

AVITA MEDICAL

Company Overview



June 2018

Disclaimer – Forward Looking Statements

This presentation may include forward-looking statements. You can identify these statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” or similar expressions.

These forward looking statements speak only as at the date of this presentation and are based on management’s expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Avita Medical that could cause actual results to differ materially from such statements.

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AVITA Medical Board and Capital Structure

A\$0.058
Share
Price¹

1.277
Billion
Shares
Outstanding²

A\$74.1
Million
Market
Capitalization¹

A\$16.9
Million
Cash³

A\$0.0
(Zero)
Debt

DIRECTORS



Dr. Michael Perry
CEO, AVITA Medical



Professor Suzanne Crowe
Multiple positions including
Associate Director of the
Burnet Institute



Lou Panaccio, Chairman
Non-Executive Director
Sonic Healthcare Limited



Louis Drapeau
Nektar Therapeutics, BioMarin
Pharmaceutical, Inc., and
Arthur Andersen LLP.



Jeremy Curnock Cook
Managing Director of
Bioscience Managers Pty
Ltd



Damien McDonald
Chief Executive Officer of
LivaNova

MAJOR SHAREHOLDERS²

Karst Peak Capital Limited	14.9%
BioScience Managers Pty Ltd	9.0%
Regal Funds Management Pty Ltd.	8.1%
Top ten in aggregate	46.8%

ANALYSTS

John Hester, Bell Potter
Brooks O'Neil, Lake Street Capital Markets

1. As of 15 June 2018

2. Includes shares issued in Tranche 1 of June 2018 financing

3. As of 31 May 2018, pro forma to reflect \$12.8 million from Tranche 1 of June 2018 financing

Overview of Avita Medical

Avita Medical - Company Overview

- Regenerative medicine company with a technology platform poised to address a broad range of applications in skin
- Patented and proprietary collection and application system comprised of device and biologics
- U.S. launch of lead product RECELL® planned for CY 2018
- Headquartered in California with operations in Australia and Europe
- Substantial U.S. Government support under BARDA program
- Experienced leadership team



LEAD PRODUCT

Investigational medical device currently in use in major US burn centers through controlled clinical trials as well as FDA-approved compassionate use and continued access programs

Leadership Team with the Right Expertise

Upgraded C-Suite 2017

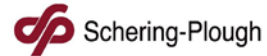


Dr. Michael S. Perry

CEO

>30 years experience

Affiliations:



BAY CITY CAPITAL

Baxter



Pharsight



Dale Sander

CFO

35 years experience

Affiliations:



ERNST & YOUNG

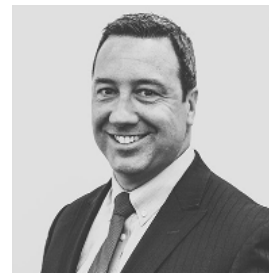


Erin Liberto

CCO

16 years experience

Affiliations:



Tim Rooney

CAO

25 years experience

Affiliations:



Andrew Quick

Sr VP, Clinical Development

22 years experience

Affiliations:



sonova



Boston Scientific

RECELL Overview

Pioneer in Skin Regeneration

- RECELL is a unique cellular therapy platform for skin regeneration
- Skin regeneration through cellular therapy can address a multitude of acute and chronic diseases and aesthetic conditions

Burns

- Full thickness and partial thickness

Chronic Wounds

- Venous leg ulcers and diabetic foot ulcers

Pigmentation

- Vitiligo, hyper and hypo-pigmentation

Aesthetics

- Reconstructive surgery, facial rejuvenation

- Burns will be first indication launched in U.S.

RECELL Skin Regeneration Platform



DEVICE PLATFORM

Single-use, sterile, self contained system

1. Easy to use
2. 30 minutes to treatment
3. Treatment area is 80x donor area

Regenerative Medicine Platform

- An *Autologous Cell Harvesting Device* that uses proprietary enzyme and buffer formulations to generate a “spray-on skin” replacement within 30 minutes

Designed by Surgeons

- An elegant means to deliver skin regeneration to patients at ‘*point-of-care*’

Proven Safety and Efficacy

- 7,000+ uses to date in multiple world markets with no observed safety signals
- Compelling clinical results and robust health-economic data

>50 Peer-Reviewed Publications

FDA PMA in Burns

- A PreMarket Approval (PMA) application for RECELL *filed September 28, 2017*
- PMA application is supported by two pivotal randomized controlled clinical trials (RCTs) and supportive data from additional clinical studies:

Clinical Data Supporting U.S. PMA in Burns

U.S. Pivotal Trial #1 - RECELL stand-alone therapy versus standard-of-care for deep partial-thickness (second-degree) burns

U.S. Pivotal Trial #2 - RECELL treatment of full-thickness (third-degree) burns

FDA Compassionate Use Investigational Device Exemption (IDE) Program

FDA Continued Access Investigational Device Exemption (IDE) Program

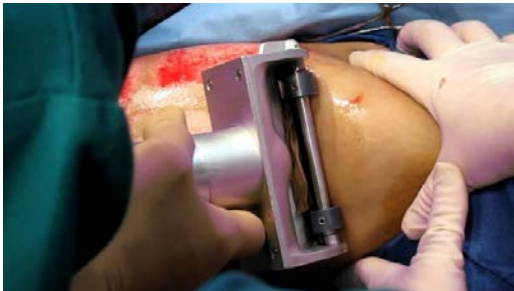
Three non-randomized clinical studies (Australia and UK) for the treatment of a range of epithelial defects

- FDA approval anticipated in Q3 2018

Significant Unmet Needs Remain for Burn Patients under Current Practice/Standard of Care

Current Standard of Care (SoC): Split-Thickness Skin Graft (STSG)

Skin Graft (Used in 75% of Cases)



KEY SHORTCOMINGS

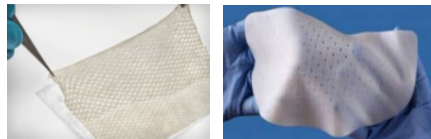
- Large donor area required
- Pain - during and post procedure
- Extended hospitalization and costs
- Multiple complex, costly, surgical procedures
- Risk of infection

Other Offerings

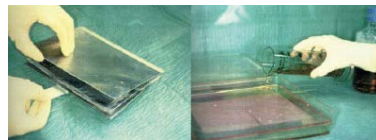
Temporizing
Artificial Skin



Dermal Matrices



Closure
Cultured Epithelial Autograft (CEA)



KEY SHORTCOMINGS

- Expensive
 - Cosmesis - sub-optimal/poor
 - Extended hospitalization
 - Multiple complex, costly, surgical procedures
 - Treatment time
 - Risk of rejection
- } Specific to CEA

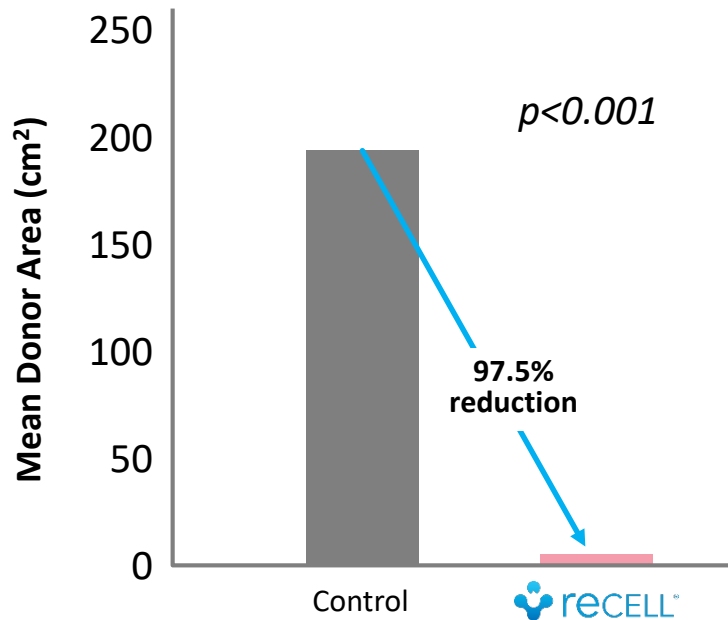
Current Standard of Care for Burn Patients is Suboptimal and Expensive

Pivotal Trials: Top-Line Data

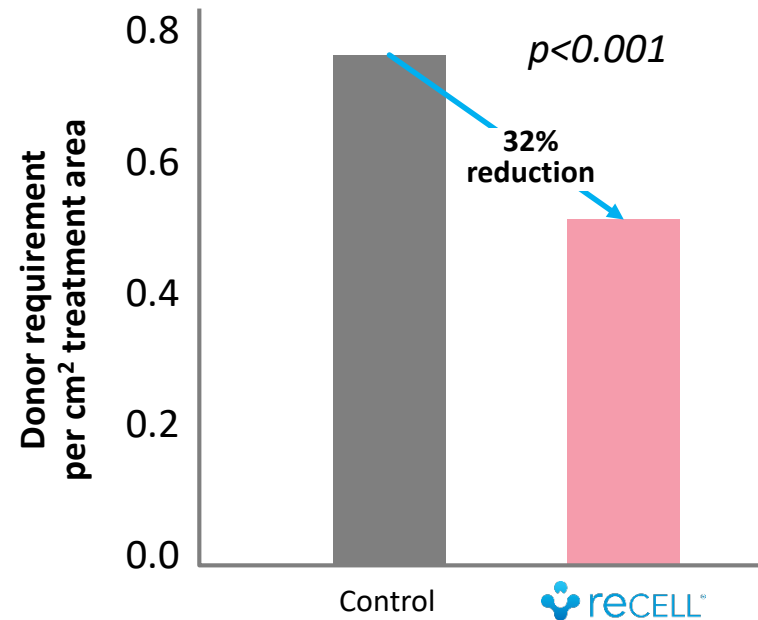
RECELL Dramatically Reduces Donor Skin Requirement (*Autograft Sparing*)

- Definitive wound closure
- Equivalent long-term outcomes
- Significantly less harvesting of donor skin
- No safety signals

Pivotal Trial 1: Partial-Thickness Burn



Pivotal Trial 2: Full-Thickness Burn



Full Results Presented at ABA Meeting April 2018

Case Study from RECELL Compassionate Use Program



Treatment Day



Day 7



Day 21



3 months



1 year

- 12-year-old girl with 2nd-degree facial burn and widespread 3rd-degree burns
 - 62% Total Body Surface Area (TBSA) burn injury
 - Insufficient donor skin available for SoC
 - Reintroduction of melanocytes resulted in an excellent cosmetic outcome
 - No facial contracture release surgery required
 - Discharged in 24 days
- RECELL is ideal for treatment of facial burns



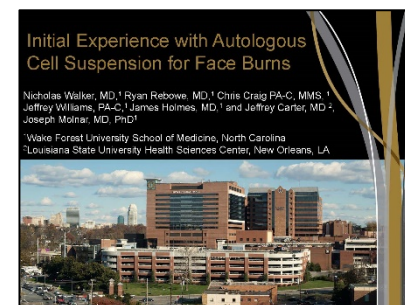
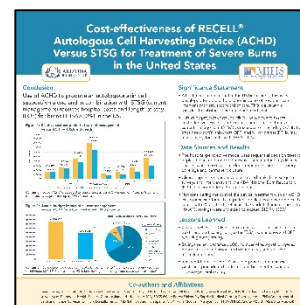
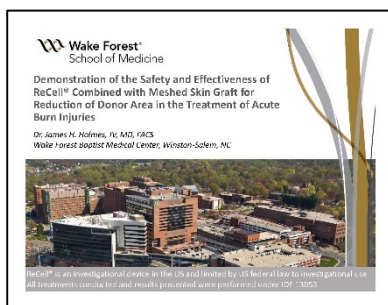
Facial Burn Study Presented at ABA Meeting April 2018

RECELL Clinical Results Prominently Featured in April 2018 Annual ABA Meeting



SIX PRESENTATIONS AT THE 50th ANNUAL MEETING OF THE AMERICAN BURN ASSOCIATION IN APRIL 2018

- ✓ Pivotal results of RECELL in partial-thickness (second-degree) Burns - *"Top 5 Abstract"*
- ✓ Pivotal results of RECELL in full-thickness (third-degree) burns
- ✓ Health economics of RECELL in treatment of burns
- ✓ Initial experience with RECELL for treatment of partial-thickness facial burns
- ✓ Compassionate use experience with RECELL to treat large TBSA injuries
- ✓ Preclinical study of RECELL in combination with dermal substitutes



Burn Market & RECELL Commercial Strategy

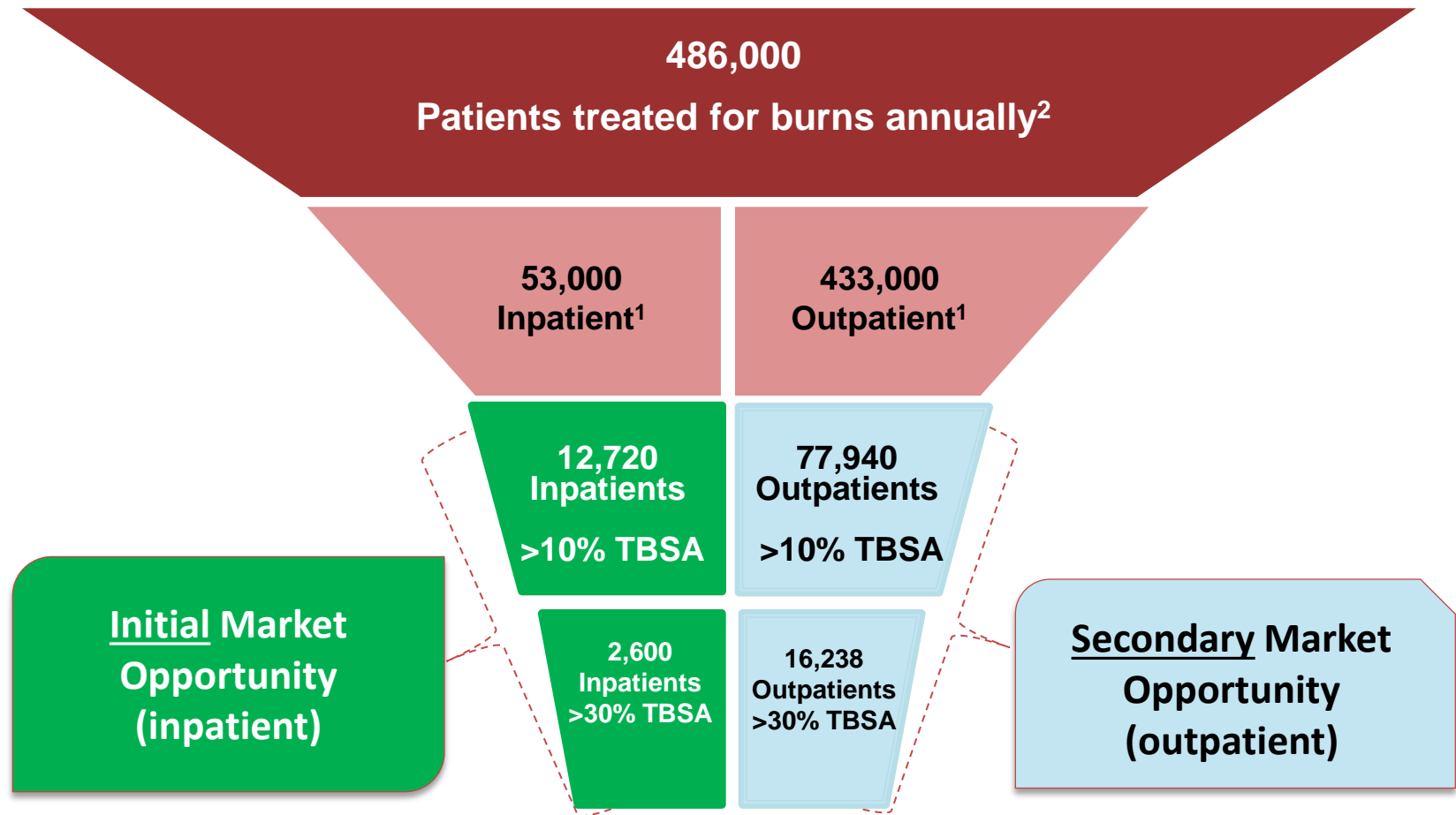
RECELL Clinical Benefit

BURN HEALING	<ul style="list-style-type: none">✓ Comparable (short-term) definitive closure, ↓ pain, ↑ subject satisfaction, and improved (long-term) scar outcomes... compared to conventional autografting/STSG
AUTOGRAFT SPARING	<ul style="list-style-type: none">✓ 97.5% less donor skin harvested for partial-thickness burn treatment (<i>RECELL alone</i>)✓ 32% less donor skin harvested for full-thickness burn treatment (<i>RECELL with STSG</i>)
DONOR SITE HEALING (measured for partial-thickness treatments)	<ul style="list-style-type: none">✓ At 2 weeks the likelihood of donor site healing was 4.4x higher with RECELL vs SoC/STSG✓ Reduced pain, increased patient satisfaction, and improved scar outcomes
SAFETY	<ul style="list-style-type: none">✓ Adverse events typical for injuries sustained by patients with burn wounds

Demonstrated in 2 pivotal trials and 60+ compassionate use cases

Burns Opportunity in the U.S. is Large

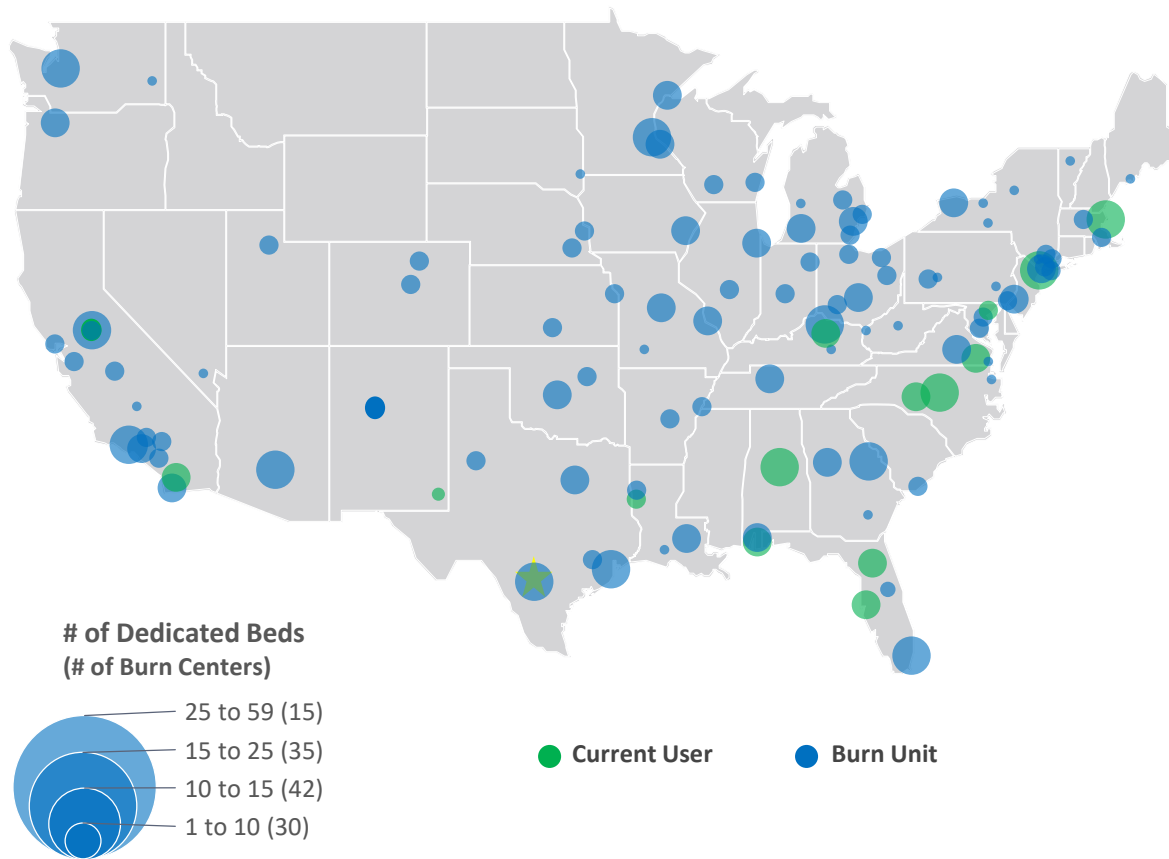
Over \$5 billion Spent Annually on Burn Treatment



1. Calculated using 2013 population and per capita data (McDermott KW, Weiss AJ, Elixhauser A. Burn-related hospital inpatient stays and emergency department visits, 2013. Healthcare Cost and Utilization Project 2016;Statistical Brief #217). TBSA figures calculated using Source (2)
2. American Burn Association. National Burn Repository Report. 2016;Version 12.0 also <http://ameriburn.org/who-we-are/media/burn-incidence-fact-sheet/> Accessed 01/19/2018
3. Calculated from: American Burn Association. National Burn Repository Report. 2016;Version 12.0 also <http://ameriburn.org/who-we-are/media/burn-incidence-fact-sheet/> Accessed 01/19/2018; assuming 75% factor to inpatient >30% and >10% TBSA incidence for outpatient population

RECELL Already in Use at Major Burn Centers

Highly concentrated call points will aid rapid adoption



- 127 burn centers in the U.S.
- Avita is presently engaged with many of the 300 burns surgeons in the U.S.
- 16% of U.S. burn centers already have experience with RECELL representing more than 22% of total case volume*
- Establishing optimal territory plans and the frequency of “touch-points” to maximize product uptake post-approval

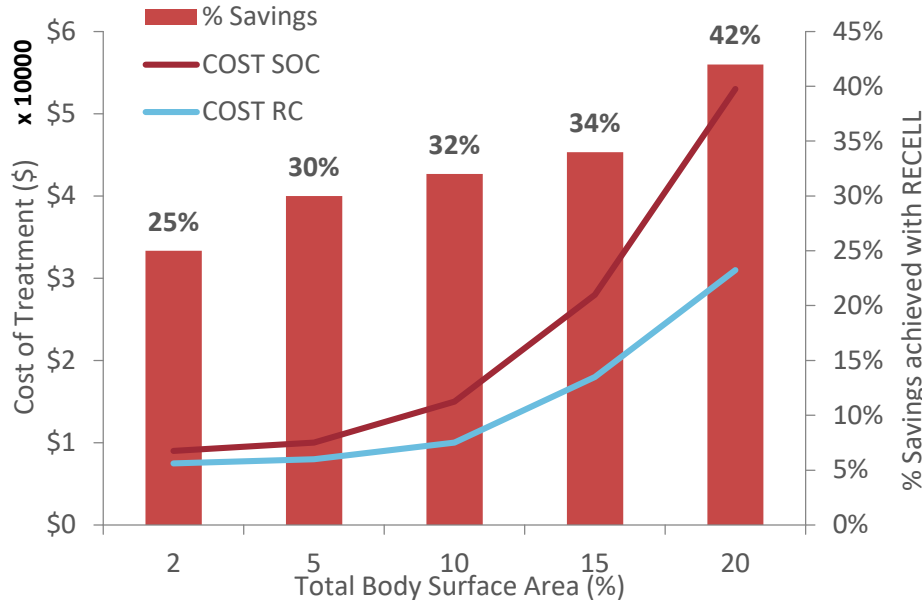
*Clinical trials, Compassionate Use, Continued Access

Case Studies Validate RECELL's Dramatic Cost Advantage

Two examples (UK & USA):

Case Study: Pinderfields Hospital (UK)

- Showed **up to 42% savings** in patients with up to 20% TBSA burns
- **Shortened acute surgery duration**⁽³⁾⁽⁴⁾
- **Reduced length of stay**⁽⁴⁾



Case Study: Wake Forest Baptist Medical Center

- 11 adults with median of **63% TBSA**⁽¹⁾
- RECELL treatment shortened hospital stay (119 days) to 71 days on average
- ✓ **42% reduction in length of stay**⁽²⁾
- ✓ **\$1.6M savings to the hospital**
- ✓ **\$143K savings per patient**

REFERENCES

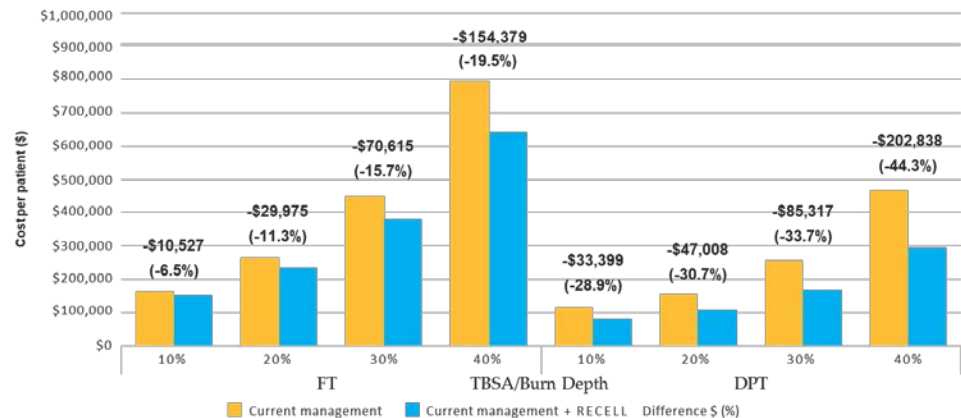
- (1) Holmes JH, Molnar JA, Craig CK, Williams JW, Carter JE. The Compassionate Use of ReCell in Treating Major Burns: A Single-center U.S. Experience Presented at: ANZBA; Oct, 2016 Auckland, NZ
- (2) <https://www.hcup-us.ahrq.gov/reports/statbriefs/sb217-Burn-Hospital-Stays-ED-Visits-2013.jsp> at Wake Forest the average stay per TBSA decreased from 1.8 days per every 1% TBSA to 1.1 days resulting in the 42% reduction in LOS
- (3) Lim et al. 2013. Is the length of time in acute burn surgery associated with poorer outcomes?
- (4) Park et al. 2013. Does the type of skin replacement surgery influence the rate of infection in acute burn injured patients?

Health Economic Model Demonstrates RECELL Cost Savings

Presented at ABA Meeting in April 2018

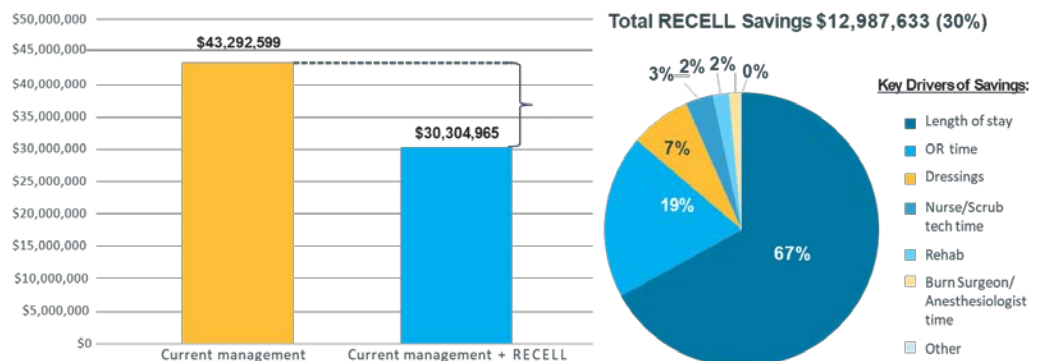
- IQVIA (IMS) developed a Burn Care Pathway Health Economic model, including a budget impact model of RECELL
- Externally validated model will allow Avita to approach hospital VAC (Value & Analysis Committees) and Payers with a strong economic justification package
- Model can be tailored to patient populations relevant to individual hospitals, healthcare systems, etc.
- Robust publication and podium schedule:
 - ABA Meeting in April 2018
 - International Society For Pharmacoeconomics and Outcomes Research (ISPOR) Meeting in May 2018
 - Peer-reviewed publications

Figure 1: Relative cost per patient of current management versus RECELL by TBSA and depth



Conclusion: Use of RECELL is expected to reduce costs across TBSA ranges for FT and DPT patients, with relative savings increasing as TBSA increases.

Figure 2: Annual budget impact of current management versus RECELL for a burn center with 200 patients



Conclusion: Considering the expected mix of adult patients entering a typical burn center each year (as informed by NBR data), use of RECELL in burn management is expected to reduce costs overall.

Marketing and Sales Strategy

○ **United States:**

- Avita will market RECELL directly
- Experienced Marketing and Sales personnel led by Erin Liberto
 - Prior launch experience: Johnson & Johnson and Allergan
- Highly concentrated market with only 127 burn centers and 300 burn surgeons
- Strong awareness of RECELL due to controlled clinical studies, Continued Access, and Compassionate Use programs
 - 16% of U.S. burn centers, representing more than 22% of the total number of burn patients treated each year, have experience treating burn patients with RECELL
- U.S. sales will be augmented by BARDA procurement for U.S. disaster preparedness

○ **International Markets:**

- Initial approvals outside of the U.S. were obtained without the benefit of controlled clinical studies, which limited reimbursement and promotion
- Current international sales efforts are limited to meeting existing demand/users
- Avita will re-launch and re-price in these markets based on publication of controlled pivotal trials, the results of regional trials, and health economic data

Pipeline and Milestones

Pipeline to Focus on Aesthetics in the Near-Term

Followed by Cell Therapy and Cell-Based Gene Therapy in Longer Term

Burns

- ✓ **Adult Patients**
- **Pediatric Patients**



Chronic Wounds

- **Venous Leg Ulcers**
- **Diabetic Foot Ulcers**



Aesthetics

- **Hypo & Hyper Pigmentation**
- **Vitiligo**
- **Scar Revision**



Cell Therapy



Cell-based Gene Therapy

- **RECELL provides the ideal platform to isolate specific skin cell populations for further treatment**
- **Target indications yet to be disclosed**

Financial Overview

(AUD in 000s)	Six Months Ended	
	December 31, 2017	2016
Revenue	\$4,502	\$3,639
Operating Costs	11,443	7,975
Net Loss	(7,251)	(4,563)
Cash	11,777 ¹	3,790

Tickers: ASX:AVH and OTCQX:AVMX



¹Up to \$16 million added in June 2018 financing, \$12.77 in Tranche 1 already received and \$3.25 million in Tranche 2 subject to shareholder approval

BARDA Program

- U.S. Biomedical Advanced Research and Development Authority
 - Mandate: disaster preparedness & response
- Providing sizable non-dilutive funding
- Total estimated contract value US\$79.2M
- Major programs supported:
 - PMA
 - Health Economic Model
 - Pediatric clinical trials
 - Disaster preparedness stockpile



Summary of June 2018 Financing

Transaction Summary

	<u>Proceeds</u>	<u>Gross</u>	<u>Net After Expenses</u>
Tranche 1		\$12,773,783	\$11,939,624
Tranche 2		3,250,000	3,038,140
Total		<u>\$16,023,783</u>	<u>\$14,977,764</u>

Completion of Tranche 2 is contingent upon shareholder approval at EGM to be held in July 2018

- Pricing was \$.050 per share:
 - Slight discount (3.8%) to the last trade (\$0.052) prior to trading halt
 - Within the trading range experienced during the two weeks prior to trading halt

Rationale for and Benefits from Financing

- Financing is designed to ensure that AVITA is positioned to take full advantage of the PMA approval of RECELL in the U.S.
- Use of proceeds include:
 - Establishment of our U.S. marketing and sales team
 - Scale-up of manufacturing capabilities
 - Expansion of research and development in areas such as pediatric burns, aesthetics and chronic wounds.

Management and Board of AVITA Recommend Approval of Tranche 2 at July 2018 EGM

2018 is a Transformative Year for Avita

Key Milestones	Projected Date
Recent Milestones:	
Randomized controlled burns trial funded by Chinese Government	Q1 2018
Six presentations at ABA Conference, including plenary session	Q2 2018
Health economic presentation at ISPOR Conference	Q2 2018
Upcoming Milestones:	
Publication of 2nd-degree burn pivotal trial results in <i>Journal of Burn Care & Research</i>	Q2 2018
Commencement of two U.S. pediatric burn clinical trials	Q3 2018
RECELL PMA approval	Q3 2018
Commencement of Australian RECELL pediatric scalds study	Q3 2018
RECELL U.S. market launch	Q4 2018
BARDA procurement (stockpiling of RECELL for disaster preparedness)	2018
Multiple publications of RECELL pivotal trial results	2018
<p>The above key milestones are subject to material risks and uncertainties, many of which are difficult to predict and generally beyond the control of Avita, that could cause actual results to differ materially from those expressed in, or implied or projected by the above milestones. For additional risk factors see slide 25 of this presentation."</p>	

Risk Factors

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade. The following is a summary of the more material matters to be considered. However, this summary is not exhaustive. Potential investor should consult their professional advisors before deciding whether to invest.

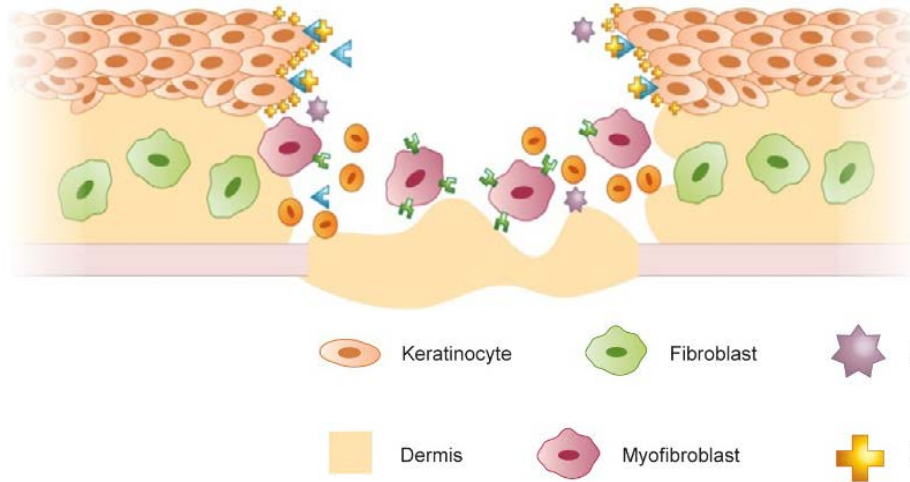
- **Technological Change:** Technological change presents the Company with significant opportunities for growth. However, the risk remains that any competitor may introduce new technology enabling it to gain a significant competitive advantage over the Company.
- **Reliance on key personnel:** The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. The loss of the services of any such personnel could have an adverse effect on the Company.
- **Competition:** The Company competes with other companies, including nationally in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.
- **Patent Protection:** The patent protection that the Company may obtain varies from product to product and country to country and may not be sufficient, including to maintain product exclusivity. Patent rights are also limited in time and do not always provide effective protection for products and services: competitors may successfully avoid patents through design innovation, the Company may not hold sufficient evidence of infringement to bring suit, or the infringement claim may not result in a decision that the rights are valid, enforceable or infringed. Legislation or regulatory actions subsequent to the filing date of a patent application may affect what an applicant is entitled to claim in a pending application and may also affect whether a granted patent can be enforced in certain circumstances. Laws relating to biotechnology remain the subject of ongoing political controversy in some countries. The risk of changed laws affecting patent rights is generally considered greater for the biotechnology field than in other longer established fields.
- **Change in government policy and legislation:** Any material adverse changes in relevant government policies or legislation of Australia / United States may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labor standards and occupational health and safety, and other matters."

Thank you for your attention

Appendix

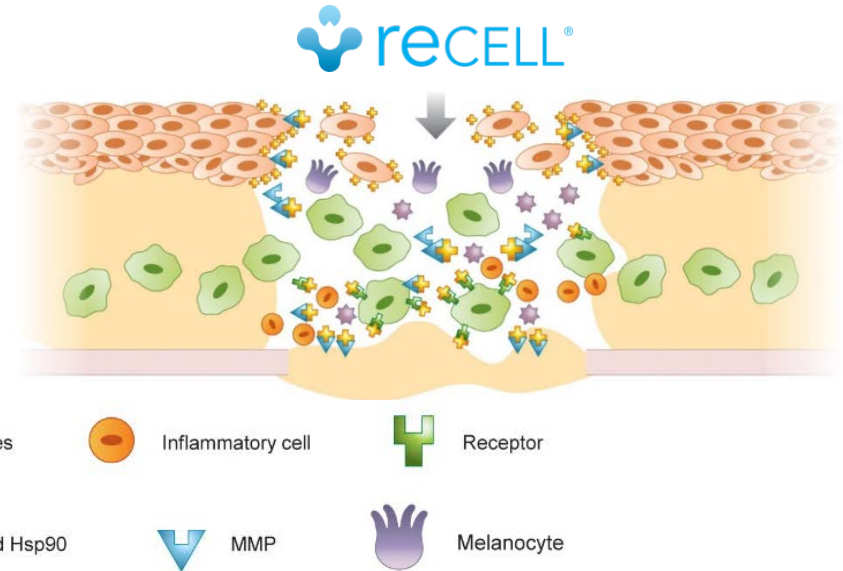
MOA: Disaggregated cells facilitate fast & effective skin regeneration

Healing Process Without RECELL



- ReCell processes small samples of patients' own skin to create a cell suspension of disaggregated cells
- Disaggregated skin cells in suspension form new tissue across the entire area rather than waiting for cellular resources from the wound edge

Healing Process With RECELL



- Cell suspension includes pigment-producing cells (melanocytes)
- Cell suspension facilitates re-epithelialization of areas of viable dermis (partial-thickness burns), and areas within the spaces of split-thickness autografts for full-thickness burns

Disaggregated Autologous Cells from RECELL Support Re-epithelialization

RECELL Eliminated the Need for Skin Graft in a Pediatric Patient

Case Study: 2-year-old pediatric scald



**Before
treatment**



**3 weeks post
treatment**



10 weeks post treatment



**10 months post
treatment**

- RECELL eliminated the requirement for skin grafts, so no large donor sites
- No contracture (scarring) or surgical follow-up required

Pediatric Burns are a Key Treatment Focus

RECELL achieved healing and pigmentation when Standard of Care failed

Case Report: RECELL Treatment Outcome for Deep Partial-Thickness Burn

- 48-year-old victim of a gas boiler explosion
- Standard of care failed to heal the 2nd degree facial burn wounds
- Use of RECELL achieved wound healing
- Reintroduction of melanocytes resulted in an excellent cosmetic outcome
- RECELL 's unique advantages make it the ideal solution for facial burns and other visible burn sites

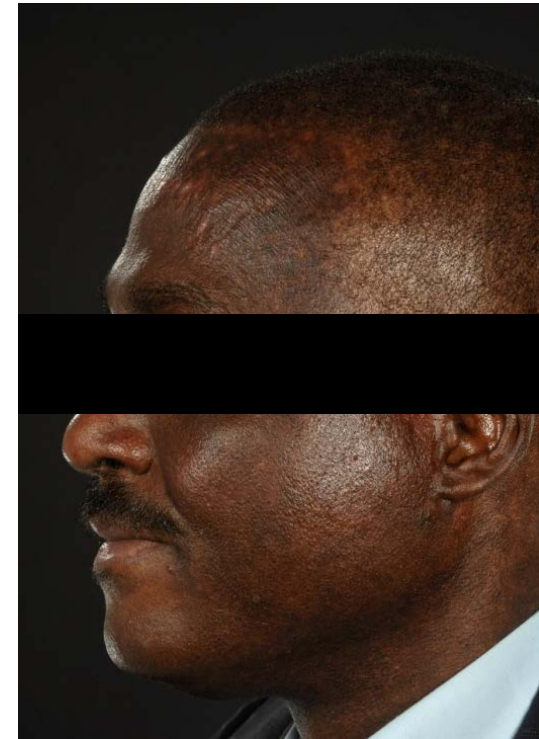
Treatment

Excision and ReCell®



Post-Operation

14 weeks



Restoration of Normal Pigment Critical For Patients

RECELL restored natural pigmentation of skin in Vitiligo

- Repigmentation of hypo-pigmented skin due to vitiligo, old age, injury, skin treatments
 - Most significant unmet medical need in aesthetic dermatology
- Current inadequate treatment options for repigmentation
 - Non-surgical options “lotions & potions” and light therapy only sometimes efficacious
 - Lab-based melanocyte transfer is sole surgical choice but expensive and time consuming
- RECELL is the only simple and cost-effective solution for skin repigmentation
- Ongoing collaboration with renowned Netherlands Institute for Pigment Disorders



Baseline



18 weeks post treatment

KOL feedback has been extremely positive

Avita is gaining rapid support and endorsement from U.S. Key Opinion Leaders

“...RECELL on meshed grafts- always looks outstanding. I mean, it looks unbelievably good. I can’t wait to try this on larger areas of graft. This is a great product and we will use it extensively following approval.”

*Dr. Kevin Foster
Chief of Burn Services, Arizona Burn Center*



“Approval of (RECELL) is, in my opinion, important. It will allow the burn surgeon to add another tool to his/her armamentarium that will help heal partial thickness injuries in a more rapid fashion, decrease the length of hospital stay, decrease the discomfort the patient experiences due to large donor sites, and improve our outcomes.”

*Dr. William L. Hickerson,
Director Firefighters' Regional Burn Center, Memphis*



“...Technologies like RECELL, address a current unmet medical need and offer the potential of clinical benefit. The Department of Defense’s financial support of skin repair research using this and other technology is indicative of the potential we see in these interventions.”

*Col. Booker King, MD,
Director, US Army Institute for Surgical Research Burn Center*

U.S. Centers are Eagerly Anticipating ReCell® Approval
