

ASX ANNOUNCEMENT

RELEASE OF SECURITIES FROM ESCROW

PALO ALTO, United States, 31 August 2015: AirXpanders Inc., (ASX:AXP) (**AirXpanders** or **Company**) a medical device company focused on the design, manufacture, sale and distribution of the AeroForm® tissue expander, advises that in connection with the Company's quotation on the Australian Securities Exchange on 22 June 2015, particular security holders of the Company were required to enter into voluntary and ASX-imposed escrow agreements. The voluntary and ASX-imposed escrow agreements provided that the relevant security holders would be restricted from dealing in their securities for variable escrow periods of up to 24 months from the date of quotation of the Company's CHESS Depositary Interests (CDIs) on the ASX.

Accordingly, pursuant to ASX Listing Rule 3.10A, the Company advises that the following securities of the Company are due for release from ASX imposed escrow at the end of 18 September 2015:

- 154,593 fully paid shares in the Class A common stock of the Company (equivalent to 463,779 CHESS Depositary Interests).

-ENDS-

For more information:

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About AirXpanders:

Founded in 2005, AirXpanders is a medical device company focused on the design, manufacture, sale and distribution of its AeroForm® tissue expander used in patients undergoing breast reconstruction following mastectomy. AeroForm® uses controlled delivery of small amounts of gas (CO₂) to achieve tissue expansion prior to the placement of a permanent breast implant. AeroForm® successfully eliminates the need for needle-based expansion required by traditional saline tissue expanders and provides a faster and less painful breast reconstruction journey. AeroForm® has CE Mark and TGA approval and is covered by the Australian reimbursement regime. To date, AeroForm® has been successfully implanted more than 500 times in women in Australia and the United States. For more information, refer to the Company's website at www.airxpanders.com.