

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

PEARL GLOBAL LIMITED (Formerly CITATION RESOURCES LTD)

ABN

90 118 710 508

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	(224)
(b) product manufacturing and operating costs	(218)	(979)
(c) advertising and marketing	(32)	(76)
(d) leased assets	(204)	(643)
(e) staff costs/directors salary	(115)	(313)
(f) administration and corporate costs	(582)	(1,230)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	12
1.5 Interest and other costs of finance paid	(12)	(13)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	543
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,156)	(2,923)
2. Cash flows from investing activities		
2.1 Payments for acquisition of:		
(a) property, plant and equipment	(1,472)	(2,470)
(b) businesses (see item 10)	-	66
(c) investments	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(1,472)	(2,404)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,750	6,754
3.2 Proceeds from issue of convertible notes	-	750
3.3 Proceeds from exercise of share options	1	1
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(363)
3.5 Proceeds from borrowings	-	263
3.6 Repayment of borrowings	(143)	(472)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,608	6,933

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	3,653	1,027
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,156)	(2,923)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,472)	(2,404)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,608	6,933

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,633	2,633

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,633	3,653
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,633	3,653

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
115
-

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7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	50
9.2 Product manufacturing and operating costs	200
9.3 Advertising and marketing	20
9.4 Leased assets	150
9.5 Staff costs	150
9.6 Administration and corporate costs	180
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	750

10. Acquisitions and disposals of business entities

On 30 May 2017, Pearl Global Limited (formerly Citation Resources Ltd) announced that it had signed a new agreement to acquire 100% of the shares in Pearl Global Management Pty Ltd (formerly Pearl Global Pty Ltd). The acquisition date has been deemed to be 16 February 2018, being the date the Company was reinstated to quotation on the ASX.

The Pearl Global acquisition involves a significant change to the nature of the Company's main business activity from exploring and developing oil and gas assets to the commercialisation of an industrial process involving the reclamation of reusable and saleable products from used tyres/rubber in accordance with applicable environmental laws in Australia.

As consideration for the issued capital of Pearl Global Management Pty Ltd (formerly Pearl Global Ltd), Pearl Global Ltd (formerly Citation Resources Ltd) issued the following:

- (a) 79,999,996 consideration shares for the acquisition of 100% of shares in Pearl;
- (b) 18,718,750 shares upon conversion of the \$2,995,000 Pearl Series A convertible notes at \$0.16 each;
- (c) 3,750,000 shares upon conversion of the \$750,000 Pearl Series B convertible notes at \$0.20 each;
- (d) 3,083,317 listed options by way of the bonus issue exercisable at \$0.30 each on or before the date falling 3 years after their issue;
- (e) 6,239,567 listed options upon conversion of the \$2,995,000 Pearl Series A convertible notes exercisable at \$0.30 each on or before the date falling 3 years after their issue;
- (f) 36,000,000 listed options issued to company advisers, brokers and promoters exercisable at \$0.30 each on or before the date falling 3 years after their issue;

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Under the principles of AASB 3: Business Combinations, the transaction between Pearl Global Limited (formerly Citation Resources Ltd) and Pearl Global Management Pty Ltd (formerly Pearl Global Pty Ltd) is being treated as a reverse acquisition. Pearl Global Management Pty Ltd (formerly Pearl Global Pty Ltd) is the accounting acquirer and Pearl Global Ltd (formerly Citation Resources Ltd) is the accounting acquiree.

Consequently, the Appendix 4C has been prepared as a continuation of Pearl Global Management Pty Ltd, and therefore, the current and comparative quarter presents the statement of cash flows of Pearl Global Management Pty Ltd for the period to 30 June 2018, with Citation Resources Ltd (now Pearl Global Ltd) included from 16 February 2018, and therefore will not reconcile to previous Appendix 5B's prepared by Citation Resources Ltd (now Pearl Global Ltd).

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Date:27 JULY 2018.....


(DIRECTOR)

Print name:VICTOR TURCO.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.