



Arafura Pearl Project 2010 Project Summary

ARSN 139 812 301

Arafura Pearls Holdings Limited
ABN 88 092 266 067

up to
**143% tax
deductible
investment**

Arafura Pearls Holdings Limited is offering investors the opportunity to acquire an interest in the Arafura Pearl Project 2010.

How To Invest and Timing

The Arafura Pearl Project 2010 gives an opportunity for investors to participate in an Australian South Sea pearling MIS. Full details are set out in the Arafura Pearl Project 2010 Product Disclosure Statement (PDS). Investment can only be made via the application form in or accompanying the PDS and investors should consider the PDS carefully before deciding whether to apply. The PDS is available from Arafura Pearls Holdings Limited. Contact details are on the back of this brochure.

The number of project interests is limited by the amount of quota available to Arafura so please act quickly to avoid disappointment.

Application must be made by 31st December 2009 to qualify for 143% deduction.



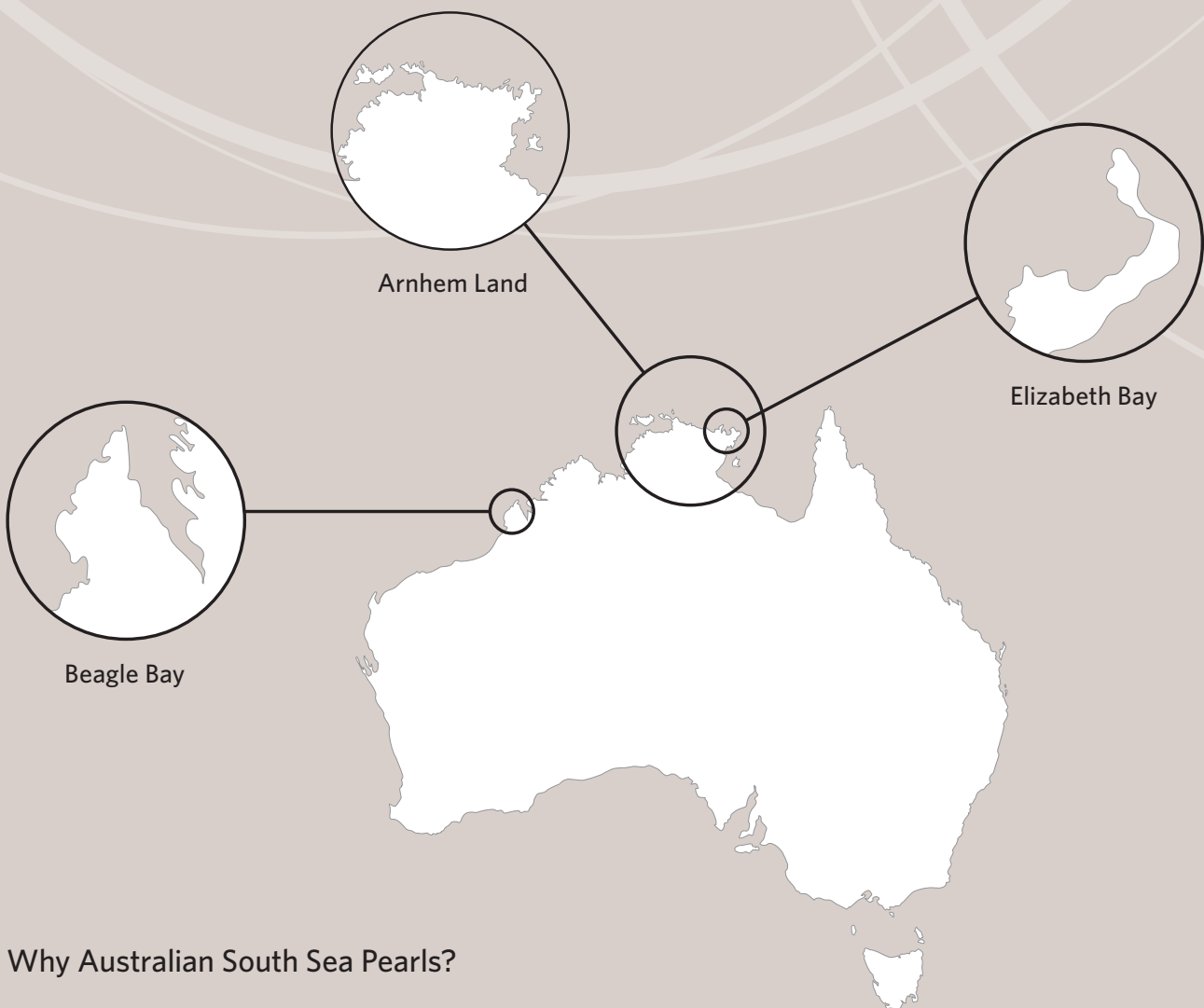
About Arafura Pearls

Arafura Pearls Holdings Limited is an ASX listed company (code APB) with net assets in excess of \$50 million as at 30 June 2009. Arafura Pearls has been in operation for more than 9 years and has been harvesting pearls since 2001. Since that time the company has grown to become one of Australia's leading pearling operations.

Arafura Pearls is now the second largest quota holder in Australia, with multiple farm sites across the Northern Territory and Western Australia. Arafura has a strong management team in place with the infrastructure and expertise to look after your investment in this lucrative industry.

2010 Project Features

- Arafura Pearls has the only MIS in Australia enabling investors (growers) to leverage off its quota and operations and become Australian South Sea pearl producers in their own right.
- **Up to 143% tax deductible investment** in accordance with ATO Product Ruling.
- Relatively short project life of approx 6.5 years with harvest income in years 5 & 7.
- Shell guarantee for first 18 months of the project.
- Strong potential commercial returns supported by independent research — leading agribusiness research house Adviser Edge awarded the project 4 stars (out of 5) in 2009.



Why Australian South Sea Pearls?

High value/low volume luxury product

Australian South Sea pearls are the most prestigious and valuable pearls in the world.

Lucrative and mature industry

Australian South Sea pearls is Australia's second largest fisheries export product by value (ABARE, 2009).

High barriers to entry

Production restricted by a strict quota system enforced by WA and NT fisheries, and other factors such as a limited number of farm sites.

Competitive advantage over rest of world

The quality and size of the pearl from the Australian native shell, and the isolation and pristine marine environment of Australia's north.

Sales and marketing

Strong demand outlook for this luxury export product as affluence continues to grow in Asia.

Production Timetable



Years 0 - 2

Grow Shell

Selection of suitable juvenile spat and growout for two years until the spat are a suitable size for seeding. Shell guarantee for first 18 months provided by RE.



Years 2 - 4

Seed and Husband

The oyster shell are seeded two years after commencement and the shell are regularly maintained over the following two years.



Years 4 - 6

1st Harvest and Re-Seed

The first harvest for the project occurs four years after commencement. Suitable shell are re-seeded, and the shell continue to be maintained. Income from the first project harvest is distributed to growers.



Year 7

2nd Harvest and Project End

The second and final harvest for the project occurs. Income from the final harvest is distributed to growers and the project concludes.

What Does it Cost? (Ex GST)

1 Project Interest (Approx 100 seeded shell)

\$6,950 each interest (Minimum of 2 Interests)

Ongoing Fees

Ongoing management fees deferred and calculated as a % of harvest income for grower convenience.

Shell Insurance

Strongly aligns Arafura Pearls interests with the interests of our Growers.

Shell insurance available at a capped cost of approximately 1.5% of shell value.



Contact

Please contact us if you would like further information or copies of the Arafura Pearl Project 2010 PDS sent to you:

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Disclaimer

This document is a summary only. Please ensure you read the PDS in full before deciding whether to invest in the Arafura Pearl Project 2010. Please note that any ATO Product Ruling is a ruling only on the application of taxation law to the specific arrangements described in the Ruling at the date the Ruling was issued and is in no way a guarantee or endorsement of the reasonableness or viability of the Project.

This document contains general financial product advice only and does not take into account investment objectives, financial situation or particular needs. Before investing you should assess the suitability of the investment to your needs, consider the PDS in its entirety and consult professional licensed advisers.

No person or corporation associated with Arafura Pearls Holdings Limited (AFSL 296246) guarantees, warrants or underwrites the performance of the Arafura Pearl Project 2010 or any particular return. While we believe that the information set out above is correct at the time of compilation, no warranty of accuracy or reliability or completeness is given to any information contained in this publication and no responsibility for any loss or damage whatsoever arising in any way for any representation, act or omission, whether express or implied (including responsibility to any person by reason of negligence) is accepted by Arafura Pearls, its directors, employees, agents and third party information providers.