

Positive Results from Use of AirXpanders' AeroForm® Tissue Expander System Highlighted at ASPS Annual Meeting

- *New subset data from XPAND pivotal study presented by Dr. Jeffrey Ascherman of Columbia University at world's largest gathering of plastic surgeons*
- *Data from subset of patients using most recent AeroForm device demonstrates that patients achieved full tissue expansion in less than half the time of traditional saline expanders*
- *AeroForm publication by Dr. Thomas Lam awarded "Best Australian Paper" by Plastic and Reconstructive Surgery-Global Open*
- *Company also announces completion of enrollment in its XPAND II Continued Access trial*

PALO ALTO, CA, United States—September 26, 2016—[AirXpanders Inc.](#) (ASX: AXP), a company developing a novel technology for women undergoing tissue expansion for breast reconstruction following a mastectomy, today announced that new data on the use of its AeroForm® Tissue Expander System was presented at the American Society of Plastic Surgeons (ASPS) [Plastic Surgery: The Meeting 2016](#) in Los Angeles. Currently under review with FDA, AeroForm is a novel needle-free, patient-controlled tissue expander which is expanded by using a remote dosage controller.

The study presented the experience of a subset of patients who received AirXpanders' most recent AeroForm device as part of the XPAND pivotal trial. Among the 72 women studied who required tissue expansion as part of breast reconstruction, 44 received AeroForm, and 28 received traditional saline expanders. Women in the AeroForm group were able to achieve tissue expansion within 17 days, as compared to 35 days for the saline expander group, and overall the reconstruction process was reduced by 10 days. This significant reduction in time to expansion was achieved with equivalent safety and efficacy, and resulted in increased patient satisfaction.

"As surgeons, we have long understood the burden that tissue expansion places on women during breast reconstruction. As greater numbers of women have mastectomies, there is a real need to make the process shorter and more comfortable for women," said Jeffrey Ascherman, MD, chief of the division of plastic surgery at Columbia University and principal investigator for AirXpanders' U.S. XPAND trial. "This subset data is further evidence of the benefits of AeroForm in not only reducing the time to implant, but in helping women reclaim their lives faster after breast cancer."

In addition, the company continues to demonstrate forward momentum and garner industry recognition with regard to clinical data. Dr. Thomas Lam, visiting medical officer at the Westmead, Auburn & Bankstown Public Hospitals, Macquarie, Westmead and Holroyd Private Hospitals, was recognized with the "Best Australian Paper" award for his publication, "Evaluation of AirXpanders for Breast Reconstruction: Early Experience from Sydney" in *Plastic and Reconstructive Surgery-Global Open*. AirXpanders also announced the completion of enrollment for its XPAND II Continued Access study, designed to provide existing investigators with the ability to treat patients with AeroForm while the device is under review by the FDA.

"It is encouraging to see the excitement around AeroForm clearly demonstrated in each of our presentations at ASPS and the response to our Continued Access study," said Scott Dodson,

president and CEO of AirXpanders. “These developments confirm the prevailing interest in this ground-breaking technology, a direct result of the significant impact it has on the lives of patients.”

About AirXpanders

Founded in 2005, AirXpanders, Inc. (www.airxpanders.com) designs, manufactures and markets innovative medical devices to improve breast reconstruction. The company’s flagship product, the AeroForm Tissue Expander System, is used in patients undergoing two-stage breast reconstruction following mastectomy. Headquartered in Palo Alto, California, AirXpanders is committed to providing patients and surgeons with best-in-class products that are made under strict design and quality standards.

AirXpanders’ vision is to be the global leader in reconstructive surgery products and to become the standard of care in two-stage breast reconstruction. AirXpanders is a publically listed company on the Australian Stock Exchange under the symbol AXP. The AeroForm Tissue Expander System is not cleared or approved for use in the United States and is for investigational use only. AeroForm is cleared for commercialization in Europe and in Australia.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on management’s beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements, including without limitation our expectations with respect to our ability to commercialize our product; our ability to obtain reimbursement for our product; therapeutic advantages of our product, and market opportunity for our product. Management believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. AirXpanders does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. AirXpanders may not actually achieve the plans, projections or expectations disclosed in forward-looking statements, and actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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