

5 September 2018

ASX Compliance Pty Limited  
Level 4, North Tower  
525 Collins Street  
Melbourne VIC 3000

Dear ASX,

**Vivo – Change in Substantial Holding - AirXpanders, Inc. (AXP) ('AirXpanders or 'the Company')**

The purpose of this notice is to confirm the current percentage of voting power held by Vivo Ventures in AirXpanders following the issue by AirXpanders of 208.9 million CHESS Depositary Interests (**CDIs**) to complete the non-renounceable right issue on 30 August 2018 (**Rights Issue**). This notice also takes into account the issue of 20,142,123 Shares of Class A common stock (the "**Shares**") (60,426,369 in equivalent CDIs) to funds affiliated with Vivo Ventures on 31 August 2018 as detailed below at a total cost of US\$3,367,579.37. Information regarding the Rights Offer and US placement was announced by AirXpanders on 27 August 2018.

***Previous notification***

Vivo last advised AirXpanders of its stockholdings in AirXpanders on 28 February 2017. A summary follows below:

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
Vivo*	Power to control disposal and voting of the securities held	Total holding: equivalent to 50,526,477 CDIs (Consisting of: 38,763,033 CDIs (representing 12,921,011 Shares and 3,921,148 Shares (equivalent to 11,763,444 CDIs))	17.6%

\* Vivo includes: Vivo Ventures Fund VII, L.P. (Total: equivalent to 49,448,751 CDIs: consisting of 37,936,221 CDIs (representing 12,645,407 Shares) and 3,837,510 Shares (equivalent to 11,512,530 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (Total: equivalent to 1,077,726 CDIs: consisting of 826,812 CDIs (representing 275,604 Shares) and 83,638 Shares (equivalent to 250,914 CDIs)

***Present relevant interests***

20,142,123 Shares were allotted on 31 August 2018 in accordance with an announcement by AirXpanders to the ASX on 27 August 2018. The table below shows the revised percentage changes in voting power resulting from this issue.

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
Vivo*	Power to control disposal and voting of the securities held	Total holding: equivalent to 110,952,846 CDIs (Consisting of: 50,526,477 CDIs (representing 16,842,159 Shares) and	19.9%

		20,142,123 Shares (equivalent to 60,426,369 CDIs))	
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\* Vivo includes: Vivo Ventures Fund VII, L.P. (Total: equivalent to 108,586,227 CDIs: consisting of 49,448,751 CDIs (representing 16,482,917 Shares) and 19,712,492 Shares (equivalent to 59,137,476 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (Total: equivalent to 2,366,619 CDIs: consisting of 1,077,726 CDIs (representing 359,242 Shares) and 429,631 Shares (equivalent to 1,288,893 CDIs)

Yours sincerely



Dr Albert Cha

Managing Member,

Vivo Ventures VII, LLC

General Partner of Vivo Ventures Fund VII, L.P. and Vivo Ventures VII Affiliates Fund, L.P.