ASX/News Release

AVITA Medical Announces RECELL® Health Economic Model to be Presented at ISPOR 23rd Annual International Meeting

Demonstrates cost-effectiveness of RECELL in the treatment of severe burns

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Valencia, California, USA, and Melbourne, Australia, 26 March 2018 — AVITA Medical (ASX: AVH, OTCQX: AVMXY) announced today that an abstract highlighting an economic model demonstrating the cost benefit of RECELL® in the treatment of burns has been accepted for presentation at the International Society for Pharmacoeconomics and Outcomes Research (ISPOR) 23rd Annual International Meeting on May 21, 2018 in Baltimore, Maryland.

The abstract to be presented, "Inpatient Cost of Acute Care for Severe Burn Patients: Validation of Economic Model for Adults and Children," highlights a cost-effectiveness and budget impact model that was developed to quantify the economic value of RECELL versus standard of care for the treatment of severe burns. Burns require costly care due to the need for complex and individualized treatment. RECELL is a medical device designed to facilitate skin regeneration while reducing the amount of skin harvested at the time of surgery. Reduction in donor site skin requirements has important benefits from both clinical and health economic perspectives.

"The model demonstrates the potential of RECELL to improve patient care while at the same time reducing the overall cost of treating patients," said Dr. Michael Perry, AVITA Medical's Chief Executive Officer. "One of the strengths of this model is that it may be tailored to patient populations relevant to individual hospitals, healthcare systems, and other organizations engaged in the treatment of burn patients around the world. This externally validated model will allow us to approach hospital value and analysis committees and payers with a strong economic package that supports the cost savings that may be achieved with the use of RECELL."

The model was developed by AVITA Medical, IQVIA™ and the Biomedical Advanced Research and Development Authority (BARDA), under the Assistant Secretary for Preparedness and Response, within the US Department of Health and Human Services. Funding provided by BARDA, under Contract No. HHSO100201500028C, to support the development of RECELL by AVITA Medical has included support of the health economic model.

ISPOR, the professional society for health economics and outcomes research (HEOR), is an international, multistakeholder, nonprofit dedicated to advancing HEOR excellence to improve decision making for health globally. The Society is the leading source for scientific conferences, peer-reviewed and MEDLINE®-indexed publications, good practices guidance, education, collaboration, and tools/resources in the field. ISPOR's Annual International Meeting is an international forum highlighting research and methods that advance the quality and value of health care decisions.

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ABOUT AVITA MEDICAL LIMITED

AVITA Medical is a regenerative medicine company with a technology platform positioned to address unmet medical needs in burns, chronic wounds, and aesthetics indications. Avita's patented and proprietary collection and application technology provides innovative treatment solutions derived from the regenerative properties of a patient's own skin. Our medical devices work by preparing a Regenerative Epithelial Suspension (RES™), an autologous suspension comprised of the patient's own skin cells and wound healing factors that are necessary to regenerate natural healthy skin. This autologous suspension is then sprayed onto the areas of the patient to be treated.

In the United States, RECELL® is an investigational device limited by federal law to investigational use. In September 2017, Avita submitted to the U.S. Food and Drug Administration (FDA) a PreMarket Approval (PMA) application for RECELL for the treatment of burn injuries.

In all countries outside of Europe, our portfolio is marketed under the RECELL® brand to promote skin healing in a wide range of applications including burns, chronic wounds and aesthetics. RECELL® is TGA-registered in Australia, and CFDA-cleared in China.

In Europe, our portfolio of medical device products received CE-mark approval as three tailored product presentations, with three individual brand names. RECELL® is designed for the treatment of burns and plastic reconstructive procedures; ReGenerCell™ has been formulated for chronic wounds including leg and foot ulcers; and ReNovaCell™ is tailored for aesthetic applications including the restoration of pigmentation.

To learn more, visit www.avitamedical.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This letter includes forward-looking statements. These forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "intend," "could," "may," "will," "believe," "estimate," "look forward," "forecast," "goal," "target," "project," "continue," "outlook," "guidance," "future," other words of similar meaning and the use of future dates. Forward-looking statements in this letter include, but are not limited to, statements concerning, among other things, our ongoing clinical trials and product development activities, regulatory approval of our products, the potential for future growth in our business, and our ability to achieve our key strategic, operational and financial goal. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Each forward-looking statement contained in this letter is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statement. Applicable risks and uncertainties include, among others, the timing of regulatory approvals of our products; physician acceptance, endorsement, and use of our products; failure to achieve the anticipated benefits from approval of our products; the effect of regulatory actions; product liability claims; risks associated with international operations and expansion; and other business effects, including the effects of industry, economic or political conditions outside of the company's control. Investors should not place considerable reliance on the forward-looking statements contained in this letter. Investors are encouraged to read our publicly available filings for a discussion of these and other risks and uncertainties. The forward-looking statements in this letter speak only as of the date of this release, and we undertake no obligation to update or revise any of these statements.

FOR FURTHER INFORMATION:

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