



ASX ANNOUNCEMENT

Simavita releases materials for Special General Meeting

For Immediate Release:

11 March 2020

Sydney, Australia – Simavita Limited (“**Simavita**”) (ASX: SVA) is pleased to release the materials for a Special General Meeting to be held on 7 April 2020 (the “**Meeting**”).

Copies of the Notice, Management Information Circular and CDI voting instruction forms (collectively, the “Meeting Materials”) have been mailed to all security holders. The Meeting Materials will also be available on SEDAR and on the Company’s website at www.simavita.com.

As detailed in the attached Notice, the Meeting will be held at **11.00 am** (Australian Eastern Standard Time) on **Tuesday, 7 April 2020** at the following address:

**The offices of K&L Gates
Level 31, 1 O’Connell Street
Sydney, New South Wales. 2000. Australia**

This is an important meeting for Simavita and we encourage all securityholders to vote their voting instruction forms that they will receive shortly in the mail.

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

E: pjurd@simavita.com
T: +61 421 466 653
W: Investor Centre: [Click here](#)

This ASX announcement was approved and authorised for release by Peta Jurd, the Company Secretary 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

Letter from the Chairman

March 10, 2020

Dear CDI Holders,

On behalf of the Board of Simavita Limited, I invite you to attend a Special General Meeting (**SGM**) of CDI Holders to be held 11:00am on April 7, 2020 at the offices of K&L Gates at Level 31, 1 O'Connell Street Sydney.

As announced on 26 February 2020, Simavita received \$1,895,000 by way of a placement of 94,750,000 CDIs to sophisticated investors (**Investor's Placement**). At the same time, Simavita also received commitments for a further 51,250,000 CDIs, in aggregate, from entities associated with two directors of the Corporation, namely Dr John McBain and Mr Damien Haakman (**Director's Placement**). Under the ASX Listing Rules, an issue of securities to a director requires prior shareholder approval. To increase Simavita's flexibility to issue CDIs in the future within its Listing Rule 7.1 capacity, at the SGM your Board is seeking CDI Holder approval to ratify the Investor's Placement. Your Board is also seeking CDI Holder approval to issue the Director's Placement - upon such approval the Company will receive a further \$1,025,000 in subscriptions funds and issue the further 51,250,000 CDIs, making a total amount raised from these placements of AUD\$2,920,000, as essential funding.

The funds will be used for general working capital, sales and marketing and continued product development. As previously disclosed, funds will also be used to progress Company reorganization activities. Details associated with the Financing are set out in more detail in the attachments to this notice.

Smartz™ Proceeding to Market:

Simavita is ready to release Smartz™ in key North American and European markets. Funds raised will be used to progress:

- Clinical testing across a number of international markets; and
- Commercial discussion with key multinational and leading organisations in adult and infant diaper markets.

I encourage you to read the Notice of Meeting and the Information Circular and vote in favour of the Resolutions at the SGM.

Whilst Simavita has already received the \$1,895,000 cash under the Investor's Placement, if Resolution (a) is not approved Simavita's 15% capacity under ASX Listing Rule 7.1 will be significantly reduced by 94,750,000 CDIs and would reduce its ability to issue CDIs in the following 12 months without prior shareholder approval. If shareholder/CDI holder approval for any of resolutions (b), (c) or (d) is not forthcoming, the Corporation will not receive the some or all of \$1,025,000 funding referred to above. As a consequence, the Corporation is less likely to have sufficient funds to be able to meet its ongoing commitments in respect of its assets in the short term. In these circumstances, the Board believes that additional funds will be required in the near term in order for the Company to remain solvent.

Voting instructions

Voting instructions for the SGM are contained in the Information Circular and personalised proxy or CDI Voting Instruction forms are enclosed. Your vote is important and we encourage you to vote at the SGM by proxy. If you are unsure as to how to vote, we recommend that you speak with your professional adviser.

Questions

Should you wish to discuss the matters in this Circular please do not hesitate to contact Peta Jurd, the Corporation's Chief Commercial Officer and Corporation Secretary at pjurd@simavita.com, or +61 2 8405 6300.

We look forward to the participation of Shareholders and CDI Holders at the Special Meeting on April 7, 2020.

Yours faithfully,
Michael Spooner



**Chairman
Simavita Limited**

Simavita

SIMAVITA LIMITED NOTICE OF SPECIAL MEETING

TAKE NOTICE that a special meeting of the shareholder/CDI Holders of Simavita Limited (the "**Corporation**") will be held at the offices of K&L Gates at Level 31, 1 O'Connell Street, Sydney, New South Wales, 2000 Australia, on April 7, 2020 at 11:00 a.m. (Australian Eastern Standard time) or at any adjournment or postponement thereof for the purposes of:

- (a) Resolution #1: considering, and if deemed fit, passing an ordinary resolution of disinterested CDI Holders, to approve and authorize, for the purposes of ASX Listing Rule 7.4 and all other purposes, the prior issue to professional and sophisticated investors of 94,750,000 common shares in the capital of the Corporation in the form of CHES Depositary Interests ("CDIs") at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular; and
- (b) Resolution #2: considering, and if deemed fit, passing an ordinary resolution of disinterested CDI Holders, to approve and authorize, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Thirty Fifth Celebration Pty Ltd <McBain Super Fund A/C> (an entity associated with Dr John McBain, a Director of the Corporation) of 25,000,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular;
- (c) Resolution #3: considering, and if deemed fit, passing an ordinary resolution of disinterested CDI Holders, to approve and authorize, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation) of 12,500,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular;
- (d) Resolution #4: considering, and if deemed fit, passing an ordinary resolution of disinterested CDI Holders, to approve and authorize, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Dussman Pty Ltd (an entity associated with Mr Damien Haakman), a Director of the Corporation) of 13,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular; and
- (e) Resolution #5: transacting such further and other business as may properly come before the said meeting or any adjournment or postponement thereof.

Specific details of the above items of business are contained in the information circular of management which accompanies this notice of meeting and, together with management's form of proxy and a CDI Voting Instruction Form, which also accompanies this notice of meeting, form a part hereof and must be read in conjunction with this notice of meeting. CDI Holders of record at the close of business on March 4, 2020 are entitled to notice of, to attend and vote at the meeting either in person or by proxy.

A form of proxy will not be valid for the meeting or any adjournment or postponement thereof unless it is completed by the shareholder or by his attorney authorized in writing and must be delivered to: Computershare Investor Services Pty. Limited, GPO Box 242, Melbourne, Victoria 3001 Australia (the number to fax CDI Voting Instruction Forms is +61 3 9473 2555) not later than prior to the time set for the meeting or any adjournment or postponement thereof, being no later than Friday, April 3, 2020, at 11:00 a.m. (Australian Eastern

Daylight Time).

Holders of CDIs are invited to attend the meeting. CDI holders must complete, sign and return the enclosed CDI Voting Instruction Form to Computershare Investor Services Pty. Limited, GPO Box 242, Melbourne, Victoria 3001 Australia (the number to fax CDI Voting Instruction Forms +61 3 9473 2555) so that each CDI holder may elect to direct CHESS Depository Nominees Pty. Ltd. ("CDN") to vote the relevant underlying common shares on his or her behalf or instruct CDN to appoint such CDI holder or his or her nominee as proxy to vote the common shares underlying the CDIs in person at the meeting. Please note that CDI holders are not entitled to vote at the meeting, however can vote their holding by completing the CDI voting instruction form in advance of the meeting. In either case, the CDI Voting Instructions Form needs to be received at the address shown on the CDI Voting Instructions before the time set for the meeting or any adjournment or postponement thereof, being not later than Thursday, April 2, 2020, at 11:00 a.m. (Australian Eastern Daylight Time).

DATED: March 10, 2020

By Order of the Board of Directors

(Signed) "Michael Spooner"

Michael Spooner

Non-Executive Chairman

Simavita

SIMAVITA LIMITED

INFORMATION CIRCULAR

(as at March 10, 2020)

FOR THE SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 7, 2020

PROXY SOLICITATION

PURPOSE OF SOLICITATION

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Simavita Limited (the "**Corporation**") for use at the special meeting of common shareholders (or CDI Holders) of the Corporation, to be held at the offices of K&L Gates at Level 31, 1 O'Connell Street, Sydney, New South Wales, 2000 Australia, on April 7, 2020, at 11:00 a.m. (Australian Standard time) or at any adjournment or postponement thereof for the purposes set out in the accompanying notice of meeting (the "**Meeting**").

The cost of such solicitation will be borne by the Corporation and will be made primarily by mail. Directors and officers of the Corporation may without special compensation solicit proxies by telephone, facsimile or in person.

In this Information Circular, unless otherwise stated, references to "\$" or "AUD\$" are to amounts in Australian dollars.

The Chairman intends to vote all undirected proxies in favour of all items of business.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation and are nominees of management. Shareholder/CDI Holders have the right to appoint a nominee (who need not be a Shareholder/CDI Holder) to represent them at the Meeting other than the persons designated in the enclosed form of proxy, and may do so by inserting the name of the appointed representative in the blank space provided in the form of proxy.

A form of proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed by the shareholder or by his or her attorney authorized in writing and must be delivered to: Computershare Investor Services Pty. Limited, GPO Box 242, Melbourne, Victoria 3001 Australia (the number to fax CDI Voting Instruction Forms is +61 3 9473 2555), not later than two business days prior to the time set for the Meeting or any adjournment or postponement thereof, being not later than Friday, April 3, 2020, at 11:00 a.m. (Australian Eastern Daylight Time).

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or by his or her authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by depositing the proxy bearing a later date with Farris LLP (Attn: Denise C. Nawata) located at 700 West Georgia Street, 25th Floor, Vancouver, British Columbia, V7Y 1B3, Canada, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia, Canada) prior to the time set for the Meeting or any adjournment or postponement at which the proxy is to be used, or by depositing the revocation of proxy with the chairman of such meeting on the day of the meeting, or any adjournment or postponement of the Meeting.

VOTING SHARES

The Corporation is authorized to issue an unlimited number of common shares without par value. As of March 10, 2020, 512,528,132 common shares without par value were issued and outstanding. Of the 512,528,132 common shares issued and outstanding on March 10, 2020, 512,528,132 common shares were held by CHESS Depository Nominees Pty. Ltd. ("**CDN**"), a wholly-owned subsidiary of the Australian Securities Exchange (the "**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 Information Circular to outstanding common shares include common shares held by CDN and all references to holders of common shares include CDI holders.

Each common share entitles the holder to one vote on all matters to come before the Meeting. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the common shares of the Corporation. There are no other classes of voting securities of the Corporation outstanding.

The quorum for the Meeting is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting. However, as there is only one current holder of Canadian shares (and all other securities are held in the form of CDIs through CDN), the Corporation's articles allow a quorum of one shareholder, in such circumstances.

The Corporation has fixed March 4, 2020 as the record date for determination of the persons entitled to receive notice of and vote at the Meeting. Only a shareholder of record as of the record date is entitled to receive notice of and vote at the Meeting.

VOTING OF PROXIES

This section only applies to the holders of common shares of the Corporation that are not represented by CDIs. Holders of CDIs should refer to the section in this Information Circular headed "*CDI Holders May Give Direction to CDN*".

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation and have indicated their willingness to represent the shareholder who appoints them as proxy. Each shareholder may instruct his proxy how to vote his common shares by completing the enclosed form of proxy.

The person indicated in the enclosed form of proxy shall vote the common shares in respect of which they are appointed in accordance with the direction of the shareholder appointing them.

In the event of an absence of direction to vote the common shares in respect of which they are appointed, the management appointees named in the accompanying proxy will vote such common shares in favour of:

- I. **Resolution #1:** an ordinary resolution of disinterested CDI holders, approving and authorizing, for the purposes of ASX Listing Rule 7.4 and all other purposes, the prior issue to professional and sophisticated investors of 94,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular; and
- II. **Resolution #2:** an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Thirty Fifth Celebration Pty Ltd <McBain Super Fund A/C> (an entity associated with Dr John McBain, a Director of the Corporation) of 25,000,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and

otherwise as more particularly described in the accompanying management information circular;

- III. **Resolution #3:** an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation) of 12,500,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular;
- IV. **Resolution #4:** an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Dussman Pty Ltd (an entity associated with Mr Damien Haakman, a Director of the Corporation) of 13,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI, and otherwise as more particularly described in the accompanying management information circular; and
- V. **Resolution #5:** transacting such further and other business as may properly come before the Meeting or any adjournment or postponement thereof.

THE ENCLOSED FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSON INDICATED IN THE PROXY WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF SPECIAL MEETING OF SHAREHOLDERS (THE "NOTICE") AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING.

At the time of printing of the Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice and the Information Circular. If any matters which are not now known to the directors and executive officers of the Corporation should properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

CDI HOLDERS MAY GIVE DIRECTIONS TO CDN

The Corporation will permit CDI Holders to attend the Meeting. Each CDI holder has the right to:

- (a) direct CDN how to vote in respect of their CDIs; or
- (b) instruct CDN to appoint the CDI Holder or a person nominated by the holder as the holder's proxy for the purposes of attending and voting at the Meeting.

If you are a CDI holder and you wish to direct CDN how to vote in respect of your CDIs or appoint yourself or a nominee as your proxy, you should read, complete, date and sign the accompanying CDI voting instruction form and deposit it with Computershare Investor Services Pty. Limited, GPO Box 242, Melbourne, Victoria 3001 Australia (the number to fax CDI Voting Instruction Forms is +61 3 9473 2555) before the time set for the meeting or any adjournment or postponement thereof, being not later than Thursday, April 2, 2020, at 11 a.m. (Australian Eastern Daylight Time) at which the proxy is to be used.

PRINCIPAL HOLDERS OF VOTING SHARES

At March 10, 2020, the Corporation had 512,528,132 common shares issued and outstanding. To the knowledge of the directors and executive officers of the Corporation, as of the date of this Information Circular, no person or company beneficially owns, or controls or directs, directly or indirectly, voting shares of the Corporation carrying more than ten percent (10%) of the voting rights attached to all of the issued

and outstanding common shares of the Corporation other than the following:

Name of Shareholder	Number of CDIs Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Percentage of Outstanding CDIs
Dussman Pty. Ltd.	102,019,031 ⁽¹⁾	19.91%
Chevron Corporation Pty Ltd	72,178,317	14.08%
Mutual Trust Pty Ltd	57,277,345	11.27%
TIGA Trading Pty Ltd (1)	55,612,657	10.8%

(1) The information as to the class and number of voting securities beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation has been based solely upon reports filed pursuant to the substantial shareholder disclosure rules of the ASX.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

Events Leading to the Financing

On February 26, 2020, the Corporation announced it had secured funding commitments, in aggregate, of AUD\$2,920,000 from professional and/or sophisticated investors (all of whom are exempt from disclosure under Chapter 6D of the Corporations Act, referred to as **Exempt Investors**), including 2 Directors of the Corporation. All investors who have committed to participating in the financing to raise AUD\$2,920,000 in essential funding (the **Financing**) have entered into subscriptions agreement with the Corporation effectively for the issue of common shares in the capital of the Corporation in the form of CDIs.

The intended use of the funds raised pursuant to the Financing is for the Corporation to continue bringing its software platform technology Smartz™ to market and for other working capital purposes.

The Financing is the result of arm's length negotiations conducted by the Corporation, through the Directors Messrs. Michael Spooner and Damien Haakman, over some months, seeking to raise additional capital as part of its overall financing activities. The Directors were eventually introduced to, and were able to successfully conclude discussions with, various parties (being the investors described in Resolution #1) and accepted terms for the offer of securities by investors described herein. The Board is of the view that the terms of the Subscription Agreements were negotiated on arm's length commercial terms and represent reasonable market terms for the Corporation in its current financial position.

The Corporation's capital raising (without prior Shareholder/CDI Holder approval) is constrained by the amount of capital it can raise pursuant to the ASX Listing Rules, in particular, the Corporation's 15% placement capacity under ASX Listing Rule 7.1 and 10% placement capacity pursuant to ASX Listing Rule 7.1A.

Applicability of the *Corporations Act 2001 (Cth.)* of Australia

The Corporation is incorporated in British Columbia, Canada and is registered as a "foreign company" under Chapter 5B of the Corporations Act (Australia). The Corporation is not subject to a number of provisions of the Corporations Act including chapter 6 of the Corporations Act and in particular the 20% prohibition rule contained in section 606 of the Corporations Act and the substantial CDI Holder notification provisions

contained in section 671B of the Corporations Act. The Corporation is not subject to the jurisdiction of the Australian Takeovers Panel.

Exemption from Formal Valuation Requirement

The Financing of the Corporation constitutes a "related party transaction" under Canadian securities laws, Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") as it relates to participating of the 2 Directors. MI 61-101 provides that an issuer involved in a related party transaction must obtain a formal valuation, unless an exemption from this valuation requirement can be relied upon. The Corporation has determined that a formal valuation exemption under MI 61-101 is available. The Corporation is relying upon the financial hardship exemption set out in paragraph (g) of section 5.5 of MI 61-101 because: (i) the Corporation is in serious financial difficulty; (ii) the transaction is designed to improve the financial position of the Corporation; (iii) the Corporation is not subject to a court approval or a court order under bankruptcy or insolvency law; (iv) the Corporation has one or more independent directors in respect of the transaction; and (v) the Corporation's board of directors, acting in good faith, has determined, and at least two-thirds of the Corporation's independent directors, acting in good faith, has determined that subsections (i) and (ii) apply and that the terms of the transaction are reasonable in the circumstances of the Corporation. There has been no prior formal valuation of the securities issued in the Financing as there has not been any necessity to do so.

Recommendation of the Independent Directors

In making its determinations and recommendations, the Independent Directors considered and relied upon a number of substantive factors, observed that a number of procedural safeguards were and are present to permit the Independent Directors to represent effectively the interests of the Corporation and the Corporation's Shareholders/CDI Holders, and considered a variety of uncertainties, risks and other potentially negative factors concerning the Financing (which the Independent Directors concluded were outweighed by the potential benefits of the Financing).

Having undertaken a thorough review of, and carefully considered, information concerning the Corporation and upon consideration of all of the Corporation's alternatives, and after consulting with the Corporation's Australian and Canadian legal advisors, the Independent Directors have unanimously determined that the Financing is in the best interests of the Corporation (considering the interests of all affected stakeholders) and **unanimously recommends that the Board approve the Financing and recommends that Shareholders/CDI Holders vote in favour of the Financing.**

Some of the key factors considered as a part of the evaluation and approval process included but not limited to the following:

- The current financial position of the Corporation, as well as the financial position, opportunities and the outlook for future potential and operating performance of the Corporation and the business currently operated by the Corporation.
- Estimated cash flow projections for the Corporation.
- Current price of the Corporations' CDIs on the ASX market.
- Alternatives available to the Corporation (including the potential adverse impact on the value of the Corporation's assets if the group was placed into administration).
- The uncertainty created by the current global economic slowdown disruption to capital markets and its effects on the Corporation's ability to obtain additional financing for working capital, capital expenditures, general corporate and other purposes or to fund future operations on favourable terms or at all.

Based on the Corporation's financial position, the Board believes that the Corporation is unlikely to have sufficient funds to be able to meet its ongoing commitments in respect of its assets in the short term if shareholder/CDI holder approval is not forthcoming. In these circumstances, the Board believes that it is

highly likely that the Corporation will become insolvent and that Shareholder/CDI Holders will lose all or significant portion of their investment. If shareholders/CDI holders do not approve the proposed Resolutions, the Corporation believes in the short term it may need to call an immediate trading halt in the Corporation's securities until such time as there was sufficient certainty that the Corporation could pay its debts as and when they fall due.

RESOLUTIONS AND CDI HOLDER VOTING EXCLUSIONS

Further information necessary for Shareholder/CDI Holder approval of the Resolutions is set forth below:

- I. **Resolution #1:** considering, and if deemed fit, passing an ordinary resolution of disinterested CDI Holders, to approve and authorize, for the purposes of ASX Listing Rule 7.4 and all other purposes, the prior issue to professional and sophisticated investors of 94,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI.

Background to the Financing

On February 26, 2020 the Corporation announced details of the Financing. The 94,750,000 CDIs (the **Financing Shares**) to be issued pursuant to the Financing were issued on February 26, 2020 under the Corporation's 15% placement capacity in accordance with ASX Listing Rule 7.1 and the Corporation's 2019 previously approved additional 10% placement capacity in accordance with ASX Listing Rule 7.1A.

The funds raised from the Financing are being used to maintain working capital to seek to achieve the Corporation's key objectives. In particular, the Corporation aims to conduct trials at a number of international institutional sites and to continue its dialogue with a number of major organisations with specific interest in our platform technology.

(a) Specific information about Resolution# 1 (Financing)

ASX Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of CDI Holders is required for the issue of equity securities if the equity securities will, when aggregated with the equity securities issued by a Corporation during the previous 12 months, exceed 15% of the number of equity securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of securities after the fact so that the securities already issued are regarded as having been made with prior shareholder approval for the purpose of ASX Listing Rule 7.1 or ASX Listing Rule 7.1A.

The Corporation is seeking approval for the purposes of ASX Listing Rule 7.4 to enable the Corporation to refresh its issuing capacity under Listing Rule 7.1, thereby providing the Corporation with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises.

The Financing was made within the 15% limit permitted under ASX Listing Rule 7.1 and within the 10% limit permitted under ASX Listing Rule 7.1A, and without shareholder approval. Accordingly, Resolution #1 is proposed for the purpose of ratifying the issue of the Financing and thereby refreshing the Corporation's ability to issue securities in the future of the same number as ratified pursuant to this resolution (up to the 15% limit).

If Resolution 1 is not passed, the issue of the Financing Shares will be included in the calculation of the Corporation's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the Financing Shares.

(b) ASX Listing Rule 7.5 disclosure requirements

In accordance with the disclosure requirements of ASX Listing Rule 7.3, the following information must be provided to CDI Holders to enable them to consider and approve this Resolution 1:

- (i) The CDIs to will be issued to Exempt Investors. The Financing is the result of arm's length negotiations conducted by the Corporation, through the Directors Messrs. Michael Spooner and Damien Haakman, over some months, seeking to raise additional capital as part of its overall financing activities. The Directors were eventually introduced to, and were able to successfully conclude discussions with the Exempt Investors, who are not related parties. The Exempt Investors are a range of institutional and professional investors who qualify under the requirements of section 708 of the Corporations Act (as investors to whom disclosure is not required by the Corporation pursuant to Chapter 6 of the Corporations Act);
- (ii) the number of CDIs issued under the Financing was 94,750,000. This issue comprised:
 - 52,972,187 CDIs were issued under Listing Rule 7.1; and
 - 41,777,813 CDIs were issued under Listing Rule 7.1A;
- (iii) CDIs issued pursuant to the Financing are fully paid and rank equally with all other existing securities from the date of issue;
- (iv) the CDIs issued to the Exempt Investors were issued on February 26, 2020;
- (v) the CDIs issued under the Financing were issued at a price of A\$0.02 per CDI;
- (vi) the funds raised from the Financing are being used by the Corporation to enable the Corporation to focus upon delivering its strategy and to aim to enter into partnership agreements with large manufacturing firms to deliver this technology; and
- (vii) the Exempt Investors provided firm commitments to subscribe for the Financing CDIs and there are no other material terms of their commitment.

Resolution #1 must be passed by a simple majority of the disinterested CDI Holders. Therefore, the Corporation will disregard any votes cast in favour of Resolution 1 by:

- (i) Exempt Investors and otherwise any person who participated in the issue or is a counterparty to the agreement being approved; and
- (ii) an associate or affiliate of that person (or persons).

However, this does not apply to a vote cast in favour of a resolution by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (ii) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The directors of the Corporation unanimously recommend CDI Holders vote in favour of Resolution #1.

- II. Resolution #2: an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Thirty Fifth Celebration Pty Ltd <McBain Super Fund A/C> (an entity associated with Dr John McBain, a Director of the Corporation) of 25,000,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI.**

(a) ASX Listing Rule 10.11

Resolution #2 seeks approval and authorization by the CDI Holders, for the purposes of ASX Listing Rule 10.11, the issue of 25,000,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund (an entity associated with Dr John McBain, a Director of the Corporation) to raise \$500,000.

ASX Listing Rule 10.11 provides that, subject to certain exceptions, prior approval of CDI Holders is required for the issue of equity securities to a related party of the Corporation under ASX Listing Rule 10.11, or an associate of a related party of the Corporation. As Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund is an entity associated with Dr John McBain, CDI Holder approval of the issue of CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund is required.

Approval pursuant to Listing Rule 7.1 is not required for the issues of CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund, as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund is not to be included in the use of the Corporation's 15% annual financing capacity pursuant to Listing Rule 7.1.

If Resolution #2 is not passed, Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund will not be able to acquire the CDIs and the Corporation will not receive the funds (\$500,000) from the issue of the CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund. If the resolution is not passed, it will impact on the Corporation's ability to finance and execute on delivering its strategy and to aim to enter into partnership agreements with large manufacturing firms to deliver this technology.

(b) ASX Listing Rule 10.13 disclosure requirements

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided to CDI Holders to enable them to consider and approve Resolution #2:

- (i) the name of the entity to be issued the securities is Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund (an entity associated with Dr John McBain, a Director of the Corporation);
- (ii) pursuant to Listing Rule 10.11.4, Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund is an associate of Dr John McBain, who is a related party of the Corporation by virtue of

being a director of the Corporation;

- (iii) 25,000,000 CDIs will be issued;
- (iv) CDIs issued pursuant to the Financing are fully paid and rank equally with all other existing securities from the date of issue;
- (v) the CDIs will be issued no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (vi) the CDIs issued to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund will be issued at a price of A\$0.02 per CDI;
- (vii) it is expected that monies raised will be used by the Corporation to continue bringing its software platform technology Smartz™ to market, and for other working capital purposes; and
- (viii) the issue of the CDIs is being made on terms identical to non-related party participants under the Financing and is not intended to remunerate or incentivise the Director or Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund.

The text of Resolution #2 is set out in the accompanying Notice.

Resolution #2 must be passed by a simple majority of the disinterested CDI Holders. Therefore, the Corporation will disregard any votes cast in favour of Resolution #2 by:

- (i) Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund (an entity associated with Dr John McBain, a Director of the Corporation);
- (ii) any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being the holder of ordinary securities in the entity); and
- (iii) an associate or affiliate of any of the above.

However, the Corporation need not disregard a vote if:

- (i) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (ii) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The directors of the Corporation (other than Dr. McBain who abstains from making a recommendation due to his association with Thirty Fifth Celebration Pty Ltd) unanimously recommend CDI Holders vote in favour of Resolution #2.

- III. **Resolution #3: an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation) of 12,500,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI.**

(a) ASX Listing Rule 10.11

Resolution #3 seeks approval and authorization by the CDI Holders, for the purposes of ASX Listing Rule 10.11, the issue of 12,500,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI to Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation) to raise \$250,000.

ASX Listing Rule 10.11 provides that, subject to certain exceptions, prior approval of CDI Holders is required for the issue of equity securities to a related party of the Corporation under ASX Listing Rule 10.11, or an associate of a related party of the Corporation. As Fifty Second Celebration Pty Ltd <The McBain Family Trust> is an entity associated with Dr John McBain, CDI Holder approval of the issue of CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund is required.

Approval pursuant to Listing Rule 7.1 is not required for the issues of CDIs to Fifty Second Celebration Pty Ltd <The McBain Family Trust>, as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of CDIs to Fifty Second Celebration Pty Ltd <The McBain Family Trust> is not be included in the use of the Corporation's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 3 is not passed, Fifty Second Celebration Pty Ltd <The McBain Family Trust> will not be able to acquire the CDIs and the Corporation will not receive the funds (\$250,000) from the issue of the CDIs to Thirty Fifth Celebration Pty Ltd ATF JC McBain Super Fund. If the resolution is not passed, it will impact on the Corporation's ability to finance and execute on delivering its strategy and to aim to enter into partnership agreements with large manufacturing firms to deliver this technology.

(b) ASX Listing Rule 10.13 disclosure requirements

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided to CDI Holders to enable them to consider and approve Resolution #3:

- (i) the name of the entity to be issued the securities is Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation);
- (ii) pursuant to Listing Rule 10.11.4, Fifty Second Celebration Pty Ltd <The McBain Family Trust> is an associate of Dr John McBain, who is a related party of the Corporation by virtue of being a director of the Corporation;
- (iii) 12,500,000 CDIs will be issued;
- (iv) CDIs issued pursuant to the Financing are fully paid and rank equally with all other existing securities from the date of issue;
- (v) the CDIs will be issued no later than one month after the date of the Meeting (or such later

date as permitted by any ASX waiver or modification of the Listing Rules).

- (vi) The CDIs issued to Fifty Second Celebration Pty Ltd <The McBain Family Trust> will be issued at a price of A\$0.02 per CDI;
- (vii) it is expected that monies raised will be used by the Corporation to continue bringing its software platform technology Smartz™ to market, and for other working capital purposes; and
- (viii) the issue of the CDIs is being made on terms identical to non-related party participants under the Financing and is not intended to remunerate or incentivise the Director or Fifty Second Celebration Pty Ltd <The McBain Family Trust>.

The text of Resolution #3 is set out in the accompanying Notice.

Resolution #3 must be passed by a simple majority of the disinterested CDI Holders. Therefore, the Corporation will disregard any votes cast in favour of Resolution #3 by:

- (i) Fifty Second Celebration Pty Ltd <The McBain Family Trust> (an entity associated with Dr John McBain, a Director of the Corporation);
- (ii) any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being the holder of ordinary securities in the entity); and
- (iii) an associate or affiliate of any of the above.

However, the Corporation need not disregard a vote if:

- (i) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (ii) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The directors of the Corporation (other than Dr. McBain who abstains from making a recommendation due to his association with Fifty Second Celebration Pty Ltd) unanimously recommend CDI Holders vote in favour of Resolution #3.

- IV. Resolution #4: an ordinary resolution of disinterested CDI Holders, approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the issue to Dussman Pty Ltd (an entity associated with Mr Damien Haakman, a Director of the Corporation) of 13,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI.**

(a) ASX Listing Rule 10.11

Resolution #4 seeks approval and authorization by the CDI Holders, for the purposes of ASX Listing Rule 10.11, the issue of 13,750,000 common shares in the capital of the Corporation in the form of CDIs at an issue price of AUD\$0.02 per CDI to Dussman Pty Ltd (an entity associated with Damien Haakman, a Director of the Corporation).

ASX Listing Rule 10.11 provides that, subject to certain exceptions, prior approval of CDI Holders is required for the issue of equity securities to a related party of the Corporation under ASX Listing Rule 10.11, or an associate of a related party of the Corporation. As Dussman Pty Ltd is an entity associated with Damien Haakman, CDI Holder approval of the issue of CDIs to Dussman Pty Ltd is required.

Approval pursuant to Listing Rule 7.1 is not required for the issues of CDIs to Dussman Pty Ltd, as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of CDIs to Dussman Pty Ltd not be included in the use of the Corporation's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 4 is not passed, Dussman Pty Ltd will not be able to acquire the CDIs and the Corporation will not receive the funds from the issue of the CDIs to Dussman Pty Ltd. If the resolution is not passed, it will impact on the Corporation's ability to finance and execute on delivering its strategy and to aim to enter into partnership agreements with large manufacturing firms to deliver this technology.

(b) ASX Listing Rule 10.13 disclosure requirements

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided to CDI Holders to enable them to consider and approve Resolution #4:

- (i) the name of the entity to be issued the securities is Dussman Pty Ltd (an entity associated with Mr Damien Haakman, a Director of the Corporation);
- (ii) pursuant to Listing Rule 10.11.4, Dussman Pty Ltd is an associate of Damien Haakman, who is a related party of the Corporation by virtue of being a director of the Corporation;
- (iii) 13,750,000 CDIs will be issued;
- (iv) CDIs issued pursuant to the Financing are fully paid and rank equally with all other existing securities from the date of issue;
- (v) the CDIs will be issued no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (vi) the CDIs issued to Dussman Pty Ltd will be issued at a price of A\$0.02 per CDI;
- (vii) it is expected that monies raised will be used by the Corporation to continue bringing its software platform technology Smartz™ to market, and for other working capital purposes; and
- (viii) the issue of the CDIs is being made on terms identical to non-related party participants under the Financing and is not intended to remunerate or incentivise the Director or Dussman Pty Ltd.

The text of Resolution #4 is set out in the accompanying Notice.

Resolution #4 must be passed by a simple majority of the disinterested CDI Holders. Therefore, the Corporation will disregard any votes cast in favour of Resolution #4 by:

- (i) Dussman Pty Ltd (an entity associated with Mr Damien Haakman, a Director of the Corporation);
- (ii) any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being the holder of ordinary securities in the entity); and
- (iii) an associate or affiliate of any of the above.

However, the Corporation need not disregard a vote if:

- (i) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (ii) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The directors of the Corporation (other than Mr Damien Haakman, who abstains from making a recommendation due to his association with Dussman Pty Ltd) unanimously recommend that CDI Holders vote in favour of Resolution #4.

OTHER MATTERS TO BE ACTED UPON

The Corporation will consider and transact such other business as may properly come before the Meeting or any adjournment or postponement thereof. The management of the Corporation knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the shares represented by proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

No individual who is, or at any time during the Corporation's most recently completed financial year was, a director or executive officer of the Corporation, and no associate of any such director, executive officer is, or at any time during the Corporation's most recently completed financial year was, indebted to (i) the Corporation or any of its subsidiaries or (ii) indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, other than routine indebtedness.

MANAGEMENT CONTRACTS

There are no management functions of the Corporation or any of its subsidiaries which are to any substantial degree performed by a person other than the directors or executive officers of the Corporation or subsidiary.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than in relation to Resolutions #2, #3 and #4 and other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Corporation, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year, and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this Information Circular, there were no material interests, direct or indirect, of any informed person of the Corporation, any director of the Corporation, or any known associates or affiliates of any informed person or director, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be obtained on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the Corporation's most recently completed full financial year, namely for the period ended June 30, 2019). Copies of the Corporation's financial statements and management's discussion and analysis are available upon request from Peta Jurd, the Corporation's Chief Commercial Officer and Corporation Secretary at pjurd@simavita.com.

APPROVAL

The contents of this Information Circular and the sending thereof have been approved by the Board.

DATED the 10th day of March, 2020.

"Michael Spooner"

Michael Spooner

Executive Chairman, Simavita Limited