

# Pearl Global Limited

ACN 118 710 508

## Prospectus

For the offer of one free New Option for every two Shares subscribed for by an SPP Participant under the SPP.

**Important information:** *This Prospectus provides important information to assist prospective investors to decide whether or not to invest in the Company. It should be read in its entirety. If you do not understand it, you should consult your professional advisers.*

**THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED SPECULATIVE.**

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## Corporate directory

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### Directors

**Gary Foster**  
Executive Chairman

**Andrew Drennan**  
Managing Director

**Victor Turco**  
Non-Executive Director

**Michael Barrett**  
Non-Executive Director

### Company's Registered Office

16 Gympie Way  
Willetton WA 6155  
Australia

ASX Codes: PG1 (ordinary shares)  
PG1OB (listed \$0.30 options  
expiring 24 January 2021)

Tel: +61 8 9431 9888

Fax: +61 8 9431 9800

Web: <https://pearl-global.com.au/>

### Company Secretary

Phillip MacLeod

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 2  
45 St Georges Terrace  
Perth WA 6000  
Australia

Tel: 1300 850 505

Web: [www.investorcentre.com/contact](http://www.investorcentre.com/contact)

### Solicitors

Lavan  
Level 20, The Quadrant  
1 William Street  
PERTH WA 6000  
Australia

### Auditors\*

Grant Thornton Audit Pty Ltd  
Level 43, Central Park  
152-158 St Georges Terrace  
Perth WA 6000  
Australia

*\*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.*

## Indicative timetable

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SPP Record Date	5:00pm (AEST) on 19 February 2019
Lodge Prospectus with ASIC and ASX	15 March 2019
Despatch Prospectus and SPP Offer Document	20 March 2019
Opening Date of Offer	20 March 2019
Closing Date of Offer*	9 April 2019

**\*Note:** The Company reserves the right to bring forward or extend the Closing Date at any time after the Opening Date without notice.

## Important notices

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This Prospectus is dated 15 March 2019. A copy of the Prospectus was lodged with ASIC on that date. ASIC takes no responsibility for the content of this Prospectus.

No New Options will be issued on the basis of this Prospectus later than 13 months after the date of the Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus or the Offer, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus or the Offer. No document or information included on our website is incorporated by reference into this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as a prospectus for an initial public offering. In making statements in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and their professional advisers.

This Prospectus does not constitute an offer in any place in which, or to persons to whom, it would not be lawful to make an offer. Distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This document may not be distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act of 1933 and applicable US state securities law.

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.

Applications for New Options offered pursuant to this Prospectus can only be made on an original Application Form.

Before deciding to invest in the Company prospective investors should read entirely this Prospectus and, in particular the risk factors set out in Section 4. They should carefully consider these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding to invest.

Any investment in New Options should be regarded as speculative.

Please read the privacy information located in Section 5.8. By submitting an Application Form, you consent to the matters outlined in that section.

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary on page 30.

# 1 Details of the Offer

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## 1.1 Background

On 20 February 2019 the Company announced, amongst other things, a share purchase plan (being the SPP) to raise approximately \$1 million under which Shares will be offered to Eligible Shareholders at an offer price of \$0.15 per Share (**SPP Shares**), with one free attaching option (being the New Options) for every two SPP Shares issued.

Please refer to the Company's announcement dated 20 February 2019 for further details of the SPP and associated matters.

## 1.2 The Offer

Under this Prospectus, the Company invites SPP Participants to apply for a total of up to 3,333,333 New Options (subject to acceptance of oversubscriptions), on the basis of one New Option for every two SPP Shares subscribed for under the SPP (with fractional entitlements rounded down). To the extent that oversubscriptions are accepted in accordance with the terms of the SPP, further New Options will be issued on the basis of one New Option for every additional two SPP Shares.

The New Options will be issued in accordance with actual allocations of Shares made under the SPP. Accordingly, SPP Participants may receive fewer New Options than applied for if their application for Shares under the SPP is subject to scale back. Please refer to the SPP Offer Document for further details.

All Eligible Shareholders will be sent a copy of this Prospectus, together with the SPP Offer Document and an Application Form.

Only SPP Participants can accept the Offer. Please refer to Section 1.4 for details of how to apply under the Offer.

No funds will be raised from the issue of the New Options pursuant to this Prospectus as they are being issued for nil consideration as free attaching Options.

All of the New Options offered under this Prospectus will be granted on the terms and conditions specified in Section 3.1.

All of the Shares issued upon the future exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 3 for further information regarding the rights and liabilities attaching to the Shares.

The Offer will open on the Opening Date and close on the Closing Date.

## 1.3 Minimum subscription

There is no minimum subscription in respect of the Offer.

## 1.4 Applications

Applications may only be made by SPP Participants and must be made using the Application Form or by making payment by way of BPAY for the associated SPP Shares in accordance with the terms of the SPP.

By completing an Application Form or making payment by way of BPAY in accordance with the terms of the SPP, you will be taken to have declared that all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of this Prospectus. If you choose to pay for your associated SPP Shares by BPAY you do not need to submit an Application Form but are taken to have made the declarations on the Application Form, and you will be deemed to have applied for that number of New Options which attach to that number of SPP Shares which is covered in full by your application moneys (on the basis of one New Option for every two SPP Shares, with fractions rounded down).

Detailed instructions on how to complete the Application Form are set out on the form.

Completed Application Forms should be delivered or posted to:

Computershare Investor Services Pty Limited  
GPO Box 505  
Melbourne Victoria 3001  
Australia

Application Forms or BPAY payments for associated SPP Shares must be received by no later than 5.00pm AWST on the Closing Date.

## 1.5 ASX listing

The New Options will not be quoted on the ASX and the Company will not be making any application for Official Quotation by ASX of New Options offered pursuant to this Prospectus.

## 1.6 Issue

The issue of New Options offered under the Offer will take place as soon as practicable after the Closing Date.

## 1.7 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offer.

## 1.8 Overseas Applicants

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value

of New Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended, and New Options will not be issued, to Shareholders with a registered address which is outside Australia or New Zealand.

### ***New Zealand***

The New Options are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013* (New Zealand) and the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## **1.9 Enquiries**

Any queries regarding the Offer should be directed to Phillip MacLeod, Company Secretary, on +61 8 9431 9830.



## 2 Purpose and effect of the Offer

### 2.1 Purpose of the Offer

The purpose of the Offer is to satisfy the obligation of the Company to offer free attaching New Options to Eligible Shareholders in conjunction with the offer of SPP Shares under the SPP.

### 2.2 Effect of the Offer on capital structure

The principal effect of the Offer will be to increase the number of Options currently on issue by up to 3,333,333 Options (subject to acceptance of oversubscriptions under the SPP).

The effect of the Offer on the capital structure of the Company is set out below.

<b>Shares</b>	<b>Number<sup>1</sup></b>
Shares currently on issue	155,380,481
Shares to be issued pursuant to the Offer	Nil
Shares to be issued pursuant to the SPP <sup>2</sup>	6,666,666
<b>Total Shares on completion of the Offer and the SPP<sup>2</sup></b>	<b>162,047,147</b>
<b>Options</b>	<b>Number<sup>1</sup></b>
Listed Options exercisable at \$0.30 each on or before 24 January 2021 (of which 9,319,238 are quoted on the ASX and 36,000,000 are not quoted and subject to escrow)	45,319,238
Unlisted Options exercisable at \$14.21 each on or before 31 January 2020	23,567
Unlisted Options exercisable at \$11.37 each on or before 31 January 2020	11,608
Unlisted Options exercisable at \$8.53 each on or before 31 January 2020	11,608
Unlisted Options exercisable at \$0.23 each on or before 27 February 2020	5,100,007
Unlisted New Options to be issued pursuant to the Offer <sup>3</sup>	3,333,333
<b>Total Options on completion of the Offer<sup>3</sup></b>	<b>53,799,361</b>

**Notes:**

1. Assumes no Options currently on issue are exercised before completion of the Offer.
2. Assumes that the SPP is fully subscribed, and that no oversubscriptions are accepted.
3. Assumes that the Offer is fully subscribed, and that no oversubscriptions are accepted. Subject to treated of fractional entitlements.

In the event that oversubscriptions are accepted in accordance with the terms of the SPP, further New Options will be issued on the basis of one New Option for every two additional Shares subscribed under the SPP.

Eligible Shareholders should also note the Company's announcement dated 13 March 2019 in relation to the conditional \$5 million placement of Shares, with free attaching Options to ROC Asset Management Pty Ltd or its nominee. In the event that the conditions to the placement (which include receipt of required approvals of the Company's shareholders) are satisfied in accordance with the placement agreement, 39,370,078 Shares and 19,850,039 Options (exercisable at \$0.24 each, expiring 12 months from the date of issue) will be

issued. Such issue will occur, subject to satisfaction of the conditions contained in the placement agreement, following completion of the Offer.

### **2.3 Effect of the Offer on financial position**

No funds will be raised from the Offer as the New Options are free attaching to the SPP Shares on a one for two basis.

The expenses of the Offer of approximately \$16,000 will be met from the Company's existing cash reserves.

The Directors do not consider that the Offer will have a material effect on the Company's financial position. The effect of the Offer on the Company's financial position will be payment of expenses of the Offer of approximately \$16,000.

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### 3 Rights and liabilities attaching to New Options and Shares

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#### 3.1 New Options

The terms and conditions of the New Options are as follows:

- (a) **(Entitlement)** Each New Option entitles the holder to subscribe for one Share upon the exercise of the New Option.
- (b) **(Exercise Price)** The exercise price of each New Option is \$0.23.
- (c) **(Expiry Date)** Each New Option will expire at 5.00pm (AWST) on the 27 February 2020.
- (d) **(Exercise period)** The New Options are exercisable at any time from the date of issue to the Expiry Date.
- (e) **(Notice of exercise)** The New Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each New Option being exercised in Australian currency by cheque or electronic funds transfer or other means of payment acceptable to the Company. Any notice of exercise of a New Option received by the Company will be deemed to be a notice of the exercise of that New Option as at the date of receipt.
- (f) **(Shares issued on exercise)** Shares issued on exercise of the New Options rank equally with the Shares of the Company.
- (g) **(New Options not quoted)** The Company will not apply to ASX for quotation of the New Options.
- (h) **(Quotation of shares on exercise)** The Company will apply to ASX for official quotation of the Shares issued on the exercise of the New Option.
- (i) **(Timing of issue of Shares)** After a New Option is validly exercised the Company must as soon as possible following receipt of cleared funds equal to the Exercise Price payable on the exercise of the New Option:
  - (1) issue the Share;
  - (2) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Share does not require disclosure to investors; and
  - (3) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 trading days from the date of exercise of the New Option.
- (j) **(Participation in new issues)** There are no participation rights or entitlements inherent in the New Options and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options.

- (k) **(Adjustment for rights issues)** If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the Exercise Price.
- (l) **(Change in Exercise Price)** A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be issued.
- (m) **(Adjustments for reorganisation)** If there is any reconstruction (including consolidation, subdivision, reduction or return) of the issued share capital of the Company, the rights of the New Option holder may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.
- (n) **(New Options not transferable)** The New Options are not transferable, except with the prior written approval of the board of directors of the Company and subject to compliance with the Corporations Act.
- (o) **(Lodgement Instructions)** Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the New Options with the appropriate remittance should be lodged with the Company's Share Registry.

## 3.2 Shares

The following is a summary of the more significant rights attaching to Shares (being the underlying securities of the New Options offered pursuant to this Prospectus). This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### 3.2.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

### 3.2.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in

respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### 3.2.3 **Dividend rights**

Subject to the rights of persons (if any) entitled to shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such dividend.

The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as they appear to the Directors to be justified by the profits of the Company.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement:

- (a) a dividend reinvestment plan or an interest reinvestment plan on such terms and conditions as the Directors think fit and which provides for cash dividends paid by the Company in respect of shares issued by the Company and interest paid by the Company on unsecured notes or debentures issued by the Company to be reinvested by way of subscription for Shares in the Company; or
- (b) a dividend election plan permitting holders of Shares to the extent those Shares are fully paid up, to have the option to elect to forego the right to dividends (whether interim or otherwise) payable in respect of such Shares and to receive instead an issue of Shares credited as fully paid up to the extent as determined by the Directors.

### 3.2.4 **Winding-up**

If the Company is wound up, any property that remains after satisfaction of all debts and liabilities of the Company and the payment of costs, charges and expenses of winding up will be distributed among the Shareholders in accordance with their respective rights.

Any amount that would otherwise be distributable to the holder of a partly paid Share must be reduced by the amount unpaid on that Share as at the date of distribution.

The liquidator may, with the authority of a special resolution of the Company, divide amongst the Shareholders the whole or any part of the Company's property and decide how the division is to be carried out between the Shareholders or classes of Shareholders. No Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

### 3.2.5 **Shareholder liability**

Fully paid Shares are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### 3.2.6 **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules. The Directors may refuse to register a transfer of Shares (other than a market transfer) where the ASX Listing Rules or the ASX Settlement Operating Rules permit or require the Company to do so.

### 3.2.7 **Variation of rights**

Pursuant to the provisions of sections 246B to 246E of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

### 3.2.8 **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

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## 4 Investment risks

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### 4.1 Introduction

There are a number of risks, both specific to the Company and of a general nature which may, either individually or in combination, affect the future operational and financial performance of the Company and the industry in which it operates, the value of the New Options offered pursuant to this Prospectus and the Shares into which they may be converted.

The New Options offered under this Prospectus should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, however many risks that may affect the Company are outside the Company's control and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or value of the New Options, or the price at which Shares (on exercise of the New Options) will trade.

The risks summarised below are not exhaustive and do not take into account the individual circumstances of investors. The Company does not give any assurances or guarantees of the future performance or profitability of the Company or the value of the New Options offered under this Prospectus. Additionally, the Company does not give any assurances or guarantees that the risks set out in this Prospectus will not change. The future dividends, the value of the Company's assets and the value of New Options and the Shares into which they may be converted may be influenced by these and other risk factors.

Every investor should:

4.1.1 rely on their own knowledge of the Company;

4.1.2 refer to disclosures made by the Company on ASX; and

consult their professional advisers before deciding whether to apply for New Options under the Offer.

### 4.2 Specific risks

#### 4.2.1 Licensing risk

The Company, through its wholly-owned subsidiary Pearl Global Management Pty Ltd, has a licence (**Licence Agreement**) giving it exclusive worldwide rights to use and exploit certain key intellectual property rights which underpin its operations, rather than having ownership of that intellectual property. In order for the Company to be able to achieve its objectives, it is reliant on the licensor (Keshi Technologies Pty Ltd (**Keshi**)) complying with its contractual obligations under the Licence Agreement. Any non-compliance with, or termination of, the Licence Agreement could have an adverse impact on the financial position of the Company. Where the licensor fails to comply with the Licence Agreement, the Company may then need to approach a court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms.

The licensor has rights to terminate the Licence Agreement in certain circumstances, namely if Pearl Global Management Pty Ltd breaches the Licence Agreement (including failing to pay amounts due under it) or suffers an insolvency event. If the Licence Agreement is terminated, this will have a material adverse effect on the Company's operations.

#### 4.2.2 **Project commercialisation / business model**

The Company's business model is to seek to commercialise the licensing rights granted to it under the Licence Agreement in relation to its thermal desorption tyre recovery project (**Project**), which may never prove to be successful. The implementation of this business model is subject to continuing to comply with the conditions of its regulatory approvals (which involves completing the emissions monitoring of its two thermal desorption units in Queensland) and executing relevant offtake and supply contracts at commercial volumes and prices. The project continues to be developed and there can be no guarantee that the Company will be able to commercialise the licensing rights in relation to the project.

#### 4.2.3 **Development and commercialisation of Project**

The Company can make no representation that any research into or development of the Project and the associated licensing rights will be successful, that key milestones to move the Project into its commercial operational phase will be achieved or that the Project and the associated intellectual property can or will be developed into products and services that are exploitable at an ongoing commercial level having regard to market demand for such products and services.

There are many risks inherent in the development of recycling products and services, particularly where such projects are in their development stage, as is the case with the Project. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons. No assurance can be given that the Company will achieve commercial viability through using or exploiting the intellectual property licensed under the Licence Agreement.

The Company reiterates that the Project technology is in a development stage and given it has not been tested operationally over numerous years, the potential operational lifespan of the Company's thermal desorption units is unclear. Until the Company is able to realise value from the intellectual property licensed under the Licence Agreement, it is likely to incur ongoing operating losses. Achievement of the Company's objectives will depend on its ability to successfully implement its growth strategy. Depending on the Company's ability to generate income from its operations, it may require further financing to achieve these objectives.

#### 4.2.4 **Intellectual property rights**

A substantial part of the Company's commercial success depends on its and Keshi's ability to protect their respective intellectual property (including without limitation, the intellectual property licensed under the Licence Agreement) and commercially sensitive information assets relating to the Project, maintain trade secret protection and operate without infringing the proprietary rights of third parties. Securing rights to technologies, and in particular intellectual property,



through licensing or otherwise, is an integral part of securing potential product value in the outcome of the Project. The commercial value of these assets is also dependent on relevant legal protections in respect of them. These legal mechanisms, however, do not guarantee that the intellectual property will be protected or that the Company's competitive position will be maintained.

No assurance can be given that employees or third parties will not breach confidentiality agreements, infringe or misappropriate intellectual property or commercially sensitive information, or that competitors will not be able to produce non-infringing competitive products. Competition in retaining and sustaining protection of technologies and the complex nature of technologies can lead to expensive and lengthy disputes for which there can be no guaranteed outcome.

There can be no assurance that any intellectual property which the Company (or entities which the Company deals with) may have an interest in now or in the future will afford the Company commercially significant protection of technologies, or that any of the projects that may arise from technologies will have commercial applications.

It is possible that third parties may assert intellectual property infringement, unfair competition or like claims against Keshi (as licensor under the Licence Agreement) or the Company under copyright, trade secret, patent, or other laws. While the Company is not aware of any claims of this nature in relation to any of the intellectual property rights which are the subject of the Licence Agreement, such claims, if made, may harm, directly or indirectly, the Company's business. If Keshi or the Company is forced to defend claims of intellectual property infringement, whether they are with or without merit or are determined in Keshi's or the Company's favour, the costs of such litigation will be potentially significant and may divert management's attention from normal commercial operations.

No formal valuation has been undertaken of the intellectual property assets of Keshi or the Company (including without limitation the intellectual property licensed under the Licence Agreement). The Company makes no representation as to the value of these assets.

Although the Company will implement all reasonable endeavours to protect its interests in the intellectual property licensed under the Licence Agreement, there can be no assurance that these measures have been, or will be sufficient. To enhance the protection of the intellectual property licensed under the Licence Agreement, Keshi has submitted International Patent Applications No. PCT/AU2017/051357 for the process for the thermal degradation of rubber containing waste and No. OCT/AU2017/051356 for a hermetically sealed flow-through reactor for non-oxidative thermal degradation of a rubber containing waste. However there can be no guarantee that these patents will be granted.

#### 4.2.5 **Further technology risks**

The Company is reliant on its ability to develop and commercialise the intellectual property in relation to the Project. The global marketplace for most products and services is ever changing due to new technologies, new products, changes in preferences, changes in regulation and other factors influencing market acceptance or market rejection. This market volatility and risk exists despite the best endeavours of market research, promotion and sales and

licensing campaigns. Accordingly, there is a risk that the Company may not be able to successfully develop and commercialise the intellectual property licensed under the Licence Agreement in relation to the Project, which could lead to a loss of opportunities and adversely Impact on the Company's operating results and financial position. Further, the Project technology and intellectual property (and the associated licencing rights) may be rendered obsolete by new inventions and technologies, which would adversely impact the Company.

**4.2.6 Contract risk**

The Company enters into and will enter into agreements, arrangements and undertakings with third parties from time to time (for example for the supply of feedstock to, and offtake from, the Project). If the Company is unable to satisfy the conditions of these agreements, arrangements and undertakings, or if it defaults on its obligations under these agreements, arrangements and undertakings, the Company's interest in their subject matter may be jeopardised. Further, if the third parties default on their obligations under the agreements, arrangements and undertakings, the Company may be adversely affected.

**4.2.7 Operational and technical risks**

The operations of the Company may be affected by a range of operational and technical factors relating to the Project which may affect the commercialisation of the intellectual property licensed under the Licence Agreement in relation to the Project, including:

- (a) mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events; and
- (b) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

**4.2.8 Environmental licence risks**

The Company is required to comply with the conditions of and maintain and renew all environmental licenses and also to acquire, maintain and renew any other relevant environmental licences in respect of the Project. It is possible that environmental licences can be cancelled (e.g. for non-compliance with conditions) and that applications and renewal applications for works approvals and environmental licences can be unsuccessful, in whole or in part. In the event that any works approval or environmental licence is cancelled or is applied for and is not granted, the Company would not be able to continue operating at the relevant site which would likely have an adverse effect of the Company's prospects. The Company currently operates at a single site in Stapylton, Queensland, so that the cancellation of the environmental licence at that site would have a material adverse effect on the operations of the Company. Expansion of the Company's operations to other sites within Australia will be dependant (amongst other factors) on the acquisition of relevant environmental licences and works approvals. The Company will also be required to comply with all environmental laws and regulations in each foreign jurisdiction in which it will commercialise the intellectual property licensed under the Licence Agreement in relation to the Project. Any failure to do so could have an adverse effect on the Company's potential international expansion plans.

#### 4.2.9 **Competition**

There is significant competition in the recycling technology industry generally. The Company is aware of other potential competitors in the Australian and overseas tyre recycling industry, however from the Company's research no known competitor operates a technology that focuses on a decentralisation model by the use of small thermal desorption units and associated operating equipment that carries a relatively small emissions footprint. The Company's model involves a relatively low cost fabrication design and has the potential to be located at or close to sources of shredded waste tyre feedstock as opposed to a centralised model where large scale plants requiring large volumes of waste tyre feedstock require those waste tyres to be transported to the processing plant. Typically, due to the relatively larger emissions footprint which may be associated with the larger centralised plants, such plants may not be able to be located in areas closer to sources of feedstock.

There is no assurance that the Company will succeed in an effective or economic strategy of developing the Project pursuant to the intellectual property licensed under the Licence Agreement. Competitors' products and services may render the Project obsolete and/or otherwise uncompetitive. There is also no guarantee that the Project will ever produce any products which have the requisite demand at an ongoing commercial scale. The Company may be unable to compete successfully against future competitors where aggressive policies are employed to capture market share. If the Company is successful in developing the Project (which may never occur) such competition could result in price reductions, reduced gross margins and loss of market share, any of which could materially adversely affect the Company's potential future business, operating results and financial position.

4.2.10 **Currency volatility:** Certain of the expenses and revenues of the Company are, and are anticipated to continue to be, denominated in foreign currencies. This exposes the financial performance of the Company to currency exchange rate risks. Whilst the Company will review its hedging policies to seek to mitigate foreign exchange risk, there can be no assurance that fluctuations in foreign exchange rates will not have an adverse effect upon the Company's financial performance and results of operations.

#### 4.2.11 **Risk of international operations generally**

The Company may expand and commercialise the exclusive licensing rights to the Project overseas. International sales and operations are subject to a number of risks, including:

- (a) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (b) potential difficulties in protecting intellectual property;
- (c) increases in costs for transportation and shipping; and
- (d) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition. Possible sovereign risks associated with operating overseas include, without limitation, changes in the

terms of legislation, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and thereby the market price of the Company's securities. No assurance can be given regarding the future stability in any other country in which the Company may, in the future, have an Interest.

#### 4.2.12 **Liquidity**

32,593,530 Shares (constituting approximately 21% of the undiluted issued share capital of the Company) are currently escrowed. Further, in the event that the conditions to the placement to ROC Asset Management Pty Ltd or its nominee are satisfied and that placement completes, a total of 30,666,068 Shares will remain subject to escrow for a period of 24 months following completion of the placement, as noted in the Company's announcement dated 13 March 2019. Shareholders may consider that there is an increased liquidity risk as a large portion of issued capital may not be able to be traded freely for a period of time. Further, after the end of the relevant escrow periods, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse affect on the Company's Share price. There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase.

#### 4.2.13 **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations, technical expertise and the strategic management of the Company depends substantially on the Company's senior management and key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these persons cease their employment.

#### 4.2.14 **Unforeseen capital and operating expenditure risk**

Capital and operating expenditure may need to be incurred that has not been taken into formulation of the Company's business plans. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

#### 4.2.15 **Future funding needs**

Further funding may be required by the Company in the event costs exceed estimates or revenues do not meet estimates, to support its ongoing operations and implement its strategies. For example, funding may be needed to develop new and existing products, or acquire complementary businesses and technologies. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company. The Company notes in particular that the \$5 million investment by ROC Asset Management Pty Ltd or its nominee, as announced on 13 March 2019, remains subject to the satisfaction of various conditions. No guarantee can be given that

such conditions will be satisfied and, if that placement does not complete, the Company will be required to seek alternative sources of funding.

### 4.3 General risks

#### 4.3.1 General economic climate

The Company's performance may be significantly affected by changes in economic conditions and particularly conditions which affect the manufacturing and construction industries. The Company's business may be affected by some or all of the factors listed below:

- (a) future demand for tyre recycling products and services;
- (b) general financial issues which may affect policies, exchange rates, inflation and interest rates;
- (c) deterioration in economic conditions, possibly leading to reductions in consumer spending and other potential revenues which could be expected to have a corresponding adverse impact on the Company's operating and financial performance;
- (d) the strength of the equity and share markets in Australia and throughout the world;
- (e) financial failure or default by any entity with which the Company may be, or become, involved in a contractual relationship;
- (f) industrial disputes in Australia and overseas;
- (g) changes in investor sentiment toward particular market sectors;
- (h) the demand for, and supply of, capital; and
- (i) terrorism or other hostilities.

#### 4.3.2 Government policies and legislation

The tyre recycling industry may be affected by changes to government policies and legislation, including those relating to privacy, and taxation.

#### 4.3.3 Insurance

The Company, wherever practicable and economically advisable, utilises insurance to mitigate business risks. Such insurance may not always be available or particular risks may fall outside the scope of insurance cover. In addition, there remains the risk that an insurer defaults in the payment of a legitimate claim by the Company.

#### 4.3.4 Political factors

The Company may be affected by the impact that political factors have on the various world economies or the Australian economy or on financial markets and investments generally or specifically.

#### 4.3.5 Litigation

Litigation brought by third parties including but not limited to customers, partners, suppliers, business partners or employees could negatively impact the business in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance.

#### 4.3.6 **Stock market conditions**

The market price of the Company's securities may be influenced by international and domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of companies quoted on the ASX, including the Company.

#### 4.3.7 **Other general risks**

Other general risks associated with investment in the Company may include:

- (a) fluctuation of the price at which the Company's securities trade due to market factors; and
- (b) price volatility of the Company's securities in response to factors such as:
  - (i) additions or departures of key personnel;
  - (ii) litigation and legislative change;
  - (iii) press newspaper or other media reports; and
  - (iv) actual or anticipated variations in the Company's operating results.

#### 4.4 **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the Company's financial performance and the value of the New Options offered under this Prospectus (and the Shares into which they may be converted).

Therefore, the New Options to be issued pursuant to this Prospectus, and the Shares into which they may be converted, carry no guarantee with respect to the payment of dividends, returns of capital or market value.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Options pursuant to this Prospectus.

## 5 Additional information

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### 5.1 Disclosing entity

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. The Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus” for the purposes of section 713 of the Corporations Act. In general terms, a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- 5.1.1 it is subject to regular reporting and disclosure obligations;
- 5.1.2 copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- 5.1.3 it will provide a copy of:
  - (a) the annual financial report of the Company for the financial year ended 30 June 2018, being the most recent financial report for a financial year of the Company lodged with the ASIC before the issue of this Prospectus;
  - (b) the half-year financial report of the Company for the half-year ended 31 December 2018, being the half-year report lodged with the ASIC after the lodgement of the financial report referred to above and before the issue of this Prospectus; and
  - (c) any continuous disclosure notices given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1)

of the Corporations Act after the lodgement of that annual report and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours. The Company has lodged the following announcements with ASX since lodgement of the 30 June 2018 annual financial report and before the lodgement of this Prospectus:

<b>Date</b>	<b>Description of announcement</b>
11/09/2018	Annual Report
11/09/2018	Corporate Governance Statement
11/09/2018	Appendix 4G
18/10/2018	Pearl Global Operation Update
25/10/2018	Notice of Annual General Meeting/Proxy Form
30/10/2018	Appendix 4C - quarterly
30/10/2018	Operations Review for September 2018 Quarter
12/11/2018	Pearl Global Operations Update
13/11/2018	Investor Presentation
30/11/2018	Results of Meeting
04/12/2018	Change of Director's Interest Notice
09/01/2019	Release of Restricted Securities
22/01/2019	Details of Company Address
01/02/2019	Pearl Global Operations Update & Appendix 4C
18/02/2019	Trading Halt
20/02/2019	Capital Raising for Acquisition of ATP & Working Capital
28/02/2019	Half Yearly Report and Accounts
28/02/2019	Appendix 3B - Completion of Private Placement
11/03/2019	Pause in Trading
11/03/2019	Trading Halt
13/03/2019	Pearl Signs Placement Agreement for Cornerstone Investment

ASX maintains files containing publicly available information from all listed companies. The Company's file is available for inspection at ASX during business hours.

The announcements are also available on the ASX platform at [www.asx.com.au](http://www.asx.com.au).



## 5.2 Interests of Directors

Other than as set out in this Prospectus, no Director, or any firm in which a Director is a partner holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- 5.2.1 the formation or promotion of the Company;
- 5.2.2 any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- 5.2.3 the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or to any firm in which a Director is a partner:

- 5.2.4 as an inducement to become, or to qualify as, a Director; or
- 5.2.5 for services provided in connection with the formation or promotion of the Company or the Offer.

### ***Holdings of securities***

The direct and indirect interests of the Directors in the Company's securities as at the date of this Prospectus are shown in the following table. The Directors will not participate in the Offer or the SPP:

<b>Director</b>	<b>Shares</b>	<b>Options</b>
Gary Foster	19,024,179 <sup>1</sup>	215,257 <sup>1</sup>
Andrew Drennan	13,871,183	157,116
Victor Turco	952,611 <sup>2</sup>	39,107 <sup>3</sup>
Michael Barrett	30,000 <sup>4</sup>	Nil
<b>Total:</b>	<b>33,827,973</b>	<b>411,480</b>

### **Notes:**

1. Held by Bretnall Custodians Pty Ltd, of which Mr Foster is a director and shareholder.
2. 452,611 of these Shares are held by Greenlink Pty Ltd and the remaining 500,000 are held by Pearlglow Investments Pty Ltd (both of which are entities associated with Mr Turco's spouse).
3. Held by Greenlink Pty Ltd, an entity associated with Mr Turco's spouse.
4. Held by MC & LC Barrett Super Fund Pty Ltd, of which Mr Barrett is a director.

### ***Remuneration***

The Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate annual remuneration for non-executive Directors is currently capped at \$250,000.

The Company may also pay the Directors' travelling and other expenses that they properly incur:

- in attending Directors' meetings or any meetings of committees of Directors;
- in attending any general meeting of the Company; and
- in connection with the Company's business.

The remuneration paid to Directors for the financial years ended 30 June 2017 and 30 June 2018, together with the proposed remuneration for the current financial year, is set out in the following table:

Director	Year	Fees and salary (incl. super) (\$)	Share based payments (\$)	Total (\$)
Gary Foster <sup>1</sup>	FY 2017	Nil	Nil	Nil
	FY 2018	252,313	Nil	252,313
	FY 2019	300,000 <sup>5</sup>	Nil	300,000
Andrew Drennan <sup>2</sup>	FY 2017	Nil	Nil	Nil
	FY 2018	252,313	Nil	252,313
	FY 2019	300,000 <sup>5</sup>	Nil	300,000
Victor Turco <sup>3</sup>	FY 2017	9,000	Nil	9,000
	FY 2018	36,000	Nil	36,000
	FY 2019	36,000 <sup>5</sup>	Nil	36,000
Michael Barrett <sup>4</sup>	FY 2017	Nil	Nil	Nil
	FY 2018	Nil	Nil	Nil
	FY 2019	43,250 <sup>5</sup>	Nil	43,250

**Notes:**

1. Appointed as a Director on 24 January 2018. Mr Foster has also become entitled to payment of a further amount of \$150,000 as part of his sign-on fee as an executive of the Company, but this amount has not yet been paid to Mr Foster.
2. Appointed as a Director on 24 January 2018. Mr Drennan has also become entitled to payment of a further amount of \$150,000 as part of his sign-on fee as an executive of the Company, but this amount has not yet been paid to Mr Drennan.
3. Appointed as a Director on 1 December 2015.
4. Appointed as a Director on 6 August 2018.
5. Each of the Directors has agreed to defer receipt of amounts to which they are entitled by way of directors' fees from 31 January 2019, which amounts will become payable on completion of the SPP.

In addition to their remuneration as noted above, Mr Foster and Mr Drennan participate in short, medium and long term incentive plans:

- **Short term incentive plan** – the maximum amount payable to each of Mr Foster and Mr Drennan from the commencement of their respective services contracts to their first anniversary is \$300,000. The following KPIs must be met in order for an entitlement to arise:
  - (a) the Company's Queensland site must be fully operational with 2 thermal desorption units in place, treating in excess of 10 tonnes of waste rubber per day and being operational for a period of 60 days with a capacity to treat 10 tonnes of waste rubber per day (this will give rise to an entitlement to 40% of the short term incentive payment in accordance with the terms of the services contract);
  - (b) the Queensland site must have all appropriate environmental licenses in place (this will give rise to an entitlement to 30% of the short term incentive payment in accordance with the terms of the services contract); and

- (c) the Queensland site must have suitable offtake agreements in place (as determined by the Board) (this will give rise to an entitlement to 30% of the short term incentive payment in accordance with the terms of the services contract).
- **Medium term incentive plan** – the maximum amount payable to each of Mr Foster and Mr Drennan from the commencement of their respective services contracts to their third anniversary is \$450,000. The following KPIs must be met in order for an entitlement to arise:
    - (a) Securing a long term contract or agreement (exceeding 5 years) for feedstock in excess of 50,000 tonnes per annum (this will give rise to an entitlement to 50% of the medium term incentive payment in accordance with the terms of the services contract);
    - (b) Successfully operating in a further 4 locations with each location operating a minimum of 2 thermal desorption units (which units must be commercially operating prior to the third anniversary of the commencement of the services contract) (this will give rise to an entitlement to 50% of the medium term incentive payment in accordance with the terms of the services contract).

Additionally subject to the satisfaction of the above KPIs, the Board may (subject to obtaining relevant shareholder approvals) grant Mr Foster and Mr Drennan participating rights in a Medium Term Incentive management Option pool.

- **Long term incentive plan** – After the first 12 month anniversary of successful operations as determined by the Board, under the terms of their executive services agreements Mr Foster and Mr Drennan will be entitled to receive payment equivalent to a production fee of 1 cent per kilogram of feedstock processed from the thermal desorption unit for the remaining period of their employment with the Company. As announced by the Company on 12 November 2018, Mr Foster and Mr Drennan have agreed to convert this cash entitlement into an entitlement to options as part of a new share option incentive scheme. The terms of the share option incentive scheme are currently being designed and will be subject to shareholder approval.

As at the date of this Prospectus, Mr Foster and Mr Drennan have become entitled to \$90,000 each under the short term incentive plan, but no amounts have yet been paid to Mr Foster or Mr Drennan under the above incentive plans.

#### **Interests in Keshi**

Mr Foster is a director of Keshi (which is the licensor under the Licence Agreement). Bretnall Custodians Pty Ltd, of which Mr Foster is a director and shareholder, holds 26.09% of the total issued share capital in Keshi.

Mr Drennan is a director of Keshi. He holds 19.04% of the total issued share capital in Keshi as trustee for the Drennan Family Trust.

Greenlink Pty Ltd, an entity associated with Mr Turco's spouse, holds 0.48% of the total issued share capital in Keshi.

#### **Loan to the Company**

As announced by the Company on 20 February 2019, Bretnall Custodians Pty Ltd, of which Mr Foster is a director and shareholder, has advanced \$100,000 to the Company by way of loan. Such loan shall be repayable by way of an issue of Shares at \$0.15 each, subject to receipt of required Shareholder approvals. If Shareholder approval is not received, the loan (together with interest at 8% per annum) is repayable within 24 months of the meeting at which such approvals will be sought, subject to the Company having sufficient funding.

### 5.3 Interests of experts and advisers

Other than as set out in this Prospectus, no:

- 5.3.1 person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- 5.3.2 promoter of the Company; or
- 5.3.3 underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

- 5.3.4 the formation or promotion of the Company;
- 5.3.5 any property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- 5.3.6 the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- 5.3.7 the formation or promotion of the Company; or
- 5.3.8 the Offer.

Lavan have acted as the Company's solicitors in relation to the Offer. The Company estimates Lavan will be paid approximately \$5,000 (excluding GST and disbursements) with respect to the Offer and this Prospectus. The Company and its subsidiaries have incurred fees with Lavan in an amount of approximately \$476,000 (excluding GST and disbursements) for other services provided in the 2 years prior to the date of this Prospectus. An entity associated with Lavan holds 1,945,000 Options, which have been issued in consideration of legal services provided to the Company.

### 5.4 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 5.5 Consents

Each person referred to in this Section:

- 5.5.1 has not caused or authorised the issue of this Prospectus;
- 5.5.2 does not make, or purport to make, any statement in this Prospectus other than those (if any) referred to in this Section; and
- 5.5.3 to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section (if any).

Lavan have given their written consent to being named as the solicitors to the Company in this Prospectus. Lavan have not withdrawn their consent prior to the lodgement of this Prospectus with ASIC.

## **5.6 Expenses of the Offer**

The expenses of the Offer are estimated to be \$16,000 (excluding GST) including ASIC, legal and printing costs. The expenses will be paid out of the Offer proceeds and the Company's existing cash reserves.

## **5.7 Electronic Prospectus**

Subject to compliance with certain specified conditions, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a compliant prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company Secretary on +61 8 9431 9830 and the Company will send you, free of charge, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or that any of those documents was incomplete or altered.

## **5.8 Privacy statement**

The Company collects information about each Applicant from the Application Form for the purposes of processing and, if the application is successful, to administer the Applicant's holdings of securities in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this Prospectus and may disclose it for those purposes to the Company's share registry, the Company's related bodies corporate, agents, contractors and third party service providers (including mailing houses), ASX, ASIC and other regulatory authorities.

The Corporations Act requires the Company to include information about the security holders (name, address and details of the securities held) in its public registers. This information must remain in the registers even if that person ceases to be a holder. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its investors) and compliance by the Company with legal and regulatory requirements. Successful Applicants may request access to their personal information held by (or on behalf of) the Company by telephoning or writing to the Company Secretary.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

## 6 Directors' authorisation

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This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.



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**Gary Foster**  
**Executive Chairman**  
For and on behalf of  
Pearl Global Limited

For personal use only

## 7 Glossary

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Where the following terms are used in this Prospectus they have the following meanings:

<b>\$</b>	means the official currency of the Commonwealth of Australia.
<b>AEST</b>	means Australian Eastern Standard Time as observed in Sydney, New South Wales.
<b>Applicant</b>	means a person who applies for New Options pursuant to the Offer using an Application Form.
<b>Application Form</b>	means the application form attached to or accompanying this Prospectus relating to the SPP and the Offer.
<b>ASIC</b>	means the Australian Securities & Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
<b>ASX Listing Rules</b>	means the official listing rules of ASX.
<b>AWST</b>	means Australian Western Standard Time as observed in Perth, Western Australia.
<b>Board</b>	means the board of Directors as constituted from time to time.
<b>Closing Date</b>	means the closing date for receipt of an Application Form, being 9 April 2019 (subject to the Company reserving the right to extend the Closing Date or close the Offer early).
<b>Company</b>	means Pearl Global Limited ACN 118 710 508.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company.
<b>Eligible Shareholder</b>	means a Shareholder who, as at the SPP Record Date, has a registered address in Australia or New Zealand.
<b>Keshi</b>	has the meaning given in Section 4.2.1.
<b>Licence Agreement</b>	has the meaning given in Section 4.2.1.
<b>New Option</b>	means an Option on the terms set out in Section 3.1.
<b>Offer</b>	means the offer of New Options under this Prospectus, as described in Section 1.
<b>Official Quotation</b>	means official quotation by ASX in accordance with the ASX Listing Rules.
<b>Opening Date</b>	means 20 March 2019.
<b>Option</b>	means an option to subscribe for a Share.
<b>Project</b>	has the meaning given in Section 4.2.2.
<b>Prospectus</b>	means this prospectus.
<b>Section</b>	means a section of this Prospectus.

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<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of one or more Shares.
<b>SPP</b>	means the Company's share purchase plan dated the date of this Prospectus.
<b>SPP Offer Document</b>	means the offer document in relation to the SPP to be despatched to Eligible Shareholders.
<b>SPP Participant</b>	means an Eligible Shareholder who submits a valid application for SPP Shares under the SPP.
<b>SPP Record Date</b>	means 5:00pm (AEST) on 19 February 2019.
<b>SPP Shares</b>	has the meaning given in Section 1.1.

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