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15 June 2016

AirXpanders, Inc. Secondary Trading Notice
Notice given under Section 708A(5)(e) of the Corporations Act

Palo Alto, CA, United States – AirXpanders, Inc. (ASX: AXP) (**AirXpanders** or **Company**) a medical device company focused on the design, manufacture, sale and distribution of the AeroForm® tissue expander, gives this notice under section 708(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by ASIC Class Order 14/827 (**Class Order**)).

Background
AirXpanders announced on 8 June 2016 that it had received commitments from sophisticated and professional investors to subscribe for 26,315,790 CHESS Depositary Interests (**CDIs**) (representing 8,771,930 shares of Class A Common Stock) at A$0.76 per CDI to raise A$20 Million (**Placement**). Those CDIs were issued today and rank equally with the existing CDIs on issue.

Statements by AirXpanders
AirXpanders relies on case 1 in section 708A(5) of the Corporations Act (as modified by the Class Order) and gives notice that it has issued the CDIs without disclosure to investors under Part 6D.2 of the Corporations Act.

As at the date of this notice, AirXpanders:

1 has complied with section 601CK of the Corporations Act and section 674 of the Corporations Act; and

2 confirms that, there is no information:

(a) that has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and

(b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

(i) the assets and liabilities, financial position and performance, profits and losses and prospects of AirXpanders; and

(ii) the rights and liabilities attaching to AirXpanders' shares,

to the extent to which it would be reasonable to investors and their professional advisers to expect to find such information in a disclosure document.

- ENDS –

Company	***Investor relations***
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About AirXpanders:

Founded in 2005, AirXpanders is a medical devices company focused on the design, manufacture, sale and distribution of its AeroForm® tissue expander used in patients undergoing breast reconstruction following mastectomy. It considers that its AeroForm® device is the best innovation in expander technology in 50 years. AeroForm® uses controlled delivery of small amounts of gas (CO2) to achieve tissue expansion prior to the placement of a permanent breast implant. AeroForm® successfully eliminates the need for needle-based expansion required for traditional saline tissue expanders and provides a faster, less painful and less stressful breast reconstruction journey. The Company has CE Mark and TGA approval for AeroForm® and is fully reimbursed under Australian Medicare. To date, AeroForm® has been successfully implanted in over 1000 patients worldwide. AirXpanders devices are not cleared or approved for use in the United States and are considered for investigational use only. AirXpanders is cleared for commercialization in Europe and in Australia.

For more information, refer to the Company's website at www.airxpanders.com.