

7 October 2015

AeroForm Australian Launch Update

Highlights

- **Strong early uptake - approaching 10% market share in first 90 days**
- **50+ surgeons trained to date**
- **On-boarding completed at 20 major public and private hospitals**
- **Clear surgeon and patient advocacy for AeroForm**

Palo Alto, CA, United States – AirXpanders Inc (ASX: AXP) is pleased to announce the national launch of AeroForm in Australia has experienced strong support from physicians and patients, with market share gained in the first 90 days since launch already approaching 10 percent.

Since launching in July 2015, the initial focus has been on briefing and training leading surgeons. More than 50 surgeons have now been trained, with most having already completed an initial procedure and gone on to book further cases. More surgeons are scheduled to receive training over the next three months.

AirXpanders has also actively on-boarded 20 major private and public hospitals, receiving internal product approval and conducting intensive in-servicing of relevant nurses and staff at these sites. Surgeons at these hospitals are now actively using AeroForm on patients.

To provide additional support and education for surgeons, AirXpanders has hosted Early User Forums run by its clinical trial investigator, Dr Tony Connell, to bring new users of AeroForm together and provide peer to peer training. This has proven highly effective in driving utilisation, with most of the attendees either booking procedures or indicating they will use AeroForm after attending. The next Early User Forum event is planned for Sydney in October with 15+ surgeons expected to attend.

“Our experienced sales team is expertly executing our launch plan, which focuses on training as many new surgeons as is feasible, while continuing to provide support for newly trained surgeons and their clinics as the AeroForm is adopted into their respective practices,” said Scott Dodson, CEO of AirXpanders.

“I am delighted with the early success we have experienced and the overwhelmingly positive feedback we are receiving from both surgeons and patients. The first patients who were implanted are now nearing the final stage of reconstruction, at which point the AeroForm will be exchanged for permanent implants. Upon completion of the full expansion and reconstruction with these initial patients, we are hopeful that these surgeons will become repeat users and routinely offer AeroForm to their patients.”

AirXpanders is also continuing its preparations to enter the US market. Following the submissions of its 510(k) to the US Food and Drug Administration, the company is preparing to present the data

from its pivotal US trial (XPAND) at the American Society of Plastic Surgery Meeting, the world's largest plastic surgery conference on Sunday October 18 (US time).

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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. AeroForm®, the first real innovation in expander technology in 50 years, 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 400 patients worldwide. For more information, refer to the Company's website at www.airxpanders.com.