

ASX ANNOUNCEMENT

3 NOVEMBER 2020

PEARL GLOBAL LIMITED CAPITAL RAISING

HIGHLIGHTS:

- Pearl Global to raise \$6.5 million
- ROC to participate to maintain their interest in Pearl Global subject to required approvals
- Funds raised to be used for further expansion of Stapylton facility

The directors of **Pearl Global Limited (ASX: PG1) (Pearl Global or the Company)** are pleased to advise that the Company has received commitments to raise **\$5.0 million** through a placement of approximately 55.56 million fully paid ordinary shares at 9 cents per share (**Placement**) to institutional, sophisticated and professional investor clients of Bell Potter Securities, Lead Manager to the issue. Subject to approval from ROC's investment committee, expected in the coming week and Pearl shareholders, the Company's cornerstone shareholder, ROC Asset Management (ROC) will subscribe for a further **\$1.5 million** on the same terms as the Placement to maintain their current percentage interest in the Company.

Placement Details

The Company will issue up to 72,222,222 shares at a price of 9 cents each in two tranches. The first tranche will issue 55,555,556 shares to sophisticated and professional investors under the Company's current placement capacity to raise \$5 million. 42,000,000 shares are to be issued pursuant to ASX listing rule 7.1 and the remaining 13,555,556 shares under listing rule 7.1A. Settlement is expected to occur by Friday 6th November 2020 with quotation of the shares expected on Monday 9th November 2020.

ROC has indicated their willingness to maintain their current percentage interest in Pearl Global and, subject to the approval of Pearl shareholders and ROC's investment committee, will subscribe for 16,666,667 shares to raise a maximum of \$1.5 million. The General Meeting of shareholders to approve the issue to ROC is expected to be held mid December 2020 with completion in week following the meeting.

Use of Funds

Funds raised from the Placement will be used for further expansion of Pearl's facility at Stapylton, Queensland with expenditure to be targeted for construction of an additional Thermal Desorption Unit (TDU); additional shredding and rubber crumbing equipment to increase production volumes and revenues; and the establishment and tooling for in-house maintenance to reduce ongoing costs. Funds will also be used for associated costs required for the ongoing expansion of production, the cost of the placement and general working capital. A management/selling fee of 5% will be payable on the proceeds from the Placement.

The Company will continue to keep the market updated of activities.

Authorised by:
Gary Foster
Chairman

For further information, please contact:
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About Pearl Global Limited

Pearl Global Limited (Pearl) (ASX: PG1) is a revolutionary tyre processing company that applies unique, next-generation thermal desorption technology to cleanly convert tyres into valuable secondary products including waste to energy opportunities. Pearl holds Australia's first environmental approvals for the thermal treatment of rubber and is in commercial production at its facility in Stapylton, Queensland.

Pearl's technology is a significant advancement on other methods of processing waste tyres because it has low emissions, no hazardous by-products, requires no chemical intervention and is the only process that meets the standard emissions criteria set by the Australian regulators for this type of technology.

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