

ATLAS

PEARLS AND PERFUMES

16 March 2015

Dear Optionholder

Entitlement Offer – Notice to Optionholders

On 16 March 2015, Atlas Pearls and Perfumes Ltd (**Company**) announced a fully underwritten non-renounceable pro-rata entitlement offer to existing eligible shareholders to raise approximately \$3.1 million (**Entitlement Offer**). The Entitlement Offer will be offered to eligible shareholders on the basis of 1 new fully paid ordinary share (**New Shares**) for every 5 ordinary shares held by eligible shareholders as at 5.00pm (AWST) on the record date on 23 March 2015 (**Record Date**) at \$0.045 per New Share.

Funds raised from the Entitlement Offer will be used primarily to repay existing bringing finance arrangements and meet working capital requirements as and when they fall due.

Details of the Entitlement Offer	The Entitlement Offer entitles eligible shareholders to subscribe for 1 New Share for every 5 ordinary shares held by Eligible Shareholders at \$0.045 per New Share. Further details of the Entitlement Offer are contained in the Company's ASX announcement on 16 March 2015 and in the Prospectus to be lodged with ASIC and the ASX on 16 March 2015, which will be made available at www.asx.com.au .
Can you participate as an Optionholder?	As an Optionholder you are not entitled to participate in the Entitlement Offer.
What if you want to participate in the Entitlement Offer?	For you to participate in the Entitlement Offer, you must exercise any options (subject to the terms of the options) and be registered as an eligible shareholder before 5.00pm (AWST) on 23 March 2015. You should carefully consider your personal circumstances and the Prospectus before deciding whether to exercise your options. If you are unsure what action you should take or have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser. Specifically, you will need to consider the terms of any restriction agreements that relate to your options and how they impact your rights.
What will happen if you don't exercise your options?	If you do not want to exercise your options and participate in the Entitlement Offer, then you can continue to hold the options in accordance with their terms.

Further details of the Entitlement Offer are set out in the announcement released on 16 March 2015 and in the Prospectus to be lodged with ASIC and the ASX on 16 March 2015, which will be made available at www.asx.com.au or from the Company's website, www.atlaspearlsandperfumes.com.au, for information purposes only.

Yours faithfully



Geoffrey Newman
Non-executive Chairman