

**ATF Group (PDF) Limited  
ACN 106 213 772**

**Notice of the 2006 Annual General Meeting  
to be held on Friday 3 August 2007**

**Explanatory Memorandum  
for the Notice of Annual General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES  
YOUR IMMEDIATE ATTENTION.  
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE  
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR  
OTHER PROFESSIONAL ADVISER.**

**NOTICE OF THE 2006 ANNUAL GENERAL MEETING TO BE HELD AT  
SHERATON ON THE PARK, 161 ELIZABETH ST SYDNEY 2000, AT 11:00AM SYDNEY TIME  
ON 3 August 2007**

**TO BE VALID, FORMS OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING MUST BE  
COMPLETED AND RETURNED TO COMPUTERSHARE INVESTOR SERVICES PTY LIMITED  
NO LATER THAN 11:00AM SYDNEY TIME ON 1 AUGUST 2007**



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## Section A - Chairman's Letter

Dear Shareholders,

The last twelve months has seen significant commercial advances in ATF's two major investments, Evivar Medical Pty Limited and the Medcina Group of companies. I believe that these developments have added substantial value to the company in its lead up and preparation for proposed listing on ASX.

### **Evivar**

Evivar has established its first Asia Centre of Excellence for the therapy management of chronic Hepatitis B sufferers in Hong Kong. This is by way of license and collaboration agreements with the Chinese University of Hong Kong operated out of the laboratories at the Prince of Wales Hospital.

Further license and collaboration agreements have been signed in Venice covering over thirty laboratories and others are under negotiation in Rome, Sicily, Germany and the United States. Over the coming year, these will provide a model for further expansion of Hepatitis B therapy management services through Asia, Europe and the United States.

In recent months the management team have been exploring the possibility of enabling ATF shareholders to participate in the bringing together of Evivar's Hepatitis B therapy management services with those of a European company providing therapy management services for HIV. If successful, this is expected to generate significant commercial synergies for both companies and expand commercial operations into South Africa and Thailand. In order for ATF shareholders to participate in this further investment, an extraordinary general meeting is currently being considered.

### **Medcina Group of Companies**

The existing range of clinically proven natural medicines has recently been expanded with the addition of a further thirteen natural medicines targeting women's health, the fastest growing segment of the natural medicine market. Each of these medicines have been used in private clinical practice for many years. Many have now been patented by Medcina with other patents due to be filed by the end of calendar year 2007.

The company has recently opened its European office based in the Netherlands, headed by Director Medcina Europe Mr Dick Maans. Dick recently retired as Managing Director of OPG Wholesale, one of Europe's larger pharmaceutical distributors and is a pharmacist by background. He brings a wealth of expertise and an extensive European network. Negotiations with contract manufacturers for the range have commenced.

The coming twelve months has a wealth of opportunity for the ATF Group with licensing and distribution agreements underway in many parts of the world.

The company has secured the services of an international team of people, many of whom are renowned as leaders in their field and each of whom are passionate in their involvement with the company and the health services we provide. The proposed Directors nominated for appointment at the Annual General Meeting bring a wealth of complementary expertise to ATF and will provide a great balance for our Board in the years ahead.

Best Regards



Sean Magee

**Managing Director ATF Group (PDF) Limited  
Executive Chairman**

Dated: 29 June, 2007

## Section B - Notice of 2006 Annual General Meeting

NOTICE IS HEREBY GIVEN that the 2006 Annual General Meeting of ATF Group (PDF) Limited ACN 106 213 772 (**ATF Group** or the **Company**) will be held at Sheraton-on-the-Park, 161 Elizabeth Street, Sydney, on Friday 3 August 2007 at 11:00am.

The Explanatory Memorandum and accompanying Proxy Form provide additional information on matters to be considered at the General Meeting, and form part of this Notice.

Defined terms used in this Notice of Annual General Meeting have the meanings given to them in the Glossary accompanying this Notice of Annual General Meeting.

### **1. Ordinary business**

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#### **1.1 Financial Statements and reports**

To receive and consider the Financial Report of the Company for the financial year ended 30 June 2006 and the related Directors' Report, Directors' Declaration and Audit Report.

#### **1.2 Resolution 1: Election of Mr Keith Witney as a Director**

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

“That Keith Witney, offering himself for election pursuant to Article 59.1 of the Company's Constitution and being eligible, is hereby elected as a Director of the Company.”

#### **1.3 Resolution 2: Election of Mr Christopher Cuffe as a Director**

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

“That Christopher Cuffe, offering himself for election pursuant to Article 59.1 of the Company's Constitution and being eligible, is hereby elected as a Director of the Company.”

#### **1.4 Resolution 3: Election of Dr Ray Schinazi as a Director**

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

“That Dr Ray Schinazi, offering himself for election pursuant to Article 59.1 of the Company's Constitution and being eligible, is hereby elected as a Director of the Company.”

#### **1.5 Resolution 4 : Election of Mr Shane Barr as a Director**

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

“That Shane Barr, offering himself for election pursuant to Article 59.1 of the Company's Constitution and being eligible, is hereby elected as a Director of the Company.”

**1.6 Resolution 5: Re-election of Ms Jennifer Page as a Director**

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

“That Jennifer Page, having been appointed pursuant to Article 57.1 of the Company’s Constitution as a director of the Company to fill a casual vacancy until the next annual general meeting, and being eligible, offers herself for re-election, is hereby re-elected as a Director of the Company.”

**1.7 Resolution 6: Appointment of Pitcher Partners Sydney as auditor of the Company**

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

“That Pitcher Partners Sydney be appointed auditors of the Company.”

**2. Special business**

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**2.1 Resolution 7: Approval of Share buy back**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a special resolution:

“That the buy-back by the Company of 1,500,000 Buy Back Shares on the terms described in the Explanatory Memorandum is approved for the purposes of s257D of the Corporations Act.”

**3. Determination of membership and voting entitlement**

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For the purpose of determining a person’s entitlement to vote at the Annual General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at 11am Sydney time on 1 August 2007, being 48 hours prior to the date of the Annual General Meeting.

**4. Votes of members**

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On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative at the Annual General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative shall have one vote for each Share held by him, her or it provided that all Shares are fully paid.

**5. Proxies**

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**5.1 Please note that:**

- (a) a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the member;
- (b) where the member is entitled to cast two or more votes, the member may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;

- (c) if the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes;
- (d) a proxy need not be a member;
- (e) an instrument of proxy deposited or received at the registered office of the Company in which the name of the appointee is not filled in shall be deemed to be given in favour of the Chairman of the Annual General Meeting to which it relates; and
- (f) to be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of the power or authority) must be deposited with Share Registry - Computershare Investor Services Pty Limited, GPO Box 4195, Sydney NSW 2001 or be received by facsimile on facsimile number on (03) 9473 2118 (International +61 3 9473 2118) not less than 48 hours prior to the Annual General Meeting, that is, by 11am 1 August 2007 (Sydney time), on Friday 3 August 2007.

## 5.2 Corporate Representative

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the *Corporations Act 2001* (Cth) (**Corporations Act**) in which case the Company will require a Certificate of Appointment of Corporate Representative (**Certificate**) executed in accordance with the Corporations Act. The Certificate must be lodged with the Company before the meeting or at the registration desk on the day of the meeting. The Company will retain the Certificate.

### By Order of the Board



**J A (Tony) Wigginton**  
Company Secretary

Dated: 29 June 2007  
Sydney

## Section C - Explanatory Memorandum

### 1. Introduction

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This Explanatory Memorandum contains the information needed for ATF Group's Shareholders to assess Resolutions 1 through 7 to be put to them at the Annual General Meeting of ATF Group on Friday 3 August 2007. A Notice of Annual General Meeting accompanies this document.

This Explanatory Memorandum, as well as the Notice of Annual General Meeting, should be read carefully and in their entirety.

### 2. Notice requirements and disclosures for Resolutions

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#### 2.1 Financial Statements and reports

The Financial Report, Director's Report, Director's Declaration and Auditor's Report for the Company for the year ended 30 June 2006 will be laid before the Annual General Meeting. There is no requirement for shareholders to approve these reports.

#### 2.2 Resolutions 1 – 6: The Board of the Company

Mr Jim McLauchlan and Mr James Anthony Wigginton are retiring as Directors effective at the close of the Annual General Meeting and will not be standing for re-election at the Annual General Meeting. The Board thanks Mr McLauchlan and Mr Wigginton for their service as Directors of the Company.

Given the retirement of Mr McLauchlan and Mr Wigginton, the Company has an opportunity to reshape its Board by appointing Directors that can take the Company through its next phase of growth.

The Company's policy on composition is to ensure that the Board is comprised of Directors with an appropriate mix of skills so as to provide the necessary breadth and depth of knowledge and experience which is required to meet the Company's objectives.

The Board unanimously supports the election of the following Directors as they will bring to the Company a combination of finance and business development skills, and international and domestic experience relevant to the Company's business.

#### **Resolution 1: Election of Mr Keith Witney as Director**

A former senior officer in the Office of Prime Minister under the Malcolm Fraser Government and a former Chief Economist of ANZ Bank, Mr Witney brings a wealth of understanding of the various economic and global markets in which ATF investee companies operate.

This is complemented by strong operational management experience with the ANZ Bank and its subsidiary, Esanda Finance Corporation.

Until recently, Mr Witney was a strategy advisor and chairman, respectively of two private companies engaged in quality management and services.

Resolution 1 seeks that the Shareholders elect Mr Witney as a Director of the Company.

The Board unanimously supports the election of Mr Keith Witney as a Director of the Company in light of his financial experience. Should Mr Witney be elected as a Director, it is proposed that the Board will appoint him as Non-Executive Chairman.

## **Resolution 2: Election of Mr Christopher Cuffe as Director**

Mr Cuffe brings strong credentials and valuable experience in the field of financial investment management, and business development to the Board of ATF Group. Mr Cuffe holds a Bachelor of Commerce in Accounting, Finance and Systems (with merit) from the University of NSW as well as a Diploma from the Securities Institute of Australia. He is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Institute of Company Directors and an Associate of the Financial Services Institute of Australasia.

Mr Cuffe began his professional life as a Chartered Accountant, working for Peat Marwick Mitchell & Co, now KPMG. Five years later, in 1985, he entered the fledgling investment management industry, and in 1988 joined the newly formed investment management arm of State Bank NSW, then called First State Fund Managers. During his 13 years as CEO, he led Colonial First State Investments (as it was later renamed) from a small start-up operation to become Australia's largest and most respected investment manager. When Mr Cuffe left the company in early 2003, it was valued in excess of \$5 billion, managed nearly \$70 billion of investment funds on behalf of 500,000+ investors, and employed more than 1,000 staff.

Mr Cuffe then joined, what is now known as Challenger Financial Services Group, in early 2003 in the capacity as Group CEO. A period of intense restructure followed which saw the company recapitalised (via a merger, after which it became part of the ASX100), refocused, and expanded with a new management team. Following the completion of this 'rebuild' phase, he decided to step down from the Group CEO role in August 2004 to become Chief Executive of Challenger's Wealth Management business, a position he held until the end of June 2006. During this time, he substantially rebuilt systems, products, processes and staff. It grew from around \$3 billion of investment funds under management to over \$12 billion during the period and was firmly established as a significant industry competitor generating substantial profits for its shareholders. Mr Cuffe served as a director of the Investment and Financial Services Association (IFSA) and its predecessor for more than a decade, retiring from this position in early 2003.

In September 2006, Mr Cuffe joined Social Ventures Australia ('SVA'), an Australian-based not-for-profit organisation that provides funding, mentoring and business tools to other innovative not-for-profit organisations to help increase their efficiency and effectiveness to achieve sustainable social change. SVA combines the best practices of the business world with the passion of philanthropy to support innovative solutions to issues in areas such as youth employment and education, ageing, indigenous communities, social inclusion and the environment.

In 2007, Mr Cuffe was appointed a director of UniSuper, the industry superannuation fund for the university sector which manages more than \$23 billion of funds.

Resolution 2 seeks that the Shareholders elect Mr Cuffe as a Director of the Company.

The Board unanimously supports the election of Mr Christopher Cuffe as a Director of the Company in light of his financial experience.

## **Resolution 3: Election of Dr Ray Schinazi as Director**

Dr Schinazi brings a valuable combination of expertise, academic esteem and experience in the field of scientific research and business development of biotechnology, paediatrics and pharmacology that complements the mix of skills on the ATF Group Board. Dr Schinazi has extensive senior management experience in the research of virology, drug discovery and is the founder of several biotechnology companies focusing on antiviral drug discovery and development, including Pharmaset Inc, Triangle Pharmaceuticals, Idenix Pharmaceuticals and RFS Pharma LLC. He has published over 420 peer reviewed papers and seven books and holds more than 70 US Patents.

He is a pioneer in the development of drugs for the treatment of HIV with more than 80% HIV infected individuals taking at least one of the drugs he invented. Dr Schinazi is the recipient of numerous awards including the 2006 Distinguished Scientist Award from the Hepatitis B Foundation. He has also served on the Presidential Commission on AIDS. Dr Schinazi has extensive experience in seeking and successfully receiving grants to fund research. He is

currently Professor of Pediatrics and Chemistry and Director of the laboratory of Biochemical Pharmacology at Emory University, Atlanta, Georgia, in the United States.

Resolution 3 seeks that the Shareholders elect Dr Schinazi as a Director of the Company.

The Board unanimously supports the election of Dr Ray Schinazi as a Director of the Company.

#### **Resolution 4: Election of Mr Shane Barr as Director**

Mr Barr brings to the ATF Group Board a strong background and reputation in sales and marketing within the retail industry. Mr Barr has 28 years of experience in the retail industry and has worked in senior sales and marketing roles representing a range of well known fashion companies, including Italian Sportswear Companies Fila and La Font. Mr Barr established his own Marketing Company in 1981 and represented apparel manufacturers selling to the likes of David Jones and Myer, and established USA offices for an Australian apparel manufacturer. In 1989, he acquired 50% of one of Australia's most well known fashion house, Trent Nathan, and licensed the brand in other lifestyle products, to the point licensing exceeded manufacturing income. In his role as CEO of Trent Nathan, he travelled the world looking for new trends in both the apparel and consumer spend categories. In March 2004, Mr Shane Barr and company founder, Trent Nathan, sold the company, to the publicly listed Gazal Corporation. He is currently a Board Member of the Humpty Dumpty Foundation.

Resolution 4 seeks that the Shareholders elect Mr Barr as a Director of the Company.

The Board unanimously supports the election of Mr Shane Barr as a Director of the Company in light of his high profile international and domestic sales and marketing experience.

#### **Resolution 5: Re-election of Ms Jennifer Page as Director**

Ms Jennifer Page was appointed a Director of the Company on 27 March 2006 and in accordance with Article 57.2 retires and, being eligible, offers herself for re-election as a Director of the Company.

Jennifer has primary responsibility as Director International for the international market development of investee companies of the ATF Group.

Jennifer brings to ATF Group an extensive and in-depth understanding of Asia. As former Director – Business Development of FBR Asia Limited, she played a leading role in the development of the FBR Asia Group from a single office in Taipei in 1980 to a multi-national group covering the entire Asia-Pacific region. Appointed as Director – Business Development in 1984, she was responsible for multi-country initiatives throughout the region. These included the coordination of international business development activities, technology transfer and formulation of market entry strategies for clients from Europe, USA and Australia. These clients ranged from start-up and emerging companies to multinationals covering a diverse variety of industries.

Resolution 5 seeks that the Shareholders re-elect Ms Page as a Director of the Company.

The Board supports the re-election of Ms Jennifer Page as a Director of the Company in light of her extensive international experience. As Ms Page has an interest in the outcome of Resolution 5, Ms Page is precluded from participating in the recommendation.

### **2.3 Resolution 6: Appointment of Auditor**

Pitcher Partners Melbourne was appointed as auditor of the Company in accordance with section 327A (1) of the Corporations Act. Under the Corporations Act, the auditor appointed under this provision holds office until the company's first annual general meeting. Pitcher Partners Melbourne has resigned as auditor for ATF Group effective at the end of this Annual General Meeting to be replaced by Pitcher Partners Sydney. Pitcher Partners Sydney has

consented to be appointed as auditor of the Company and to replace Pitcher Partners Melbourne.

Section 327B (1) requires the appointment of an auditor to be nominated by a shareholder at the first annual general meeting. A copy of this nomination is attached at Section E.

The Directors support the replacement of Pitcher Partners Melbourne with Pitcher Partners Sydney and seek that the Shareholders appoint Pitcher Partners Sydney as auditor for ATF Group.

#### 2.4 **Resolution 7: Approval of Share buy-back**

Earlier this year, the Company and Stanford Partners Pty Limited (**Stanford**), an entity through which executive services were provided to the Company by Mr Scott Altman, agreed terms relating to the cessation of provision of those services. In connection with that agreement, it was agreed (among other things) that:

- the Company will, subject to shareholder approval, buy back the 1,500,000 shares in the Company (**Buy-Back Shares**) that had been issued to Mr Altman (for no cash consideration) in connection with provision of his executive services for a total buy-back consideration of \$1.00 (**Buy-Back**). A buy-back agreement has been signed in this regard and is conditional on Shareholders approving the terms of the Share Buy-Back Agreement by way of a special resolution. Resolution 7 is proposed for the purpose of satisfying this condition, and
- the Company will issue Mr Altman 500,000 shares on or about 16 April 2008 if Mr Altman complies with the terms of that agreement. No amount is payable by Mr Altman or any of his associates for these shares.

This arrangement is commercially equivalent to the Company buying back 1 million shares from Mr Altman for a total consideration of \$1. This will have the effect of reducing the number of Company shares on issue. Because the total consideration payable to Mr Altman in respect of these shares is only \$1, your Directors consider that this buy-back will not materially prejudice the Company's ability to pay its creditors.

Completion of the Buy-Back under the Share Buy-Back Agreement is subject to the satisfaction of the following conditions:

- (a) the Company lodges the Notice of Annual General Meeting (and proxy form) and this Explanatory Memorandum with ASIC; and
- (b) the 14-day waiting period required under section 257F of the Corporations Act after the documents referred to above have been lodged with ASIC expires.

The above two conditions will be satisfied prior to August 2007.

There are no other special or unusual conditions or terms of the Share Buy-Back Agreement.

If Resolution 7 is approved, completion of the Buy-Back under the Share Buy-Back Agreement is expected to take place in August 2007.

Section 257A of the Corporations Act has the effect that the Company may buy back its own Shares if:

- (a) the buy-back does not materially prejudice the ability of the Company to pay its creditors; and
- (b) the Company follows the relevant procedures laid down in the Corporations Act.

The Directors believe that taking into account all relevant matters:

- (a) the Buy-Back proposed under Resolution 7 is in the best interests of the Company and its Shareholders; and
- (b) as noted above, completion of the Buy-Back under the Share Buy-Back Agreement will not materially prejudice ability of the Company to pay its creditors.

Mr Altman and his Associates will not be able to vote on Resolution 7.

There is no other information material to the decision by Shareholders whether or not to vote in favour of the Buy-Back (being information that is known to the Directors or which has not previously been disclosed to Shareholders) other than as set out in this document.

The Directors unanimously recommend that Shareholders approve the Buy-Back under the Buy-Back Agreement and vote in favour of Resolution 7.

## Section D - Glossary

### 3. Definitions

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The following definitions are used in the Notice of Annual General Meeting and the Explanatory Memorandum:

**Annual General Meeting** means the annual general meeting of the Company to be held on Friday 3 August 2007 pursuant to the Notice of Annual General Meeting;

**ASIC** means the Australian Securities and Investments Commission;

**Associate** has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act;

**Board** or **Board of Directors** means the board of Directors of the Company;

**Business Day** means a day which is not a Saturday, Sunday or public holiday in Sydney;

**Buy-Back Shares** means the 1,500,000 shares of the Company to be bought back from Mr Altman for a total consideration of \$1.00 under the terms of the Share Buy-Back Agreement subject to shareholder approval under Resolution 7;

**Chairman** means chairman of the Company;

**Company** or **ATF Group** means ATF Group (PDF) Limited ACN 106 213 772;

**Company's Constitution** means the constitution of the Company, as amended from time to time;

**Corporations Act** means the *Corporations Act* 2001 (Cth);

**Director** means a director of the Company;

**ATF Group** or the **Company** means ATF Group (PDF) Limited ACN 106 213 772;

**Explanatory Memorandum** means the explanatory memorandum set out in Section C of this document;

**Notice of Annual General Meeting** or **Notice** means the notice of Annual General Meeting set out in Section B of this document;

**Option** means an option in the issued capital of the Company which when exercised converts into one Share;

**Related Party** has the meaning ascribed to that term by section 228 of the Corporations Act and **Related Parties** is a reference to more than one Related Party;

**Resolution** means a resolution passed by the requisite majority of members of the Company on a show of hands or by the requisite majority of votes given on a poll;

**Share** means a fully paid ordinary share in the issued capital of the Company;

**Share Buy-Back Agreement** means the agreement entered into between the Company and Mr R Scott Altman dated 16 April 2007 to buy back 1,500,000 shares owned by Mr Altman on the terms described in the Explanatory Memorandum; and

**Shareholder** means a holder of a Share.

#### 4. Interpretation

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For the purposes of interpreting the Explanatory Memorandum and the Notice of Annual General Meeting:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only and do not define limit or affect the meaning or interpretation of the Explanatory Memorandum and the Notice of Annual General Meeting;
- (e) reference to persons includes bodies corporate and government authorities and in each and every case, includes a reference to the person's executors, administrators, successors, substitutes (including without limitation persons taking by novation and assignment); and
- (f) reference to **\$, A\$, Australian Dollars** or **dollars** is a reference to the lawful tender for the time being and from time to time of the Commonwealth of Australia.

## Section E - Nomination of Auditor

28 June 2007

ATF Group (PDF) Limited  
Suite 105 / 8 Century Circuit  
NorWest Business Park  
Baulkham Hills NSW 2153

### Nomination of Auditor

Pursuant to section 328B(1) of the *Corporations Act* 2001, Soldon Investments Pty Ltd, being a member of ATF Group (PDF) Limited (**Company**), hereby nominate Pitcher Partners (Sydney) for appointment as auditor of the Company at the Annual General Meeting of the Company to be held on or about Friday 3 August 2007.



Director  
Soldon Investments Pty Ltd