

# ATLAS

PEARLS AND PERFUMES

ABN 32 009 220 053

## NOTICE OF ANNUAL GENERAL MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

**Date of Meeting:** Thursday, 26 November 2015

**Time of Meeting:** 2.00 pm (WST)

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

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 9284 4249.

**ATLAS PEARLS AND PERFUMES LTD**  
ABN 32 009 220 053  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of the Shareholders of Atlas Pearls and Perfumes Ltd (“Atlas Pearls and Perfumes” or “the Company”) will be held as follows:

**TIME:** 2.00pm (WST)

**DATE:** Thursday, 26 November 2015

**LOCATION:** Atlas Pearls and Perfumes, 47 - 49 Bay View Terrace, Claremont, Western Australia

**This Notice of Annual General Meeting should be read in its entirety.  
If Shareholders are in doubt as to how they should vote, they should seek advice from their  
professional advisers without delay.**

**If you wish to discuss any aspects of this document with the Company, please contact  
the Company Secretary on +61 8 9284 4249.**

Words and phrases used in the Resolutions are defined in Section 7 of the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of Annual General Meeting as defined in the Explanatory Statement.

**AGENDA**

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**ORDINARY BUSINESS**

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**Financial Statements and Reports**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2015 including the declaration of the Directors, the Directors’ report, the Remuneration Report and the Auditor’s report.

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**Resolution 1 – 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 purpose of section 250R(2) of the Corporations Act, approval is given for the adoption of the Remuneration Report as contained in the Company’s annual financial report for the financial year ended 30 June 2015.”**

*Note: Pursuant to section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.*

**Voting Exclusion Statement**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (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.

However, a person described above may vote on this Resolution if:

- (c) the person is acting as proxy and the proxy form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described in sub-paragraphs (a) or (b) above; or
- (d) the person is the chair of the Annual General Meeting voting an undirected proxy which expressly authorises the chair to vote the proxy on a resolution connected with the remuneration of a member of Key Management Personnel.

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#### **Resolution 2 – Re-election of Director – Mr Geoffrey Newman**

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

**“That, Mr Geoffrey Newman, who retires by rotation in accordance with section 10.7(a) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for election, be re-elected as a Director.”**

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#### **Resolution 3 – Re-election of Director – Mr Timothy Martin**

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

**“That, Mr Timothy Martin, who retires by rotation in accordance with section 10.7(a) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for election, be re-elected as a Director.”**

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#### **Resolution 4 – Adoption of Incentive Option Scheme**

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

**“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled “Atlas Pearls and Perfumes Ltd Incentive Option Scheme” and for the issue of securities under that Scheme, on the terms and conditions set out in the Explanatory Statement.”**

#### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- a) the proxy is the Chair; and
- b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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## Resolution 5 – Adoption of Employee Salary Sacrifice Share Plan

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

**“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled “Atlas Pearls and Perfumes Limited Employee Salary Sacrifice Share Plan” and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”**

### **Voting Exclusion Statement**

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- a) the proxy is the Chair; and
- b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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Dated this 22 October 2015

By order of the Board



Susan Hunter  
Company Secretary

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## **IMPORTANT INFORMATION**

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### **EXPLANATORY STATEMENT**

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of Annual General Meeting for further explanation of the Resolutions.

### **PROXIES**

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- delivery to Atlas Pearls and Perfumes at 47 - 49 Bayview Terrace, Claremont, WA 6010; or
- post to Atlas Pearls and Perfumes at PO Box 1048, Claremont, WA 6910; or
- facsimile to the Company on +61 8 9284 3031; or
- emailing it to the Company at [atlas@atlaspearlsandperfumes.com.au](mailto:atlas@atlaspearlsandperfumes.com.au)

To be effective, a Proxy Form and, if the Proxy Form is signed by the shareholder's attorney, the authority under which the appointment is signed (or a certified copy of that authority) must be received by the Company not later than 48 hours before the time specified for the commencement of the Annual General Meeting.

### **CORPORATE REPRESENTATIVES**

A body corporate that is a Shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

### **DATE FOR DETERMINING HOLDERS OF SHARES**

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the Annual General Meeting. For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding at 2.00pm (WST) on 24 November 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

# ATLAS PEARLS AND PERFUMES LTD

ABN 32 009 220 053

## EXPLANATORY STATEMENT

This Explanatory Statement 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 2.00pm (WST) on Thursday, 26 November 2015.

The purpose of this Explanatory Statement 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 Statement 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 2015, together with the Directors' report and the Auditor's report. Those reports are available in the 2015 Annual Report on the Company's website at [www.atlaspearlsandperfumes.com.au](http://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.

A representative of the Company's 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 – ADOPTION OF REMUNERATION REPORT

The Company's Annual Report for the financial year ending 30 June 2015 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 2015.

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 2014 annual general meeting were less than 25%.

Please note that a copy of the Annual Report is available by contacting the Company 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](http://www.atlaspearlsandperfumes.com.au).

### **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR GEOFFREY NEWMAN**

Clause 10.7(a) of the Constitution requires that no Director (other than a managing Director) may retain office (without re-election) for more than 3 years or past the third annual general meeting following the Director's appointment, whichever is the longer. Mr Newman was last re-elected a Director of the Company at the 2012 annual general meeting. In accordance with clause 10.7(a) of the Constitution and ASX Listing Rule 14.4, Mr Newman is required to retire and being eligible for election, offers himself for re-election.

Mr Newman was appointed to the Board as a Non-Executive Director on 15 October 2010 and was appointed Chairman of the Board on 16 February 2015. He is Chair of the Audit and Risk Committee and the Remuneration and Nomination Committee. Details on Mr Newman's qualifications and experience are included below:

**Geoffrey Newman B.Ec (Hons), M.B.A, F.C.P.A ,F.A.I.C.D.**

Mr Newman has over 26 years' experience in finance, marketing and general management roles in organisations either directly involved in the resources sector or providing services and products to businesses in that sector.

In 1995, after managing Bunnings Pulpwood operations for a number of years, he joined Coogee Chemicals Pty Ltd as Commercial Manager and then was appointed to the Board as Finance Director in the following year. Until August 2005 he was Finance Director/CFO and Company Secretary of both Coogee Chemicals and its oil and gas subsidiary Coogee Resources Ltd before he retired from the Coogee group of companies at the end of June 2006.

The Board unanimously supports the re-election of Mr Newman.

### **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR TIMOTHY MARTIN**

Clause 10.7(a) of the Constitution requires that no Director (other than a managing Director) may retain office (without re-election) for more than 3 years or past the third annual general meeting following the Director's appointment, whichever is the longer. Mr Martin was last re-elected a Director of the Company at the 2012 annual general meeting. In accordance with clause 10.7(a) of the Constitution and ASX Listing Rule 14.4, Mr Martin is required to retire and being eligible for election, offers himself for re-election.

Mr Martin was appointed to the Board as a Non-Executive Director on 4 February 2013. He is a member of the Remuneration and Nomination Committee. Details on Mr Martin's qualifications and experience are included below:

**Timothy Martin B.Arts, M.B.A, G.A.I.C.D.**

Mr Martin has been an Executive Manager at Coogee Chemicals Pty Ltd since 2005, held the position of Managing Director from 2012 – 2015 and was appointed Executive Chairman in July 2015.

Prior to working at Coogee Chemicals Pty Ltd, Mr Martin worked in management roles within the packaged food manufacturing sector, supplying to national supermarket chains, and has ongoing interests in commercial property development.

He is also a director on the board of the Australian Plastics and Chemicals Industry Association (PACIA).

The Board unanimously supports the re-election of Mr Martin.

### **5. RESOLUTION 4 – APPROVAL OF INCENTIVE OPTION SCHEME**

Resolution 4 seeks Shareholders approval for the adoption of the employee incentive scheme titled "Atlas Pearls and Perfumes Ltd Incentive Option Scheme" ("Scheme") in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Options under the Scheme to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that no Options have previously been issued under the Scheme.

The objective of the Scheme is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Scheme and the future issue of Options under the Scheme will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Options under the Scheme to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Scheme is set out in Schedule 1. In addition, a copy of the Scheme is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Scheme can also be sent to Shareholders upon request to the Company Secretary via telephone on +61 8 9284 4249.

## **6. RESOLUTION 5 – APPROVAL OF EMPLOYEE SALARY SACRIFICE SHARE PLAN**

Resolution 5 seeks Shareholders approval for the adoption of the employee incentive scheme titled "Atlas Pearls and Perfumes Limited Employee Salary Sacrifice Share Plan" ("Plan") in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.2 (Exception 9(b)) is set out in Section 5 above.

If Resolution 5 is passed, the Company will be able to issue Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Since the Plan was last approved by Shareholders on 30 May 2012, a total of 14,794,058 Shares have been issued under the Plan.

Under the Plan, in recognition of their contribution to the Company or an associated body corporate, the Board may offer eligible employees the opportunity to subscribe for Shares, which will be paid for by the eligible employee through salary sacrifice.

The objective of the Plan is to align the interests of employees with the interests of Shareholders, by linking employee remuneration to the long term success of the Company and its financial performance. The Plan has been developed as a means of:

1. attracting and retaining key employees;
2. rewarding existing employees for their on-going service;
3. driving long term performance for Shareholders; and
4. fostering a culture of employee Share ownership.

Any future issues of Shares under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary via telephone on +61 8 9284 4249.



## 7. GLOSSARY

<b>Annual Report</b>	means the Company's annual report for the year ended 30 June 2015.
<b>Annual General Meeting or Meeting</b>	means the annual general meeting of Shareholders to be held at Atlas Pearls and Perfumes, 47-49 Bay View Terrace, Claremont, WA 6010 at 2.00pm on 26 November 2015.
<b>Associate</b>	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.
<b>ASX</b>	means ASX Limited (ABN 98 008 624 691), or as the context requires, the financial market operated by it.
<b>Atlas or Atlas Pearls and Perfumes</b>	means Atlas Pearls and Perfumes Ltd (ABN 32 009 220 053).
<b>Auditor</b>	means BDO Audit (WA) Pty Ltd.
<b>Board</b>	means the board of Directors of the Company.
<b>Chair or Chairman</b>	means the chair of the Annual General Meeting.
<b>Closely Related Party</b>	of a member of the Key Management Personnel means: <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of the member's spouse;</li><li>(c) a dependant of the member or of the member's spouse;</li><li>(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</li><li>(e) a company the member controls.</li></ul>
<b>Company</b>	means Atlas Pearls and Perfumes Ltd (ABN 32 009 220 053).
<b>Constitution</b>	means the Company's constitution.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Director</b>	means a director of the Company.
<b>Explanatory Statement</b>	means this explanatory statement attached to the Notice of Annual General Meeting.
<b>Key Management Personnel</b>	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.
<b>Listing Rules</b>	means the listing rules of the ASX.
<b>Notice or Notice of Annual General Meeting</b>	means the notice of Annual General Meeting accompanying this Explanatory Statement.
<b>Option</b>	means an option to acquire a Share.
<b>Optionholder</b>	means a holder of an Option.
<b>Plan</b>	means the Atlas Pearls and Perfumes Limited Employee Salary Sacrifice Share Plan set out in Section 6. The key terms and conditions of the Plan are provided in Schedule 2 of this Notice.

<b>Proxy Form</b>	means the proxy form enclosed with the Notice of Annual General Meeting.
<b>Register of Shareholders</b>	means the register of Shareholders of the Company.
<b>Related Party</b>	means a party so defined by section 228 of the Corporations Act.
<b>Remuneration Report</b>	means the remuneration report as contained in the Annual Report.
<b>Resolution</b>	means a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Annual General Meeting.
<b>Scheme</b>	means the Atlas Pearls and Perfumes Ltd Incentive Option Scheme set out in Section 5. The key terms and conditions of the Scheme are provided in Schedule 1 of this Notice.
<b>Section</b>	means a section of the Explanatory Statement.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a person, corporation or body holding a Share on the register of shareholders.
<b>WST</b>	means Western Standard Time as observed in Perth, Western Australia.

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## SCHEDULE 1 – SUMMARY OF INCENTIVE OPTION SCHEME

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The material terms and conditions of the Atlas Pearls and Perfumes Ltd Incentive Option Scheme (**Scheme**) are summarised below:

- (a) **Eligibility and Grant of Options:** The Board may grant Options to any Director, full or part time employee, or casual employee or contractor who falls within ASIC Class Order 14/1000, of the Company or an associated body corporate (**Eligible Participant**). The Board may also offer Options to a prospective Eligible Participant provided the offer can only be accepted if they become an Eligible Participant. Options may be granted by the Board at any time.
- (b) **Renounceability:** Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each Participants).
- (c) **Consideration:** Unless the Options are quoted on the ASX, Options granted under the Scheme will be granted for no more than nominal cash consideration.
- (d) **Conversion:** Each Option is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.
- (e) **Exercise Price and Expiry Date:** The exercise price and expiry date for Options granted under the Scheme will be determined by the Board prior to the grant of the Options.
- (f) **Exercise Restrictions:** The Options granted under the Scheme may be subject to conditions on exercise as determined by the Board prior to grant of the Options (**Exercise Conditions**). Any restrictions imposed by the Board must be set out in the offer for the Options.
- (g) **Lapsing of Options:** An unexercised Option will lapse:
  - (i) on the Eligible Participant ceasing employment with the Company and:
    - (A) any Exercise Conditions have not been met by the date the Eligible Participant ceases to be an Eligible Participant (**Ceasing Date**); or
    - (B) where any Exercise Conditions have been met by the Ceasing Date or the Option is not subject to any Exercise Conditions, the Participant does not exercise the Option within a period of three (3) months after the Ceasing Date (or a further date as determined by the Board after the Ceasing Date);
  - (ii) if any Exercise Condition is unable to be met; or
  - (iii) on its expiry date.
- (h) **Disposal of Options:** Options will not be transferable except to the extent the Scheme or any offer provides otherwise.
- (i) **Quotation of Options:** Options will not be quoted on the ASX, except to the extent provided for by the Scheme or unless an offer provides otherwise.
- (j) **Trigger Events:** The Board may permit Options to be exercised or transferred in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (k) **Disposal of Shares:** The Board may, in its discretion, determine that a restriction period will apply to some or all of the Shares issued on exercise of Options, up to a maximum of fifteen (15) years from the date of grant of the Options.
- (l) **Participation in Rights Issues and Bonus Issues:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

- (m) **Change in exercise price:** An Option will not confer a right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (n) **Reorganisation:** If at any time the capital of the Company is reorganised, the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **Limitations on Offers:** The Company must have reasonable grounds to believe, when making an offer of Options, that the number of Shares to be received on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

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## SCHEDULE 2 – SUMMARY OF EMPLOYEE SALARY SACRIFICE SHARE PLAN

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The material terms and conditions of the Atlas Pearls and Perfumes Ltd Salary Sacrifice Share Plan (**Plan**) are summarised below:

- (a) **Eligibility and invitations to acquire Shares:** The Board may make an invitation to participate in the Plan to any Director, full or part time employee, or casual employee or contractor who falls within ASIC Class Order 14/1000, of the Company or an associated body corporate (**Eligible Participant**). The Board may also make an invitation to a prospective Eligible Participant provided the invitation can only be accepted if they become an Eligible Participant. Invitations may be made by the Company at any time
- (b) **Renounceability:** Eligible Participants may renounce their offer in favour of a nominee (the Eligible Participants and their nominees are each **Participants**).
- (c) **Lapse of invitation:** To the extent an invitation to participate in the Plan is not accepted, the invitation will lapse on the date following the application date specified in the invitation, unless the Board determines otherwise.
- (d) **Salary Sacrifice:** The Board may determine:
  - (i) the terms and conditions of the salary sacrifice arrangement for which Shares are offered in lieu of remuneration; and
  - (ii) the amount of remuneration which may be salary sacrificed by each Eligible Participant, but that amount may not exceed \$50,000 in any Australian income tax year under the Plan or any other incentive scheme.
- (e) **Frequency of salary sacrifice contributions:** Each Participant must, at the discretion of the Board, elect to make their salary sacrifice contributions by way of:
  - (i) regular deductions from the Participant's remuneration during the relevant year; or
  - (ii) a lump sum deduction from the Participant's remuneration in the first payroll period during the relevant year.
- (f) **Trust:** Shares issued, transferred or allocated under the Plan will be held on trust by a trustee on behalf of a Participant in accordance with the terms of a trust deed. A separate account will be opened and maintained by the trustee in respect of each Participant.
- (g) **Number of Shares acquired:** Where an invitation is made:
  - (i) the number of Shares to be issued, transferred or allocated to the trustee to be held on behalf of a Participant (**Participant Shares**) will be the dollar amount of the salary sacrifice divided by the issue price per Share as provided for in the invitation; and
  - (ii) such invitation will be conditional on the Company and the Participant entering into an agreement setting out the terms and conditions of the salary sacrifice arrangement.

- (h) **Issue, transfer or allocate:** Subject to the Plan, except as otherwise provided in an invitation, as soon as practicable after an application has been accepted and the relevant Participant's salary sacrifice contributions have been deducted from that Participant's remuneration the Board will instruct the trustee to subscribe for, acquire and/or allocate the number of Shares applied for by the Participant pursuant to the application, and the trustee will hold those Shares on behalf of that Participant in accordance with the terms of the trust deed. The Board may, in its absolute discretion, instruct the trustee to either subscribe for new Shares or acquire Shares on market to be held on a Participant's behalf, or instruct the trustee to use a combination of both alternatives.
- (i) **Ranking and quotation of Shares:** All Shares will be issued on the same terms and conditions as the Company's issued Shares and will rank equally with all other issued Shares. If Shares of the same class as those issued to a Participant are quoted on the ASX, the Company will apply to the ASX as required by the ASX Listing Rules for those Shares to be quoted.
- (j) **Restriction on dealing:** Except as provided in the Plan or an invitation, a Participant may not dispose of, deal in, or grant a security interest over, any interest in a Participant Share until the earlier of:
- (i) the end of any applicable blackout period in which the Participant is prohibited from trading in the Company's securities by the Company's written policies (**Restriction Period**); and
  - (ii) the end of any other period determined by the Board in accordance with relevant law.
- (k) **Withdrawal and transfer of Shares to Participants:** Any Shares held by the trustee in the trust for the benefit of a Participant pursuant to the Plan, will remain held in the trust, unless and until the relevant Participant submits to the Company a withdrawal notice (which may only be submitted in respect of Shares which are not restricted Shares in accordance with paragraph (i)), the Board approves that withdrawal notice and the trustee transfers the legal title in those Shares, or sells those Shares, in accordance with the direction of the Participant. The Board may approve the withdrawal from the trust of all or a specified number of Shares held by the trustee on behalf of a Participant if any of the following applies:
- (i) the Participant has submitted a withdrawal notice to the Company in respect of the relevant number of Shares;
  - (ii) the Participant ceases to be an Eligible Participant (in which case the Participant will be deemed to have submitted a withdrawal notice in respect of all of the Shares held by the trustee on behalf of that Participant and to have directed the trustee to transfer the legal title in those Shares to the Participant); or
  - (iii) the 7 year anniversary of the date of grant of the Shares has been reached (in which case, the Participant will be deemed to have submitted a withdrawal notice in respect of all of the Shares held by the trustee on behalf of that Participant and to have directed the trustee to transfer the legal title in those Shares to the Participant).
- (l) **Dividends:** Where the trustee holds Shares on behalf of a Participant, the dividends payable on those Shares will be paid by the Company to the trustee, and the trustee will pay any such dividends to the Participant as soon as reasonably practicable after those dividends are paid by the Company to the trustee.

- (m) **Voting rights:** Where the trustee holds Shares on behalf of a Participant, a Participant may direct the trustee as to how to exercise the voting rights attaching to those Shares by way of proxy. In the absence of any such direction, the trustee must not exercise the voting rights attaching to the Shares held on behalf of the Participant by the trustee.
- (n) **Trigger Events:** The Board may, in its absolute discretion and subject to conditions, waive a Restriction Period in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.
- (o) **Limit on number of Plan Shares:** The Company must have reasonable grounds to believe, when making an invitation, that the number of Shares to be received under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of invitation made in reliance on ASIC Class Order 14/1000 at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the invitation.

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

Name: \_\_\_\_\_

Address: \_\_\_\_\_

SRN / HIN: \_\_\_\_\_

**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 2.00pm (WST) on 26 November 2015 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 Resolutions 1, 4 and 5 relate to the remuneration of Key Management Personnel, and that the Chairman intends to vote any undirected proxies in favour of these Resolutions. I/We expressly authorise the Chairman to exercise my/our proxy even though Resolutions 1, 4 and 5 are 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 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Geoffrey Newman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Timothy Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Adoption of Incentive Option Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Adoption of Employee Salary Sacrifice Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*\*If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.*

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

**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**



## Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) deliver to the Company at 47 - 49 Bayview Terrace, Claremont, WA 6010; or
  - (b) post to Atlas Pearls And Perfumes Ltd, PO Box 1048, Claremont, WA 6910; or
  - (c) facsimile to the Company on facsimile number +61 8 9284 3031; or
  - (d) email to the Company at atlas@atlaspearlsandperfumes.com.au.

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**