

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	AirXpanders, Inc.
ABN	28 604 398 423

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Tadmor Shalon
Date of last notice	26 June 2015

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of direct interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Issue of options to Mr Shalon with an exercise price of US\$1.9235 per share of Class A common stock and an expiry date of 16 May 2026 (following stockholder approval on 17 May 2016)
Date of change	17 May 2016
Relevant interests in securities of which the director was the registered holder held prior to issue of options	60,000 shares of Class A common stock (equivalent to 180,000 CDIs) 114,061 options with an exercise price of US\$0.30 per share of Class A common stock and an expiry date of 30 May 2023 (exercisable into an equivalent of 342,183 CDIs)

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

<p>Director's relevant interest in securities of which the director not the registered holder prior to issue of options</p> <p>Mr Shalon and/or certain of his family members are trustees of the Shalon Trusts, which hold shares in AirXpanders, Inc. Mr Shalon has or shares voting and dispositive power with respect to these shares (either directly or indirectly).</p>	<p>Tadmor Shalon and Michal Shalon as trustees of the Liam Shalon 2000 Irrevocable Trust – 20,000 shares of Class A common stock (equivalent to 60,000 CDIs)</p> <p>Tadmor Shalon and Michal Shalon as trustees of the Nital Shalon 2000 Irrevocable Trust – 20,000 shares of Class A common stock (equivalent to 60,000 CDIs)</p> <p>Tadmor Shalon and Michal Shalon as trustees of the Tesha Shalon 1998 Irrevocable Trust – 20,000 shares of Class A common stock (equivalent to 60,000 CDIs)</p> <p>Tadmor Shalon as trustee of the Tadmor and Michal Shalon Revocable Trust (Separate Property) – 106,777 shares of Class A common stock (equivalent to 320,331 CDIs)</p> <p>Michal Shalon as trustee of the Tadmor and Michal Shalon Revocable Trust (Separate Property) – 106,778 shares of Class A common stock (equivalent to 320,334 CDIs)</p> <p>Tadmor Shalon and Michal Shalon as trustees of the Tadmor and Michal Shalon Revocable Trust (Separate Property) – 167,891 shares of Class A common stock (equivalent to 503,673 CDIs)</p> <p>(together, the Shalon Trusts)</p>
<p>Class</p>	<p>Options over shares of Class A common stock (not quoted)</p>
<p>Number acquired</p>	<p>11,400 options (exercisable into an equivalent of 34,200 CDIs) of Class A common stock</p>
<p>Number disposed</p>	<p>Nil</p>
<p>Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation</p>	<p>Nil</p>
<p>Relevant interests in securities of which the director is the registered holder after issue of options</p>	<p>60,000 shares of Class A common stock (equivalent to 180,000 CDIs)</p> <p>114,061 options with an exercise price of US\$0.30 per share of Class A common stock and an expiry date of 30 May 2023</p> <p>11,400 options with an exercise price of US\$1.9235 per share of Class A common stock and an expiry date of 16 May 2026</p> <p>Total: <u>125,461</u> options over shares of Class A common stock (exercisable into an equivalent of 376,383 CDIs)</p>

+ See chapter 19 for defined terms.

Director's relevant interest in securities of which the director is not the registered holder	There was no change to the holdings of the Shalon Trusts. Refer above for current holdings of Shalon Trusts
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	The issue of options to Mr Shalon was in accordance with the AirXpanders' 2015 Equity Incentive Plan. The grant of options was approved by stockholders on 17 May 2016 at the Company's Annual Stockholder meeting.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A
Interest after change	N/A

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.