AVITA Medical Announces Government Funded Clinical Trial of RECELL® in China

March 19, 2018

Also Announces that Major Hospital Will Host New Training Center for RECELL in Beijing

Valencia, CA, USA, and Melbourne, Australia, 19 March 2018 — AVITA Medical (ASX: AVH, OTCQX: AVMXY) today announced the commencement of a randomized, controlled clinical trial of RECELL® in the treatment of deep partial-thickness (second-degree) burns in China. RECELL is a medical device designed to facilitate skin regeneration while reducing the amount of skin harvested at the time of surgery. Reduction in donor site skin requirements has important benefits from both clinical and health economic perspectives.

The clinical trial entitled "Key Technique and Clinical Pathway for Burn Treatment" is being funded by the China National Health and Family Planning Commission. In the controlled clinical trial, burn patients will be randomized to be treated with either standard of care, RECELL or one of two other treatments. The study is being led by Dr. Dahai Hu of The First Affiliated Hospital of the Fourth Military Medical University (Xijing Hospital).

AVITA Medical also announced that it is collaborating with the Plastic Surgery Department of Peking Union Medical College Hospital (PUMCH), one of the most renowned hospitals in China, to establish a RECELL training center based in Beijing. The training center will help standardize protocol for the use of RECELL, train RECELL surgeons country wide, and encourage the expansion of the use of this innovative treatment to hospitals across China. RECELL is being distributed in China by China Pharmaceutical Group Shanghai Medical Instrument Co., Ltd., a wholly owned subsidiary of Sinopharm, the state-owned healthcare conglomerate.

"We are pleased to be working with such prestigious organizations as the China National Health and Planning Commission, PUMCH and Sinopharm," said Dr. Michael Perry, AVITA Medical's Chief Executive Officer. "Our initiatives within China are consistent with our evolving strategy of using data from controlled clinical trials and health economic studies to ensure that RECELL is effectively promoted and priced in all major markets."

AVITA Medical has completed two U.S. pivotal clinical trials in patients with severe burns which will be used to support the planned launch of RECELL in the U.S. and in other markets internationally. In addition, the Company expects the commencement of additional clinical trials in burn patients in Australia and the United Kingdom this year, as well as two controlled clinical trials in the U.S. in pediatric patients. Support from organizations such as China National Health and Planning Commission in China and Biomedical Advanced Research and Development Authority (BARDA, under Contract No. HHSO100201500028C), under the Assistant Secretary for Preparedness and Response, within the US Department of Health and Human Services in the U.S., allows these trials and other RECELL initiatives to be accelerated while maintaining resource requirements at a reasonable level.

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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's patented and proprietary collection and application technology provides innovative treatment solutions derived from the regenerative properties of a patient's own skin. Our medical devices work by preparing a REGENERATIVE EPITHELIAL SUSPENSION™, an autologous suspension comprised of the patient's own skin cells and wound healing factors that are necessary to regenerate natural healthy skin. This autologous suspension is then sprayed onto the areas of the patient to be treated.

In all countries outside of Europe in which our devices are registered for sale, our portfolio is marketed under the RECELL brand to promote skin healing in a wide range of applications including burns, chronic wounds and aesthetics. RECELL 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. RECELL is designed for the treatment of burns and plastic reconstructive procedures; REGENERCELL™ has been formulated for chronic wounds including leg and foot ulcers; and RENOVACELL™ is tailored for aesthetic applications including the restoration of pigmentation. In the United States, RECELL is an investigational device limited by federal law to investigational use.

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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