

19 September 2016

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 dilutive impact of the issue by AirXpanders of 26.3 Million CHESS Depositary Interests (**CDIs**) (placement announced by AirXpanders on 8 June 2016) on the holdings of Vivo in AirXpanders in which it did not participate.

Previous notification

Vivo last advised AirXpanders of its holdings of CDIs in AirXpanders on 24 June 2015. 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	Shares of Class A common stock (Shares): 16,842,159 (equivalent to 50,526,477 CDIs)	23.92%

* Vivo includes: Vivo Ventures Fund VII, L.P. (16,482,917 Shares – equivalent to 49,448,751 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (359,242 Shares - equivalent to 1,077,726 CDIs)

Present relevant interests

26,315,790 CDIs were allotted on 15 June 2016 in accordance with announcements by AirXpanders to the ASX on 8 June 2016. The allotment of CDIs diluted the holdings of Vivo. 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	Shares of Class A common stock (Shares): 16,842,159 (equivalent to 50,526,477 CDIs)	21.27%

* Vivo includes: Vivo Ventures Fund VII, L.P. (16,482,917 Shares – equivalent to 49,448,751 CDIs) and Vivo Ventures VII Affiliates Fund, L.P. (359,242 Shares - equivalent to 1,077,726 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.