



## **Important Announcements and Strategy Update**

**For Immediate Release**

**February 16, 2016**

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**Sydney, Australia** – Simavita Limited (“Simavita” or the “Company”) (ASX: SVA; TSX-V: SV) announces an important strategy update.

### **Strategic Review**

Simavita has undertaken an extensive strategy review which has identified 3 key areas of focus; cost containment (reducing the Company’s “cash burn”), the speed of revenue uplift (in-depth review of revenue generation via licensing in line with strategy) and capital management (the extent, source and structure of additional capital needed to fund the Company’s further growth).

Mr. Brown, the Company’s Chairman, noted that; “Simavita had already completed its essential development and commercialization phase at the time of the IPO in late 2013. For the past two years since the IPO, the Company has been independently pursuing a global roll-out and expansion phase to firmly establish the Company’s products and services in world markets. Developing a world market is a demanding validation process, but one that has now successfully established sales and customers on 3 continents; North America, Europe and Australia. It is now time to initiate the next phase of the Company’s growth, by extending the Company’s global resources and reach through licensing agreements with large global players”.

Mrs. Lewis, the Company’s CEO, said; “The recent addition of a new contract with the municipality of Aarhus in Denmark is further evidence of the global acceptance of Simavita as the unique digital address to the most ubiquitous problem in aging. As customer acceptance has grown, the Company has also found itself being approached by a number of international groups interested in licensing arrangements. I believe this convergence will be very positive for the Company’s future.”

### **Board Retirements**

In line with initiatives to further streamline the business, the Company also announces the retirement of two directors (Mr. Ari Bergman and Mr. Damien Haakman), effective 29 February 2016, who have been with the Company through its early development and commercialization phase.

Mr. Ari Bergman has been on the Board for 15 years and is the son of the late Dr. Fred Bergman, whose original concept led to the foundation of the early precursor to Simavita. Mr. Bergman noted that; “Simavita has developed an excellent product, and now has growing sales and customers in Europe and North America as well as Australia. With the addition over the past 18 months of 3 new highly qualified directors to the Board I feel it is the right time for me to retire from the Board.”

On behalf of the Board and staff, Mr. Brown thanked Mr. Bergman for his dedicated service to the Company over many years.

Mr. Damien Haakman's family have been firm believers in Simavita from the early days and prior to his late father Andre passing last year, Andre had established his family as the largest shareholder in the Company. Mr. Damien Haakman noted that; "With the establishment of Simavita in global markets, and the professionalization of the Board our family also feels the Company has entered its next phase. My retirement from the Board will allow me to spend more time on the responsibilities associated with our active family office and my young family. I am also conscious that from a corporate governance point of view, my retirement will maintain the balance of independent and non-independent directors on the Board."

On behalf of the Board and staff, Mr. Brown thanked Mr. Haakman for his service as a director, and for his family's ongoing support of the Company. Mr. Brown also notes that the Haakman family had most generously participated in the Company's most recent capital raising.

Simavita's CEO, Mrs. Philippa Lewis said; "I personally would also like to thank Mr. Bergman and Mr. Haakman for their contributions as directors of the Company. I am now looking forward to working with the ongoing Board on this exciting new phase of the Company's activities as we reduce our cost structure and accelerate the licensing aspirations we have held for many years."

### **Cost Reduction**

The Company's strategic review has identified the need for cost reduction, and has now commenced a systematic program of cost reduction beginning with the Board and CEO.

Mr. Brown noted that Mrs. Lewis has always been an exemplary leader, and in order to set an example in the area of cost cutting, and to demonstrate her confidence in the Company's licensing strategy, he advised that Mrs. Lewis has reduced her annual salary by 30% until such time that the Company has secured its first major licensing agreement.

### **Chairman's Disclosure**

As part of its global strategic review, the Company has retained Integrated Equity Pty Ltd. ("Integrated Equity"), a corporate advisory firm based in Melbourne, Australia, that focuses on listed and private equity. Integrated Equity's scope of work will include services related to various aspects of the Company's capital management activities, financial modeling and forecasting, general assistance and guidance in the formulation, revisions and execution of Simavita's corporate strategies.

Michael Brown, the Company's current Chairman, is also the founder and executive chairman of Integrated Equity. Mr. Brown and Integrated Equity have previously provided corporate advisory services to Simavita within the past 3 years, prior to assuming his role as Chairman.

As requisite background to Integrated Equity's engagement the Company advises that Integrated Equity owns 519,410 common share purchase warrants ("Broker Warrants") of Simavita exercisable at a price of AUD\$0.41 that expire on December 3, 2016. The Broker Warrants were issued in connection with services provided by Integrated Equity pursuant to the Company's IPO in December 2013. Integrated Equity also owns 500,000 common share purchase options of Simavita exercisable at a price of AUD\$0.62 that expire on July 1, 2017. The options were issued in connection with corporate advisory services previously provided by Integrated Equity to the Company pursuant to an engagement that commenced on July 1,

2014 and concluded on December 31, 2014. Mr. Brown currently owns, exercises control or direction over, directly or indirectly, 210,000 shares in the Company as well as the warrants and options above.

In addition the Company advises that the engagement of Integrated Equity is for a term of two months, and allows for up to 16 consulting days per month, at a fee of AUD\$2,500 per day. For the avoidance of doubt, the engagement will not attract any other fees, and no securities of the Company will be issued to Integrated Equity in connection with the engagement.

For further information, see our website ([www.simavita.com](http://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 instrument incontinence data on individuals. SIM™ provides user friendly tools and software to assess the incontinence condition and to help plan better outcomes. SIM™ issued to detect record and report incontinence events during a compulsory or recommended assessment period in residential aged care sites to develop an evidence-based incontinence care plan.

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](http://www.simavita.com).

### **About Integrated Equity**

Integrated Equity was established in 2008 as a corporate advisory practice with an emphasis on listed and private equity. For more information about Integrated Equity, please visit their website at [www.Integratedequity.com](http://www.Integratedequity.com).

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*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, the anticipated date of on the ASX, 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. 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.

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..