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3 May 2019

AirXpanders Continues Voluntary Suspension of Trading

San Jose, CA, United States – AirXpanders, Inc. (ASX: AXP), or the Company, a medical device company focused on the design, manufacture, sale and distribution of the AeroForm® Tissue Expander System, voluntarily suspended trading on 2 April 2019 to enable the Company to review and finalize various matters pertaining to its operations, including resolving a debt covenant breach with its lender and for the Company to evaluate opportunities to raise additional capital, including the related terms and timing. At this stage, discussions and meetings are ongoing. Therefore, the Company is not able at this time to provide an update on these matters, including capital raising.

In accordance with ASX Listing Rule 17.2, the Company is extending the voluntary suspension of trading until it can finalize its negotiations and provide the market with an accurate update on its future plans. The Company expects the voluntary suspension to continue until plans are finalized and an announcement is made to the ASX in this regard. At this stage it expects to be able to do so by 20 May 2019. The event that will end the voluntary suspension will be the announcement referenced above.

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 San Jose, 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, subsequent U.S. market clearance in 2017, 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, but are not limited to, the ability to raise additional capital at all and whether the Company can raise capital timely, the Company's ability to obtain a waiver of covenant violations from its lender or meet future lender covenants, future financial results, including anticipated revenue growth, cost savings, projected cash outflow and cash sufficiency forecast, U.S. commercial market adoption and U.S. and Australia sales of our product and expected strong growth in demand for AeroForm, ability to manage cash outflows and maintaining sales prices of AeroForm, ability to achieve operating efficiencies and future

profitability, and the ability to recognize efficiency as a result of restructuring our sales team in the US and sales model in Australia.

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 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission on February 28, 2019 (AUS 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.

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