



ASX ANNOUNCEMENT

Simavita lodges Cleansing Prospectus

For Immediate Release:

5 March 2020

Sydney, Australia – Simavita Limited (ASX: SVA), advises that the Company has today lodged the attached Cleansing Prospectus with the Australian Securities and Investments Commission (ASIC).

The primary purpose of the Cleansing Prospectus is, pursuant to Section 708A (11) of the Corporations Act, not to raise capital but to remove any secondary trading restrictions that may have attached to any CDIs that are issued either pursuant to this Prospectus prior to the Closing Date (March 18, 2020) or upon any future conversion of any 2019 Convertible Notes during the offer period under this Prospectus.

For further information, please visit the Company's profile on SEDAR (www.sedar.com) or the Company's website (www.simavita.com) or contact the persons listed below.

Ms Peta Jurd
Chief Commercial Officer

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This ASX announcement was approved and authorised for release by Michael Spooner, the Chairman of Simavita Limited.

About Simavita

Simavita (ASX: SVA) is a MedTech Company focused on the development of smart, wearable and disposable platform technologies for the health care market.

Our key platform Smartz™ is a highly disruptive technology focused on transforming a traditional “dumb” diaper into a smart device to help parents and carers of both infants and adults.

With the support of our shareholders, customers and employees, Simavita is absolutely committed to the business at hand; creating a commercially successful and growing corporation. www.simavita.com

Forward-Looking Information

This document may contain “forward-looking information” within the meaning of Canadian securities laws (“forward-looking information”). This forward-looking information is given as of the date of this document.

Forward-looking information relates to future events or future performance and reflects Simavita management's expectations or beliefs regarding future events. Assumptions upon which such forward-looking information is based include that Simavita will be able to successfully execute on its business plans. Many of these assumptions are based on factors and events that are not within the control of Simavita and there is no assurance they will prove to be correct.

In certain cases, forward-looking information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “potential”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words

and phrases or information that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. By its very nature forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Simavita to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risks related to actual results of current business activities; changes in business plans and strategy as plans continue to be refined; other risks of the medical devices and technology industry; delays in

obtaining governmental approvals or financing or in the completion of development activities; as well as those factors detailed from time to time in Simavita’s interim and annual financial statements and management’s discussion and analysis of those statements. Although Simavita has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Simavita provides no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.

Prospectus

Simavita Limited

ARBN 165 831 309
(ASX code: SVA)

An offer by the Company of up to 100,000 New CDI at an issue price of 10 cents per New CDI to raise up to \$10,000.

The purpose of the Offer under this Prospectus is, pursuant to Section 708A (11) of the Corporations Act, to remove the secondary trading restrictions on the sale of any CDIs that are issued either pursuant to this Prospectus prior to the Closing Date or upon any future conversion of any 2019 Convertible Notes during the offer period under this Prospectus.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

**AN INVESTMENT IN THE COMPANY'S SECURITIES SHOULD BE CONSIDERED
SPECULATIVE**

This Prospectus is an important document and should be read in its entirety. It is a prospectus issued pursuant to Section 713 of the Corporations Act. It does not, itself, contain all the information that is generally required to be set out in a full prospectus, but refers to other documents, the information of which is deemed to be incorporated into this prospectus. The securities offered by this Prospectus should be considered speculative.

IMPORTANT INFORMATION

This Prospectus is dated 5 March 2020 and was lodged with ASIC on that date. Neither ASIC nor ASX or any of their officers, take any responsibility for the contents of this Prospectus.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that ASX maintains a database of publically disclosed information about the Company, that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to professional advisors with whom potential investors may consult. This Prospectus has been prepared pursuant to Section 713 of the Corporations Act, which allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. It is intended to be read in conjunction with publicly available information, as described in Section 5.1 below.

Various statements in this Prospectus constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or implicitly portrayed in this Prospectus.

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this document under the laws applicable in that jurisdiction.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and any person into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any

failure to comply with such restrictions may constitute a violation of applicable securities laws.

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with the Offer. Neither the Company nor any other person warrants the future performance of the Company or any return on any investment made under this Prospectus except as required by law and then only to the extent so required.

This Prospectus does not take into account the investment objectives, financial situation and particular needs of any person.

There are risks associated with an investment in the Company and the securities offered under this Prospectus should be regarded as a speculative investment. The securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the New CDIs.

Certain abbreviations and other defined terms are used throughout this Prospectus. Details of the definitions and abbreviations used are set out in Section 6 of this Prospectus. All financial amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

This Prospectus may be viewed in electronic form online at the Company's website: www.simavita.com. The information on the Company's website (outside the electronic Prospectus) does not form part of this Prospectus. Copies of the Prospectus are available at the registered office of the Company.

Any person may obtain a copy of this Prospectus or any of the documents referred to in Section 5.1 free of charge by contacting the Company via email on: investors@simavita.com.

Corporate Directory

Directors

Mr Michael Spooner	<i>Chairman</i>
Dr Gary Pace	<i>Non Exec. Director</i>
Mr Damien Haakman	<i>Non Exec. Director</i>
Mr Alan Fisher	<i>Non Exec. Director</i>
Dr John McBain	<i>Non Exec. Director</i>

Company Secretary Ms Peta Jurd

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Canada

Head office telephone +61 2 8405 6300

Head office fax +61 2 8088 1301

Website www.simavita.com

1. SUMMARY OF THE OFFER

Topic	Details	Where to find more information
What is the Offer?	This Prospectus relates to the Offer to be made by the Company of up to 100,000 New CDI at an issue price of 10 cents per New CDI to raise up to \$10,000.	Section 2
What is the purpose of the Prospectus	<p>The Company is a "disclosing entity" for the purposes of the Corporations Act. As such the Company has made a number of announcements which are available for review on the ASX announcements platform.</p> <p>Potential investors should review all of the Company's announcements available on the ASX announcements platform.</p> <p>As announced on the ASX announcements platform on 10 May 2019 the Company has completed an (approximately) \$3 million issue of Debt Notes. Approval was received from Shareholders in general meeting on 24 June 2019 such that as from that date, the Notes are regarded as convertible into CDIs upon the terms of the Convertible Notes (2019 Convertible Notes). The terms of the 2019 Convertible Notes are contained in the Company's 2019 Notice Materials announced on the ASX on 31 May 2019.</p> <p>This Prospectus has been prepared in accordance with Section 708A (11) of the Corporations Act for the purpose of removing trading restrictions on the sale of any CDIs issued pursuant to a conversion of any of the Convertible Notes into CDIs during the offer period under this Prospectus or of any CDIs that are issued pursuant to this Prospectus prior to the Closing Date.</p>	Section 2
Application for CDIs	<p>An application for CDIs can only be made by an investor using an Application Form. A completed Application Form and accompanying cheque must be mailed or delivered to the Company as follows:</p> <p><u>Post or Delivery to:</u> <i>The Company Secretary</i> <i>Simavita Limited</i> <i>Level 2, 54 Miller Street</i> <i>North Sydney 2060</i> <i>New South Wales</i></p> <p>Cheques should be made payable to "Simavita Limited" and accompany the Application Form to reach the Company no later than the Closing Date</p>	-
Opening and Closing Dates	The Opening Date is 5 March 2020 and the Closing Date is 5.00 pm (AEST) 18 March 2020.	Section 2
Risk Factors	Refer to Section 4.	Section 4

Minimum raising	There is no minimum raising under this Prospectus.	
How do the New CDIs rank in comparison to existing CDIs	All New CDIs issued will rank equally in all respects with existing CDIs from the date of their issue.	Section 5.3
What is the effect of the Offer on the Company?	The effect of the Offers on the financial position of the Company is detailed in Section 3. If Fully Subscribed, the Offer will not have a material effect on the control of the Company - however if the Convertible Notes are converted it will have an impact on control as referred to in Section 3.2.	Section 3
ASX	<p>The Company is admitted to the Official List of the ASX.</p> <p>Not later than 7 days after the date of this Prospectus, the Company intends to make an application to the ASX for the Official Quotation of the CDIs offered under this Prospectus. The fact that the ASX may admit the CDIs for Official Quotation is not to be taken in any way as an indication of the value or merits of the Company or of the CDIs offered under this Prospectus.</p> <p>Official Quotation, if granted, will commence as soon as practicable after the issue of transaction holding Statements to successful Applicants in respect of the CDIs. If permission for quotation of the CDIs offered under this Prospectus is not granted within 3 months after the date of this Prospectus, all Application money will be refunded without interest.</p>	
Enquiries	Any enquiries concerning the Offer should be directed to the Company on <i>investors@simavita.com</i>	

2. Overview

2.1 Introduction

This Prospectus relates to the Offer to be made by the Company of up to 100,000 New CDI at an issue price of 10 cents per New CDI to raise up to \$10,000. The purpose of the Offer under this Prospectus is, pursuant to Section 708A (11) of the Corporations Act, to remove the secondary trading restrictions on the sale of any CDIs that are issued upon any future Conversion of any 2019 Convertible Notes, or of any CDIs that are issued pursuant to this Prospectus prior to the Closing Date, during the offer period under this Prospectus.

While the Debt Notes were approved by Shareholders in general meeting on 24 June 2019 (such that as from that date the Notes are regarded as convertible into CDIs upon the terms of the 2019 Convertible Notes), at that time the Company had been suspended for more than 5 trading days and accordingly could not rely on the issue of a standard cleansing notice under section 708A(12C)(e) of the Corporations Act to cleanse any issue under the 2019 Convertible Notes.

Details applicable to the 2019 Convertible Notes are contained in the Company's 2019 Notice Materials announced on the ASX on 31 May 2019. Some of the key terms applicable to the Convertible Notes include:

- (a) the Notes are not, and will not be, listed on the ASX and are not transferrable by the Noteholder and have a maturity date of 30 April 2022 (**Maturity Date**);
- (b) The Company will be required to repay (and therefore not Convert) the Notes if upon the happening of an event of default (as defined) or upon the Maturity Date (if not Converted on or prior to the Maturity Date);
- (c) Noteholders may Convert the Notes at any time. The Notes will automatically convert into CDIs upon a Qualifying Finance Event (being an equity capital raise of at least A\$7.5 million) or upon a Takeover of SVA.

The opening date of the Offer is 5 March 2020 (**Opening Date**) and the closing date of the Offer is 5.00 pm (AEST) 18 March 2020 (**Closing Date**). The Company reserves the right to close the Offer early without notice.

The Company is already included in the Official List of the ASX and the ASX Listing Rules apply to all securities issued by the Company. The Offer is not underwritten and there is no sponsoring broker.

2.2 Use of funds raised under the Offer

The sum of \$10,000 will be raised if the Offer is Fully Subscribed. After expenses of the Offer there will be no net proceeds of the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. As mentioned in the Company's ASX announcement on 31 January 2019, the Board is continuing to pursue all alternatives to realise value for its members (recognising the small trading volumes on the ASX in the Company's CDIs) and is actively considering partnering opportunities, additional funding opportunities, restructure alternatives - with the objective of alleviating the burden of the secured debt under the Company's Convertible Notes and to realise value for its members. While multiple discussions are being conducted – the Board believes it should remain flexible to examining all potential opportunities and outcomes. Investors in CDIs should be aware of possible restructuring in considering an investment in the Company.

2.3 Applications

Applications for CDIs under the Offer must be made using an Application Form. The Directors reserve the right to issue CDIs pursuant to the Offer at their absolute discretion. Accordingly, please do not submit an Application Form unless directed to do so by the Directors.

3. Effect of the Offer on the Company

3.1 Effect on financial position of the Company

The effect on the financial position of the Company by a full subscription for all the New CDIs pursuant to the Offer (**Fully Subscribed**) will be to increase the Company's cash reserves by \$10,000 (prior to the expenses of this Offer).

It is estimated that the expenses of this Offer will amount to approximately \$13,200, (including ASIC lodgement Fees) leaving a net effect of the Offer of a decrease in cash reserves of \$3,200.

3.2 Effect on the capital structure of the Company

As announced on 26 February, 2020 the Company recently completed a CDI capital raising in the amount of \$1,895,000 (**Tranche 1 Placement**). In addition to this, the Company also received CDI subscription commitments of \$1,025,000 from related parties (which are subject to shareholder approval) (**Tranche 2 Placement**), for a total subscription of \$2,920,000. The following table sets out the existing capital structure of the Company as at 26 February 2020, the issue of the Tranche 1 Placement CDIs, the issue of the Tranche 2 Placement (assuming shareholder approval is obtained) plus the maximum number of CDIs that may be issued under this Prospectus on Closing of the Offer

Capital Structure*	Number on Issue
CDIs currently on issue – quoted (including Tranche 1 placement)	512,528,132
CDIs to be issued under Tranche 2 placement (assuming shareholder approval is obtained)	51,250,000
New CDIs to be issued pursuant to this Prospectus (assuming Full Subscription)	100,000
Total CDIs (assuming Full Subscription)	563,878,132

***Note 1** – The terms of the 2018 Convertible Notes were announced and disclosed to the market on 15 March 2018. Under those terms there is no guarantee that the automatic conversion triggers will be achieved nor that the noteholder will seek voluntary conversion of the note. In that case there would be a cash repayment on maturity to noteholders. The conversion price under the note terms varies according the circumstances at the time of conversion. To include what the Company believes will be the estimated number of CDIs into which the 2018 Convertible Notes may convert, an assumption of a conversion price of \$0.03 has been made which would result in 56,465,754 CDIs being issued (including interest).

***Note 2** – The terms of the 2019 Convertible Notes were announced and disclosed to the market on 10 May 2019. Under those terms there is no guarantee that the automatic conversion triggers will be achieved nor that the noteholder will seek voluntary conversion of the note. In that case there would be a cash repayment on maturity to noteholders. The conversion price varies according to different formulae to calculate the Conversion Price under the note terms. To include what the Company believes will be the estimated number of CDIs into which the 2019 Convertible Notes may convert, an assumption of a conversion price of \$0.0148 has been made, based on a valuation of \$20m, which would result in 219,547,195 CDIs being issued (including interest).

***Note 3** - the table assumes that prior to the Closing Date there will be no other Share issues by the Company and that there will be no options exercised or other securities convertible into CDIs issued and converted prior to the Closing Date.

3.3 Potential effect on control of the Company

As at the date of this Prospectus, the relevant interests and voting power of the top 20 Shareholders of the Company, are as follows:

Shareholder	Number of CDIs	Voting power
Dussman Pty Ltd & Associates	102,019,031	19.9%
Chevron Corporation Pty Ltd & Associates	72,178,317	14.08%
Mutual Trust Pty Ltd	57,777,345	11.27%
UBS Nominees Pty Ltd	38,400,000	7.49%
George Tauber Management Pty Ltd & Associates	33,926,766	6.62%
HSBC Custody Nominees (Australia) Limited – No 2 A/C	32,633,333	6.37%
HSBC Custody Nominees (Australia) Limited	31,210,753	6.09%
Matthew Donald	12,500,000	2.44%
Citicorp Nominees Pty Limited	10,962,820	2.14%
Thirty-Fifth Celebration Pty Ltd <JC McBain Super Fund A/C>	5,150,198	1.00%
Mattney Investments Pty Ltd <Mattney Super Fund A/C>	5,000,000	0.98%
Leica Ison Pty Ltd <Leica Ison Super Fund A/C>	3,594,009	0.70%
The Millsom Group Pty Ltd <MM Super Fund>	3,250,000	0.63%
Dyspo Pty Limited<Henty Superannuation Fund>	3,000,000	0.59%
Carluke Pastoral Co Pty Ltd<Carluke Super Fund A/C>	2,500,000	0.49%
Depofo Pty Ltd <Super A/C>	2,500,000	0.49%
Adam Stratton	2,500,000	0.49%
Adam Stratton	2,500,000	0.49%
Dr Huy Tran	2,359,380	0.46%
Mr Nicholas Sinclair	2,000,000	0.39%

If fully subscribed, the Offer will not have a material effect on the control of the Company - however as mentioned if the Convertible Notes are converted, that conversion may have an impact on control as outlined in Section 3.2.

4. Risk factors

This section identifies some of the major risks associated with an investment in the Company. Intending Applicants should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which SVA intends to operate before any decision is made to subscribe for shares.

4.1 Speculative nature of investment

Any potential investor should be aware that subscribing for CDIs involves various risks. The CDIs to be issued pursuant to the Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those CDIs. The Company's business is in its early growth stage, where it is continuing to build its branding and market penetration. An investment in CDIs of SVA should therefore be considered very speculative.

4.2 Business risks associated with the Company

- (a) **Sufficiency of funding:** SVA has limited financial resources and is dependent on raising equity and debt funding from time to time to finance the development and commercialisation of its products and its other longer-term objectives. SVA is yet to achieve and may never achieve profitability. As outlined in the Company's Appendix 2A lodged on 26 February 2020 and Appendix 3B lodged on 26 February 2020, the Company has completed a CDI capital raising in the amount of \$1,895,000 and received commitments for a further \$1,025,000 from related parties (which are subject to shareholder approval) for a total CDI subscription totalling \$2,920,000. The Company's ability to raise additional funds will be subject to, among other things, factors beyond the control of SVA and its Directors, including cyclical factors affecting the economy and share markets generally. Additional equity funding will dilute existing Shareholders. The Directors can give no assurance that future funds can be raised by SVA on favourable terms, if at all. If SVA is unable to obtain additional funding as required, it may be required to indefinitely postpone or significantly reduce its activities that focus on smart, wearable and disposable platform technologies for the health care market.
- (b) **Business strategy execution risk:** The Company's future growth and financial performance is dependent on the Company's ability to successfully execute its business strategy. There can be no assurance that SVA can successfully achieve any or all of the above initiatives / strategies. The failure by SVA to successfully execute its business strategy could have a material adverse effect on the Company's business, financial condition and results of operations.
- (c) **Reliance on major suppliers:** SVA is developing Smartz™ technology for use in urine detection in disposable diapers for adults and infants use. SVA supplies patented technology and know-how to allow diaper manufacturers to produce the smart diapers. Hence SVA relies on third party manufacturers and their suppliers to commercialise the finished product. Accordingly, there is a material risk to the Company's business if this significant supplier / manufacturer for any reason is unable or refuses to supply / manufacture the key components for the finished product. SVA may also operate a significant amount of its key activities through a series of contractual relationships with independent contractors and suppliers. Typically outsourced arrangements carry a risk that the third parties may not adequately or fully comply with its or their respective rights and obligations. A failure may lead to termination and/or significant damage to the Company's business including loss of profit and business/sale opportunities.
- (d) **Software Risk:** The Company has developed its own software and technology and will continue to develop and seek advancement of its software and technology. The development and advancement of technology is complex, and progression may be subject to unexpected difficulties and external factors. Further, operating systems, components, hardware and software will require updating and maintenance which may also effect the ability of the Company to effectively maintain, develop and upgrade its technology, which may have an effect on the Company's ability to continue to develop the Smartz™ product.

- (e) **Competition risk:** The sale of the Company's proposed products is in a highly competitive industry and includes large multinational consumer product companies with significantly greater financial, technical, human, development and marketing resources than the Company. Some of these competitors may be able to respond more effectively to changing business and economic conditions. As a consequence, the Company's proposed products may become uncompetitive, resulting in adverse effects on revenue, margins and profitability.
- (f) **New product risk:** There is no guarantee SVA products as commercialised will be successful. Any failure to successfully launch and commercialise its product may have a material adverse effect on SVA including loss of business opportunity and profitability. The risks with supplying a new product include but are not limited to costs (including advertising, promotional and marketing expenses) exceeding expectations and sales being less than expected due to customers not being willing to pay for the products.
- (g) **Currency risk:** Revenue and expenditures in overseas jurisdictions are subject to the risk of fluctuations in foreign exchange markets. Where a material proportion of the Company's revenue is in the future generated in foreign currencies, the Company will be exposed to the risk of changes in exchange rates of such foreign currency against the Australian dollar. SVA has no plans at this stage to hedge its foreign currency payments and receipts.
- (h) **Reliance on key personnel:** SVA currently employs certain key personnel and the Company's future depends on retaining and attracting suitably qualified personnel. There is no guarantee that SVA will be able to attract and retain suitably qualified personnel, and a failure to do so could materially and adversely affect the business, operating results and financial prospects.
- (i) **Intellectual Property Risk:** SVA's patents and know-how are used in the manufacture of its wellness and incontinence system and electronic device components. SVA's success and ability to compete may be significantly affected by the quality of its intellectual property and its ability to operate without infringing the proprietary rights of third parties. SVA cannot guarantee that such protection will be successfully and validly obtained by the Company in the future, and if such patents are not granted, it may be possible for a third party to imitate or otherwise obtain and use SVA's products without authorisation or to develop similar technology independently. SVA does not believe that it is currently using any material third party intellectual property and so does not believe that its activities infringe any third party's intellectual property rights. There is a risk that SVA may be unable to detect the unauthorised use of SVA's intellectual property. Further, actions SVA takes to protect its intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of its intellectual property and proprietary information.
- (j) **Information technology risks:** SVA relies upon and uses information technology in conducting its business including (but not limited to) using the internet to process, transmit and store electronic and financial information, for digital marketing purposes, to manage a variety of business processes and activities such as financial management and reporting database management. If SVA is unable to protect against service interruptions, data corruption, cyber security breaches or network security breaches, the Company's business operations could be negatively affected. The Company's information technology systems (some of which may be managed by a third party), may be vulnerable to disruptions, damage or shutdowns as a result of failures during the process of upgrading or replacing software, computer viruses, power outages, hardware failures, computer hacking, user errors or other similar events. If the Company's information technology systems suffer severe damage, disruption or shutdown and SVA does not efficiently resolve such issues, this may temporarily affect the development of software, technology and operation of SVA's computer systems. SVA has taken steps to ensure that its systems are protected and tested for vulnerability and data shutdowns. While SVA will use all reasonable endeavours to prevent such security breaches, if SVA fails to do so, it may suffer financial and reputational damage and potentially penalties because of the unauthorised use and disclosure of confidential information belonging to SVA or to its distributors, customers or suppliers.

- (k) **Data loss, theft and corruption:** SVA holds confidential data. SVA's business could be materially disrupted by data breaches which may impact the security of information and data concerning SVA and/or its customers. This could occur through theft, unauthorised access or malicious attacks on SVA's systems, products or processes (e.g. hacking), unauthorised disclosure of confidential customer information (including exploitation of data) or loss of information (e.g. system problems). While SVA undertakes measures to prevent and detect the occurrence of such security breaches, there is a risk that such measures may not be adequate. Any security breach may result in significant disruption to SVA's business or the operations of its customers including rendering such operations unavailable for a period of time until the data is restored. A security breach could cause material harm to SVA's reputation and accordingly may have a material adverse impact on SVA's growth prospects, operating results, reputation and financial performance. The impact of loss or leakage of customer data may also include cost for litigation arising out of any data breach.
- (l) **Research and Development Risk:** SVA undertakes research and development activities which result in tax benefits by way of the research and development tax incentive. There is a risk that the Australian Taxation Office or AusIndustry may review any claims made and challenge whether the activities and costs are eligible for the research and development concessions.
- (m) **Force majeure:** SVA may be adversely impacted by risks outside the control of SVA including labour, unrest, war, sabotage, extreme weather conditions (e.g. fires and floods), quarantine restrictions, explosions or other similar incidents.

4.3 Market for CDIs

No assurance can be given that an active market will develop and remain for the CDIs or that the CDIs will trade at or above the Offer Price. Currently there is very limited trading in the Company's CDIs on the ASX. The Board is continuing to pursue all alternatives to realise value for its members (recognising that small trading volume on the ASX in the Company's CDIs). While multiple discussions are being conducted – none of those discussions are sufficiently advanced to provide any update at this time. The Board believes it should remain flexible to examining all potential opportunities and outcomes to deliver value. Investors in CDIs should be aware of possible restructuring in considering an investment in the Company.

4.4 Stock market volatility

Regardless of the performance of the Company, the day to day performance of the share market and general share market conditions may affect SVA and the price at which its CDIs trade on a share market, such as the ASX. The share market has in the past and may in the future be affected by a number of matters including:

- economic conditions, in general terms and in particular to the industry that a business operates in;
- interest rates;
- market confidence;
- supply and demand for money;
- currency exchange rates;
- general economic outlook; and
- changes in government policy.

4.5 Prospective Information

No assurance as to future profitability or dividends can be given as they are dependent on successful product development, future earnings and the working capital requirements of the Company.

There can be no guarantee that the assumptions on which the financial forecasts and development strategies of the Board, or those upon which SVA bases its decisions to proceed, will ultimately prove to be valid or accurate. The forecasts and development strategies depend on various factors many of which are outside the control of the Company.

Changes in interest rates, exchange rates, government budgetary measures, relevant taxation and other legal regimes and Government policies may adversely affect the Company.

The Board can give no assurance, however, that SVA's current business objectives can be met without future financing or, if future financing is necessary, that it can be obtained on favourable terms.

4.6 Concluding Comment

The above list of risk factors ought not to be taken as an exhaustive one of the risks faced by SVA or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of SVA and the value of the CDIs offered under this Prospectus. Therefore, the CDIs to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those CDIs.

Investment in SVA must be regarded as highly speculative and neither SVA nor any of its Directors or any other party associated with the preparation of this Prospectus guarantee that any specific objectives of SVA will be achieved or that any particular performance of SVA or of the CDIs, including those offered by this Prospectus, will be achieved.

5. Additional information

5.1 Authorised Common Shares and CDIs

The Company is authorized to issue an unlimited number of common shares without par value. As of 26 February, 2020, 512,528,132 common shares without par value were issued and outstanding. Of the 512,528,132 common shares issued and outstanding on 26 February, 2020, 512,528,132 common shares were held by CHESS Depository Nominees Pty. Ltd. (**CDN**), a wholly-owned subsidiary of the Australian Securities Exchange (**ASX**), on behalf of holders of CHESS Depository Interests (**CDIs**).

CDN has issued CDIs that represent beneficial interests in the common shares held by CDN. CDIs are traded on the electronic transfer and settlement operated by the ASX. All references in this Prospectus to outstanding common shares include common shares held by CDN and all references to holders of common shares include Shareholders.

5.2 Continuous disclosure and documents available for inspection

The Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged with the ASIC (including the Constitution) in relation to the Company may be obtained from or inspected at, an office of ASIC. Upon request, the Company will provide you with a copy (free of charge during the Offer period of this Prospectus) of:

- the annual financial reports most recently lodged with ASIC for the financial year ended 30 June 2019 (**2019 Annual Report**);
- half year financial report lodged with ASIC after lodgement of the 2019 Annual Report, when completed and lodged with ASX;
- all continuous disclosure notices given by the Company after lodgement of the 2019 Annual Report with ASIC on 24 October 2019.

5.3 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the Listing Rules and which the Board considers would reasonably require in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to CDIs in the Company.

5.4 Rights Attaching to New CDIs

The New CDIs will rank equally in all respects with existing CDIs. Full details of the rights attaching to CDIs are set out in the Company's Constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours. In applying for New CDIs, the Applicant agrees that it and the New CDIs to issue upon that exercise are bound by the terms of the Constitution.

The following is a broad summary of the rights, privileges and restrictions attaching to all CDIs. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

(a) General Meetings and Notice

Each Shareholder is entitled to receive notice of all general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act or the Listing Rules. Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act.

(b) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of CDIs, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder entitled to vote has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder entitled to vote shall, in respect of each fully paid Share held by him or her, or in respect of which he or she is appointed a proxy, attorney or representative, have one vote for every fully paid Share, but in respect of partly paid CDIs shall have a fraction of a vote equal to the proportion that the amount paid bears to the issue price of the CDIs.

(c) Dividend Rights

While there is no guarantee of any dividends or distributions by the Company, the Directors may from time to time declare dividends in compliance with the Corporations Act. Subject to the rights of persons entitled to CDIs with special rights as to dividends (at present there are none), all dividends are paid in the proportion that the amounts paid on those CDIs bear to the issue price of the CDIs.

(d) Winding Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(e) Transfer of CDIs

CDIs in the Company are freely transferable, subject to formal requirements, and so long as the registration of the transfer does not result in a contravention of or failure to observe the provisions of a law of Australia and the transfer is not in breach of the Corporations Act or the Listing Rules.

(f) Variation of Rights

The Company may, subject to the Corporations Act and with the sanction of a special resolution passed at a meeting of Shareholders, or with the written consent of the majority of Shareholders in the affected class, vary or abrogate the rights attaching to CDIs.

5.5 Interests of Directors

Other than as announced to ASX, set out below or elsewhere in this Prospectus, no Director, or any entity in which a Director is a partner or director, has or has had in the 2 years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;

- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, CDIs or otherwise) and no other benefit has been given or agreed to be given to any Director or to any entity in which a Director is a partner or a Director, either to induce him to become, or qualify as, a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

5.6 Interests in existing securities

(a) Interests of Directors – Existing Shareholdings

The interests of the Directors (including via controlled entities) in the securities of the Company (being Shares, CDIs, options and convertible note) as at the date of this Prospectus are as follows:

Director	Nature of security and number held (directly)	Nature of security and number held (indirectly)
Damien Haakman	5,000 CDIs	101,628,274 CDIs
Mr Michael Spooner	0 CDIs	0 CDIs
Dr Gary Pace	0 CDIs	0 CDIs
Mr Alan Fisher	0 CDIs	0 CDIs
Dr John McBain	0 CDIs	5,277,184 CDIs

If shareholder approval of each Tranche 2 Placement is received, Damien Haakman's indirect interest will increase to 115,378,274 and Dr John McBain's indirect interest will increase to 42,777,184.

- (b) Interests of Directors – Participation in the Offer
- None of the Directors will participate in the Offer.

- (c) Remuneration of Directors

The Directors are currently entitled to the following remuneration or directors' fees:

Director	Remuneration
Michael Spooner - Executive Chair	\$350,000
Gary W Pace - Non Executive	\$100,000
Damien Haakman - Non Executive	\$ 50,000
Mr Alan Fisher - Non Executive	\$ 50,000
Dr John McBain - Non Executive	\$ 50,000

5.7 Related Party Transactions

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus or in announcements on the ASX. As announced and disclosed to the market on 10 May 2019 Mr Michael Spooner and Dr Gary Pace each invested \$50,000 in the 2019 Convertible Notes.

5.8 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus or in announcements on the ASX, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue holds, or has held in the 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:
- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer or the Offer itself; or
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, CDIs or otherwise) and no other benefit has been given or agreed to be given to any of the above persons for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

5.9 Restricted securities

The Company has none of its issued securities as 'restricted securities' (as defined in the Listing Rules).

5.10 Broker handling fees

No handling fees are payable in connection with the Offer under this Prospectus.

5.11 Offers outside Australia

This Prospectus does not, and is not intended to, constitute an offer of securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue / distribute this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

5.12 Taxation

The Directors do not consider that it is appropriate to provide investors with advice regarding the taxation consequences of accepting the Offer under this Prospectus. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to investors in respect of any issue.

5.13 Privacy disclosure

By filling out the Application Form you are providing personal information to the Company through its CDI Registry. The Corporations Act requires the Company to include information about each security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if you cease to be a security holder in the Company. The Company, and the Registry on its behalf, may collect, hold and use that Information in order to process your Application, facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements. Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy.

If you do not provide the information requested in the Application Form, the Company and the Registry may not be able to process or accept your Application.

5.14 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$13,200 comprising ASIC lodgement fees, legal fees, accounting fees, share registry fees and printing and other administrative expenses.

5.15 Legal proceedings

To the Director' knowledge, there is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

5.16 Material Contracts

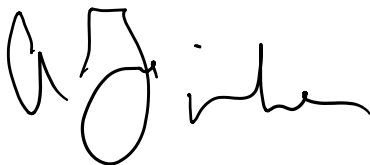
The Company has not entered into any material contracts other than those which have been the subject of ASX announcements or referred to in this Prospectus.

5.17 Authority of Directors

The Directors have made all reasonable enquiries in the preparation of this Prospectus and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of New CDIs pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors. Each of the Directors of the Company has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

Dated 5 March 2020

A handwritten signature in black ink, appearing to read 'Alan Fisher', with a stylized, cursive script.

By: Alan Fisher
Director
For and on behalf of the Board of Simavita Limited

6. Definitions

\$ or A\$ or AUD means references to dollar amounts in Australian currency;

2018 Convertible Notes means the issue by the Company of Notes now convertible into CDIs, further details of which are contained the Company's 2018 Notice Materials;

2019 Convertible Notes means the issue by the Company of Notes now convertible into CDIs, further details of which are contained the Company's 2019 Notice Materials;

2018 Notice Materials means the notice of meeting and explanatory materials as announced on the ASX on 22 March 2018;

2019 Notice Materials means the notice of meeting and explanatory materials as announced on the ASX on 31 May 2019;

AEST means Australian Eastern Standard Time;

ASIC means the Australian Securities and Investments Commission;

Applicant means the person completing an Application Form;

Application Form means the form which is attached as Attachment 1 to this Prospectus;

ASX means ASX Limited ACN 008 624 691;

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532;

ASX Settlement Operating Rules means the operates rules of ASX Settlement from time to time;

Business Day means a day that is not a Saturday, Sunday or a public holiday in Sydney, New South Wales;

CDI means Chess Depository Instrument;

Closing Date means 5.00 pm (AEST) 18 March 2020;

Company means Simavita ARBN 165 831 309, a British Columbia company;

Constitution means the articles and notice of articles of the Company;

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

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

Issue Price means the issue price for New CDIs of 10 cents each;

Listing Rules means the listing rules of ASX;

New CDI means a CDI issued pursuant the Offer under this Prospectus;

Offer means the offer described in Section 1 of this Prospectus;

Opening Date means 5 March 2020;

Prospectus means this prospectus as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time;

Section means a section of this Prospectus.

APPLICATION FORM

To:

The Directors

Simavita Limited ARBN 165 831 309

Application

1. I (being the person named in item 1 of the Schedule) accept the offer of New CDIs described in the prospectus dated 5 March 2020 lodged with ASIC (**Prospectus**) to which this Application forms part. The expiry date of the Prospectus is 18 March 2020.
2. I understand that the Company makes no representation or guarantee in respect of any investment in CDIs.
3. I agree that any New CDIs described in this Prospectus are issued subject to and bound by the terms of this Prospectus the Constitution of the Company (as amended from time to time) and the ASX Listing Rules.
4. I acknowledge that:
 - (a) the Prospectus (referred to above) has been lodged by the Company with ASIC in respect of the offer of the New CDIs described in the Prospectus;
 - (b) I have read, understood and obtained independent legal and financial advice concerning the Prospectus and this investment in the New CDIs;
 - (c) I make this application for New CDIs pursuant to the terms of the Prospectus;
 - (d) by lodging this Application Form and a cheque for the Application Monies I apply for the number of New CDIs specified in this Application Form or such lesser number as may be allocated by the Directors;
 - (e) an investment in the Company is speculative and there is no guarantee that there will be any return on CDIs (whether by way of dividends or return of capital or any other manner whatever);
 - (f) there is no guarantee that there will be any market (whether official or unofficial) for trading of the Company shares generally; and
 - (g) I am not a resident in Canada and acknowledge that: (i) no securities commission or similar regulatory authority in Canada has reviewed or passed on the merits of the CDI; (ii) there is no government or other insurance covering the CDIs; (iii) the securities are not qualified for sale in British Columbia and may not be offered and sold in British Columbia, directly or indirectly, on behalf of the Company; (iv) the securities are restricted from being acquired by a British Columbia resident or by any person for subsequent resale, during the applicable Canadian hold period, to a British Columbia resident; and (v) the Company has advised me that the Company is a designated foreign issuer as defined in National Instrument 71-02 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers and is subject to the foreign regulatory requirements of the ASX.
5. This Application is irrevocable and unconditional.
6. The validity and construction of this Application and, where the Application is accepted, the terms on which New CDIs are allotted to the Applicant is governed and construed in accordance with the laws of the State of New South Wales.

SCHEDULE

1. **Name and address of Applicant:**

2. **Contact Details:**

Daytime contact:

Email contact:

3. **CHESS Details:** PID.....HIN.....

4. **Number of New CDIs:**

5. **Application Money:** \$

6. Cheque details: Drawer:

Bank and Branch:

Dated:

Execution

Signed Sealed and Delivered by
[insert] in the presence of:

.....
Signature of Applicant

.....
Signature of witness

.....
Name of witness
(please print)