20180925_AVITA-Medical-Announces-Receipt-of-1-Million-Research-and-Development-Tax-Credit

September 25, 2018

Valencia, Calif., USA, and Melbourne, Australia, 26 September 2018 — AVITA Medical (ASX:AVH, OTCQX: AVMXY), a global regenerative medicine company, today announced that it has received a Research and Development Tax Incentive cash rebate from the Australian Tax Office in the amount of A$1.0 million for the year ending 30 June 2017. The R&D Tax Credit incentive program provides a cash rebate to support companies in Australia in undertaking research and development projects. Qualifying projects undertaken by AVITA Medical qualifying for the rebate included the development of its RECELL® Autologous Cell Harvesting Device (RECELL® System) which was approved by the U.S. Food and Drug Administration (FDA) last week to treat severe thermal burns in the U.S.

"We appreciate the support of the Australian government in the development of our regenerative medicine platform, including the RECELL System," said Dr. Michael Perry, Chief Executive Officer. "Last week's FDA approval of the RECELL System was a major undertaking and resulted from the contributions by patients, clinical trial investigator teams and our dedicated employees. The non-dilutive funding provided by the R&D Credit over the past several years helped make this success possible."

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ABOUT AVITA MEDICAL LIMITED

AVITA Medical is a regenerative medicine company with a technology platform positioned to address unmet medical needs in burns, chronic wounds, and aesthetics indications. AVITA Medical's patented and proprietary collection and application technology provides innovative treatment solutions derived from the regenerative properties of a patient's own skin. The medical devices work by preparing a REGENERATIVE EPIDERMAL SUSPENSION™ (RES™), an autologous suspension comprised of the patient's skin cells necessary to regenerate natural healthy epidermis. This autologous suspension is then sprayed onto the areas of the patient requiring treatment.

AVITA Medical's first FDA approved product, the RECELL® System, produces Spray-On Skin™ Cells using a small amount of a patient's own skin, providing a new way to treat acute burns wounds in patients 18 years of age and older, while significantly reducing the amount of donor skin required. The RECELL System is designed to be used at the point of care alone or in combination with autografts depending on the depth of the burn injury. Compelling data from randomized, controlled clinical trials conducted at major U.S. burn centers and real-world use in more than 7,000 patients globally, reinforce that the RECELL System is a significant advancement over the current standard of care for burn patients and offers benefits in clinical outcomes and cost savings. Healthcare professionals should read the INSTRUCTIONS FOR USE - RECELL® Autologous Cell Harvesting Device for a full description of important safety information including contraindications, warnings and precautions.

In international markets outside of Europe, our portfolio is marketed under the RECELL System brand to promote skin healing in a wide range of applications including burns, chronic wounds and aesthetics. The RECELL System is TGA-registered in Australia, and CFDA-cleared in China.

In Europe, our portfolio of medical device products received CE-mark approval as three tailored product presentations, with three individual brand names. The RECELL Autologous Cell Harvesting Device is designed for the treatment of burns and plastic reconstructive procedures; REGENERCELL™ Autologous Cell Harvesting Device has been formulated for chronic wounds including leg and foot ulcers; and RENOVACELL™ Autologous Cell Harvesting Device is tailored for aesthetic applications including the restoration of pigmentation.

To learn more, visit www.avitamedical.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This letter includes forward-looking statements. These forward-looking statements generally can be identified by the use of words such as "anticipate," "expect," "intend," "could," "may," "will," "believe," "estimate," "look forward," "forecast," "goal," "target," "project," "continue," "outlook," "guidance," "future," other words of similar meaning and the use of future dates. Forward-looking statements in this letter include, but are not limited to, statements concerning, among other things, our ongoing clinical trials and product development activities, regulatory approval of our products, the potential for future growth in our business, and our ability to achieve our key strategic, operational and financial goal. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Each forward- looking statement contained in this letter is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statement. Applicable risks and uncertainties include, among others, the timing of regulatory approvals of our products; physician acceptance, endorsement, and use of our products; failure to achieve the anticipated benefits from approval of our products; the effect of regulatory actions; product liability claims; risks associated with international operations and expansion; and other business effects, including the effects of industry, economic or political conditions outside of the company's control. Investors should not place considerable reliance on the forward-looking statements contained in this letter. Investors are encouraged to read our publicly available filings for a discussion of these and other risks and uncertainties. The forward-looking statements in this letter speak only as of the date of this release, and we undertake no obligation to update or revise any of these statements.

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