

1 August 2017

Ms Kimberley Brown  
Principal Adviser, Listings Compliance (Sydney)  
ASX Compliance Pty Limited  
20 Bridge Street  
Sydney  
NSW 2000

**Simavita Limited: Appendix 4C Query**

I refer to your letter dated 31 July 2017 (“**ASX Letter**”) and provide the following responses to the questions raised in the letter. We have responded to your questions as numbered in your letter.

1. Simavita Limited (the “**Company**”) does expect to continue to have negative operating cash flows for the time being.
2. The Company is currently exploring a number of potential opportunities to raise further cash to fund its operations. The Company is confident that at least one of these opportunities will be successful and provide cash to the Company in the near future and an announcement will be made confirming this once an agreement has been finalised and/or in accordance with the Company’s continuous disclosure obligations.
3. The Company does expect to be able to continue its operations and meet its business objectives on the basis of being successful in raising additional funds as outlined above.
4. We confirm that the Company is in compliance with ASX Listing Rule 3.1 and there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. We confirm that the Company’s responses to the questions set out in the ASX Letter have been authorised and approved by the Board of Directors of the Company.

Should you have any further questions, please do not hesitate to contact us.

Yours sincerely,  
SIMAVITA LIMITED



Michael Spooner  
Chairman



31 July 2017

Ms Peta Jurd  
Chief Commercial Officer and Company Secretary  
Simavita Limited  
Level 13, 54 Miller Street  
North Sydney, NSW 2060

By email:

Dear Ms Jurd,

**Simavita limited (the “Entity”): Appendix 4C Query**

I refer to the Entity’s Appendix 4C quarterly report for the period ended 30 June 2017 lodged with ASX Market Announcements Platform and released on 28 July 2017 (the “Appendix 4C”).

ASX notes that the Entity has reported:

- negative net operating cash flows for the quarter of \$1,463,000;
- cash at the end of the quarter of \$2,072,000; and
- estimated cash outflows for the next quarter of \$1,800,000.

It is possible to conclude, based on the information in the Appendix 4C, that if the Entity were to continue to expend cash at the rate indicated by the Appendix 4C, the Entity may not have sufficient cash to continue funding its operations. In view of that, ASX asks the Entity to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has the Entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does the Entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that the Entity is in compliance with Listing Rule 3.1 and that there is no information that should be given to ASX about its financial condition in accordance with that Rule that has not already been released to the market.
5. Please confirm that the Entity’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Entity with delegated authority from the board to respond to ASX on disclosure matters.

Please also provide any other information that the Entity considers may be relevant to ASX forming an opinion on whether the Entity is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).

### **When and where to send your response**

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 9:30am AEST on Friday, 4 August 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail or by facsimile to (02) 9241 7620. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Entity's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Kimberley Brown', written in a cursive style.

**Kimberley Brown**  
**Principal Adviser, Listings Compliance (Sydney)**