

ATLAS

PEARLS AND PERFUMES

ABN 32 009 220 053

NOTICE OF ANNUAL GENERAL MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

Date of Meeting: Tuesday, 25 November 2014

Time of Meeting: 4.00 pm (AWST)

Place of Meeting: Atlas Pearls and Perfumes
47 - 49 Bay View Terrace
Claremont, Western Australia

What action you need to take

1. Read the meeting documents

- 1.1 The following meeting documents set out important details of the resolutions that will be put to Shareholders at the Annual General Meeting of Atlas Pearls and Perfumes Ltd.
- 1.2 You should read **all of** the documents carefully.

2. Consider how you will vote

- 2.1 Your vote is important.
- 2.2 If you are in doubt as to how you should vote, you should seek independent advice from your accountant, solicitor or other professional advisor prior to voting.

3. Entitlement to Vote

- 3.1 In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), 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 4.00pm (AWST) on Sunday, 23 November 2014.
- 3.2 Persons entitled to vote at the Annual General Meeting may vote by attending the Meeting in person, by proxy, or by an authorised representative.

4. Voting in Person

To vote in person, attend the Meeting at the time, on the date and at the place specified in this Notice of Meeting. Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that the Company may check their shareholdings against the Company's Register of Shareholders and note attendances.

5. Voting by Proxy

Appointment of a proxy

- 5.1 Each Shareholder is entitled to appoint a proxy. Details on how to vote by proxy are set out below and in the accompanying Proxy Form.
- 5.2 Proxy Forms must be received by the Company before 4.00pm (AWST) on Sunday, 23 November 2014. Proxy Forms received later than this time will be invalid.
- 5.3 A Proxy Form is attached to this Notice of Meeting and to be effective must be lodged with the Company:
 - (a) at 47 - 49 Bayview Terrace, Claremont, WA 6010, Australia;
 - (b) by post to PO Box 1048, Claremont, WA 6910, Australia; or
 - (c) by facsimile on +61 8 9284 3031; or
 - (d) by email to atlas@atlaspearlsandperfumes.com.au.

How the Chairman of the Meeting will vote undirected proxies

- 5.4 The Chairman will vote undirected proxies in favour of all Resolutions, Shareholders should refer to the information immediately below.

Important information concerning proxy votes for Resolution 2

- 5.5 The Corporations Act now places certain restrictions on the ability of Key Management Personnel and their Closely Related Parties to vote on the advisory resolution to adopt the Remuneration Report and resolutions connected directly or indirectly with the remuneration of the Key Management Personnel. In summary, Key Management Personnel are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Key Management Personnel for the financial year ended 30 June 2014. Their Closely Related Parties are defined in the Corporations Act as set out in the Glossary, and include certain of their family members, dependants and companies they control.
- 5.6 The restrictions placed on Key Management Personnel and their Closely Related Parties are set out in the Notice of Meeting in the section entitled "Voting Prohibitions".
- 5.7 For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions.
- 5.8 In particular, Shareholders who intend to appoint the Chairman as their proxy (including an appointment by default) are encouraged to direct the Chairman as to how to vote on all Resolutions by marking either the 'for', 'against' or 'abstain' box in the Proxy Form.
- 5.9 If you do appoint the Chairman as your proxy but you do not direct the Chairman how to vote in respect of Resolution 2, the express authorisation contained in your proxy form directs and authorises the Chairman to vote your proxy in favour of Resolution 2. The express authorisation contained in your Proxy Form acknowledges that the Chairman may vote in favour of Resolution 2, even though it is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

6 Corporate Representatives

- 6.1 Any body corporate wishing to appoint a person to act as its representative at the Annual General Meeting may do so by providing that person with the certificate of appointment executed in accordance with section 250D of the Corporations Act, or 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.
- 6.2 The certificate of appointment must be lodged with the Company by no later than 4.00 pm (AWST) on 23 November 2014 or at the registration desk on the day of the Meeting.
- 6.3 Certificates of appointment of corporate representatives are available at www.computershare.com or on request by calling Computershare Investor Services on 1300 557 010 (within Australia) or +61 3 9415 4000 (outside Australia).

7 Key Dates

Event	Date
Date and time for determining eligibility to vote	Sunday, 23 November 2014 on 4.00pm (AWST).
Deadline for lodgement of Proxy Forms	Sunday, 23 November 2014 on 4.00pm (AWST).
Date of Annual General Meeting	Tuesday, 25 November 2014 at 4.00pm (AWST).

8 Queries

If you have any queries about any matters contained in these meeting documents, please call the Company Secretaries, Stephen Gleeson and Susan Hunter, on +61 8 9284 4249.

ATLAS PEARLS AND PERFUMES LTD

ABN 32 009 220 053

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Atlas Pearls and Perfumes Ltd (“Atlas Pearls and Perfumes” or “the Company”) Annual General Meeting of Shareholders will be held at Atlas Pearls and Perfumes, 47 - 49 Bay View Terrace, Claremont, Western Australia on Tuesday, 25 November 2014 commencing at 4.00 pm (AWST).

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on the below matters to be considered at the Annual General Meeting and forms part of this Notice of Meeting. Terms and abbreviations used in this Notice of Meeting are defined in the Glossary contained in the Explanatory Memorandum.

ORDINARY BUSINESS

Annual Accounts and Reports

To receive and consider the Company’s financial report, the Directors’ report and the Auditor’s report for the financial year ended 30 June 2014.

Resolution 1 – Election of Director – Stephen Arrow

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

“That, Mr Stephen Arrow, who retires by rotation in accordance with section 10.3.(a) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for election, be elected as a Director.”

Resolution 2 – 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 purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the financial year ended 30 June 2014.”

VOTING PROHIBITIONS

Under the Corporations Act, the following people are prohibited from voting on Resolution 2:

Resolution	Persons prohibited from voting
Resolution 2 – Adoption of Remuneration Report	<p>A vote must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person described above may cast a vote on Resolution 2 if the vote is not cast on behalf of a person described in the paragraphs (a) or (b) above and the person:</p> <ul style="list-style-type: none">(c) does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 2; or(d) is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on Resolution 2 and expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

MAJORITY REQUIRED FOR RESOLUTIONS TO BE PASSED

All Resolutions will be passed if at least 50% of the votes on that Resolution (either in person, by proxy or by authorised representative) are in favour of that Resolution.

By order of the Board



Susan Hunter
Joint Company Secretary
24 October 2014

ATLAS PEARLS AND PERFUMES LTD

ABN 32 009 220 053

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the Resolutions proposed for the Annual General Meeting of the Company to be held at Atlas Pearls and Perfumes, 47-49 Bay View Terrace, Claremont, Western Australia at 4.00pm (AWST) on Tuesday, 25 November 2014.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions. Terms and abbreviations used in this Explanatory Memorandum are defined in the Glossary.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Company's financial report for the financial year ended 30 June 2014, together with the Directors' report and the Auditor's report. Those reports are available in the 2014 Annual Report on the Company's website at www.atlaspearlsandperfumes.com.au.

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 in respect of the above reports.

In addition, Shareholders are able to submit questions to the Company for the Auditor prior to the Meeting provided the questions relate to the content of the Auditor's report or the conduct of the audit in relation to the financial report. All questions must be sent to the Company at its registered office at 47-49 Bayview Terrace, Claremont, WA 6010, so that they are received by the Company by no later than 9.00am (AWST) on Monday, 24 November 2014. The Company will then forward all questions to the Auditor.

A representative of the Auditor will be present at the Meeting and Shareholders will have the opportunity to ask the Auditor questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies and the independence of the Auditor.

2. RESOLUTION 1 – ELECTION OF DIRECTOR STEPHEN ARROW

2.1 Background

Mr Stephen Arrow was appointed by the Board as a Non-Executive Director effective on 1 January 2014.

Pursuant to rule 10.3(a) of the Company's Constitution and Listing Rule 14.4, Mr Arrow is required to retire at the Annual General Meeting and, being eligible for election, offers himself for election as a Director.

Mr Arrow has been involved in the pearling industry in Western Australia and the Northern Territory since 1980 and is Managing Director and owner of Arrow Pearl Co Pty Ltd. Mr Arrow brings to the Board extensive pearling experience from many regions of the world as well as contacts within the industry.

Mr Arrow previously served on the Board of Atlas Pearls and Perfumes from 29 June 1999 until 28 May 2008.

The Board unanimously supports the election of Mr Arrow.

3. RESOLUTION 2 – ADOPTION OF REMUNERATION REPORT

The Company's Annual Report for the financial year ending 30 June 2014 contains the Remuneration 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 group; and
2. sets out the remuneration details of each Director and for each member of the Company's senior executive management team named in the Remuneration Report for the financial year ended 30 June 2014.

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chairman will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the Meeting.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") on whether the Board should be put up for re-election. A Spill Resolution will not be required at this Annual General Meeting as the votes against the Remuneration Report at the Company's 2013 annual general meeting were less than 25%.

Please note that a copy of the Annual Report is available by contacting the Company Secretaries by telephone on +61 (8) 9284 4249 or by facsimile on +61 (8) 9284 3031, or from the Company's website at www.atlaspearlsandperfumes.com.au.

4. GLOSSARY

Annual Report	means the Company's annual report for the year ended 30 June 2014.
Annual General Meeting or Meeting	means the annual general meeting of Shareholders to be held at Atlas Pearls and Perfumes, 47-49 Bay View Terrace, Claremont, WA 6010 at 4.00pm on 25 November 2014.
Associate	has the meaning set out in sections 11 to 17 of the Corporations Act, except that a reference to "Associate" in relation to a Listing Rule has the meaning given to it in Listing Rule 14.11.
ASX	means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.
Atlas or Atlas Pearls and Perfumes	means Atlas Pearls and Perfumes Ltd (ABN 32 009 220 053).
AWST	means Australian Western Standard Time.
Auditor	means BDO Audit (WA) Pty Ltd.
Board	means the board of Directors of the Company.
Chairman	means the chair of the Annual General Meeting.
Closely Related Party	of a member of the Key Management Personnel means: <ol style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependant of the member or of the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's

	dealings with the Company; or
	(e) a company the member controls.
Company	means Atlas Pearls and Perfumes Ltd (ABN 32 009 220 053).
Constitution	means the Company's constitution.
Corporations Act	means the Corporations Act 2001 (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	has the same meaning as in Australian accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Directors.
Listing Rules	means the listing rules of the ASX.
Notice of Meeting or Notice	means the notice of Annual General Meeting accompanying this Explanatory Memorandum.
Proxy Form	means the proxy form enclosed with the Notice of Meeting.
Register of Shareholders	means the register of Shareholders of the Company.
Related Party	means a party so defined by section 228 of the Corporations Act.
Remuneration Report	means the remuneration report as contained in the Annual Report.
Resolution	means a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Meeting.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a person, corporation or body holding a Share on the Register of Shareholders.

ATLAS PEARLS AND PERFUMES LTD
ABN 32 009 220 053
PROXY FORM - ANNUAL GENERAL MEETING
APPOINTMENT OF PROXY

«NAME1»
«ADDRESS 1»
«ADDRESS 2»
«ADDRESS 3»
«ADDRESS 4»
«ADDRESS 5»

HIN/SRN - «NUMBER»

Appointment of Proxy

I/We being a member/s of Atlas Pearls and Perfumes Ltd and entitled to attend and vote hereby appoint

the Chairman of
the Meeting
(mark with an
'X')

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting, or the Chairman's nominee, as my/our proxy and 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 4.00pm (AWST) on 25 November 2014 at Atlas Pearls and Perfumes, 47-49 Bay View Terrace, Claremont, Western Australia and at any postponement or adjournment thereof.

The Chairman of the Meeting intends to vote undirected proxies **in favour** of each of the items of business.

I/We acknowledge that Resolution 2 relates to the remuneration of Key Management Personnel, and that the Chairman intends to vote any undirected proxies in favour of this Resolution. I/We expressly authorise the Chairman to exercise my/our proxy even though Resolution 2 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Voting directions to your proxy – please mark to indicate your directions

	FOR	AGAINST	ABSTAIN
Resolution 1 – Election of Director – Stephen Arrow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE NOTE: If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Signed this day of 2014

Authorised signature(s) This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

**INDIVIDUAL/SECURITY
HOLDER 1**
Individual/Sole Director and
Sole Company Secretary

SECURITY HOLDER 2
Director

SECURITY HOLDER 3
Director/Company Secretary

Contact Details

Contact Email address

Contact Telephone Number

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ATLAS PEARLS AND PERFUMES 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 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. If a second Proxy Form is required, the Shareholder should contact the Company or alternatively copy the first blank Proxy Form.
 2. A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Please refer to the Proxy Form for further instructions on how to vote. If more than one box is marked on an item the vote will be invalid on that item.
 3. 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.
 4. 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 or a certified copy of it must be lodged in like manner as this Proxy Form.
 5. 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(1) of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - (a) 2 directors of the company;
 - (b) a director and a company secretary of the company; or
 - (c) 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 signs the document or 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.
6. 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.
 7. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) delivery to the Company at 47 - 49 Bayview Terrace, Claremont, WA 6010;
 - (b) post to the Company at PO Box 1048, Claremont, WA 6910; or
 - (c) facsimile to the Company on +61 (08) 9284 3031; or
 - (d) emailing it to the Company at atlas@atlaspearlsandperfumes.com.au

so that it is received not later than 4.00pm (AWST) on Sunday, 23 November 2014.

Proxy forms received later than this time will be invalid.