

16 September 2016

ASX Compliance Pty Limited  
Level 4, North Tower  
525 Collins Street  
Melbourne VIC 3000

Dear ASX,

**GBS Venture Partners ATF GBS BioVentures IV – Change in Substantial Holding - AirXpanders, Inc. (AXP) ('AirXpanders or 'the company')**

The purpose of this notice is to confirm the dilutive impact of the issue by AirXpanders of 26.3 Million CHESS Depositary Interests (**CDIs**) (placement announced by AirXpanders on 8 June 2016) on the holdings of GBS Venture Partners ATF GBS BioVentures IV in AirXpanders in which it did not participate.

***Previous notification***

GBS Venture Partners ATF GBS BioVentures IV last advised AirXpanders of its holdings of CDIs in AirXpanders on 24 June 2015. A summary follows below:

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
GBS Venture Partners ATF GBS BioVentures IV	Power to control disposal and voting of the securities held	CDIs: 5,489,067 Shares of Class A common stock: 14,272,556 (equivalent to 42,817,668 CDIs)	22.86%

***Present relevant interests***

26,315,790 CDIs were allotted on 15 June 2016 in accordance with announcements by AirXpanders to the ASX on 8 June 2016. The allotment of CDIs diluted the holdings of GBS Ventures Partners ATF GBS BioVentures IV in AirXpanders. The table below shows the revised percentage changes in voting power resulting from this issue.

Name	Nature of interest	Class & number of equity securities	Percentage of voting power
GBS Venture Partners ATF GBS BioVentures IV	Power to control disposal and voting of the securities held	CDIs: 5,489,067 Shares of Class A common stock: 14,272,556 (equivalent to 42,817,668 CDIs)	20.33%

Yours sincerely



Benjamin Gust  
Director  
GBS Venture Partners