

# Simavita

## ASX ANNOUNCEMENT

### Simavita releases materials for 2019 Annual General Meeting

For Immediate Release:

29 October 2019

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**Sydney, Australia** – Simavita Limited (“**Simavita**” or the “**Company**”) (ASX: SVA) is pleased to release the materials for its 2019 Annual General Meeting (the “**Meeting**”).

Copies of the Notice, Management Information Circular and voting instruction forms (collectively, the “**Meeting Materials**”) were mailed to all security holders today, 29 October 2019. The Meeting Materials are also available on SEDAR and on the Company’s website at [www.simavita.com](http://www.simavita.com).

As detailed in the attached Notice, the Meeting will be held at **11.00 am** (Australian Eastern Daylight Time) on **Tuesday, 26 November, 2019** at the following address:

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

This is an important meeting for Simavita and we encourage all security holders 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](http://www.sedar.com)) or the Company’s website ([www.simavita.com](http://www.simavita.com)) or contact the persons listed below.

Ms Peta Jurd  
Chief Commercial Officer

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T: +61 421 466 653  
W: Investor Centre: [Click here](#)

#### **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™ (formerly AlertPLUS™) 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 CDI holders, customers and employees, Simavita is absolutely committed to the business at hand; creating a commercially successful and growing corporation. [www.simavita.com](http://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, including licensing agreements, signing new customers, growth plans, cost reductions and entry into new markets. 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.*

# Simavita

**SIMAVITALIMITED ARBN 165 931 309**

## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

TAKE NOTICE that the annual general and special meeting of the shareholders of Simavita Limited (the “**Company**”) will be held at the offices of K&L Gates, Level 31, 1 O’Connell Street Sydney, Australia on Tuesday November 26, 2019, at 11am (Australian Eastern Daylight Time) for the purposes of:

- (a) Resolution # 1 receiving the audited financial statements of the Company for the year ended June 30, 2019, and the report of its auditors thereon;
- (b) Resolution #2 fixing the maximum number of directors of the Company at five (5);
- (c) Resolution #3 electing the directors for the ensuing year;
- (d) Resolution #4 re-appointing PricewaterhouseCoopers, Chartered Accountants, as auditors of the Company for the ensuing year;
- (e) Resolution #5 considering, and if thought fit, passing, a special resolution of disinterested shareholders, approving and authorizing, that for the purposes of ASX Listing Rule 7.1A and for all other purposes, the issue of equity securities by the Company of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions as more particularly described in the accompanying management information circular;
- (f) 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 management information circular which accompanies this notice of meeting and, together with management’s form of proxy, which also accompanies this notice of meeting, form a part hereof and must be read in conjunction with this notice of meeting. Shareholders of record at the close of business on October 23, 2019 are entitled to notice of, to attend and vote at the meeting either in person or by proxy.

Upon delisting from the TSX-V, the Company applied for and was granted recognition in Canada as a designated foreign issuer in accordance with National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers. As such, though a Canadian-incorporated entity, the Company is subject to the foreign regulatory requirements of a foreign regulatory authority, being the regulatory requirements of the Australian Securities and Investments Commission and the ASX.

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, November 22, 2019, at 11am (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, November 21, 2019, at 11am (Australian Eastern Daylight Time).

DATED: October 15, 2019

By Order of the Board of Directors

(Signed) "Michael Spooner"

Michael Spooner  
Chairman

# Simavita

SIMAVITA LIMITED

INFORMATION CIRCULAR  
(as at October 15, 2019)

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON  
TUESDAY, NOVEMBER 26, 2019

## 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 (“**Simavita**” or the “**Company**”) for use at the annual general meeting of the shareholders of the Company to be held at the offices of K&L Gates, Level 31, 1 O’Connell Street, Sydney, Australia on Tuesday, November 26 2019, at 11:00 a.m. (Australian Eastern Daylight 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 Company and will be made primarily by mail. Directors and officers of the Company 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 Company and are nominees of management. Shareholders have the right to appoint a nominee (who need not be a shareholder) 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 no later than Friday, November 22, 2019, at 11am (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 Company, under its corporate seal by an officer or attorney duly authorized, and by depositing the proxy bearing a later date with Farris, Vaughan, Wills & Murphy, 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 Company is authorized to issue an unlimited number of common shares without par value. As of October 15, 2019 417,778,132 common shares without par value were issued and outstanding. Of the 417,778,132 common shares issued and outstanding on October 15, 2019, 417,778,132 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 Company. There are no other classes of voting securities of the Company 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 common shares entitled to be voted at the Meeting. If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder; and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

The Company has fixed October 23, 2019 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 Company 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 Company 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**: receiving the audited financial statements of the Company for the year ended June 30, 2019, and the report of its auditors thereon;
- II. **Resolution #2**: fixing the maximum number of directors of the Company at five (5);
- III. **Resolution #3**: electing the directors for the ensuing year;
- IV. **Resolution #4**: re-appointing PricewaterhouseCoopers, Chartered Accountants, as auditors of the Company for the ensuing year;
- V. **Resolution #5**: approving and authorizing, that for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Company have the additional capacity for issues of equity securities up to an aggregate 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2; and
- VI. 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 ANNUAL AND SPECIAL GENERAL 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 Company 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 Company 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 Company 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, November 21, 2019, at 11am (Australian Eastern Daylight Time) at which the proxy is to be used.

## PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and executive officers of the Company, as at the date of this proxy solicitation no person beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to the issued and outstanding Common Shares of the Company other than the following:

Name of Shareholder	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Common Shares
Dussman Pty. Ltd.	102,019,131 (1)	24.62%
Chevron Corporation Pty Ltd Parmelia Pty Ltd	52,178,317	12.59%
TIGA Trading Pty Ltd	48,212,657 (1)	11.63%

- (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 Company has been based solely upon reports filed pursuant to the substantial shareholder disclosure rules of the ASX.

## **ANNUAL BUSINESS TO BE CONDUCTED AT THE MEETING**

### **Resolution #1: Presentation of Financial Statements**

The audited financial statements of the Company for the fiscal year ended June 30, 2019, together with the report of the auditors thereon, will be placed before the Meeting. A copy of the Company's financial statements may be obtained upon request from the Corporate Secretary at Level 2, 54 Miller Street, North Sydney, New South Wales 2060 Australia, telephone +61 2 8405 6300 or at [www.simavita.com](http://www.simavita.com).

### **Resolution #2: Fixing the Number of Directors of the Company**

At the Meeting, it is proposed that the maximum number of directors of the Company to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the constituent documents of the Company, be set at five (5). There are presently four (4) directors of the Company, each of whom will retire from office at the Meeting.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF SETTING THE MAXIMUM NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING AT FIVE (5).**



### Resolution #3: Election of Directors

The term of office of each of the present directors expires at the close of the Meeting. Each director elected will hold office until the close of the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or with the provisions of the *Business Corporations Act* (British Columbia).

The following table, for each person proposed to be nominated by management for election as a director, states his or her name, his or her province or state, and country of residence, his or her principal occupation, business or employment, the period or periods during which he or she served as a director of the Company, and the number of common shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by him or her as at the date hereof:

Name, Province or State, and Country of Residence (1)	Principal Occupation, Business or Employment, and if not Previously Elected as a Director, Principal Occupation, Business or Employment During the Past Five Years <sup>(1)</sup>	Previous Service as a Director	Number of CDIs
MICHAEL R. SPOONER Queensland, Australia	Executive Chairman	Since April 27, 2016	NIL
GARY W. PACE California, United States of America	Company Director	Since April 27, 2016	NIL
DAMIEN M. HAAKMAN Victoria, Australia	Company Director	Since December 11, 2018 and November 2013 to February 2016	385,787 directly held Beneficial interest in 101,247,517
ALAN D. FISHER Victoria, Australia	Company Director	Since July 22, 2019	NIL

(1) This information has been furnished by the respective directors individually.

#### Michael R. Spooner

Mr Spooner was appointed as Chairman of Simavita in April 2016 and became Executive Chairman on July 22, 2019. Since 2004, Mr Spooner has served on the Board of Directors of Mesoblast Limited. During this period, he has filled various roles including as Chairman from the date of the ASX public listing of Mesoblast Limited in 2004 until 2007, Chair of its Audit and Risk Committee as well as a member of its Remuneration Committee. He is also the Non-Executive Chairman of MicrofluidX since February 2019.

Over the past several years Mr Spooner has served on the Board of Directors in various capacities at several Australian and international biotechnology companies, including BiVacor Pty Ltd (2009-2013), Advanced Surgical Design & Manufacture Limited (2010-2011), Peplin, Inc. (2004-2009), Hawaii Biotech, Inc. (2010-2012), Hunter Immunology Limited (2007-2009), and Ventracor Limited (2001- 2003). Prior to returning to Australia in 2001, he spent much of his career internationally where he served in various roles including as a partner to PA Consulting Group, a United Kingdom-based management consultancy and a Principal

Partner and Director of Consulting Services with PricewaterhouseCoopers (Coopers & Lybrand) in Hong Kong. In addition, Mr Spooner has owned and operated several international companies providing services and has consulted to a number of American and Asian public companies.

### **Gary W. Pace**

Dr Gary W Pace was appointed as Director of Simavita in April 2016. Dr Pace has more than 40 years of experience in the development and commercialization of advanced life sciences and related technologies, spanning biotechnology, pharmaceuticals, medical devices, and food industries. He is a serial entrepreneur and has held senior positions in small to and large-scale life sciences ventures and companies in Australia, the USA and Europe.

Also he has long-term board level experience with multi- billion and small cap companies with an in depth knowledge of all aspects of technical operations, compensation and corporate governance. Dr Pace has contributed to the development of the biotechnology industry through honorary university appointments and industry and government committees. In 2003 Dr. Pace was awarded a Centenary Medal by the Australian Government “for service to Australian society in research and development” and in 2011 was awarded Director of the Year (corporate governance) by the San Diego Directors Forum. Dr Pace recently completed 24 years as a Non Executive Director of Resmed Inc (NYSE, RMD)

Dr. Pace is currently a Director of two public companies: Pacira Pharmaceuticals Inc (NASDAQ: PCRX) and Antisense Therapeutics (ASX: ANP) as well as several private companies.

Dr. Pace holds a B.Sc. (Hons I) from the University of New South Wales and a Ph.D. from the Massachusetts Institute of Technology where he was a Fulbright Fellow and General Foods Scholar. He has authored or co-authored over 50 research and review papers, 24 patents, and co-authored the book “In Search of Health and Fitness.” Also he has held visiting academic positions at the Massachusetts Institute of Technology and the University of Queensland. Dr. Pace is an elected Fellow of the Australian Academy of Technological Sciences and Engineering.

### **Damien M. Haakman**

Damien is the Managing Director of a private family office. He manages and invests in a portfolio including commercial property, property development joint ventures, and mezzanine finance and bridging loans as well as investments in start-up and pre-listed companies. Damien’s background includes; due diligence work, forecasting, market assumptions and trends. He has a keen interest and is following the growing wearable technology space as well as the Internet of Things (IoT). Both sectors having substantial future growth with impacts in many areas.

Damien has a Bachelor of Commerce and is a member of the Australian Institute of Company Directors.

Damien was previously a Director of Simavita Holdings Limited from 2012 until February 2016 and a Director of Simavita Limited from the time of its ASX listing in November 2013 until 2016.

### **Alan D. Fisher**

Mr Fisher is the Managing Director of Fisher Corporate Advisory. He has extensive experience as a corporate advisor and professional director specialising in M&A, strategic advice, business restructurings and capital raisings.

Previously he spent 24 years at global accounting firm Coopers & Lybrand where he headed and grew the Melbourne Corporate Finance Division.

He has a Bachelor of Commerce and is a Fellow of Institute of Chartered Accountants ANZ and a member of the Australian Institute of Company Directors.

Mr Fisher is Chair of Simavita’s Audit and Risk Committee.

He is currently Non- Executive Chair of Centrepoint Alliance Limited and IDT Australia Limited and Non-Executive Director and Chair of the Audit and Risk Committee of Thorney Technologies Limited and Bionomics Limited.

**UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE FOR THE ELECTION OF THE NOMINEES WHOSE NAMES ARE SET FORTH HEREIN. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THESE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IF, PRIOR TO THE MEETING, ANY OF THE NOMINEES ARE UNABLE OR DECLINE TO SO SERVE, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY WILL VOTE FOR ANOTHER NOMINEE IF PRESENTED IN THEIR DISCRETION.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF RESOLUTION #3.**

To the knowledge of management, no proposed director is, at the date hereof, or has been, within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company that: (i) was subject to a cease trade order or similar order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of management, no proposed director or a holding company of such proposed director: (i) is, as at the date hereof, or has been within ten years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of the proposed director.

To the knowledge of management, no proposed director or a holding company of such proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **Resolution #4: Appointment of Auditors**

PricewaterhouseCoopers, Chartered Accountants, are the Company's current auditors. At the Meeting, the shareholders will be called upon to re-appoint PricewaterhouseCoopers as auditors of the Company, to hold office until the next annual general meeting of the Company. PricewaterhouseCoopers was first appointed as auditor of the Company on May 2, 2014.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF RESOLUTION #4.**

## Resolution #5: Approval of Increased Placement Capacity

ASX Listing Rule 7.1A enables mid to small cap listed companies to seek shareholder approval by special resolution to have the capacity to issue equity securities (as defined in the ASX Listing Rules) equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12-month period (“**10% Placement Facility**”). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of the Meeting:

- (i) it has a market capitalisation of \$300 million or less; and
- (ii) it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the Meeting.

Accordingly, Resolution #5 is seeking approval of ordinary shareholders by special resolution to give the Company the capacity to issue up to such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms as described in this Explanatory Memorandum. The Company is not obliged to issue any of these securities - the effect of passing the resolution is to give the Company the capacity to do so.

As of the date of this Information Circular, the Company has on issue 417,778,132 CDIs and the Company will upon approval of this resolution #5 (assuming resolution 6 is approved by shareholders) have the capacity to issue:

- (i) 62,666,719 equity securities under ASX Listing Rule 7.1; and
- (ii) 41,777,813 equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have the capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (and ASX Listing Rule 7.1 as applicable).

The effect of Resolution #5 will be to allow the Directors to issue equity securities under ASX Listing Rule 7.1A during a 10% placement period, without using the Company’s 15% placement capacity under ASX Listing Rule 7.1 and without needing to seek shareholder approval under Chapter 7 of the ASX Listing Rules with respect to that 10% placement number of equity securities. Any equity securities issued pursuant to Resolution #5 must be in an existing quoted class.

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average price for securities in that class calculated over the 15 trading days on which trades are recorded immediately before:
  - (i) the date on which the price at which the shares are to be issued is agreed; or
  - (ii) if the shares are not issued within 5 trading days of the date in paragraph the date on which the shares are issued.

- If Resolution #5 is approved by shareholders and the Company issues equity securities under the 10% Placement Facility, the existing shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including:
  - (i) the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is obtained; and
  - (ii) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date
 which may have an effect on the amount of funds raised by the issue of the equity securities.
- The following table gives examples of the potential dilution of existing ordinary Shareholders on the basis of the current market price of CDIs and the current number of CDIs for variable “A”, calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

- (i) two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

No. of Securities on Issue <sup>1</sup>	Dilution			
	Issue price (per Share)	\$0.005 50% decrease in Issue Price	\$0.01 Issue Price	\$0.02 100% increase in Issue Price
417,778,132 (Current)	Shares issued	41,777,813	41,777,813	41,777,813
	Funds raised	\$208,889	\$417,778	\$835,556
626,667,198 (50% increase)	Shares issued	62,667,198	62,667,198	62,667,198
	Funds raised	\$313,336	\$626,671	\$1,253,344
835,556,264 (100% increase)	Shares issued	83,555,626	83,555,626	83,555,626
	Funds raised	\$417,778	\$835,556	\$1,671,112

The table has been prepared on the following assumptions:

- (i) Resolution #5 is approved;

- (ii) the Company issues the maximum number of equity securities available under the 10% Placement Facility under ASX Listing Rule 7.1A;
- (iii) no unlisted Options are exercised before the date of issue of equity securities under ASX Listing Rule 7.1A
- (iv) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- (v) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the AGM;
- (vi) the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;

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<sup>1</sup> Variable "A" in Listing Rule 7.1A.2

- (vii) the issue of equity securities under the 10% Placement Facility consists only of common shares; and
  - (viii) the issue price is AUD\$0.01 per CDI, being the closing price of CDIs on ASX on October 15, 2019 (rounded to the nearest cent).
- If any of the common shares (and corresponding CDIs) being approved by this Resolution are issued, they will be issued during the placement period, that is, within 12 months of the date of this AGM (i.e. before November 26, 2020). An approval obtained under Resolution #5 will cease to be available if, and as from the date, ordinary Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) prior to November 26, 2020.
  - The shares (and corresponding CDIs), if issued pursuant to the 10% Placement Facility, may be issued for the following purposes of:
    - (i) non-cash consideration for the possible acquisition of assets which are complimentary to the Company's business. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
    - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards: (i) commercialization of Smartz™; and (ii) for general working capital purposes.
  - The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities.
  - Company's common share/CDI allocation policy

The Company's common share/CDI allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, issues in which existing security holders can participate;

- (ii) the effect of the issue of the Placement Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company;
- (iv) the need for any working capital; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

- Information required under ASX Listing Rule 7.3A.6

The Company obtained shareholder approval under ASX Listing Rule 7.1A at its annual general meeting held on December 11, 2018. The total number of equity securities issued during the 12 months preceding the date of this meeting is 2,000,000 equity securities, representing 0.48% of the total number of equity securities on issue at the commencement of that 12 month period. The details of all issues of equity securities by the Company during the 12 months preceding the date of this meeting is set out in Schedule "A" to this Information Circular.

#### *Voting Exclusion*

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution #5 by or on behalf of a person who is expected to participate in and a person who will obtain a material benefit, except a benefit solely by reason of being a holder of shares / CDIs in the Company, or any associates of those persons.

However, the Company need not disregard a vote on this Resolution if:

- (i) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As at the date of this Notice of Meeting, there are no potential allottees to whom shares may be issued under this resolution. On that basis, no shareholders are currently excluded from voting.

**UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY INTEND TO VOTE FOR THE INCREASE IN CAPACITY OF THE COMPANY TO ISSUE EQUITY SECURITIES UP TO 10% OF THE ISSUED AND OUTSTANDING CAPITAL OF THE COMPANY (AT THE TIME OF THE ISSUE) CALCULATED IN ACCORDANCE WITH THE FORMULA PRESCRIBED IN ASX LISTING RULE 7.1A.2.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS VOTE IN FAVOUR OF RESOLUTION #5.**

### **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES**

No director, executive officer or employee of the Company, no former director, executive officer or employee of the Company, no proposed nominee for election as a director of the Company, and no associate of any such director, executive officer or proposed nominee is, or at any time during the Company's most recently completed financial year was, indebted to the Company or 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 Company, other than routine indebtedness.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

To the knowledge of management of the Company, no person who is an informed person of the Company, nor any proposed director of the Company, nor any associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company and that, directly or indirectly, involves remuneration for services.

### **MANAGEMENT CONTRACTS**

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



## CORPORATE GOVERNANCE

Disclosure of the Company's corporate governance practices within the context of *National Instrument 58-101 – Disclosure of Corporate Governance Practices ("NI 58-101")* is attached as Schedule "B" to this information circular.

### AUDIT AND RISK COMMITTEE INFORMATION

#### Charter of the Audit and Risk Committee

The terms of reference of the Audit and Risk Committee of the Company are attached as Schedule "C" to this information circular.

#### Composition of the Audit and Risk Committee

Mr Alan Fisher is currently the Chair of the Audit and Risk Committee. Dr Pace and Mr Haakman are also members of the Committee.

#### Relevant Education and Experience

The education and experience of each Audit and Risk Committee member of the Company that is relevant to the performance of his or her responsibilities as an Audit and Risk Committee member is described below:

*Mr Alan Fisher* has a Bachelor of Commerce and is a Fellow of Institute of Chartered Accountants ANZ and a member of the Australian Institute of Company Directors. Previously he spent 24 years at global accounting firm Coopers & Lybrand where he headed and grew the Melbourne Corporate Finance Division.

#### *Mr Damien Haakman*

Damien has a Bachelor of Commerce and is a member of the Australian Institute of Company Directors. He is the Managing Director of a private family office. He manages and invests in a portfolio including commercial property, property development joint ventures, and mezzanine finance and bridging loans as well as investments in start-up and pre-listed companies.

*Dr Gary Pace* - Dr Pace holds a B.Sc. (Hons I) from the University of New South Wales and a Ph.D. from the Massachusetts Institute of Technology where he was a Fulbright Fellow and General Foods Scholar. He has long-term board level experience with multi-billion and small cap companies with an in depth knowledge of all aspects of technical operations, Compensation and Corporate Governance. In 2011 he was awarded Director of the Year (corporate governance) by the San Diego Directors Forum.

#### Audit and Risk Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit and Risk Committee of the Company to nominate or compensate an external auditor not adopted.

#### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year did the Company rely upon an exemption from the provisions of NI 52-110 (i) for *de minimis* non-audit services or (i) granted by applicable securities regulatory authorities.

#### Prior Approval Policies and Procedures

The Audit and Risk Committee's charter provides that it is responsible for ensuring that the independent auditor is not engaged for any activities not allowed by any of the Canadian provincial securities commissions, or any securities exchange on which the Company's shares are traded. Further

to this, the Audit and Risk Committee have put in place a policy on the “Engagement of Independent Auditor for Non-audit services”. The policy states that the Audit and Risk Committee must authorize by resolution any non-audit services; provided, however, that any independent Audit and Risk Committee member can approve an engagement of the auditor for non-audit services requested by management provided the engagement is presented for approval at the next full meeting of the Audit and Risk Committee.

**External Auditor Service Fees (by category)**

The following table sets forth, by category, the fees billed by PricewaterhouseCoopers, the Company’s current auditors, in respect of the years ended June 30, 2019 and 2018:

Fee Category	Fees Paid (AUD\$)	
	2019	2018
Audit Fees	<u>\$125,000</u>	<u>\$100,000</u>
All Other Fees	\$ 16,000	62,402
<b>Totals</b>	<b>\$141,000</b>	<b>\$162,402</b>

**Exemption**

As a “venture issuer”, as defined in NI 52-110, the Company is exempt from the requirements in Part 3 of NI 52-110 relating to the composition of audit committees and Part 5 of NI 52-110 relating to certain reporting obligations.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on the ASX at [www.asx.com.au](http://www.asx.com.au) and also on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis for the Company’s most recently completed financial year. Copies of the Company’s financial statements and management’s discussion and analysis are available upon request from the Corporate Secretary at Level 2, 54 Miller Street, North Sydney, New South Wales 2060, Australia, telephone +61 2 8405 6300.

**OTHER BUSINESS**

Management of the Company knows of no matters to come before the Meeting other than those referred to in the notice of meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, the persons named in the form of proxy accompanying this information circular will vote the same in accordance with their best judgment on such matters.

DATED at North Sydney, Australia this 15<sup>th</sup> day of October, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Michael Spooner Chairman

**SCHEDULE A**

**INFORMATION REQUIRED BY LISTING RULE 7.3A.6(b)**

	<b>Issue 1</b>	<b>Issue 2</b>
Date of issue	July 18, 2019	July 18, 2019
Number issued	2,000,000 Options	16 Convertible Notes
Class and terms of equity security	Options over CDIs – exercisable at \$0.05 on or before 17 July 2026 vesting on satisfaction of agreed performance conditions.	<p>The Convertible Notes have a face value of \$3,140,000 and carry an interest rate of 10% per annum with all interest payable upon the earlier of conversion, redemption and mature on the earlier of 30 April 2022 or as detailed.</p> <p>Conversion shall occur at the request of the Noteholder at any time and will automatically convert into CDIs upon a Qualifying Finance Event or a Takeover of the Corporation. The number of CDIs to issue upon Conversion is calculated by dividing the sum of the principal amount paid under the Convertible Notes plus accrued interest; by the Conversion Price, where Conversion Price means:</p> <p>(a) upon a Qualifying Financing Event, the Conversion Price is equal to a 65% discount to the price per CDI at which the Qualifying Financing Event occurred with a cap based on a fully diluted (excluding all options under the Simavita Limited Stock Option Plan) pre-money value of \$25m (in which case the conversion price will be the lower of the 65% discount and the pre-money cap of \$25m). This price is to be calculated at a share price before taking into account the Qualifying Capital raise; or;</p> <p>(b) where a Noteholder elects to Convert on or prior to 30 June 2020, the Conversion Price is equal to a 65% discount to the price per CDI calculated by dividing \$20 million by the number of CDIs on issue at the date of C Conversion, or;</p> <p>(c) where a Noteholder elects to Convert after 30 June 2020, the Conversion Price is equal to a price per CDI calculated by dividing \$3 million by the number of CDIs on issue at the date of Conversion; or</p> <p>(d) upon the "Maturity Date": the Conversion Price is equal to a price per CDI calculated by dividing \$3 million by the number of CDIs on issue at the date of Conversion.</p> <p>Where the CDIs are reconstructed, consolidated, divided or reclassified into a lesser or greater number of securities under circumstances not otherwise contemplated by the Note Terms or the Note Deed, the Conversion Price and / or Conversion Number shall be adjusted by the Company as it reasonably considers appropriate, having first obtained independent confirmation of the adjustment. For these purposes a Qualifying Financing Event means an equity capital raise of at least A\$7.5 million, or such other amount as agreed, based on a minimum pre-money valuation of the Company of at least A\$20 million, with a target of pre-money valuation of A\$25 million.</p>

Names of persons who received securities or basis on which those persons was determined	Issue of options to employees approved by the Board in accordance with Stock Option Plan	Noteholders – TIGA Trading Pty Ltd, Fifty-second Celebration Pty Ltd <McBain Family trust A/C>, Daniel Hegglin, Dr Anne Spooner, The Pace Trust as trustee for Gary W Pace and Ms Jinny Hamilton Pace, Chevron Corporation Pty Ltd <ATF The Argyle Trust>, Mrs Janet Barlow, Rubi Holdings Pty Ltd <John Rubino Super Fund>, NAGM Investments Pty Ltd <NAGM Investments A/C>, Merriwee Pty Ltd <Merriwee Super Fund A/C>, West Eleventh Street Pty Ltd <West Eleventh Street>, Josaka Investments Pty Ltd, Samson Group Pty Ltd <Brand Superannuation Fund>, Tony Brand and Norma Marks <Norma Brand Superannuation Fund, Carluke Pastoral Co Pty Ltd, Carluke Nominees Pty Ltd
Price	AUD\$0.05	Refer to terms above
Discount to market price on date of issue (if any)	None	None
<b>For cash issues:</b>		
Total cash consideration received (before costs)	N/A	AUD\$2,140,000
Amount of cash consideration spent	N/A	AUD\$2,000,000
Use of cash consideration	N/A	Working capital
Intended use for remaining amount of cash (if any)	N/A	N/A

**SCHEDULE B**

**CORPORATE GOVERNANCE DISCLOSURE**

<b>CORPORATE GOVERNANCE DISCLOSURE REQUIREMENT</b>	<b>OUR CORPORATE GOVERNANCE PRACTICES</b>	
<p><b>1. Board of Directors</b> – Disclose how the board of directors (the “board”) facilitates its exercise of independent supervision over management, including:</p> <p>(i) the identity of directors that are independent, and</p> <p>(ii) the identity of directors who are not independent, and the basis for that determination.</p>	<p>The board facilitates its exercise of independent supervision over management by virtue of (i) half of the directors being “independent” as that term is defined in NI 58-101, and (ii) the independent directors holding regular meetings at which the non-independent director and members of management are not in attendance.</p> <p>(i) Gary W. Pace and Alan D Fisher are independent directors.</p> <p>(ii) Michael Spooner is not “independent” as that term is defined in NI 58-101 by virtue of being the Executive Chairman of the Company.</p> <p>Damien Haakman is not “independent” as that term is defined in NI 58-101 by virtue of being a principal of Dussman Pty. Ltd., a substantial shareholder of the Company.</p>	
<p><b>2. Directorships</b> – If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p><b>Director</b></p> <p>Michael Spooner Gary W. Pace  Alan D Fisher</p>	<p><b>Issuer</b></p> <p>Mesoblast Limited (ASX: MSB) Pacira Pharmaceuticals Inc (NASDAQ: PCRX); Antisense Therapeutics (ASX: ANP) Centrepont Alliance Limited (ASX:CAF) IDT Australia Limited (ASX:IDT) Thorney Technologies Limited (ASX:TEK) Bionomics Limited (ASX:BNO)</p>
<p><b>3. Orientation and Continuing Education</b> — Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors</p>	<p>When a new nominee is identified, the board ensure that a program of orientation and education is provided for the nominee, including provision of a complete corporate history, including copies of past minutes of meetings of the board as well as information regarding the Company’s business and operations.</p> <p>All of the members of the Board of Directors have extensive business experience and, in some cases, have been, or are currently, executive officers or directors of other public companies.</p>	

<p><b>4. Ethical Business Conduct</b> — Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Company has developed a Code of Conduct (the “Code”) which has been endorsed by the Board and which applies to all Directors. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Group’s integrity and to take into account the legal obligations and reasonable expectations of the Company’s stakeholders.</p> <p>In summary, the Code requires that at all times Directors and employees act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and the Company’s policies.</p>
<p><b>5. Nomination of Directors</b> — Disclose what steps, if any, are taken to identify new candidates for board nomination, including:</p> <ul style="list-style-type: none"> <li>(i) who identifies new candidates, and</li> <li>(ii) the process of identifying new candidates.</li> </ul>	<p>The Board considers the competencies and skills that it considers to be necessary for the board, as a whole, to possess, the competencies and skills that it considers each existing director to possess, and the competencies and skills each new candidate will bring to the board. The Board also considers whether or not each new candidate can devote sufficient time and resources to his or her duties as a board member.</p>
<p><b>6. Compensation</b> — Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:</p> <ul style="list-style-type: none"> <li>(i) who determines compensation, and</li> <li>(ii) the process of determining compensation.</li> </ul>	<p>Non-executive directors are paid their fees out of the maximum aggregate amount approved by security holders for the remuneration of non-executive directors. Non-executive directors do not receive performance based bonuses, however have been granted options as a recognition of their contribution to the Company. Non-executive directors are entitled to statutory superannuation</p>
<p><b>7. Other Board Committees</b> — If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The only standing committee of the Company is the Audit and Risk Committee.</p>

<p><b>9. Assessments</b> — Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The Board undertakes an ongoing self-assessment of its collective performance and the performance of the Chairman, in addition to a formal assessment process that is undertaken annually. The assessments also consider the adequacy of the Company’s induction and continuing education processes, access to information and the support provided by the Secretary.</p> <p>Members of the Executive Team are invited to contribute to the above appraisal process. The results and any action plans are documented together with specific performance goals which are agreed for the coming year. The Chairman undertakes an assessment of the performance of each Director and meets with him or her to discuss the results of the assessment.</p>
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## SCHEDULE C

### SIMAVITA LIMITED

#### AUDIT AND RISK COMMITTEE CHARTER

The Board of Directors of Simavita Limited has resolved to establish an Audit and Risk Committee (the “**Committee**”) with the following terms of reference:

##### **1. Objectives**

- a. To assist the Board in fulfilling its responsibilities relating to accounting and reporting practices.
- b. To improve the credibility and objectivity of the Company’s financial and other reports.
- c. To oversee the Company’s financial reporting process on behalf of the Board.
- d. To strengthen the Company’s systems of internal controls, risk management and compliance with applicable laws and regulations.

##### **2. Roles and Responsibilities**

The operation of the Committee shall be subject to and in compliance with the provisions of the articles of the Company and the requirements of any regulatory agency as may from time to time apply to the Company, and the rules and regulations of the Canadian provincial and federal securities regulatory authorities, in all cases as may be modified or supplemented, each as in effect from time to time, subject to any permitted exceptions or exemptions thereunder (the “**Rules**”). Any action by the Board with respect to any of the matters set forth below shall not be deemed to limit or restrict the authority of the Committee to act under this Charter, unless the Board specifically limits such authority.

To implement the Committee’s purpose, the Committee shall, to the extent the Committee deems necessary or appropriate, be charged with the following duties and responsibilities. The Committee may supplement and, except as otherwise required by the Rules, deviate from these activities as appropriate under the circumstances but with the approval of the Board.

##### **2.1 Risk Management and Internal Control**

The Committee shall:

- Ensure Management has identified an appropriate “Risk Profile” for the business.
- Ensure that Management has appropriate processes for identifying, assessing and responding to risks in a manner that is in accordance with the organisation’s risk appetite and that those processes are operating effectively and have been assessed by the Risk Sub Committee.
- Understand the process that exists to ensure the internal control systems implemented by Management for the approval of transactions and the accurate recording and processing of financial data are followed and the process for identifying, reporting and correcting departures is adequate.
- Understand the controls and processes implemented by Management to ensure that the financial statements derived from the underlying financial systems, comply with



the relevant standards and requirements and are subject to appropriate Management review.

- Evaluate the overall effectiveness of the internal control and risk management frameworks and consider whether Management has implemented recommendations made by the Audit Committee and the External Auditors.
- Consider how Management is held to account for the security of computer systems and applications and the contingency plans for processing financial information in the event of systems breakdown or to protect against computer fraud or misuse.
- Ensure there is an appropriate risk management function capable of operating independently.

## **2.2 Financial Reporting**

The Committee shall:

- Gain an understanding of the current areas of greatest financial risk and how these are being managed.
- Review significant accounting and reporting issues including recent professional and regulatory pronouncements and understand their impact on financial reports.
- Understand the periodic financial reporting process implemented by Management and review the interim financial statements and annual financial statements.
- Meet with Management and the External Auditor to review financial statements, analyses and interim profit or loss press releases before the Company publicly discloses this information.
- Meet with Management and the External Auditor to review key accounting policies and decisions and the results of the audit.
- Ensure that significant adjustments, unadjusted differences, disagreements with management and critical accounting policies and practice are discussed with the External Auditor.

## **2.3 Compliance with Laws, Regulations, Internal Policies and Industry Standards**

The Committee shall:

- Review the effectiveness of the system for monitoring compliance with laws, regulations, internal policies and industry standards and the results of Management's investigation and follow-up (including disciplinary action) of fraudulent acts or non-compliance.
- Obtain regular updates from Management about compliance matters that may have a material impact on the Company's financial statements, strategy, operations or reputation.
- Be satisfied that all regulatory compliance matters relating to the business of the Company have been considered in the preparation of the financial statements.
- Review the findings of any material examinations by the regulators (including ASIC, SRO, ATO, ACCC, ASX or the British Columbia Securities Commission).
- Review and approve the policies, processes and framework for identifying analysing and addressing complaints (including whistleblowing) and review material complaints and their resolution.

## **2.4 Working with the External Auditor**

The Committee shall:

- Review the professional qualification of the External Auditor (including background and experience of the audit partner and auditing personnel).
- Consider the independence of the External Auditor and any potential conflicts of interest. Review, on an annual basis, the performance of the External Auditor and make recommendations to the Board for the appointment, reappointment, or termination of the appointment of the External Auditor and recommend to the Board the compensation of the external auditor.
- Review the External Auditor's proposed audit scope and approach for the current year in light of the Company's circumstances and changes in regulatory and other requirements.
- Discuss with the External Auditor any audit problems encountered in the normal course of the audit work including any restriction on audit scope or access to information.
- Ensure that significant findings and recommendations made by the External Auditor and Management's proposed response are received, discussed and acted on appropriately.
- Discuss with the External Auditor the appropriateness of the accounting policies applied in the Company's financial reports and whether they are considered to be aggressive, balanced or conservative.
- Meet separately with the External Auditor at least once per year to discuss any matters that the Audit and Risk Committee or External Auditor believes should be discussed privately. Ensure the External Auditor has access to the Chairman of the Audit and Risk Committee when required.
- Satisfy itself that the procedures for engaging the provision of non-audit services by the External Auditor does not compromise the independence of the Auditor and, where applicable, to ensure the framework for pre-approval of audit and non-audit services preserves the required independence of the External Auditor.
- Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former External Auditor of the Company.

## **2.5 Reporting Responsibilities**

The Committee shall:

- Regularly update the Board about the Committee's activities and make appropriate recommendations.
- Ensure the Board is aware of matters that may significantly affect the financial condition or affairs of the Company.
- Prepare any reports required by law or requested by the Board, such as a report on the Committee's activities and duties to be included in the section on corporate governance in the annual report.
- Provide to the Board, the minutes of each Audit and Risk Committee meeting immediately after each quarterly Audit and Risk Committee meeting with the Chairman of the Audit and Risk Committee to provide a report to the Board at the Board Meeting immediately following the last Audit and Risk Committee meeting.

## **2.6 Evaluating Performance**

The Committee shall:

- Evaluate its own performance of individual members and collectively on an annual basis in line with the Board's evaluation of performance process.
- Assess the achievement of the duties specified in the Committee's Charter and report the findings to the Board.

## **2.7 Review of the Audit Committee Charter**

The Committee shall:

- Review the Audit and Risk Committee Charter annually and discuss required changes with the Board.
- Ensure that the Charter is approved and re-approved by the Board annually.

## **3. Role of Management**

### **3.1 Preparation of financial statements and periodic reports**

It shall be Management's responsibility to prepare the Company's financial statements and periodic reports and the responsibility of the auditors to audit those financial statements.

It is not the duty of the Committee to:

- Plan or conduct audits;
- Determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles; or
- Ensure compliance with laws and regulations and the Company's policies generally.

### **3.2 Management of risk**

It is the responsibility of the Chief Executive Officer, Chief Financial Officer and other members of senior management to avoid and minimize the Company's exposure to risk.

While the Audit and Risk Committee is responsible for reviewing with Management the guidelines and policies to govern the process by which risk assessment and management is undertaken, the Audit and Risk Committee is not the sole body responsible.

## **4. Organisation**

### **4.1 Membership**

The Committee shall consist of not less than three non-executive directors (a minimum of two who must be independent directors) appointed by the Board.

All members shall meet the financial literacy requirements of the Rules (i.e. be able to read and understand financial statements) and at least one member should have relevant financial expertise and experience.

The Chief Financial Officer can attend each Audit and Risk Committee meeting at the invitation of the Chairman of the Audit and Risk Committee.

A quorum for each meeting of the Audit and Risk Committee shall be two and meetings shall not proceed in the absence of a quorum.

The membership of the Audit and Risk Committee shall be reviewed by the Board each year and any vacancies occurring on the Committee shall be filled by the Board. The Board shall appoint one of the members to be Chairman of the Audit and Risk Committee.

#### **4.2 Meetings**

The Committee shall hold at least two meetings each financial year to review and recommend for approval to the Board the Company's interim and annual financial statements.

Other meetings can be convened from time to time as requested by the Chairman of the Audit and Risk Committee, or another member, or the Company's auditor. A regular schedule of meetings shall be developed at the commencement of each financial year and circulated to all Members so as to ensure that the Committee fully discharges its responsibilities on a timely basis.

Meetings shall be conducted formally with agendas and supporting papers sent out in advance and detailed minutes taken. Papers shall be maintained at the same standard as those of the full Board. The Committee shall decide the minimum notice to be given for meetings and the arrangements for making Committee papers available to members in advance of meetings.

The Company's external auditor shall have the right to attend meetings of the Audit and Risk Committee and to be invited to make presentations to the Committee. Committee members may meet independently of Management and/or the External Auditors as they see fit.

The Chairman of the Audit and Risk Committee shall meet with the External Auditor at least once per year without management present.

#### **4.3 Authority and Access**

The Committee shall have authority to require the attendance of the Company's External Auditors and such members of Management as it needs to fulfil its responsibilities. It shall have authority to require the presentation of any Company documents it requires to discharge its duties. In exercising its abovementioned authority, the Committee will follow the Company policy and protocols with respect to access to Management.

The Committee shall have authority to obtain external professional advice, including taking a second opinion in relation to relevant accounting matters, at the Company's expense. The purpose and cost of such requests shall be reported to and approved by the Board.

The Chairman of the Committee will appoint a member of the committee to act as secretary to the Committee.

#### **4.4 Reporting**

The Committee's proceedings shall be recorded in minutes which shall be included in the papers prepared for the Board meeting immediately following each meeting of the Audit and Risk Committee.

The Chairman of the Audit and Risk Committee shall present a report on each Audit and Risk Committee meeting to the Board at the next Board meeting held immediately after each Audit and Risk Committee meeting.

REVIEWED: September 2019



## Lodge your vote:



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

SVA

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## CDI Voting Instruction Form



**For your vote to be effective it must be received by  
11:00am (Australian Eastern Daylight Time) on Thursday, November 21, 2019**

### How to Vote on Items of Business

Each CHESS Depository Interest (CDI) is equivalent to one common share in the capital of Simavita Limited (the **Company**), so that every 1 (one) CDI registered in your name on 23 October 2019 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

Capitalised terms in this voting instruction form have the same meaning given to those terms in the Company's information circular, unless the context requires otherwise.

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form →**



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I9999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# CDI Voting Instruction Form

Please mark  to indicate your directions

## STEP 1 CHESSE Depository Nominees Pty Ltd will vote as directed

XX

### Voting Instructions to CHESSE Depository Nominees Pty Ltd

I/We being a holder of CHESSE Depository Interests of Simavita Limited hereby direct CHESSE Depository Nominees Pty Ltd to vote the shares underlying my/our holding at the Annual General and Special Meeting of Simavita Limited to be held at the offices of K&L Gates, Level 31, 1 O'Connell Street, Sydney NSW 2000, Australia on Tuesday, 26 November 2019 at 11:00am (Australian Eastern Daylight Time) and at any adjournment or postponement of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESSE Depository Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

## STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing CHESSE Depository Nominees Pty Ltd or their appointed proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

For Against Abstain

### 2. Number of Directors

To set the number of Directors at 5

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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### 3. Election of Directors

For Withhold

01. Michael R. Spooner	<input type="checkbox"/>	<input type="checkbox"/>
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For Withhold

02. Gary W. Pace	<input type="checkbox"/>	<input type="checkbox"/>
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For Withhold

03. Damien M. Haakman	<input type="checkbox"/>	<input type="checkbox"/>
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For Withhold

04. Alan D. Fishe	<input type="checkbox"/>	<input type="checkbox"/>
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### 4. Appointment of Auditors

Re-appointing PricewaterhouseCoopers, Chartered Accountants, as auditors of the Company for the ensuing year

For Withhold

<input type="checkbox"/>	<input type="checkbox"/>
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For Against Abstain

### 5. Approval of Increased Placement Capacity

ASX Listing Rule 7.1A enables mid to small cap listed companies to seek shareholder approval by special resolution to have the capacity to issue equity securities (as defined in the ASX Listing Rules) equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12-month period ("**10% Placement Facility**"). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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## SIGN

### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

SVA

999999A



Computershare +