



23 November 2017

Amended and restated CEO employment offer letter and Form 8-K

Palo Alto, CA, United States – AirXpanders, Inc. (ASX: AXP), a medical device company focused on the design, manufacture, sale and distribution of the AeroForm® Tissue Expander System, advises that it has entered into an amended and restated offer letter with Mr. Scott Dodson, its President and Chief Executive Officer.

A summary of the material terms of the amended and restated offer letter is set out in the attached Form 8-K which will be filed with the United States Securities and Exchange Commission today.

- ENDS -

<i>Company</i>	<i>Investor relations</i>
Scott Dodson President & CEO Tel: +1 (650)-390-9008 Email: sdodson@airxpanders.com	Kyahn Williamson WE Buchan Tel: +61 (3) 9866 4722 / + 61 (0)401018828 Email: kwilliamson@we-buchan.com

About AirXpanders

Founded in 2005, AirXpanders, Inc. (www.airxpanders.com) designs, manufactures and markets innovative medical devices to improve breast reconstruction. The Company's AeroForm Tissue Expander System, is used in patients undergoing two-stage breast reconstruction following mastectomy. Headquartered in Palo Alto, California, AirXpanders' vision is to be the global leader in reconstructive surgery products and to become the standard of care in two-stage breast reconstruction. AirXpanders is a publically listed Company on the Australian Securities Exchange under the symbol "AXP." AeroForm was granted U.S. FDA *de novo* marketing authorization in 2016, first CE mark in Europe in 2012 and is currently licensed for sale in Australia.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management's beliefs, assumptions and expectations and on information currently available to management.

All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, commercial success of our U.S launch, the success of our sales personnel in on-boarding and training physicians, the clinical benefits to physicians and patients, the ability of our third party contract manufacturer to produce our product in greater capacity and at lower gross margins.

Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. AirXpanders may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements. For additional information and considerations regarding the risks faced by AirXpanders that could cause actual results to differ materially, see its most recent Quarterly Report on Form 10-Q, as filed with the Securities and Exchange Commission on August 9, 2017 including under the caption "Risk Factors," as well as other periodic reports filed with the SEC from time to time. AirXpanders disclaims any obligation to update information contained in any forward-looking statement, except as required by law.

For more information, refer to the Company's website at www.airxpanders.com.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

November 21, 2017

Date of Report (date of earliest event reported)

AirXpanders, Inc.
(Exact name of Registrant as specified in charter)

Delaware
(State or other jurisdiction
of incorporation)

000-55781
(Commission
File Number)

20-2555438
(I. R. S. Employer
Identification No.)

1047 Elwell Court Palo Alto, CA, 94303
(Address of principal executive offices)

Registrant's telephone number, including area code: (650) 390-9000

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 - Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On November 21, 2017, AirXpanders, Inc. (the “Company”) entered into an amended and restated offer letter (the "Offer Letter") with Scott Dodson, its President and Chief Executive Officer. Under the terms of the Offer Letter, in the event of a change of control, 50% of all of Mr. Dodson's then-unvested options shall be deemed immediately vested and exercisable, and the remaining options shall vest equally each month over the following 12 months, provided Mr. Dodson makes himself reasonably available to provide services to the acquiring company. However, if the Company terminates his employment without Cause prior to the end of that 12-month period, then any then remaining unvested options shall be deemed immediately vested and exercisable. Under the Offer Letter, “cause” means (a) commission or conviction (including a guilty plea or plea of nolo contendere) of any felony or any other crime involving fraud, dishonesty or moral turpitude; (b) commission or attempted commission of or participation in a fraud or act of dishonesty or misrepresentation against the Company; (c) material breach of duties to the Company; (d) intentional damage to any property of the Company; (e) misconduct, or other violation of Company policy that causes harm; (f) material violation of any written and fully executed contract or agreement between Mr. Dodson and the Company, including without limitation, material breach of the Offer Letter, or of any Company policy, or of any statutory duty owed to the Company; or (g) conduct by Mr. Dodson which in the good faith and reasonable determination of the Company demonstrates gross unfitness to serve. Additionally, the Offer Letter was revised to state that all post-termination benefits, including, but not limited to, severance, are subject to the execution of an acceptable release of claims form by Mr. Dodson.

The foregoing description of the Offer Letter is a summary of the terms and is qualified in its entirety by reference to the Offer Letter, which the Company expects to file as an exhibit to its Annual Report on Form 10-K for the year ending December 31, 2017.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 22, 2017

AIRXPANDERS, INC.

/s/ Scott Murcay

Scott Murcay

Chief Financial Officer and Chief Operating Officer
Duly Authorized Officer