



ASX ANNOUNCEMENT

Updated Securities Trading Policy

For Immediate Release:

28 March 2018

Sydney, Australia – Simavita Limited (**Simavita** or the **Company**) (ASX: SVA) advises in accordance with ASX Listing Rule 12.10, attached is an updated Securities Trading Policy adopted by the Board of Directors on 28 March 2018.

For further information, please check our website (www.simavita.com) or contact:

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About Simavita

Simavita (ASX: SVA) develops and markets advanced systems associated with smart, wearable and disposable sensors for the global diaper manufacturing industry and also for the aged and disabled care markets. This industry currently generates approximately USD 21bn in annual revenues.

Simavita offers an extremely low cost sensor platform technology for everyday use in all adult and infant diapers. AlertPLUS™ is incorporated into the diaper manufacturing process and connects to your smart device via an App. The platform is ready for partnering with major international diaper manufacturers.

Simavita's technology portfolio also includes AssessPLUS™, an easy to use tablet based product for the assessment of incontinence which delivers a personalised, evidence base incontinence care plan.

With the support of our shareholders, customers and employees, Simavita is absolutely committed to the business at hand; creating a commercially successful and growing corporation. www.simavita.com

SIMAVITA LIMITED

SECURITIES TRADING POLICY

1. Purpose & Objectives

1.1 This Securities Trading Policy¹ (**Policy**) of Simavita Limited (**Company** or **Simavita**) is a requirement of the Australian Securities Exchange (**ASX**) Listing Rules and incorporates applicable Canadian securities legislation and the guidelines for:

- when Directors, officers, senior management, other employees, consultants and contractors of the Company (and any family member or associate over whom they have influence) may deal in the Company's Securities;
- when Directors, officers, senior management, other employees, consultants and contractors of the Company may deal in listed securities of another entity (because they may obtain inside information about another entity's securities while performing their duties for the Company); and
- procedures to reduce the risk of insider trading.

1.2 For the purposes of this Policy, Simavita **Securities** includes listed shares (or CHESS Depositary Interests (**CDIs**) in relation to those shares) in Simavita, options over those shares and any other financial products or securities of Simavita traded on any securities exchange.

1.3 The Policy is aimed at ensuring that all Simavita Personnel (defined in clause 2) comply with the applicable law at all times and their dealings in Securities and non-public information are within both the letter and the spirit of the law, and meet industry practice and market expectations. The Policy also assists Simavita in its disclosure and reporting obligations, while maintaining and promoting Simavita's reputation.

1.4 Simavita recognises the primacy of the insider trading laws and the importance of managing both regulatory and reputational risk. Any perception that Directors or employees may have traded on the basis of an unfair advantage and/or breached their legal obligations could have a significant impact on the personal reputation of those persons, and negatively affect the Company's standing in the market. Therefore the purpose of this Policy is to both manage the risk of insider trading, and to avoid any perception of insider trading and the significant reputational harm that may cause. The Policy will be administered and communicated to Simavita Personnel in accordance with its purpose.

2. Who does this Policy apply to?

This Policy applies to anyone in a "special relationship" with Simavita, and includes:

- all Executive and Non-Executive Directors, officers, employees, contractors and consultants (collectively, **Personnel**) of the Company, and its subsidiaries;

¹ Reviewed and approved by the Board of Simavita Limited on 28 March 2018.

- a person or company that is or proposes to engage in any business or professional activity with or on behalf of Simavita;
- in relation to Black Out Periods (see clause 5.2), a person or company that learns of a *material fact* or *material change* from another person or company and knows or ought to have known that the other person or company is in a *special relationship* with Simavita; and
- in relation to Black Out Periods (see clause 5.2), Directors and Senior Executives (Senior Executives being key management personnel, i.e. direct reports to the Board) (collectively, **Designated Persons**) of the Company, and its subsidiaries (and any family member or associate over whom they have influence). This may include technical advisors and consultants engaged by Simavita for the purposes of its operations and prospects.

3. Insider Trading

Australian Law Requirements

- 3.1 The principal insider trading prohibition in Australian law is contained in section 1043A of the Corporations Act 2001.

Inside Information is information relating to the Company that is not generally available but, if the information was generally available, a reasonable person would expect that information to have a material effect on the price or value of the Company's Securities.

Section 1043A prohibits a person (an Insider) who is in possession of Inside Information from:

- applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of the Company's Securities;
 - procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
 - directly or indirectly communicating the Inside Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
 - procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities.
- 3.2 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. A company may also be liable if an employee or Director engages in insider trading.
- 3.3 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to persons who suffer loss or damage because of insider trading.
- 3.4 Information is generally available if it:
- is readily observable; and
 - has been made known in a manner (e.g. released to the ASX) likely to bring it to the attention of persons who commonly invest in Securities and a reasonable period for that information to be disseminated has elapsed since it was made known.

- 3.5 Outside a Black Out Period (see clause 5 below), the laws prohibiting insider trading continue to apply to Simavita Personnel. The fact that a Company is not in a Black Out Period does not mean a Simavita Personnel member is not in possession of inside information. A person may possess inside information notwithstanding that dealing by employees is generally permitted, and if this is the case, a person should not deal in the Company's Securities.
- 3.6 Similarly, Simavita Personnel should be aware that the insider trading laws apply even where a person has been given clearance to deal under this Policy, and a clearance to deal will not absolve a person from a breach of the insider trading laws. If a person is in possession of inside information, any dealing in the relevant securities will be a breach of the insider trading provisions.

Canadian Law Requirements

- 3.7 Insider trading is strictly regulated by Sections 57.2 and 136 of the *Securities Act* (British Columbia) and the regulations made thereunder.
- 3.8 Persons or companies in a *special relationship* with Simavita and who either possess or have access to *material information* regarding the business and affairs of Simavita are prohibited from trading until the *material information* has been fully disclosed to the public and a reasonable period of time has passed for the information to be disseminated. This prohibition applies not only to trading in the securities of Simavita but also to trading in other securities whose value might be affected by changes in the price of Simavita securities. Furthermore, persons or companies in a *special relationship* with Simavita who possess material non-public information relating to the Company may not pass any such information onto others.
- 3.9 Persons or companies in a *special relationship* with Simavita who, while acting for Simavita, obtain material undisclosed information which relates to any other company, including customers or suppliers of Simavita, may not buy or sell securities of that company, customer or supplier or otherwise misuse such information.
- 3.10 Canadian securities laws provide that breach of the prohibition against trading in securities with knowledge of undisclosed material information or providing undisclosed material information to others, in addition to civil liability for damages, may result in imprisonment for up to five years and/or a fine of up to the greater of: (i) Cdn\$5 million; and (ii) an amount equal to three times the profit obtained or loss avoided by reason of the contravention.
- 3.11 Penalties may also be levied by Canadian securities regulatory authorities for not complying with the requirements to file insider reports.

4. When Personnel May Deal in Securities

Personnel may deal in Simavita Securities, or the listed securities of another entity, outside of a Black Out Period if he or she does not have information that he or she knows, or ought reasonably to know, is Inside Information in relation to Simavita Securities or those securities of the other entity.

Dealing includes, without limitation, transactions such as transfers, trades or other acquisitions or dispositions of legal or beneficial ownership (either directly or indirectly) of securities.

5. When Personnel May Not Deal in Securities

- 5.1 Personnel must not deal, or procure a third party to deal, in Simavita Securities during a Black Out Period or if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Simavita Securities or material information in accordance with Canadian securities laws.
- 5.2 Personnel must not deal, or procure a third party to deal, in the listed securities of another entity if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to those securities or material information in accordance with Canadian securities laws.

5.3 Black Out Periods

Circumstance	Black Out Period
Release of Full Year results to ASX	2 weeks before release until start of the second trading day following release
Release of Half Year results to ASX	2 weeks before release until start of the second trading day following release
Release of Quarterly Reports to ASX	2 weeks before release until start of the second trading day following release

5.4 Additional Black Out Periods

The Company may also determine that certain additional periods are Black Out Periods for the purposes of this Policy, including when the Company is considering matters subject to ASX Listing Rule 3.1A (Additional Black Out Periods). The Company may also determine that a Black Out Period will apply in the period prior to a corporate event such as the Annual General Meeting or the issue of a disclosure document. Additional Black Out Periods will be notified to Designated Persons, and to Simavita Personnel if applicable. Any communication in this regard will be carefully managed to ensure the Company maintains confidentiality.

- 5.5 Notwithstanding the other provisions of this clause 5, in exceptional circumstances, permission may be granted to Designated Persons to dispose of their Simavita Securities during a Black Out Period (see clauses 6 and 7 below).

6. Exceptional Circumstances

In exceptional circumstances Designated Persons may be given prior written clearance to dispose of (but not acquire) Simavita Securities, where they would otherwise be prevented from doing so due to a Black Out Period. Those circumstances may include where the Designated Person:

- is in severe financial hardship and can only meet their financial commitments by selling the securities. A tax liability would not normally constitute severe financial hardship, including a tax liability relating to securities received under an employee incentive plan; or

- a court order or enforceable undertaking requiring the sale or disposal of Simavita Securities (such as a bona fide family settlement), or a disposal under some other overriding legal or regulatory requirement, may constitute exceptional circumstances.

7. Designated Persons – Approval Requirements

7.1 The following procedures apply to Designated Persons who wish to dispose of their Simavita Securities during a Black Out Period:

- a Designated Person (or a family member or associate over whom they have influence) must provide the Chairman (or in the case of the Chairman, an Independent Non-Executive Director) with a notice in writing (which may be by email), requesting permission to dispose of their Simavita Securities, including any reasons for the request (see clause 6);
- a Designated Person must not dispose of their Simavita Securities unless they have received permission in writing (which may be by email) from the Chairman;
- a Designated Person must effect the instructions to dispose within 2 trading days of receiving permission, and the disposal must be executed within that period;
- permission to dispose may be withdrawn if new information arises, or if there is a change in circumstances. The Designated Person will be notified of any withdrawal in writing (which may be by email); and
- if the disposal is not executed within the 2 trading day period, the permission to dispose lapses, and the Designated Person must submit a further request to the Chairman for permission to dispose.

7.2 Permission to dispose is at the discretion of the Chairman, and may be given or refused without providing any reasons.

7.3 When considering a request from a Designated Person for permission to dispose in accordance with clause 7.2, the Chairman will take into account a range of factors to determine if the risk of insider trading, or the appearance of insider trading is not a concern. These factors include but are not limited to whether:

- the Company is about to release a periodic report or other financial information that the market may not expect;
- the Company will shortly release market sensitive information under ASX Listing Rule 3.1;
- the Company is considering a matter that is subject to ASX Listing Rule 3.1A; and
- the Designated Person has access to or is likely to have access to other material information that has not been released to the market.

More generally, the Chairman will consider the specific circumstances of a request as a whole, in light of the underlying purpose of this Policy, to both minimise the risk of insider trading and avoid any appearance of insider trading and possible reputational damage. The Chairman may seek professional advice to assist in making any decision. In most circumstances if the Company is about to release information that falls into the categories set out above, the Chairman will not grant permission to dispose.

- 7.4 A refusal to grant permission to dispose is final and binding on the person seeking the permission. If permission is refused, the person must keep that information confidential and not disclose it to anyone, to ensure that the Company manages its disclosure obligations in accordance with its policies, the ASX Listing Rules and all applicable laws.
- 7.5 The Chairman must follow the same procedures set out above in relation to any proposed disposal by the Chairman in Simavita Securities, but permission must be sought from an Independent Non-Executive Director.

8. Excluded Trading

Trading that is excluded from the restrictions in this Policy includes:

- transfers of Securities already held into a superannuation fund or other saving scheme in which the member of Simavita Personnel is a beneficiary;
- an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in the Company's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a Designated Person is a trustee, trading in Securities by that trust provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Black Out Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- undertakings to accept, or the acceptance of, a takeover offer;
- trading under an offer or invitation made to all Shareholders, such as, a rights issue or share purchase plan, where the plan that determines the timing and structure of the offer has been approved by the Board; and
- trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
 - the Designated Person did not enter into the plan or amend the plan during a Black Out Period; and
 - the trading plan does not permit Designated Persons to exercise any influence or discretion over how, when, or whether to trade.

9. Prohibited Trading & Transactions

Simavita Personnel are prohibited from participating in or entering into any of the following under this Policy:

- trading in derivative products over Simavita Securities, including warrants, exchange-traded and over-the-counter options, and contracts for difference;
- price protection arrangements in respect of unvested remuneration or vested remuneration which is the subject of a holding lock (hedging);
- short-term trading of Simavita Securities over a period not less than 6 months;

- short-selling – the borrowing and sale of Simavita Securities with the intention of purchasing the securities at a later date at a lower price, thus closing out the short position at a profit;
- margin lending – the nature of margin lending arrangements, including the right of a lender to sell securities the subject of such an arrangement, may mean that the requirements of this Policy would be breached by the actions of a third party. Therefore Simavita Personnel are not permitted to enter into margin lending arrangements that involve Simavita Securities.

10. Disclosure to ASX

10.1 ASX Listing Rule 12.9 requires this Policy to be disclosed to the ASX. Where Simavita makes a material change to this Policy, the amended policy must be provided to ASX within 5 business days of the material changes taking effect, in accordance with ASX Listing Rule 12.10.

10.2 In addition, if a change to a notifiable interest of a Simavita Director occurs during a Closed Period, Simavita must tell ASX (in its Appendix 3Y filing) that this is the case, whether prior written clearance for the relevant dealing was provided and the date of such clearance.

11. Breaches of this Policy

11.1 Simavita has established processes to ensure Simavita Personnel are aware of, and understand their obligations under this Policy, and to monitor and enforce compliance with the Policy. The Company Secretary is responsible for maintaining a register of all requests for permission to deal under this Policy, decisions relating to those requests, and any relevant trades.

11.2 Measures in addition to these described in clause 11.1 include:

- Simavita Personnel are provided with a copy of this Policy and any amendments to the Policy;
- sending email reminders of the start and finish dates for Black Out Periods, one week before commencement of the period and immediately before commencement;
- Designated Persons are required to provide annual written confirmation that they are aware of and understand this Policy and are in compliance with the Policy.

11.3 All Simavita Personnel must comply with the principles and requirements of this Policy. Failure to comply may result in the relevant staff member being subject to disciplinary action, including possible dismissal. The Company may require any person who has acquired securities in breach of this policy to sell those securities as soon as possible within the requirements of applicable laws, and donate any profit from the sale to charity.

11.4 As described in clauses 3.2, 3.3, 3.9 and 3.10, a breach of this Policy may also result in exposure to potential civil or criminal liability under applicable Australian laws and regulations or Canadian laws and regulations.

12. Review of this Policy

This Policy will be reviewed regularly by the Company's Directors having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing. If Directors and Senior Executives have any comments or views concerning the operation or effectiveness of this Policy, they should be communicated to the Company Secretary.