

Avita Medical Signs Exclusive Distributor Deal in Iran

Dedicated ReNovaCell™ Clinic to Open in Tehran

Northridge, CA, Perth, Australia and London, United Kingdom, 29 September 2016 — A dedicated clinic for Avita Medical's regenerative medical devices will soon open in Iran following the appointment of an exclusive distributor in this significant aesthetic market, the Company (ASX: AVH), (OTCQX: AVMXY), said today.

Avita Medical Ltd, a regenerative medicine company specialising in new treatments for wounds and skin defects, said the clinic in Tehran would in the first instance treat patients for repigmentation and scar reconstruction. The planned clinic is part of a distribution deal with Teb Sanaat Lotus, an Iranian-based company, which will distribute Avita's products through Zikad International Aesthetics Supplier, its Iranian partner company. Zikad is an established brand in Iran, through four high-end aesthetics clinics as well as supplying premium aesthetic products across the country by its 28 dedicated sales staff. Besides procedures, Zikad's ReNovaCell™ Clinic will also act as a training center, partnering with other private clinics, and enabling clinicians to offer the treatment countrywide. Zikad also plans to expand into the burns and chronic wound markets in coming months.

Approximately 16 million people undergo aesthetic procedures in Iran every year, making it the tenth biggest market in the world, and the second largest in the Middle East. There are some 1,400 clinics and 2,600 doctors working in Iran's aesthetic arena, and Avita said the sector appeared poised for significant growth now that international sanctions have been lifted.

"Using a dedicated clinic is a new approach for Avita, and we believe it will give us real focus to reach this important market," said Avita Medical's CEO, Adam Kelliher. "The dedicated ReNovaCell™ clinic and training center should support the rapid adoption of our skin renewal technology. And when this platform is further rolled out to burns and chronic wounds, we anticipate Iran will become a significant market for Avita."

The Company said there were obvious applications for its ReCell™ device, as burns leave some 150,000 sufferers hospitalised a year in Iran, a level some eight times higher than the average global rate. Further, the country is an obvious strong market for Avita's ReGenerCell ™ device, as Iran has an estimated 800,000 chronic wounds patients, leading to some 175,000 amputations performed annually.

"Using our strong distribution network and distinguished medical contacts, we are confident that we can create a strong demand for Avita's ReNovaCell™ and its other regenerative skin healing products in Iran," said Aram Mousavi of Zikad International Aesthetics Supplier "There is real excitement about this unique approach and how we can deploy it to give better outcomes in these sizable patient groups."

Avita Medical will provide clinical support to the Zikads sales team and extended agent network, to help in their interactions with medical professionals. The distribution agreement is a significant step for Avita's growth strategy in the Middle East. Over the past year, Avita has announced the escalation of its commercialization activities with distributors appointed in the UK, Germany, Austria, France, Switzerland, China, Japan and South Korea.



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ABOUT AVITA MEDICAL LIMITED

Avita Medical develops and distributes regenerative products for the treatment of a broad range of wounds, scars and skin defects. Avita's patented and proprietary collection and application technology provides innovative treatment solutions derived from a patient's own skin. The Company's lead product, ReCell®, is used in the treatment of a wide variety of burns, plastic, reconstructive and cosmetic procedures. ReCell® is patented, CE-marked for Europe, TGA-registered in Australia, and CFDA-cleared in China. In the United States, ReCell® is an investigational device limited by federal law to investigational use, and a pivotal U.S. approval trial is underway.

To learn more, visit www.avitamedical.com.

AVITA'S REGENERATIVE TECHNOLOGY AND RES™

Avita Medical's unique proprietary technology enables a clinician to rapidly create, at the point of care in approximately 30 minutes, Regenerative Epithelial Suspension (RES™) using a small sample of the patient's skin. RES™ is an autologous suspension comprising the cells and wound healing factors necessary to regenerate natural, healthy skin. RES™ has a broad range of applications and can be used to restart healing in unresponsive wounds, to repair burns using less donor skin yet with improved functional and aesthetic outcomes, and to restore pigmentation and improve cosmesis of damaged skin.

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