



Simavita Limited announces Closing of First Tranche of Private Placement Offering

For Immediate Release:

January 14, 2016

Sydney, Australia – Simavita Limited (“**Simavita**” or the “**Company**”) (TSX-V: SV; ASX: SVA) is pleased to announce that the Company has closed an initial tranche (the “**First Tranche**”) and, subject to shareholder approval, will close a subsequent tranche (the “**Second Tranche**”) of a private placement (the “**Placement**”), as previously announced on January 12, 2016, to sophisticated and institutional investors in Australia, Germany and Hong Kong.

Funds raised in the First Tranche (closed) and Second Tranche (ongoing and subject to shareholder approval) total AUD\$1,600,000. A CDI purchase plan (the “**SPP**”) will be opened shortly to CDI holders in Australia and New Zealand to raise up to an additional AUD\$2,500,000.

The proceeds from the Placement and the SPP will be used to support the roll-out of Simavita’s current technologies in the US and European markets, appoint further distributors to roll-out SIM™ in Europe, and for continued product innovation.

Placement Details

Pursuant to the First Tranche, Simavita has raised AUD\$600,000 by issuing 4,000,000 common shares (“**Shares**”) and Chess Depository Interests (“**CDIs**”) in the Company at an issue price of AUD\$0.15 per Share/CDI. Each CDI issued in Australia will represent one Share of Simavita and will rank equally with existing CDIs.

In addition to the 4,000,000 Shares/CDIs described above, the Company will also grant a total of 800,000 unlisted options (the “**Placement Options**”) on the basis of one attaching Placement Option for every five Shares issued pursuant to the Placement. Each Placement Option will entitle the holder to acquire one Share/CDI in the Company at an issue price of AUD\$0.15 for a period of twelve months from the date on which the Placement Option is granted. The Placement Options will not be listed on either the ASX or the TSX-V.

As parties related to a Director of the Company have subscribed for Shares/CDIs, the Placement also consists of a subsequent tranche (the Second Tranche) (subject to shareholder approval) that will raise an additional AUD\$1,000,000 through the issue of 6,666,667 Shares/CDIs at an issue price of AUD\$0.15 per Share/CDI. The Second Tranche subscriptions will also attract Placement Options.

As detailed above, the Company has undertaken an initial closing raising AUD\$600,000 (plus an additional amount of AUD\$1,000,000 committed by entities associated with a Director of the Company). The Company is continuing discussions for possible further financing (within its existing capacity under ASX Listing Rules 7.1 and 7.1A) and, as soon as reasonably practical, will convene a shareholder meeting to approve the Share issuance under the Second Tranche.

CDI Purchase Plan

In addition, Simavita will be conducting a capital raise only in Australia and New Zealand via a CDI purchase plan to raise up to an additional AUD\$2,500,000 at an issue price of AUD\$0.15 per CDI. The record date for determining entitlements under the SPP will be January 13, 2016. The SPP offer is expected to open on January 20, 2016 and will remain open until February 5, 2016. For every 20 CDIs issued under the SPP, the subscriber will be issued one further CDI at no additional cost. As a result, a maximum of 17,500,000 Shares/CDIs may be issued under the SPP. The Company will reserve the right to scale back proportionally any oversubscriptions of CDIs in the SPP and to close the SPP offer early. Full details of the SPP including offer and acceptance forms will be sent to shareholders in the coming days.

All CDIs issued pursuant to the Placement and the SPP are to be fully tradeable and listed on the Australian Securities Exchange (the “ASX”). Quotation of the CDIs issued pursuant to the First Tranche is expected to occur on the ASX on January 21, 2016. Quotation of the CDIs issued pursuant to the SPP is expected to occur within three business days after the closing of the SPP.

The Shares issued pursuant to the Placement that are listed on the TSX Venture Exchange will be subject to a statutory four month hold plus one day commencing from the date of issuance. The Placement is subject to TSX Venture Exchange acceptance of requisite regulatory filings.

CEO of Simavita, Philippa Lewis commented, “On behalf of the Board, I’d like to acknowledge and thank those investors who have committed to this capital raise, despite what are clearly challenging market conditions. This funding is important for supporting Simavita as it continues to roll out its sales and distribution strategy, and to further develop our SIM™ platform. We strongly believe that with the recent opening of additional markets for SIM™ and the progress we’re making with sales and pipeline, the Company is better placed to execute its strategy than ever before and we are working hard to deliver on it.”

Special Meeting of Shareholders

As previously disclosed in the Company’s announcement dated January 12, 2016, in connection with the First Tranche and Second Tranche, the Company will hold a special meeting of shareholders (the “Meeting”) as soon as practicable.

The purpose of the Meeting will be to consider, and if deemed appropriate, pass resolutions:

- (i) approving and ratifying, for the purposes of ASX Listing Rule 7.4, the Shares and CDIs issued pursuant to the First Tranche and the Placement Options issued with respect to that First Tranche;
- (ii) approving, for the purposes of ASX Listing Rule 7.1, the issue (other than to Dussman Pty. Ltd., as described in Resolution (iii) below) the Shares and CDIs issued pursuant to the Second Tranche and the Placement Options issued with respect to that Second Tranche; and
- (iii) approving and authorizing, for the purposes of the ASX Listing Rule 10.11 and all other purposes, the participation of an insider, Dussman Pty. Ltd. (an entity associated with Director Mr. Damien Haakman), and the issuing to it pursuant to the Second Tranche an aggregate of 6,666,667 common shares in the capital of the Corporation at an issue price of AUD\$0.15 per share, plus 1,333,333 Placement Options.

Assuming that shareholder approval is obtained, the Second Tranche is expected to close as soon as practicable following the Meeting. Notice of the Meeting and materials will be dispatched as soon as possible which will set out further information regarding the First Tranche, the Second Tranche and the Placement Options.

The Company confirms that, with the release of this announcement, the Company is in full compliance with its continuous disclosure obligations for purposes of the ASX and, as such, it requests that the current trading halt of its securities be lifted immediately.

For further information, see our website (www.simavita.com) or contact the persons outlined below.

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About Simavita

Simavita is a digital healthcare company that has developed an innovative software platform. The first application for the platform is a world first solution for the management of urinary incontinence, with a focus on the elderly. This platform technology is an instrumented incontinence assessment application that provides evidence-based incontinence management care plans to the residential aged care market.

About SIM™

SIM™ is a wireless sensor technology that delivers evidence-based instrumented incontinence data on individuals. SIM™ provides user friendly tools and software to assess the incontinence condition and to help plan better outcomes. SIM™ is used to detect, record and report incontinence events and related nursing interventions during a compulsory or recommended assessment period in residential aged care facilities; and to then develop evidence-based person-centred incontinence care plans.

Conducting assessments is mandatory in many countries and the incontinence assessment creates an influential element of care of each individual. For more information on Simavita or SIM™, please visit www.simavita.com.

The TSX Venture Exchange (“TSX-V”) has in no way passed upon the merits of the transactions set out herein and has neither approved nor disapproved the contents of this press release. Neither the TSX-V nor its Regulation Services Provider (as that term is defined in policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this Release.

Except for historical information, this announcement may contain forward-looking statements that reflect the Company’s current expectation regarding future events. These forward-looking statements involve risk and uncertainties, which may cause, but are not limited to, receipt of final approval from the ASX and TSX-V, receipt of shareholder approval, amount and timing of Second Tranche and SPP, use of proceeds, changing market conditions, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process, and other risks detailed from time to time in the Company’s ongoing quarterly and annual reporting.

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 and includes, but is not limited to, information with respect to the receipt of final approval from the ASX and TSX-V, receipt of shareholder approval, amount and timing of Second Tranche and SPP, use of proceeds, ability to roll out the Company’s sales and distribution strategy, progress with sales and pipeline, and ability to execute strategy. 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.