

AVITA MEDICAL APPOINTS DISTRIBUTOR FOR MAINLAND CHINA

- EXTENSIVE NETWORK THROUGHOUT CHINA
- PRICE CODE STUDIES UNDERWAY AT KEY CHINESE HOSPITAL CENTRES
- ADDRESSING WIDE RANGE OF INDICATIONS
- COSMETIC AND PLASTIC SURGERY MARKETS ESTIMATED AT GREATER THAN US\$1.5 BILLION

Australia, 7 June 2012—Avita Medical Ltd. (ASX: **AVH**), (OTC: **AVMXF**), (OTCQX:**AVMXY**), the regenerative medicine company, is pleased to announce the appointment of Vistek (Shida) Medical as a distributor for the Company's products in Mainland China. Vistek, established in 1997, is a premier supplier of medical products to the burns and cosmetic markets throughout China. Based in Beijing, Vistek has branch offices in Shanghai, Guangzhou, Wuhan and Changsha, more than 60 field sales representatives and an extensive network of sales offices and sub-distributors.

Avita Medical's ReCell technology has strong sales potential in China. The target markets for ReCell include plastic and reconstructive surgeons, dermatologists, burns surgeons and cosmetic specialists at high end military hospitals and large private hospitals in major metropolitan centres. The cosmetic and plastic surgery markets in China are growing exponentially. Estimates of the annual market are approximately US\$1.5 billion. There are more than 10,000 cosmetic surgery clinics in China's major hospitals.

Subsequent to securing regulatory approval for its ReCell[®] Spray-On Skin[®] from the Chinese State Food and Drug Administration (SFDA), Avita, in conjunction with Vistek, has been working with leading specialist hospitals in burns and plastic reconstructive surgery as well as cosmetic clinics focusing on the key provinces of Beijing, Shanghai and Guangzhou.

On 28-29th April, Avita and Vistek sponsored workshops conducted by Professor Fiona Wood (inventor of the ReCell technology) at the Chengdu Vitiligo Institutes of Medicine, pre-eminent national pigmentation clinics specialising in vitiligo and other pigmentation disorders, in Chengdu and Chongqing. Presentations by Prof Wood and live ReCell demonstration procedures were well attended and elicited significant interest from the medical community. An interview with Prof Wood was broadcast on local Chengdu and Chongqing TV networks.

Prof Wood was the keynote speaker, opening the 1st International Symposium on Burn Rehabilitation & Wound Healing in Chongqing 29 April-1 May 2012. ReCell was prominently featured in special sessions highlighting the latest technological advances and developments in burns treatment.

In addition, the Company has hosted ReCell workshops in Beijing, Guangzhou and Shanghai with scientific and clinical presentations and panel discussions lead by prominent surgeons from prestigious Chinese hospitals. Panellists presented clinical outcomes achieved with ReCell in procedures performed in a variety of fields including burns, plastic and reconstructive surgery. Workshops have been well received with over 100 Chinese surgeons attending.

A critical initiative underway is the obtainment of an official Pricing Code, necessary for the commencement of commercial sales of ReCell in China; this requires small-scale clinical evaluation studies based on a limited number of procedures at major hospitals within key provinces. Over 100 ReCell procedures have been performed for indications spanning burns, scar revision, dyspigmentation, aesthetic procedures and Vitiligo at leading hospitals including Peking Union

Medical College Hospital (PUMCH) in Beijing, Southwest Hospital in Chongqing, Zhongshan Hospital and Huashan Hospitals in Shanghai, Bethune International Peace Hospital in Shijiazhuang and The Second Teaching Hospital of Zhejiang University in Hangzhou. Data obtained in these evaluation studies will be used in to obtain endorsement by senior hospital administrators and support the submission of pricing applications in the respective provinces.

Dr William Dolphin, CEO of Avita Medical, said, “China is a massive and highly attractive market for the company’s products. ReCell addresses the growing demand for cosmetic surgery, scar revision and the treatment of burns and chronic wounds. The product is being targeted to China’s burgeoning middle class, a rapidly growing segment of the country’s 1.3 billion people. With SFDA approval in place, the Company is focused on obtaining pricing approval and introducing ReCell to China’s key surgeons and clinicians. We are garnering significant support from influential Chinese surgeons and making steady progress toward our goal of commercial launch in 4Q 2012.”

ABOUT AVITA MEDICAL LTD.

Avita Medical (<http://www.avitamedical.com/>) develops and distributes regenerative and tissue-engineered products for the treatment of a broad range of wounds, scars and skin defects. Avita’s patented and proprietary tissue-culture, collection and application technology provides innovative treatment solutions derived from a patient’s own skin. The company’s lead product, ReCell® Spray-On Skin™, is used in a wide variety of burns, plastic, reconstructive and cosmetic procedures. ReCell is patented, CE-marked for Europe, TGA-registered in Australia, and SFDA-cleared in China. ReCell is not available for sale in the United States; in the U.S. ReCell is an investigational device limited by federal law to investigational use. A Phase III FDA trial is in process.

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