
Avita Medical Appoints a leading Health Economics Group

Northridge, CA, USA, Perth, Australia and Cambridge, United Kingdom, 29 June 2016 — Avita Medical Limited (ASX:AVH; OTCQX:AVMXY) has engaged a leading Health Economics Group to evaluate how its novel regenerative medical device, ReCell®, can save money at US burns centres, the Company said today.

The regenerative medicine company, which specializes in new treatments for wounds and skin defects, said the commissioned study would be funded by BARDA, the US federal authority which prepares the US for possible mass casualty events, and with which Avita has a US\$61.9m (A\$84.2m) development and procurement contract. IMS Health, one of the world's leading health economic groups, had been selected for the project, which should take six to eight months, and has a broad remit to explore the potential cost savings from all major interventions for burns treatment, including wound bed preparation, grafting and scar management.

In its proposal to Avita, IMS reported that burns place an economic burden on the US medical system of more than \$1.5bn pa, half of this spent on the some 40,000 patients who are hospitalised with severe burns. The agency said that these costs could increase significantly if there was armed conflict or a mass casualty event, given that up to 10% of combat injuries are burns, and that burns typically increase three-fold amongst civilians during wartime.

"Burns remain the fourth most common trauma in the international community, and cause 1% of non-fatal injuries in the US" IMS reported. "Although burn fatalities have fallen over time, effectively managing burns remains a challenge, with significant morbidity and mortality among burn patients. Potential effects include shock, infection, electrolyte imbalance, respiratory distress, incapacitation, disfigurement, pain, and psychological complications due to scarring and deformity."

In a review of potential economic benefits, IMS summarised that ReCell®'s technology achieved faster epithelialisation of widely-meshed skin graft interstices and thus minimized donor site requirements. It also showed improved long-term functional and aesthetic outcomes of grafting while also minimizing follow-on procedure requirements, the IMS report said.

"We have data to show that ReCell® is safe, and very effective in treating burns," said Avita CEO Adam Kelliher. "What we must also demonstrate is how our approach, in conjunction with other treatments, can save public health bodies money, by getting patients out of hospital faster, and improving their outcomes. The IMS study will generate standard budget impact metrics vital to driving discussions on reimbursement and access."

###

ABOUT AVITA MEDICAL LTD

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. To learn more, visit www.avitamedical.com.

###

FOR FURTHER INFORMATION

Avita Medical Ltd

Adam Kelliher
Chief Executive Officer
Phone: +44 (0) 1763 269 772
akelliher@avitamedical.com

UK/EU

Instinctif Partners

Gemma Howe/Sue Charles
Phone +44 (0)20 7866 7860
avitamedical@instinctif.com

Avita Medical Ltd

Tim Rooney
Chief Financial Officer
Phone: + 1 (818) 356-9400
trooney@avitamedical.com

USA

The Ruth Group

David Burke, Investor
Relations
Kirsten Thomas, Public
Relations
Phone: +1 (646) 536-7009 / +1
(508) 280-6592
dburke@theruthgroup.com
/ kthomas@theruthgroup.com

Avita Medical Ltd

Gabriel Chiappini
Company Secretary
Phone +61(0) 8 9474 7738
gabriel@laurus.net.au

Australia

Monsoon Communications

Dean Felton
Investor Relations / PR
Phone: +61 3 9620 3333
Mobile: +61 (0) 411 698 499
deanf@monsoon.com.au