

Minutes of the Annual Meeting of Shareholders of AFT Pharmaceuticals Limited

Meeting date: 4 August 2017

Meeting Time: 10.30am (New Zealand time)

Venue: Milford Cruising Club, 24 Craig Road, Milford, Auckland, New Zealand

Present:	Mr David Flacks	Chairman
	Dr Hartley Atkinson	Chief Executive
	Mrs Marree Atkinson	Executive Director
	Mr James (Jim) Burns	Non-Executive Director
	Mr Nathan (Nate) Hukill	Non-Executive Director
	Mr Jon Lamb	Non-Executive Director
	Dr John (Doug) Wilson	Non-Executive Director

Approximately 33 shareholders of the company

Introductions

Mr Flacks, the Chairman of the meeting, welcomed shareholders and introduced the directors, auditors and senior management present to shareholders.

Preliminary Matters

The Chairman called the meeting to order, declaring that the necessary quorum was present and that the meeting was now open.

Mr Flacks confirmed that the Notice of Meeting had been sent to shareholders and other persons entitled to receive it. He advised that voting on all resolutions would be conducted by poll at the end of the meeting.

Mr Flacks reported that proxies had been appointed in respect of approximately 91 million shares, representing approximately 93% of the total number of shares on issue.

Annual Report and Financial Statements

The Chairman advised that the Annual Report and Financial Statements for the year-ended 31 March 2017 and the Report of the Auditor thereon, had been circulated to all shareholders.

Formal Addresses

The Chairman formally addressed the meeting, providing a high-level overview of historical financial and operational performance for the year ended 31 March 2017 and outlining the company's key strategic objectives for maximising shareholder value. He provided an early outlook statement for the financial year ending 31 March 2018, confirming that the company was currently on-track to meet analyst consensus revenue projections. The Chairman outlined the skills and experience on the Board, confirming that a Board performance review had been undertaken during the year.

The Chief Executive, Dr Atkinson, provided an overview of AFT's business and key products. He provided an overview of operational performance highlights during the 2017 financial period, including the progress made to increase the distribution of core products and register new products. He also gave a more detailed view of financial performance during the period.

Dr Atkinson informed shareholders of the strategic growth initiatives to be taken by the Company during the 2018 financial period, confirming that the company remains on-track to reach a break-even position by the end of FY18/beginning of FY19.

Shareholder Questions and Discussion

Mr Flacks invited shareholders to ask questions of the Board and management. Several shareholders raised questions for discussion. The questions raised related to the location of manufacturing AFT's products; distribution of Maxigesic in new and established markets; the assumptions underlying projected revenue increases and the interplay between increasing revenue and the cost base; and the competitive advantages of AFT's products relative to competitors.

Guidance was also sought on EBIT and NPAT projections for FY18, to which Dr Atkinson confirmed it was too early to comment.

Formal Resolutions

Resolution 1: Auditor's Remuneration

The Chairman confirmed that AFT's auditors had been automatically re-appointed pursuant to the procedure set out in the Companies Act 1993. After calling for any questions, Mr Flacks moved that the directors be authorised to fix the fees and expenses of the auditors, PricewaterhouseCoopers.

Mr Flacks advised that the poll on the motion would be conducted at the conclusion of formal business.

Resolution 2: Re-election of Marree Atkinson as a Director

Mr Flacks provided details of Mrs Atkinson's experience, confirming that Mrs Atkinson's re-election had the unanimous support of the Board.

Mrs Atkinson addressed the meeting in respect of her re-election.

After calling for questions, Mr Flacks moved the motion that Mrs Atkinson be re-elected a Director of the Company. Mr Flacks advised that the poll on the motion would be conducted at the conclusion of formal business.

Resolution 3: Re-election of Nathan (Nate) Hukill as a Director

Mr Flacks provided details of Mr Hukill's experience, confirming that Mr Hukill's re-election had the unanimous support of the Board.

Mr Hukill addressed the meeting in respect of his re-election.

After calling for questions, Mr Flacks moved the motion that Mr Hukill be re-elected a Director of the Company. Mr Flacks advised that the poll on the motion would be conducted at the conclusion of formal business.

Polls and Closure

The Chairman advised that, as all other business had been concluded, polls in respect of the resolutions put to shareholders at the meeting, would be conducted.

The conduct of the polls was administered by the share registrar, Computershare, and the Company's Auditor, PricewaterhouseCoopers, acted as scrutineer.

The Chairman advised that the results of the polls would be released to NZX and the ASX later in the day.

Mr Flacks thanked shareholders for their attendance and interest in Company affairs, and confirmed that the meeting would formally close on completion of the voting procedures.

The meeting ended at 11.30am.

Minutes Confirmed: 

Date: Sept 19 '17

Poll Results

The following results of the polls were subsequently announced:

Resolution	For	Against	Abstain
Fix auditors' remuneration	91,086,261 (100.00%)	-	-
Re-elect Mrs Atkinson	91,084,670 (100.00%)	1,591 (0.00%)	-
Re-elect Mr Hukill	91,084,670 (100.00%)	1,591 (0.00%)	-

All resolutions were accordingly passed.