



MARKET RELEASE

12 January 2016

Simavita Limited

TRADING HALT

The securities of Simavita Limited (the “Company”) will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Thursday, 14 January 2016 or when the announcement is released to the market.

Security Code: SVA

John Johansson

ADVISER, LISTINGS COMPLIANCE (MELBOURNE)

12 January 2016

Mr. J. Johansson
Adviser, Listings Compliance (Melbourne)
ASX Compliance Pty. Ltd.
Level 4, North Tower Rialto
525 Collins Street
Melbourne Vic. 3000

Dear Mr. Johansson,

REQUEST FOR TRADING HALT

Simavita Limited (“Simavita” and the “Company”) hereby requests that the Company’s Chess Depository Interests (“**CDIs**”) (ASX: SVA) be placed into trading halt with immediate effect.

Pursuant to the ASX Listing Rules, Simavita requests the trading halt in order to ensure consistency and compliance with and between the ASX and the TSX Venture Exchange Inc. (“**TSX-V**”) and to finalise amounts, subscribers and arrangements concerning a proposed Private Placement (“**Placement**”) to raise gross proceeds of up to AUD\$5.06 million by issuing a total of up to 33.70 million common shares (“**Shares**”) and CDIs in the Company at an expected issue price of AUD\$0.15 per Share/CDI. Final amounts to be subscribed for are not known at this time, however, the Placement is expected to consist of two tranches, as described below.

In addition to the 33.70 million Shares described above, it is anticipated that the Company will also grant up to a total of 6.74 million unlisted options (the “**Placement Options**”) on the basis of one Placement Option for every five Shares/CDIs that are issued pursuant to the Placement. Once granted, 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.

Subject to any TSX-V and ASX approvals, the initial allocation (the “**First Tranche**”) is expected to close on or around 15 January 2016 with a maximum issue of up to 20.37 million Shares/CDIs, generating gross proceeds of up to AUD\$3.06 million. It is also proposed that there be a further allocation (the “**Second Tranche**”), subject to prior shareholder approval, of up to 13.33 million Shares/CDIs at the same issue price, potentially generating gross proceeds of up to a further AUD\$2.00 million. Of this amount, the Company’s major shareholder, the Dussman Group, will commit a total of AUD\$1.00 million, subject to shareholder approval.

It is expected that the shareholder meeting seeking the necessary approvals will be held in mid to late February 2016. Of the anticipated maximum of 6.74 million Placement Options to be issued in conjunction with the Placement, up to 4.07 million Placement Options will be issued with the First Tranche and up to 2.67 million Placement Options will be issued with the Second Tranche.

In addition to the above Placement, Simavita will be conducting a second capital raise only in Australia and New Zealand via a CDI purchase plan (the “SPP”) to raise up to an additional amount of AUD\$2.50 million by issuing a total of up to 16.67 million CDIs in the Company at an expected issue price of AUD\$0.15 per CDI. For every 20 CDIs that are issued under the SPP, the subscriber will also be issued one further CDI at no additional cost (rounded up to the nearest whole number of CDIs). As a result, a maximum of up to 17.50 million CDIs may be issued under the SPP.

Under the SPP, each eligible holder of Simavita CDIs in Australia or New Zealand as of a record date of 11 January 2016 may acquire additional CDIs at an issue price of AUD\$0.15 per CDI up to a maximum of AUD\$15,000 per holding. The SPP offer is expected to open on or about 18 January 2016 and will remain open until 5 February 2016. 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 eligible holders in due course.

We anticipate that the trading halt will be required until no later than 10.00 am on Thursday, 14 January 2016. An announcement will be made to the Market prior to that time which will clarify the above proposed capital raisings.

The Company is not aware of any reason why the trading halt should not be granted.

Please contact us should you have any questions.

Yours sincerely,
SIMAVITA LIMITED



PHILIPPA M. LEWIS
Chief Executive Officer