0.05 each issued pursuant to the Company's non-renounceable entitlements Prospectus dated 16 November 2012 have been allotted and issued today. Dispatch of holding statements and option certificates has occurred today. Trading of the new shares is expected to commence on ASX tomorrow, 30 January 2013.

Issue of a further 100,000 convertible notes has also occurred today as announced to ASX on 25 October 2012 and approved by shareholders in the General Meeting of Shareholders held on 4 December 2012.

Yours faithfully

Stephen Birkbeck
Executive Chairman & CEO
Atlas Pearls and Perfumes Ltd

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.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Atlas Pearls and Perfumes Ltd

ABN

32 009 220 053

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | <div>1. Fully paid ordinary shares.</div> <div>2. Unlisted options.</div> <div>3. Convertible notes.</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>1. 30,240,735 fully paid ordinary shares.</div> <div>2. 30,240,735 unlisted options.</div> <div>3. 100,000 convertible notes.</div> |

+ See chapter 19 for defined terms.

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- | | |
|---|---|
| <p>3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <ol style="list-style-type: none">1. Fully paid ordinary shares.2. Unlisted options exercisable at \$0.05 each on or before 29 January 2014.3. Convertible Notes – unlisted unsecured convertible notes with the following principal terms:<ol style="list-style-type: none">(i) Face value - \$1.00 per convertible note.(ii) Maturity date – 29 January 2015.(iii) Convertible at the election of the holder during prescribed 10 business day “windows” prior to the first and second anniversary of the date of issue.(iv) Conversion price – the lower of \$0.05 and 90% of the average of the daily volume-weighted average sales price of the Company’s shares sold on ASX for each trading day on which shares are sold on ASX during the 10 trading days prior to the conversion date.(v) Interest – 6% per annum payable half yearly in arrears with the first interest payment date being 14 July 2013.(vi) Redemption – at the election of the Company at any time before the maturity date, otherwise on the maturity date. |
|---|---|

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	<ol style="list-style-type: none">1. Yes - fully paid ordinary shares.2. No – unlisted options. Shares issued on exercise of the options will rank equally with existing quoted fully paid ordinary shares.3. No - but the shares issued on conversion of the convertible notes will rank equally with fully paid ordinary shares from the date of allotment.
5	Issue price or consideration	<ol style="list-style-type: none">1. Fully paid ordinary shares - \$0.05 per share issued under the Prospectus dated 16 November 2012.2. Unlisted options - nil, free attaching options attaching to shares issued under the Prospectus dated 16 November 2012.3. Convertible notes - \$1.00 per note.

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6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>1. and 2. - Issue of 30,240,735 fully paid ordinary shares and 30,240,735 free attaching unlisted options pursuant to the non-renounceable entitlements offer Prospectus dated 16 November 2012.</p> <p>3. Issue of 100,000 convertible notes as announced to ASX on 25 October 2012 and approved by shareholders in the General Meeting of Shareholders held on 4 December 2012.</p> <p>The funds raised from both issues will be used to:</p> <ul style="list-style-type: none"> (a) support existing current assets; (b) reduce existing debt in the Essential Oils of Tasmania business being acquired by the Company; (c) fund research and development initiatives; (d) fund increased production of strategic pearl by-product and perfume ingredients and commercialisation of new consumer products through World Senses Pty Ltd; (e) fund expansion of the existing pearl auction strategy; and (f) strengthen the balance sheet for general working capital purposes.
6a	<p>Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
6b	The date the security holder resolution under rule 7.1A was passed	<p>N/A</p>
6c	Number of *securities issued without security holder approval under rule 7.1	<p>N/A</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of securities issued under an exception in rule 7.2	N/A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	29 January 2013	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		280,709,141	Fully paid ordinary shares (ASX code: ATP)

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in section 2 if applicable)	Number	⁺ Class
		30,240,735	Options exercisable at \$0.05 each, on or before 29 January 2014.
		600,000	Convertible notes
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends are paid as authorised by Directors.	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	

⁺ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements	

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through a broker and accept for the balance?

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?

- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)

- (a) ☒ Securities described in Part 1

NOTE - only the fully paid ordinary shares should be quoted.

- (b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

⁺ See chapter 19 for defined terms.

38	Number of securities for which +quotation is sought	N/A	
39	Class of +securities for which quotation is sought		
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 		
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>		
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number	+Class

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.

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- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 29 January 2013
(~~Director~~/Company secretary)

Print name: SUSAN HUNTER

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	N/A
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	N/A
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	N/A
“A”	N/A

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	N/A
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	N/A
“C”	N/A
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	N/A
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	N/A
Total [“A” x 0.15] – “C”	N/A <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	N/A
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	N/A
“E”	N/A

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	N/A
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	N/A
Total [“A” x 0.10] – “E”	N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i>