

31 August 2018

## **Completion of private placement to Vivo Ventures and notice given under Section 708A(5)(e) of the Corporations Act**

**San Jose, CA, United States – AirXpanders, Inc. (ASX: AXP) (AirXpanders or Company)** a medical device company focused on the design, manufacture, sale and distribution of the AeroForm® tissue expander, gives this notice under section 708(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by ASIC Class Order 14/827 (**Class Order**)).

### **Background**

AirXpanders announced on 3 August 2018 (Australian Eastern Standard time) that it had entered into a purchase agreement with funds affiliated with Vivo Ventures (**Vivo Ventures**), and Mr. Barry Cheskin, for the purchase of a total of 20,441,183 shares of Class A common stock (**Shares**) in a private placement at US\$0.167 per Share, to raise approximately US\$3.4 million (**Private Placement**).

The Company has today issued 20,142,123 Shares (which will be represented by 60,426,369 CHESS Depositary Interests (**Placement CDIs**)) to Vivo Ventures under the Private Placement. As Mr. Cheskin is the Chairman and a director of the Company, the issue of 299,060 Shares to Mr. Cheskin is subject to the approval of stockholders in accordance with the ASX Listing Rules. A stockholders' meeting will be held as soon as practicable to seek the relevant approval.

### **Notice by AirXpanders**

AirXpanders relies on case 1 in section 708A(5) of the Corporations Act (as modified by the Class Order) and gives notice that it has issued 20,142,123 Shares (to be represented by the Placement CDIs) without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this notice, AirXpanders:

- 1 has complied with sections 601CK and 674 of the Corporations Act; and
- 2 confirms that, there is no information:
  - (a) that has been excluded from a continuous disclosure notice required to be given to ASX in accordance with the ASX Listing Rules; and
  - (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of AirXpanders; and
    - (ii) the rights and liabilities attaching to the securities of AirXpanders,to the extent to which it would be reasonable to investors and their professional advisers to expect to find such information in a disclosure document.

- ENDS -

<b>Company</b>	<b>Investor relations</b>
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#### **About AirXpanders:**

Founded in 2005, AirXpanders, Inc. ([www.airxpanders.com](http://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 publicly 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, including those related to the timing, completion and closing of the Private Placement, the timing of the stockholders meeting, potential approval of the issuance of Shares to Mr. Cheskin, and anticipated growth of the Company's business are forward-looking statements. These include, without limitation, risks and uncertainties related to market conditions and the satisfaction of customary closing conditions related to the Private Placement, and additional business risks included in the Company's periodic reports filed with the SEC.

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 July 31, 2018 (U.S. time), and in the Registration Statement on Form S-1 (including the final prospectus), 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](http://www.airxpanders.com).