

1 March 2022

The Manager
ASX Announcements
Australian Securities Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

ASX Appendix 4E (Preliminary Final Report) & Transition Report on Form 10-K

Please find attached the following documents:

- ASX Appendix 4E (Preliminary Final Report) for the fiscal year commencing July 1, 2021 and ending December 31, 2021 ("**Transition Period**"), being an abbreviated fiscal year due to AVITA Medical, Inc.'s ("**Company**") change from a fiscal year (a year beginning on July 1 and ending on June 30) to a calendar year (beginning on January 1 and ending December 31) as announced to the ASX on November 24, 2021
- Annual report on Form 10-K for the Transition Period ended December 31, 2021 ("**Transition Report**")

The Transition Report is prepared in accordance with U.S. Generally Accepted Accounting Principles (US GAAP) and is reported on Form 10-K. The Company will report its quarterly results for the three (3) month period ending March 31, 2022 on Form 10-Q and will hold a Company webcast to discuss those results in early May.

Authorized by



Dr Mike Perry
Chief Executive Officer



Appendix 4E

Preliminary Final Report

31 December 2021

AVITA MEDICAL, INC.

ARBN 641 288 155

Results for announcement to the market

| (In thousands, except net tangible asset backing per ordinary security) | Movement | Transition period ended December 2021 | Six months ended December 2020 |
|---|----------|---------------------------------------|--------------------------------|
| Financial Results | | USD | USD |
| Sale of goods | Up 37% | 13,956 | 10,163 |
| Other income | Down 41% | 618 | 1,053 |
| Loss for the period attributable to owners of the parent | Down 9% | 14,427 | 15,868 |
| Total comprehensive loss attributable to owners of the parent | Down 7% | 14,626 | 15,725 |

| | |
|---|--|
| Record date for determining entitlements to dividends | N/A – no dividends are proposed to be paid |
|---|--|

| Net Tangible Asset Backing | Transition period ended December 2021 | Six months ended December 2020 |
|---|--|---------------------------------------|
| Net tangible asset backing per common stock outstanding | \$4.12 | \$2.65 |

- Annual financial results:**
 This report is based on the accompanying consolidated Financial Statements for the transition period July 1, 2021 - December 31, 2021 ("**Transition Period**") which have been audited by Grant Thornton LLP with the Report of Independent Registered Public Accounting Firm included in the Transition Period Financial Statements. In this report, all references to "dollars" or "\$" are to the currency of the United States.
- Changes in control over entities:**
 There were no entities over which AVITA Medical, Inc.'s ("**Company**") control has been gained or lost during the Transition Period ended December 31, 2021.
- Details of dividends and dividend reinvestment plans:**
 No dividends have been declared or proposed.
- Details of associates or joint ventures:**
 N/A
- Set of accounting standards used in compiling the report:**
 The audited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (US GAAP) and are denominated in U.S. dollars.
- Details of audit disputes or audit qualification:**
 None.

Results of Operations:

Revenue increased 37% to \$14.0 million, compared to \$10.2 million in the corresponding period in the prior year. RECELL® commercial revenues were \$13.8 million, while RECELL revenues associated with U.S. Department of Health and Human Services' Biomedical Advanced Research and Development Authority within the Office of the Assistant Secretary for Preparedness and Response ("BARDA") were \$0.2 million. Revenues associated with BARDA were attributable to our services over the vendor managed inventory for RECELL units purchased in the prior year.

Gross profit margin was 86% compared with 83% in the corresponding period in the prior year, driven largely by the extension of our shelf-life and lower shipping costs.

Total operating expenses increased 7% to \$27.1 million, compared to \$25.3 million in the corresponding period in the prior year. The increase in operating expenses was primarily driven by ongoing development of a next generation automated skin preparation device, pre-commercialization planning for RECELL launches in soft tissue reconstruction and vitiligo, as well as increased hands-on professional education and training events. These higher costs were partially offset by certain one-time professional services to establish the Company as a domestic filer with the SEC following completion of the AVITA corporate group's redomiciliation to the United States, and severance costs associated with a former executive employee incurred in the prior year.

Net loss decreased 9%, or \$1.5 million to \$14.4 million compared to the \$15.9 million recognized in the corresponding period in the prior year. The decrease in net loss was driven by higher revenue during the year, partially offset by higher operating expenses as described above.

Update on the Company's Cash Position:

The Company had cash, cash equivalents and restricted cash of \$105.1 million at December 31, 2021 compared to \$60.0 million at December 31, 2020.

Net cash used in operating activities was \$5.5 million and \$13.4 million during the Transition Period ended December 31, 2021, and six-months ended December, 31 2020, respectively. The decrease in the Transition Period was primarily due to collections of the BARDA receivables attributable from the purchase of RECELL units by BARDA, timing of payments of wages and fringe benefits, and lower operating losses.

Net cash used in investing activities was \$49.7 million and \$0.6 million during the Transition Period ended December 31, 2021, and six-months ended December, 31 2020, respectively. Cash flows used for investing activities was primarily attributable to investing excess cash in marketable securities.

Net cash provided by financing activities was \$7,000 and \$(9,000) for the Transition Period ended December 31, 2021, and six-months ended December, 31 2020, respectively. During the Transition Period the company received cash related to the issuance of shares and exercise of options.

Liquidity and Capital Resources:

We aim to manage capital so that the Company continues as a going concern while also maintaining optimal returns to stockholders and benefits for other stakeholders. We also aim to maintain a capital structure that ensures the lowest cost of capital available to the Company. We regularly review the Company's capital structure and seek to take advantage of available opportunities to improve outcomes for the Company and its stockholders.

For the Transition Period ended December 31, 2021, there were no dividends paid and we have no plans to commence the payment of dividends. We have no committed plans to issue further shares on the market but will continue to assess market conditions and the Company's cash flow requirements to ensure the Company is appropriately funded in order to continue its operations and pursue its various opportunities.

There is no significant external borrowing at the reporting date. Neither the Company nor any of the subsidiaries are subject to any externally imposed capital requirement.

On March 1, 2021, the Company issued 3,214,250 shares of common stock at the offering price of \$21.50 per share. The gross proceeds from the offering were approximately \$69.1 million. The Company incurred \$5.1 million in capital issuance expenses.

Please refer to our audited consolidated financial statements with accompanying notes, which are attached hereto.

Additional information

Additional Appendix 4E disclosure requirements and commentary on these results are contained in the attached Form 10-K Transition Report for the Transition Period ended December 31, 2021.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-KT

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from July 1, 2021 to December 31, 2021

Commission File Number: 001-39059



AVITA MEDICAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

85-1021707
(IRS Employer
Identification No.)

28159 Avenue Stanford
Suite 220
Valencia, CA 91355

(Address of principal executive offices and Zip Code)

Registrant's telephone number, including area code: (661) 367-9170

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|--|----------------|---|
| Common Stock, par value \$0.0001 per share | RCEL | The NASDAQ Stock Market LLC |

Securities registered pursuant to section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has selected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting and nonvoting common equity held by non-affiliates of the registrant was approximately \$505,697,765 on June 30, 2021, using the closing price on that day of \$20.52.

The number of shares of the registrant's \$0.0001 par value common stock outstanding as of February 21, 2022 was 24,925,743.

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FORWARD-LOOKING STATEMENTS

This Transition Report on Form 10-KT (this “Transition Report”) and our other public filings contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give expectations or forecasts of future events. Forward-looking statements can sometimes, but not always, be identified by words such as “believe,” “expect,” “anticipate,” “estimate,” “project,” “plan,” “should,” “intend,” “may,” “will,” “would,” “potential” and similar expressions to future periods. Forward-looking statements are not based on historical facts but rather represent current expectations and assumptions. Forward-looking statements include statements we make about matters such as: future revenues; solvency; future industry market conditions; future changes in our capacity and operations; future operating and overhead costs; intellectual property; regulatory and related approvals; the conduct or outcome of pre-clinical or clinical (human) studies; operational and management restructuring activities (including implementation of methodologies and changes in the board of directors); future employment and contributions of personnel; effects on the global economy of the ongoing COVID-19 pandemic, including effects on the economy of variants on the original COVID-19 strain including the Delta and Omicron strains; tax and interest rates; productivity, business process, rationalization, investment, acquisition and acquisition integrations, consulting, operational, tax, financial and capital projects and initiatives; changes in the legal or regulatory environment; and future working capital, costs, revenues, business opportunities, cash flows, margins, earnings and growth.

Forward-looking statements relate to the future and are subject to many risks, assumptions and uncertainties, including those risks set forth in this Transition Report in Part I, Item IA Risk Factors and elsewhere. Although we believe the expectations reflected in the forward-looking statements are reasonable, actual results, developments and business decisions could differ materially from those contemplated by such forward-looking statements. The environment in which we operate is highly competitive, highly regulated and rapidly changing and it is not possible for our management to predict all risks, as new risks emerge from time to time.

All subsequent written and oral forward-looking statements by or attributable to us or persons acting on our behalf are expressly qualified in their entirety by these factors. We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future developments or otherwise, except as may be required by law.

Currency

In this Transition Report, all references to “dollars” or “\$” are to the currency of the United States.

PART I

Item 1. BUSINESS

GENERAL

AVITA Medical, Inc. (“**AVITA**” or the “**Company**”, and its subsidiaries, including AVITA Medical Pty Limited (“**AVITA Medical**”), the former parent company, (collectively, “**AVITA Group**” or “we”, “us”)) is a regenerative medicine company that is developing and commercializing a technology platform that enables point-of-care autologous skin restoration for multiple unmet needs. Our patented and proprietary platform technology provides innovative treatment solutions derived from the regenerative properties of a patient’s own skin. Our RECELL® Autologous Cell Harvesting System (“**RECELL System**” or “**RECELL**”) enables clinicians to prepare Spray-On Skin™ Cells, an autologous skin cell suspension that is sprayed onto the patient to regenerate natural healthy skin.

CHANGE OF YEAR-END

On November 8, 2021, the Company changed its fiscal year-end from June 30th to December 31st, effective immediately. The decision to change the fiscal year-end to a calendar year-end was to align our reporting cycle more closely with how we manage our business. This Transition Report on Form 10-KT reports our financial results for the period from July 1, 2021, through December 31, 2021, which we refer to as the “transition period” in this report. Following the transition period, we will file an annual report for each twelve-month period ended December 31st of each year beginning with December 31, 2022.

CORPORATE

AVITA Medical, the former parent company of the AVITA Group, began as a laboratory spin-off in the Australian State of Western Australia. AVITA Medical was formed under the laws of the Commonwealth of Australia in December 1992 and has operated as AVITA Medical since 2008. AVITA Medical’s ordinary shares originally began trading in Australia on the Australian Securities Exchange (“**ASX**”) on August 9, 1993. AVITA Medical’s American Depositary Shares (“**ADSs**”) traded over the counter on the OTCQX under the ticker symbol “**AVMXY**” from May 14, 2012 through September 30, 2019 and its ADSs began trading on the NASDAQ on October 1, 2019, under the ticker symbol “**RCEL**”.

On June 29, 2020, a statutory scheme of arrangement under Australian law to effect a redomiciliation of the AVITA Group from Australia to the United States of America was implemented (the “**Redomiciliation**”). The Redomiciliation was approved by shareholders on June 15, 2020 and approved by the Federal Court of Australia on June 22, 2020.

Pursuant to the Redomiciliation, all ordinary shares in AVITA Medical, the former parent company of the AVITA Group, were exchanged for shares of common stock in the Company. As a result, the Company became the sole shareholder of AVITA Medical and the new parent company of the AVITA Group. In conjunction with the Redomiciliation, an implicit consolidation or reverse split on a 1 for 100 basis was implemented whereby shareholders of AVITA Medical received one share of common stock in the Company for every 100 shares held in AVITA Medical.

Under the Redomiciliation, eligible shareholders in AVITA Medical received consideration in the form of:

- five CHES Depositary Interests (“**CDIs**”) in the Company for every 100 ordinary shares in AVITA Medical that were held by them; or
- one share of common stock in the Company for every 5 ADSs in AVITA Medical that were held by them.

The Company’s CDIs are quoted on the ASX under AVITA Medical’s former ASX ticker code, “**AVH**”. The Company’s shares of common stock are quoted on NASDAQ under AVITA Medical’s former NASDAQ ticker code, “**RCEL**”. One share of common stock on NASDAQ is equivalent to five CDIs on the ASX.

As a result of the ‘implicit consolidation’ that occurred under the Redomiciliation, the number of shares of common stock issued and outstanding in the Company (as set out in the consolidated financial statements) is less than the number of ordinary shares in AVITA Medical that was set out in the consolidated financial statements of AVITA Medical prior to August 28, 2020.

COVID-19 IMPACT ON OUR BUSINESS

Beginning in the first quarter of 2020, the ongoing coronavirus (“COVID-19”) pandemic has created significant disruptions to the global economies and financial markets. In the United States, State and Local Governmental authorities have responded by issuing orders, of varying degrees, requiring quarantines, restrictions on travel, mandatory closures of certain non-essential businesses, as well as providing recommendations to minimize social gatherings or interactions. While some Local municipalities have started lifting restrictions on a limited basis, the restrictions continue to be substantially in place as-is at the Federal and State levels. The Company’s business and operations have been impacted by COVID-19 as the effects of COVID-19 related travel restrictions have reduced accidents and the incidence of burns and burns admissions. In addition, during the pandemic, our commercial team’s access to hospitals continues to be limited to case attendance and training. As COVID-19 abates and the restrictions are lifted, we anticipate that burn related accidents will resume to pre-COVID levels. In response to the pandemic, we have taken certain business measures which include institution of various workplace protections to ensure the safety of our employees (e.g., wearing of masks, wiping down high touch areas, etc.), and the limiting of vendors and visitors to our facilities. We have limited activities at our corporate headquarters, encouraged our employees to work from home, encouraged virtual meetings, restricted non-essential business travel, made physical modifications and enhancements to our facilities to effect social distancing, and provided personal protective equipment to our employees. We have increased safety stocks of our product, established temporary satellite product storage locations, and accelerated initiatives to increase sourcing options. Throughout the pandemic, we have remained focused on managing the business for the long-term, including maintaining our employee workforce as well as continuing to invest in critical research and development, clinical, and corporate infrastructure-related programs.

STRATEGY

Our objective is to become the leading provider of regenerative medicine addressing unmet medical needs in burn injuries, trauma injuries, and in dermatological and aesthetics indications, including vitiligo as well as cell and gene therapies. To achieve this objective, we intend to:

- Become the standard of care in the U.S. burns industry by increasing RECELL System penetration in burn centers and with burn physicians
- Commercialize the RECELL System in the U.S. for use in soft tissue reconstruction following completion of our current FDA pivotal study in soft tissue reconstruction
- Commercialize the RECELL System in the U.S. for use in treatment of vitiligo following completion of our current FDA pivotal study in vitiligo
- Pursue potential commercialization opportunities for the RECELL System related to skin rejuvenation and Epidermolysis Bullosa indications following proofs of concept and related FDA pivotal studies
- Further invest in our RECELL System platform to improve workflow, speed, and ease of use as it relates to specific indications, as well as to build upon our intellectual property estate
- Commence commercial activities in Japan through our partnership with Cosmotec Company, Ltd (“**COSMOTEC**”) following PMDA approval for RECELL with an indication in burns, and subsequently with soft tissue and vitiligo once approved by the PMDA
- Commence commercial activities outside of the U.S. and Japan once we have received FDA approval with RECELL System indications in soft tissue and vitiligo
- Pursue business development opportunities that are complementary to our core RECELL System indications and/or our targeted markets
- Improve our margins and profitability by leveraging our current team and infrastructure across an expanding base of business in burns and in future indications

RECELL® PLATFORM

The RECELL System has a long-established safety profile, and clear potential for clinical and health-economic value propositions across a range of skin-related clinical indications. The patented and proprietary platform technology underlying Spray-On

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Skin Cells originated in Australia, based on the seminal work of Professor Fiona Wood and fellow scientist Marie Stoner. RECELL was initially launched in the E.U. during 2005, and then in Australia in 2006, ahead of pivotal outcomes data demonstrating clinical performance relative to standard care. Pivotal trials were conducted in the U.S. beginning in 2010. On September 2018 the U.S. Food and Drug Administration (“**FDA**”) approved the Class 3 device through a premarket approval (“**PMA**”) for the treatment of acute thermal burn injuries in patients 18 years and older. Following receipt of our PMA, we commenced promoting the RECELL System in January 2019 in the U.S. RECELL is a first-of-kind medical device approved through FDA’s Center for Biologics Evaluation and Research, and the first Class 3 device approved for use in burn care in over 20 years.

The RECELL System is a single use (disposable), stand-alone, battery operated, autologous cell harvesting device containing enzymatic and buffer solutions, sterile surgical instruments, and actuators to achieve the disaggregation and delivery of skin cells. The platform technology of the RECELL System allows for the preparation and delivery of Spray-On Skin Cells, an autologous cellular suspension comprised of the patient’s own skin cells necessary to regenerate natural healthy epidermis. These Spray-On Skin Cells are prepared at the point of care in as little as 30 minutes, providing a new way to treat thermal burns, other wounds, skin injuries or defects of the skin. The skin cell suspension includes keratinocytes, fibroblasts, and melanocytes, all of which play critical roles in skin regeneration. The treatment of burns with RECELL yields proven and significant reduction in the harvesting of donor skin. Donor sites are of great concern amongst burn patients. Burn wounds treated using RECELL show comparable results in burn wound healing outcomes relative to conventional grafting, despite the use of 32.0-97.5% less donor site tissue. The ability of RECELL to retain melanocytes in the cell suspension is notable as these cells are critical for the restoration of natural pigmentation to the area treated, which is being further evaluated in ongoing clinical trials. Skin cell suspension is a powerful therapeutic with the potential for addressing unmet needs in a number of clinical indications, including burns, soft tissue reconstruction, and vitiligo.

RESEARCH & DEVELOPMENT

The launch of the RECELL System into the U.S. market provided an opportunity to gain valuable, in-depth insight into the patient care pathway, as well as the workflow for surgical management of burn wounds. We continue to commit significant and increasing resources in product development to ensure that our device continues to evolve and has robust patent protection. In February 2022, the FDA approved the premarket approval application (PMA) supplement for RECELL Autologous Cell Harvesting Device, an enhanced RECELL system aimed at providing clinicians a more efficient user experience and simplified workflow. This new version of the RECELL System will offer improved convenience along with an opportunity to expand our intellectual property portfolio.

Further product development is ongoing on a next generation device for more automated implementation of the core Spray-On Skin Cells technology, to advance the user experience toward less hands-on processing time. With each iteration of our RECELL System development, we anticipate preservation of the therapeutic power of Spray-on Skin Cells, deployed in devices that become appropriate for use in an increasing range of clinical settings. This is particularly important as we aim to enter the dermatology space, where there is a shift toward an emphasis on the volume of patients treated in a day.

Cell-based gene therapeutic applications are an extension of the platform, where *modified* skin cells are applied in suspension for regeneration of skin (from genetically corrected or molecularly reverse-aged cells). For instance, in the case of rejuvenation, rather than skin regeneration directly from the patient’s own skin cells, harvested cells are planned to undergo a process of molecular reverse aging prior to reintroduction to the patient. Similarly, for Epidermolysis Bullosa (“**EB**”), harvested cells are planned to undergo a gene modification process to correct the underlying defect, such that when the EB wounds are treated, skin is regenerated that does not exhibit the characteristic blistering and fragility associated with EB.

In summary, our research and development efforts are currently focused on:

- Further clinical development of the RECELL System in additional skin-focused clinical indications where the platform can be leveraged. Specifically, to expand our footprint within wounds and dermatology, such as soft tissue reconstruction and vitiligo. These activities are generally characterized by pivotal studies for which the FDA has approved an Investigational Device Exemption (“**IDE**”)
- RECELL platform technology evolution to improve workflow, speed, and ease of use
- Expansion of the technology platform underlying the RECELL System into cell-based gene therapy, including combining the platform with other technologies, to allow development of the platform in other indications (including orphan indications)

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- Further research and characterization of the RECELL System design and the composition and activity of the Spray-On Skin Cells suspension to support further clinical development of the platform, and to expand our intellectual property estate

TARGET MARKETS

Burns

Acute thermal burns are life-threatening and debilitating injuries that are among the most challenging and expensive to manage. These injuries require complex surgical procedures, long and costly hospitalization, and have a high potential for clinical complications and requirement for rehabilitation and scar treatment. In the U.S., the largest market for the treatment of burns, approximately 486,000 people seek treatment for burns each year. Of these, at least 40,000 have burn injuries severe enough to require hospital admission, and it is estimated that 3,300 patients die each year. The majority of patients treated on an inpatient basis in the U.S. are treated in specialized burn centers.

Severe burns (typically defined as second- and third-degree) are commonly treated with autologous split-thickness skin grafts (“STSGs”) to achieve definitive closure of the burn wound. In a STSG, or autograft, donor skin is harvested from a healthy area of the patient’s skin. The donor skin is then typically perforated into a mesh that can be expanded and transferred to cover the prepared burn injury. Treatment with STSG results in additional trauma for the patient due to creation of a new donor site wound. Although the use of STSG has been a standard treatment for more than 50 years, autografting is associated with significant pain, itching, infection, dyschromia, dyspigmentation, delayed healing, and hypertrophic scarring of the donor site.

The clinical benefits of earlier wound closure are well recognized and include increased survival, reduced hospital length of stay, decreased pain duration, and reduced infection-related complications. However, in large burn injuries, the patient may have insufficient donor skin available to allow for immediate and complete treatment of the entire burn injury area when using traditional grafting techniques. The lack of available healthy donor skin in patients with large burn injuries is often the central problem impacting time to autografting and definitive closure of the wounds. In extensively burned patients, surgeons often must wait until the donor sites have healed so they can re-harvest from the sites, resulting in delays in treatment and closure, requiring multiple procedures, and extending hospital stay. While waiting for donor skin, the burn wounds may be temporarily covered by allogeneic skin (allograft, cadaver skin) or xenograft (typically pig skin). The overall cost of treatment with STSG is expensive - for example it would cost approximately \$579,000 and 59.4 days in hospital for a patient with a 40% Total Body Surface Area (“TBSA”) mixed-depth burn injury to recover and return to normal day to day activities.

The RECELL System was approved by the FDA in September 2018 for the treatment of second- and third-degree acute thermal burn injuries in patients 18 years and older. In June 2021, the FDA approved an expanded indication for use to also include treatment of full-thickness (third-degree) pediatric burns, which represent close to a quarter of all burn injuries in the U.S., as well as full-thickness burn injuries greater than 50% TBSA. As a result of having achieved an expanded indication for use in pediatric burns, the BARDA-funded U.S. Pediatric Burns trial has been closed to new enrollment (refer to BARDA Contract section below).

The pivotal studies leading to the RECELL System’s FDA PMA for the treatment of acute thermal burns demonstrated that the RECELL System treated burns used 97.5 percent less donor skin when used alone in second-degree burns, and 32 percent less donor skin when used with autograft for third-degree burns, compared to standard of care autografting. In these studies, a statistically significant reduction in donor skin required to treat burn patients with the RECELL System was realized without any associated compromise to healing or safety outcomes. Donor site outcomes from the clinical trial for second-degree burns also revealed a statistically significant reduction in patient-reported pain, increased patient satisfaction and improved scar outcomes.

The RECELL System offers fewer procedures required for definitive closure versus conventional autografts. In pediatric cases using the RECELL System, there were 56% fewer mean surgical procedures (N = 284) compared to the American Burn Association’s National Burn Repository (“NBR”). Additionally, in patients with >50% TBSA, the RECELL System provided 60% fewer mean surgical procedures versus NBR (N =318).

In addition to robust clinical data, RECELL has proven health economic benefits and a compelling cost-effectiveness model which shows that treatment using the RECELL System for deep partial-thickness burns reduces total treatment costs by an average of 26%, or approximately \$37,000, for patients with 10% TBSA and approximately \$150,000, for patients with 40% TBSA. For full-thickness burns, treatment using the RECELL System reduced total treatment cost by 3%, or approximately \$6,000 for patients with 10% TBSA and by 42% or approximately \$243,000, for patients with 40% TBSA. These cost reductions are attributed to decreasing the length of hospital stay, reducing the number of procedures required to close the burn wound, and minimizing the donor site size and associated wound care. All of these cost savings estimates are net of the cost of the RECELL System.

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A budget impact model was developed and has been used to calculate the annual budget impact of current standard of care for the treatment of burns versus treatment using the RECELL System for a burn center with 200 patients. The model shows that treatment using the RECELL System reduces annual total treatment costs from approximately \$39.4 million to \$32.6 million, saving 17% or approximately \$6.8 million per year.

The market for treatment of burns in the U.S. is highly concentrated, with approximately 136 burn centers and approximately 300 burn surgeons who treat the majority of severe burns in the country (i.e., ~75%). Accordingly, our target market is predominantly focused on burn centers. Our goal is to establish RECELL as the standard of care for any burn injury that requires grafting for patients with 5% TBSA injury or greater. Within burn centers, we estimate that there are approximately 25,000 patients annually that could benefit from our technology and equates to a serviceable annual addressable market of ~\$260 million. Each RECELL System can treat up to 10% TBSA, and many patients will require more than one device.

AVITA has a policy of providing the RECELL System to a provider only after they have been certified, which includes extensive training in the use of the product and in the aftercare of the patient. In general, we have found that most U.S. burn centers follow the industry-standard process of evaluating the RECELL System and then taking it through their hospital's Value Analysis Committee ("VAC") prior to purchasing. This process can sometimes be a lengthy one, taking 6 months or more to complete. As a result of training requirements and the VAC process, we have found that full adoption of the RECELL System among U.S. burn centers occurs on a gradual basis, in many cases over multiple years. In general, most surgeons follow a typical adoption curve, starting from where they see the greatest economic and clinical value, which is the use of RECELL for treatment of larger burns. With time and continued use, surgeons typically progress to adoption of RECELL for smaller, less severe burns and facial burns. Each surgeon traverses the adoption curve at a different rate – some in as few as 6 months and others expected in 3-5 years.

In the U.S., several existing reimbursement codes were in place prior to the commencement of commercial sales of the RECELL System. For inpatient treatment of burn patients, U.S. hospitals are reimbursed under DRG (Diagnosis Related Group) Codes based on diagnosis of a patient's injuries. For physicians, CPT (Current Procedural Terminology) codes for use in RECELL System procedures are recommended by the American Burn Association and are the same for both inpatient and outpatient use. In August 2020, we filed a Transitional Pass-through Payment Application ("TPT") with The Centers for Medicare & Medicaid Services ("CMS") to support a separate, additional Medicare payment for use of the RECELL System in the Outpatient Setting. The Company was informed on November 3, 2021 that CMS approved our TPT submission with the code effective as of January 1, 2022. The new "C code" provides additional payment which offsets the cost of the device in hospital outpatient facilities and ambulatory surgical centers for Medicare beneficiaries over a 2-3 year period before converting to a permanent code. Following the granting of the code, the Company is working with commercial carriers to ensure broader coverage. The new "C" code is not indication specific and lays the foundation for growth in other indications outside of acute thermal burns (such as soft tissue reconstruction).

Outside of the U.S., Japan is the second largest healthcare market. There are approximately 6,000 patients/per year who suffer from severe burns in Japan of which we estimate 1,400 are treated in burn centers. Large patient populations coupled with healthy reimbursement coverage makes Japan an attractive market for the RECELL System. In February 2019 we entered into a collaboration with COSMOTEC, an M3 Group company, to market and distribute the RECELL System in Japan. We worked with COSMOTEC to advance our application for approval of the RECELL System in Japan pursuant to Japan's Pharmaceuticals and Medical Devices Act ("PMDA"). In February 2022, our application for regulatory approval was approved by the PMDA initially with labelling for burns only. COSMOTEC will commercially launch RECELL in Japan in the near future. Once soft tissue and vitiligo data are available from the Company's related U.S. clinical trials, COSMOTEC plans to submit a further application for soft tissue and vitiligo indications. Given the size and concentration of the U.S. & Japanese markets, our commercial efforts are almost exclusively focused on these geographies. Our highly limited effort in other non-U.S. regions is based on our assessment that the acute burn market in many countries is proportionately less than the market in the U.S., and the investments in full marketing and sales including the effort to obtain reimbursement are not justified until we have obtained pivotal clinical results in additional indications. In Australia and Europe, the RECELL System is no longer actively promoted, and our commercialization efforts are limited to filling sales orders as received from a small group of customers previously trained in use of the product. As additional pivotal data for the RECELL System are generated in additional indications, we plan to accelerate commercialization of the RECELL System in countries outside the U.S. through a combination of collaborations and direct efforts, depending upon the region and indication.

Soft Tissue Reconstruction

Soft tissue reconstruction includes treatment of injuries caused by non-burn trauma, including excision of infected tissue, such as necrotizing soft tissue infections. While minor skin defects may be primarily closed with sutures or standard wound care, larger open defects require more complicated approaches, including skin grafts, tissue flaps and dermal matrices.

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Similar to the burns indication, soft tissue reconstruction is associated with large areas of skin loss and as such, some of the top unmet needs identified by surgeons are closely aligned:

- Reduced donor skin harvesting
- Reduced scarring
- Reduced pain
- Uniform pigmentation with surrounding skin

Given the interest to reduce donor skin harvesting, just as with the burns indication, we designed a clinical trial to demonstrate the use of less donor skin without compromising healing outcomes relative to conventional autografting. The trial is essentially a repeat of the successful previous trial in full-thickness burns, but with a population of patients with full-thickness, non-burn injuries.

On September 17, 2019, the FDA approved an Investigational Device Exemption (“**IDE**”) to conduct a pivotal trial evaluating the safety and effectiveness of the RECELL System in combination with meshed autografting for the treatment of acute full-thickness skin defects. Subsequently, on March 2, 2020, we initiated a prospective, multi-center, randomized controlled study for soft tissue reconstruction with the enrollment of the first patient at the Arizona Burn Center at Valleywise Medical Health Center in Phoenix, AZ. Each patient will have a control wound treated with conventional skin grafting and a wound treated with expanded skin grafting in combination with RECELL. Enrollment of this pivotal study was completed in January of 2022.

Open wounds associated with traumatic injuries caused over 4.5 million hospital visits in the U.S. in 2017, and traumatic wounds rank among the five most costly medical conditions. We estimate that the total annual addressable market for RECELL in soft tissue reconstruction is approximately \$1 billion. Approximately 80% of our current burn accounts represent opportunities for use of RECELL in soft tissue reconstruction. We plan to build out our existing field team to cover >400 target accounts in acute wounds (representing burn and high-volume trauma accounts). As such, our estimated annual serviceable addressable market in soft tissue reconstruction is approximately \$450 million. Degloving (a type of injury where the skin is ripped from the underlying tissue), abrasions and infectious disease (e.g., necrotizing soft tissue infections, like flesh-eating disease), have the greatest stated intent to use, based on market research. We believe RECELL will be used in both the inpatient & outpatient settings and in general, with wounds 5% TBSA and larger.

From a reimbursement perspective, the same CPT (physician payment) coding that is currently being used in burns can be leveraged. Likewise, the outpatient TPT “C” code we have been granted, effective January 1, 2022 can be utilized for soft tissue reconstruction.

RECELL has been successfully used outside the U.S. for many years and there exist several case reports on the treatment of traumatic injuries (soft tissue reconstruction) that have been the subject of peer-reviewed scientific publications and presentations at medical conferences. Patients with traumatic injuries have also been treated using the RECELL System under the U.S. Compassionate Use program and although AVITA does not promote the use of RECELL in soft tissue reconstruction in the U.S., some surgeons have started successfully using the product. This is not surprising as many burn surgeons also work in Level 1/Level 2 trauma centers and treat a great deal of traumatic wounds and as mentioned earlier, acute wounds (regardless of burn or non-thermal origin) present the same unmet needs and have similar treatment protocols. In summary, soft tissue reconstruction is a significant opportunity which AVITA can pursue leveraging its existing resources. Further, this opportunity is significantly de-risked based on the historical performance of the product in this indication.

Vitiligo

Vitiligo is a disease that causes the loss of skin pigmentation, or color, in patches that tend to increase in size over time. The extent and rate of color loss from vitiligo is unpredictable, can affect the skin on any part of the body, and may also affect hair and the inside of the mouth. Vitiligo occurs when melanocytes, the pigment-producing skin cells, die or stop producing melanin, the pigment that gives skin, hair, and eyes color. Vitiligo is believed to be an autoimmune disorder in which a patient’s immune system attacks and destroys the melanocytes in the skin. It may also be caused by heredity factors or a triggering event, such as sunburn, stress, or exposure to industrial chemicals. Vitiligo affects people of all skin types, but it may be more noticeable in people with darker skin. It is estimated that worldwide vitiligo prevalence is between 0.5-2% of the population. The condition is not life-threatening or physically painful, but it can significantly alter physical appearance, have negative emotional and psychological consequences, and impair quality of life.

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Vitiligo cannot be cured at present, and medical treatments generally fall into one of two categories:

1. Treatments to arrest the spread of vitiligo, such as steroid creams and non-steroidal anti-inflammatory creams. There are also a number of therapies under development designed to target the underlying autoimmune disease. One challenge in terms of achieving the desired patient outcome is that stopping the spread of vitiligo may not restore pigmentation to the areas already damaged.
2. Treatments to restore pigmentation include skin grafting, laser phototherapy (with and without topicals), and Melanocyte-Keratinocyte Transplantation Procedure (“**MKTP**”). MKTP requires expensive and substantial laboratory equipment and is currently only available in 4 locations in the U.S.

RECELL does not treat the underlying disease. Rather, it addresses the second category only and works to restore pigmentation. The key unmet need is a durable, one-time treatment that has potential to be scalable. MKTP has been proven to be effective but is only available in 4 U.S. locations due to complexity and the associated substantial investment in lab equipment. The procedure is also lengthy (3 hours). RECELL is a similar procedure, however, it can be done in as little as 30 minutes, in any dermatology setting. Compared to MKTP, RECELL is essentially a lab in a box that can be easily distributed.

Interest in vitiligo treatment tends to increase in individuals who have lesions in more visible areas (such as the face and hands) as well as the younger population (<40). We estimate that there are approximately 1.3 million people in the U.S. with stable vitiligo who would be both eligible and interested in a surgical approach which equates to a total addressable market of over \$5 billion. The RECELL treatment is initially anticipated to be provided by a vitiligo specialist and surgical dermatologist in the office setting and we estimate that this will likely not exceed 1,000 physicians. Approximately 188,000 vitiligo patients who have insurance or the ability to pay are likely at those target call points, and this equates to a serviceable market opportunity of approximately \$750 million.

The market is expected to grow, especially over the next decade with the advent of novel treatment options including oral and topical Janus Kinase (“**JAK**”) inhibitors. Although these new products will both stabilize and re-pigment some patients, it is anticipated that many patients will need additional modes of treatment for re-pigmentation. Further, large pharmaceutical companies with assets in development will likely invest in disease awareness campaigns which will further grow consumer awareness and the market.

On December 23, 2019, the FDA approved our IDE application to conduct a feasibility study evaluating the safety and effectiveness of the RECELL System for re-pigmentation of depigmented lesions associated with stable vitiligo. This study is a single site study being conducted at the University of Massachusetts Medical School in ten (10) patients that have had vitiligo stable for at least one year. Areas of the vitiligo lesion will be randomly treated with slightly varying cell suspensions prepared using RECELL to confirm response rates and optimal suspension parameters, as well as to compare outcomes and cell suspension characteristics with MKTP. The randomized controlled study’s primary effectiveness measure is the percent area of repigmented skin 24 weeks after treatment, as evaluated by a clinician blinded to the treatment assignment. Additional effectiveness data collected over the course of the 24-week study will include blinded evaluator categorization of treatment success and patient rating of repigmentation. The Company commenced enrollment in the vitiligo feasibility study in September 2020 and as of the end of the transition period ended December 31, 2021, had completed treatment of 5 of the 10 patients.

In addition to the abovementioned feasibility study, on July 1, 2020, the FDA approved our IDE application for a pivotal study in vitiligo which is titled “A Prospective Multi-Arm Blinded-Evaluator Within-Subject Randomized Controlled Clinical Study to Investigate the Safety and Effectiveness of RECELL for Repigmentation of Stable Vitiligo.” The primary endpoint compares the incidence of 80% repigmentation of RECELL-treated areas versus that of phototherapy control-treated areas. The Company commenced enrollment in the vitiligo pivotal study in September 2020 and has completed enrollment as of December 31, 2021. While the pivotal trial design initially had 3 separate arms evaluating the clinical performance of varying cell suspensions (1:5, 1:10, and 1:20 donor expansion), the FDA approved the Company’s request to adopt a single-arm design to evaluate only the 1:20 cell suspension. With a single arm design, the Company was able to complete enrollment in the pivotal program during calendar year 2021.

We expect revenue from the vitiligo business to stem from both cash pay as well as patients for whom treatment is covered by insurance. Vitiligo rates a ‘7.61’ on the Dermatology Life Quality Index (“**DLQI**”), which is in the same range of other aesthetic dermatological disease analogs which receive healthy positive reimbursement such as Rosacea (5.2), Psoriasis (9.3) and Atopic Dermatitis (12.79). As such, we are optimistic that we will achieve both coding and coverage for the desired indication. Further, large commercial carriers such as Cigna have recently announced coverage up to \$38,000 annually for excimer laser phototherapy for vitiligo, indicating yet another signal in the importance of therapy for this disease.

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The Company has a high degree of confidence that the RECELL System can be an effective therapeutic offering for patients with stable vitiligo. More than 1,000 patients have been successfully treated with the RECELL System for stable vitiligo outside of the U.S., and to date there are eleven (11) publications demonstrating the benefits of the RECELL System in vitiligo. Vitiligo is a large and untapped market with no FDA-approved treatments. RECELL would be the first point-of-care device for preparation of pigment cell suspension which could offer a single application treatment for patients with stable vitiligo.

Epidermolysis Bullosa

The RECELL System has been studied in a wide variety of indications and has been shown to enable patients to regenerate natural healthy skin in instances where the patient's outer skin covering, or epidermis, has been lost or damaged. In addition to these applications of the RECELL System, we are pursuing related opportunities where the RECELL System's ability to harness the natural healing capabilities of the body could be augmented with the use of genetically modified cells for treatment of certain genetic skin disorders. In this way, the RECELL System could potentially be used as a vehicle for other therapeutic offerings.

Epidermolysis Bullosa ("**EB**") is a rare and incurable group of disorders caused by mutations in genes encoding structural skin proteins. EB is characterized by skin fragility and blistering leading to chronic wounds due to normal mechanical trauma. Dystrophic EB ("**DEB**") is often associated with widespread blistering, pain, pruritus, extensive scarring, increased risk of squamous cell carcinoma with increased mortality. Signs typically occur at birth and persist over a lifetime. Currently, there are no FDA-approved treatments. All treatment options are palliative—focused primarily on pain and nutritional management, itching relief, and wound care (bandaging) with a significant cost burden ranging from \$200,000-\$500,000 per year per patient.

In November 2019, AVITA entered into a research agreement with the Gates Center for Regenerative Medicine at the University of Colorado School of Medicine ("**Gates Center**") for the purpose of seeking to establish pre-clinical proof-of-concept for a spray-on treatment of genetically corrected cells. Pursuant to this agreement, we are pairing the RECELL System Spray-On Skin Cells technology and expertise with the Gates Center's innovative patent-pending combined reprogramming and gene-editing technology, to allow the skin cells of patients with EB to function properly. Under the arrangement with the Gates Center, we retain the option to exclusively license technologies emerging from the partnership for further development and commercialization.

There are several products in development for EB, including other gene therapies, but to our knowledge this will be the first spray-on method explored for the delivery of a gene therapy for a genetic skin disease. We expect the developed technology to be widely applicable, and agnostic to the gene correction approach used. Further, Gates Center's patented approach is unique in that it is designed to correct the underlying defect in the gene and not just augment with additional copies of genes. It also enables a single step, integration-free reprogramming which enables expansion of corrected cells. Further, many of the products in development are targeted at addressing symptoms of the disease and are not curative, while others will require repeat administration versus a "one and done" approach. Others have faced significant developmental delays. In addition, we believe that spray-on delivery of genetically corrected cells for *in situ* skin regeneration will have significant benefits over epidermal sheet-based delivery. Without the requirement for cultured sheets, delivery of the therapeutic will be faster and more logistically practical without the challenges associated with production and transportation of fragile, confluent sheets. Moreover, Spray-On Skin Cell delivery to patients is significantly less complex as the treatment area is sprayed and dressed as opposed to suturing on an epidermal graft that does not always "take."

DEB is an orphan disease with a prevalence of approximately 6 per million with the majority of individuals not surviving past their 30th birthday. In the U.S., we estimate there are approximately 990 EB patients eligible for the technology that we have in development and that the price point would be in the range of \$850,000, leading to nearly a \$840 million addressable market. We also believe there are potential faster regulatory pathways to market by leveraging FDA programs for orphan diseases, and a high probability of reimbursement success and quick adoption given the dire need from patients.

This agreement marks an important milestone in AVITA's strategy to expand the potential of our regenerative medicine platform and is another step towards our mission of improving patients' lives and addressing unmet needs, including those conditions that are driven by genetic aberrations. Further, this program could enable diversification beyond EB as the technology has potential applicability to other EB sub-types and over 50 other genetic skin disorders such as epidermolytic ichthyosis and Hailey-Hailey disease.

In collaboration with Gates Center, recessive dystrophic bullosa ("**RDEB**") cells have been successfully reverse-differentiated and corrected, yielding iPSCs (induced pluripotent stem cells). Further, iPSCs have been used to successfully regenerate skin in an immunocompromised mouse model. Experiments are ongoing to further refine this process and to confirm that the above sub-processes can be reliably run sequentially, as was originally envisioned in the EB proof of concept. The Company achieved EB proof of concept in January 2022.

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Rejuvenation

We believe that reversing aging at a cellular level has the potential to impact rejuvenation by driving functional changes to skin cells. This will be significantly different from existing products, such as cosmeceuticals that supplement proteins to cells, and surgical approaches that do not alter cellular stat but alter tissue morphology. An approach for molecular reversal of the underlying defects resulting in aging could have a profound effect on rejuvenation.

In November 2020, AVITA announced a preclinical research agreement with the Houston Methodist Research Institute (“HMRI”) to explore molecular reversal of cellular aging through a novel cell suspension delivery system. AVITA retains the option to exclusively license HMRI’s patented technology as well as the right of first negotiations to HMRI’s technologies emerging from the partnership for further development and commercialization.

HMRI is a compelling partner for this work. Dr. John Cooke and his team have developed a novel, patented approach of telomerase reverse transcriptase delivery to reverse cellular aging and have been widely recognized as leaders in this space with multiple peer reviewed publications, grants, and awards. Further, HMRI has a strong program in translational medicine, including the Center for Rapid Device Translation that supports preclinical testing and GLP environments which could enable rapid translation from research into clinical trials.

In collaboration with HMRI, skin cells harvested using the RECELL Device have been molecularly reverse-aged, and used to regenerate skin in a mouse model, thereby establishing proof of concept. Work is ongoing to characterize the tissue to identify functional attributes associated with rejuvenated skin.

American consumers spend over \$16 billion on aesthetic procedures per year. Over 8 million people underwent a medical facial aesthetic procedure aimed at improving skin tightness, texture or evenness in skin tone in 2020. Approximately, 1/8th of those procedures would be considered to be somewhat invasive with associated downtime or recovery needed thereafter. The total addressable market for AVITA in rejuvenation is approximately \$15 billion. Our target market will likely be the same subset of users that are open to undergoing an in-office procedure but looking for more dramatic results without having to resort to plastic surgery. Consumers are seeking a natural, more youthful appearance and there is a gap in the market for a minimally invasive procedure that provides meaningful results.

SALES AND MARKETING

We sell the RECELL System in the U.S. through our direct commercial organization consisting of 25 field personnel who are supported by corporate marketing, reimbursement, scientific and medical affairs, operations, and corporate leadership. The field sales team was recruited and hired subsequent to the September 2018 FDA PMA and trained prior to the U.S. market launch of RECELL in January 2019. Our field organization is composed of highly experienced medical sales representatives as well as former burn nurses averaging 15 years of sales experience and 10 years of burns treatment experience. We believe that our current field organization is of an appropriate size, without significant additions, to reach the burn surgeons and other key decision makers and staff associated within U.S. burn centers.

A primary objective of our field sales team is to build upon burn community awareness that has resulted from an extensive series of RECELL System related burn conference presentations and scientific publications to further expand interest in the clinical and economic benefits of the RECELL System. In addition, our field sales team provides robust clinical case support and staff training. It is not uncommon in the burn community to have rotating staff and it is our commitment for all those working with RECELL to be comfortable with the technology both during the procedure as well as during aftercare.

HUMAN CAPITAL

AVITA’s investment in the U.S. commercial success of RECELL has led to the development of best-in-class teams supporting sales, clinical education and training, reimbursement, medical affairs, as well as corporate management and infrastructure. As of December 31, 2021, we had approximately 116 employees full-time and part-time employees. As of December 31, 2021, 97% of our workforce was based in the United States, with a significant number of our management and professional employees having prior experience with leading medical product, biotech, or pharmaceutical companies. None of our employees are covered by collective bargaining agreements.

We embrace differences, diversity and varying perspectives amongst our employee base and are proud to be an equal opportunity employer. We do not discriminate based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, military or veteran status, sexual orientation or any other protected characteristic established by federal, state, or local laws. A diverse

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workforce as well as an inclusive culture and work environment are fundamentally important and strategic to us beginning with our Board of Directors and CEO and extending to all levels of the Company. As of December 31, 2021, our executive leadership team was 50% female, our senior leadership team was 37% female, and our total employee base was 49% female. In addition to promoting gender diversity, we encourage ethnically diverse talent when recruiting as well as providing employee training and development focusing on workplace diversity and inclusion.

INTELLECTUAL PROPERTY

We seek to protect our intellectual property, core technologies and other know-how through a combination of patents, trademarks, trade secrets, non-disclosure and confidentiality agreements, licenses, assignments of invention and other contractual arrangements with our employees, consultants, partners, suppliers, customers, and others. Additionally, we rely on our research and development program, clinical trials, know-how and marketing programs to advance our products and product candidates, and to expand our intellectual property rights.

As of December 31, 2021, we had been granted a total of 56 patents and had 26 pending patent applications worldwide. On February 7, 2022, the term on 38 granted patents and 2 pending patent applications that cover our commercial product expired. These patent assets expired in the following countries: Austria, Australia, Belgium, Brazil, France, Germany, Hong Kong, Italy, Japan, Netherlands, Portugal, Spain, Sweden, Turkey, United Kingdom, and USA. However, as discussed more fully below, our core USA patent remains in force until February 6, 2023, and we expect it to be extended through April 9, 2024. Additionally, the Company continues to own 18 granted patents in the USA, China, Japan, Australia, France; Germany, Italy, Spain, United Kingdom, and Hong Kong, and has 24 patent applications pending worldwide in USA, China, Canada, EPO, Brazil, and Hong Kong. In addition to patent protection, the Company believes that the regulatory approval processes around the world continues to provide significant barriers to entry against meaningful competition.

AVITA's patent portfolio covers AVITA's core RECELL System, methods of using the RECELL System, the Regenerative Epidermal Suspension ("RES®") suspension, methods of evaluating the therapeutic potential of RES, methods of preparing a cell suspension with exogenous agents to promote wound healing, as well as to one or more automated systems for tissue processing and preparation of cell suspension. AVITA's pending patent applications cover an all-in-one RECELL System embodiment, as well as new modifications to RES that are showing potential for therapeutic results. We expect that our research and development pipeline, strategic partnerships with universities, and improvements to the RECELL System and RES will result in additional and diverse patent applications for both compositions of matter and related methods of use in the next calendar year.

In 2019, AVITA filed a Patent Term Extension ("PTE") application with the U.S. Patent and Trademark Office requesting an extension of the patent term of U.S. Patent No. 9,029,140, "Cell suspension preparation technique and device" as a result of the time required for the FDA regulatory process. If the term extension requested in the PTE application is approved, the patent term of U.S. Patent No. 9,029,140, which covers the RECELL System, will be extended to April 9, 2024. An interim PTE application was approved on January 7, 2022 for U.S. Patent No. 9,029,140 that extends its expiration date until February 6, 2023 while we wait for full approval of the PTE application. AVITA's other patents have expected expiration dates ranging from 2022 to 2040.

Additionally, AVITA owns and defends a global trademark portfolio comprising 124 registered trademarks and pending trademark applications, including the trademarks "RECELL," "Spray-On Skin," the RECELL System logo, "RES," and others in the U.S. and international markets. In addition to patent and trademark protection, we also rely on trade secrets, know-how, and other proprietary information to develop and maintain our competitive position. We have robust confidentiality and invention disclosure procedures in place that incentivize our employees to innovate and allow us to maintain our rights to AVITA innovations.

FACILITIES

AVITA leases approximately 17,500 square feet of administrative and office space in Valencia, CA that is currently leased through July 31, 2023. The Company operates an FDA-registered production plant in Ventura, California, in a 27,480 square foot facility that is currently leased through September 30, 2024. The Ventura warehouse has two 3-year options to extend the lease, at our sole option, which allows for a total lease extension period through September 30, 2030. We also lease a limited amount of incubator space in Irvine, CA for scientific research and product development activities.

MANUFACTURING, SUPPLY AND PRODUCTION

We produce the RECELL System in the Ventura facility under current Good Manufacturing Practices ("cGMP") and per ISO 13485, which also meets the regulatory requirements of other jurisdictions in which we sell the RECELL System. We maintain a state

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of regulatory compliance and inspection readiness at all times, and any future material changes to our production processes for the RECELL System will be submitted for approval to the FDA and regulatory authorities in other jurisdictions as required.

Within the Ventura facility we perform the final manufacturing, assembly, packaging, and warehousing of the RECELL System. Also included within the Ventura facility is a secure controlled-temperature warehouse that complies with the vendor-managed inventory (“VMI”) requirements of the contract with Biomedical Advanced Research and Development Authority (“BARDA”). See below for details.

AVITA sources multiple components, sub-assemblies, and materials from third-party suppliers, who are required to meet our cGMP quality specifications and associated regulatory requirements. To ensure continuity of supply, we maintain multiple sources of supply for key components, subassemblies and materials, and the majority of critical raw materials and services have multiple qualified suppliers. While a small number of materials remain single sourced, we are actively working to qualify and validate additional suppliers for these materials as we continue to evaluate methods of removing risk from the supply chain for the RECELL System. We believe that our current manufacturing capacity at the Ventura facility is sufficient to meet the expected commercial demand for the RECELL System for burns, as well as other indications under development, for the foreseeable future.

AVITA serves the U.S. burn market by shipping the RECELL System directly from our Ventura facility to U.S. burn centers. From time-to-time we also store small quantities of the RECELL System at satellite distribution sites within the U.S. to better support access of the RECELL System to our U.S. customers.

BARDA CONTRACT

We have a contract with the Biomedical Advanced Research and Development Authority (“BARDA”), under the Assistant Secretary for Preparedness and Response, within the U.S. Department of Health and Human Services, valued at approximately \$53.4 million. The contract provided funding for the development of the RECELL System. The contract will continue to provide funding for future use of the product as a medical countermeasure to assist disaster preparedness and response in the U.S. for mass casualty events involving burn injuries. We entered into the contract on September 29, 2015, and the scope has expanded through a number of amendments to the contract. The contract may be terminated earlier at the option of BARDA, but otherwise continues to December 31, 2023.

Under the contract, BARDA has provided funding and technical support for the development of the RECELL System. BARDA funded the completion of two randomized, controlled pivotal clinical trials, as well as Compassionate Use and Continued Access programs, and development of the health economic model demonstrating the cost savings associated with the RECELL System. BARDA exercised a contract option to fund a randomized, controlled clinical trial for a pediatric early intervention study which commenced enrollment in March 2020, and closed to enrollment in June 2021, subsequent to FDA-approval of an expanded RECELL indication for use that includes treatment of pediatric patients. Also included in the BARDA contract was a provision for procurement of the RECELL System under a vendor-managed inventory system to bolster emergency preparedness in the amount of \$7.6 million. Further, BARDA expanded the awarded contract to provide supplemental funding of \$1.6 million to support the logistics of emergency deployment of RECELL Systems for use in mass casualty or other emergency situations. Delivery of RECELL Systems under the VMI plan was completed during the fourth quarter of fiscal year ended June 30, 2021. As of December 31, 2021, we had received cumulative payments of \$35.5 million under the BARDA contract.

COMPETITION

The medical device, biotechnology and pharmaceutical industries are intensely competitive and subject to significant technological change and changes in practice. While we believe that our innovative technology, knowledge, experience, and scientific resources provide us with competitive advantages, we may face competition from many different sources with respect to the RECELL System or any product candidates that we may seek to develop and commercialize in the future. Possible competitors may include medical device, pharmaceutical and wound care companies, academic and medical institutions, governmental agencies, medical practitioners, and public and private research institutions, among others. Any product that we successfully develop and commercialize will compete with both existing therapies and any new therapies that may become available in the future.

Our primary competitor in the burns market is the current standard of care, primarily split-thickness autografts. Although the RECELL System is complementary with autografts for the treatment of many burn injuries, we face competition from this traditional surgical procedure for many burn patients. However, based on our clinical trials, we believe that the RECELL System has sustainable competitive clinical and economic advantages over this current standard of care. We face additional competition in the burns market from other FDA-approved products such as Epicel® provided by Vericel Corporation as well as from Stratagraft® provided by Mallinckrodt.

GOVERNMENT REGULATIONS

The production and marketing of the RECELL System and any additional product candidates developed in future ongoing research and development activities are subject to regulation by numerous governmental authorities including the FDA in the U.S. and similar agencies in other countries throughout the world. Pursuant to its authority under the Federal Food, Drug, and Cosmetic Act (the “**FD&C Act**”), the FDA has jurisdiction over medical devices in the U.S. The FDA regulates the design, development, manufacturing, and distribution of medical devices to ensure that medical products distributed domestically are safe and effective for their intended uses. The FD&C Act classifies medical devices into one of three categories based on the risks associated with the device and the level of control necessary to provide reasonable assurance of safety and effectiveness. Devices deemed by the FDA to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices, or devices deemed not substantially equivalent to a previously 510(k) cleared device are categorized as Class III. These devices typically require submission and approval of a PMA. The RECELL System is categorized as a Class III medical device, and in September 2018 the FDA granted our PMA for use in the treatment of acute thermal burns in patients 18 years and older. In June 2021, the FDA approved a supplement to our PMA to expand the use of RECELL in pediatric patients with full-thickness burns. Approval of the RECELL System for use in the treatment of new indications in the U.S. will require additional PMA supplement submissions to the FDA following successful completion of clinical studies.

To support PMA supplements in the U.S. or applications for approval in other regions, the completion of additional clinical and non-clinical studies and supporting development activities will likely be required. Clinical trials can take many years to complete and require the expenditure of substantial resources. The length of time varies substantially according to the type, complexity, novelty and intended use of the product candidate. We cannot make any assurances that once clinical trials are completed by us or a collaborative partner, that we will be able to submit as scheduled a marketing approval request to the applicable governmental regulatory authority, or that such request and application will be reviewed and cleared by such governmental authority in a timely manner, or at all. Although we intend to make use of fast-track and abbreviated regulatory approval programs when possible and commercially appropriate, we cannot be certain that we will be able to obtain the clearances and approvals necessary for clinical testing or for manufacturing and marketing our product candidates. Delays in obtaining regulatory approvals could adversely affect the development and commercialization of our product candidates and could adversely impact our business, financial condition, and results of operations. During the course of clinical trials and non-clinical studies, product candidates may exhibit unforeseen and unacceptable safety considerations. If any unacceptable side effects were to occur, we may, or regulatory authorities may require us to, interrupt, limit, delay or abort the development of our potential products.

Any products manufactured or distributed by us pursuant to regulatory approvals are subject to continuing regulation by the FDA and similar agencies in other countries, including maintaining records supporting manufacturing and distribution under cGMP regulations, periodic reporting, advertising, promotion, compliance with any post-approval requirements imposed as a conditional of approval, recordkeeping and reporting requirements, including adverse events experiences. After approval, material changes to the approved product, such as adding new indications or other labeling claims, or changes to the manufacturing process, are subject to prior approval by FDA and other regulatory agencies. Medical device manufacturers and their subcontractors are required to register their establishments with the FDA, certain state agencies and international agencies. Subcontractors are subject to periodic announced and unannounced inspections by the FDA and other agencies for compliance with cGMP requirements. We have established processes in place for categorization of vendor criticality and the associated activities for qualification and monitoring of vendors. These activities include but are not limited to, requiring certification of supplier in conformance to relevant cGMP regulations and other FDA and international agency regulatory requirements, approved supplier lists, and regular Company conducted audits. In addition, all goods and services purchased from suppliers by us must be purchased from only those suppliers on the approved supplier list. Furthermore, the Company itself will continue to comply with all relevant FDA requirements and regulations and any applicable international agency regulatory requirements in its continued manufacturing and promotion of its FDA approved commercial product.

In addition to FDA approval in the U.S., the RECELL System is TGA-registered in Australia for use in the treatment of burns, acute wounds, scars, and vitiligo. In the European Union, the RECELL System has received CE-mark approval for the treatment of burns, chronic wounds, scars, and vitiligo. In February 2019, our marketing partner COSMOTEC filed a Japan’s Pharmaceuticals and Medical Devices Act (“**PMDA**”) application for approval to market the RECELL System in Japan for the treatment of burns and other wounds. In February 2022, our application for regulatory approval was approved by the PMDA initially with labelling for burns only.

HEALTHCARE LAWS AND REGULATIONS

AVITA is a manufacturer of a medical device and therefore we are subject to regulations by the FDA and various federal and state healthcare laws and regulations. These regulations govern our advertising and promotional practices, our interactions with

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healthcare providers (“HCPs”), and our reporting of any payments made to HCPs. AVITA is committed to the highest standards of business conduct in accordance with the AdvaMed Code of Ethics.

Interactions with Healthcare Providers

Providing any benefits or advantages to HCPs in order to induce or encourage the use or referral of AVITA products is strictly prohibited by both U.S. and international laws and regulations. Restrictions under applicable Federal and State healthcare laws and regulations include but are not limited to the following:

- The Federal healthcare Anti-Kickback Statute (“AKS”). AKS prohibits any person from soliciting, offering, receiving, or providing any remuneration in cash or in kind, whether directly or indirectly, to induce or reward the referral, purchase, lease, order, or recommendation of any item or service for which payment may be made in whole or in part under a federal healthcare program such as Medicare and Medicaid
- The Federal False Claims Act (“FCA”). FCA may be enforced by either the U.S. Department of Justice or private whistleblowers should they choose to bring civil (qui tam) actions on behalf of the federal government. The FCA imposes civil penalties, as well as liability for treble damages and for attorneys’ fees and costs, on individuals or entities who knowingly present, or cause to be presented, claims for payment that are false or fraudulent to the federal government. FCA also imposes similar penalties on those who make a false statement material to a fraudulent claim, or who improperly avoid, decrease, or conceal an obligation to pay money to the federal government
- State and foreign laws and regulations may apply to sales or marketing arrangements and claims involving healthcare devices or services reimbursed by non-governmental third-party payors

Additionally, certain state laws require medical device companies to comply with voluntary compliance guidelines promulgated by global trade associations and relevant compliance guidance issues by the U.S. Department of Health and Human Services, Office of Inspector General. Such laws prohibit medical device manufacturers from offering or providing certain types of payments or gifts to health care providers; and/or require the disclosure of gifts or payments to healthcare providers.

Interactions with Foreign Officials and Entities

The U.S. Foreign Corrupt Practices Act (“FCPA”) prohibits any U.S. individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party, or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the U.S. to comply with accounting provisions requiring the companies to maintain books and records that accurately and fairly reflect all transactions of the companies, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations. We are also subject to similar regulations under the Australian bribery laws and other anti-corruption laws that apply in countries where we do business.

Federal and State Reporting

Pursuant to the federal Physician Payment Sunshine Act, AVITA is required to report annually to the Centers for Medicare and Medicaid Services within the U.S. Department of Health and Human Services, as well as in accordance with all relevant state marketing reporting regulations, any payments, and transfers of value to physicians and teaching hospitals, as well as other categories of disclosures.

Privacy

AVITA must comply with the federal Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) which imposes criminal and civil liability for, among other conduct, making false statements relating to healthcare matters and executing a scheme to defraud any healthcare benefit program. It also imposes criminal and civil liability and penalties on those who violate requirements such as mandatory contractual terms which are intended to safeguard the security, transmission and use of individually identifiable health information.

Various state and foreign laws also govern the privacy and security of health information such as the European Union General Data Protection Regulation (“GDPR”). GDPR governs the use of individual health data and other personal information and

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imposes strict obligations and restrictions on the ability to use, access, process, and disseminate health data from clinical trials and adverse event reporting, among others.

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

We are subject to extensive environmental, health and safety laws and regulations in a number of jurisdictions, primarily in California and the U.S., governing, among other things: the use, storage, registration, handling, emission and disposal of chemicals, waste materials and sewage; chemicals, air, water and ground contamination; and air emissions and the cleanup of contaminated sites, including any contamination that could result from spills due to our failure to properly dispose of production waste materials. Our operations at our Ventura manufacturing facility produce a small amount of waste materials that are considered minimally hazardous, and we use a third-party waste disposal company to remove any waste generated during operations from the facility. Our activities require permits from various governmental authorities including local municipal authorities. Local and state authorities may conduct periodic inspections in order to review and ensure our compliance with the various regulations. We are not presently aware of any violations or deficiencies. These laws, regulations and permits could potentially require the expenditure by us for compliance or remediation.

AVAILABLE INFORMATION

The Company files annual, quarterly and current reports, proxy statements and other documents with the Securities and Exchange Commission (“SEC”) under the Exchange Act. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The public can obtain any documents that we file with the SEC at www.sec.gov. In addition, copies of announcements made by the Company to ASX are available on the ASX website (www.asx.com.au) and also, under the heading “Investors: Press Releases” at the following link on our website (<https://ir.avitamedical.com/press-releases>). We maintain a website at www.avitamedical.com. Since becoming a domestic U.S. issuer on July 1, 2020, our filings with the SEC, including without limitation, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, are available free of charge on our website under the heading “Investors: Financials _SEC Filings” at the following link on our website (<https://ir.avitamedical.com/financials/sec-filings>), as soon as reasonably practicable after we file or furnish them electronically with the SEC. Information contained on our website is not part of or incorporated into this transition report.

ORGANIZATIONAL STRUCTURE

The Company has a total of six subsidiaries and their corporate details and business activities are listed below:

| Subsidiary Name | Place of Incorporation | % Held | Business Purpose |
|-----------------------------------|-------------------------------|---------------|-------------------------|
| AVITA Medical Pty Limited..... | Australia | 100 | Operating Company |
| AVITA Medical Americas, LLC..... | Delaware | 100 | U.S. operations |
| AVITA Medical Europe Limited..... | United Kingdom | 100 | EMEA operations |
| Visiomed Group Pty Ltd..... | Australia | 100 | Asia Pacific Operations |
| C3 Operations Pty Ltd | Australia | 100 | Holding company |
| Infamed Pty Ltd | Australia | 100 | Inactive |

Item 1A. RISK FACTORS

Our business faces significant risks. You should carefully consider all of the information set forth in this annual report, including the following risk factors. Our business, results of operations, and financial condition could be materially and adversely affected by any of these risks, and in such event, the trading price of our common stock would likely decline, and you might lose all or part of your investment. This Transition Report also contains forward-looking statements that involve risks and uncertainties, and our results could materially differ from those anticipated in these forward-looking statements. See “*Forward-Looking Statements*” included elsewhere within this Transition Report for a discussion of certain risks, uncertainties and assumptions associated with these statements.

Risks Related to Our Business Operations

We have experienced significant losses, expect losses to continue for the foreseeable future and may never achieve or maintain profitability.

Although we have begun full scale marketing and sales of our RECELL® System in the United States and other jurisdictions, such sales have been limited to date and we have not yet obtained profitability. We had a total net loss of \$14.4 million and \$15.9 million for the transition period ended December 31, 2021 and the comparable six months ended December 31, 2020, respectively. We had net loss of \$26.6 million and \$42 million for our fiscal years ended June 30, 2021 and 2020, respectively. We have incurred a cumulative deficit of \$236 million through December 31, 2021. We anticipate that we may continue to incur losses at least until U.S. sales of the RECELL System are adequate to fund operating expenses. We may not be able to successfully achieve or sustain profitability. Successful transition to profitable operations is dependent upon achieving a level of revenues adequate to support our cost structure, including in new markets for which we are not presently approved.

We are dependent on our contract with the U.S. Biomedical Advanced Research and Development Authority (“BARDA”), and if we do not continue to receive funding under this contract, we may need to obtain alternative sources of funding.

We have a contract with BARDA valued currently at \$53.4 million related to funding for the development of the RECELL System and future use of the product to assist disaster preparedness and response in the United States for mass casualties involving burn victims. As of December 31, 2021, we had received cumulative payments of \$35.5 million under the BARDA contract. Under the contract BARDA has agreed to fund and provide technical support for the development of the RECELL System including two randomized, controlled pivotal clinical trials, Compassionate Use and Continued Access programs, development of the health economic model demonstrating the cost savings associated with the RECELL System, and a randomized, controlled clinical trial in pediatric scald patients. Also included in the BARDA contract is a provision for the procurement of the RECELL System by BARDA under a vendor-managed inventory system to bolster disaster preparedness which BARDA initiated procurement for in July 2020. As of December 31, 2021, a total of 5,614 RECELL system units have been delivered into the VMI and accepted by BARDA. Any reduction or delay in BARDA funding may force us to seek alternative funding, which may not be available on non-dilutive terms, terms favorable to us or at all, or cease our development programs related to the BARDA contract.

Provisions in our U.S. government contracts, including our contracts with BARDA, may affect our intellectual property rights.

Certain of our activities have been funded, and may in the future be funded, by the U.S. government, including through our contracts with BARDA. When new technologies are developed with U.S. government funding, the government obtains certain rights in any resulting patents, including the right to a nonexclusive license authorizing the government to use the invention and rights that may permit the government to disclose our confidential information to third parties and to exercise “march-in” rights. The government can exercise its march-in rights if it determines that action is necessary because we fail to achieve practical application of the U.S. government-funded technology, because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. In addition, U.S. government-funded inventions must be reported to the government, U.S. government funding must be disclosed in any resulting patent applications, and our rights in such inventions may be subject to certain requirements to manufacture products in the United States.

Development and commercialization of our products require successful completion of the regulatory approval process and may suffer delays or fail. We may be unsuccessful in obtaining additional approvals for our RECELL System for the treatment of trauma injuries and skin conditions such as vitiligo

In the United States, as well as other jurisdictions, we have been and will be required to apply for and receive regulatory authorization before we can market our products. Although our RECELL System has been approved for use in the treatment of acute partial-thickness thermal burn wounds in patients 18 years of age and older or application in combination with meshed autografting for acute full-thickness thermal burn wounds in pediatric and adult patients in the United States, we will have to apply for a supplement to our PMA approval to market the product for use in the treatment of trauma injuries and vitiligo. We plan to expand into each of these indications and will need to apply for a supplement to our PMA approval with the FDA in connection with each proposed additional indication. While clinical trials for such uses are presently underway or planned, there can be no assurance that we will be successful in those clinical trials or ever receive approval by the FDA for the use of our RECELL System for such additional applications. Such a failure of approval would have a material negative effect on our future prospects. In Australia, the RECELL System is approved to use for the treatment of burns, acute wounds, scars and repigmentation (vitiligo). In the EU the product has been approved for the treatment of burns, chronic wounds, scars, and vitiligo. We will require additional clinical data or approvals from regulatory authorities within these countries to market the product for the treatment of other indications, and from any other jurisdictions in which we seek to market the product. This process can be time consuming and complicated and may be unsuccessful

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or otherwise result in unanticipated delays or fail altogether. To secure marketing authorization, an applicant generally is required to submit an application that includes the data supporting preclinical and clinical safety and effectiveness as well as detailed information on the manufacturing and control of the product, proposed labeling and other additional information. Before marketing authorization is granted, regulatory authorities may require the inspection of the manufacturing facility or facilities and quality systems (including those of third parties) at which the product candidate is manufactured and tested, as well as potential audits of the non-clinical and clinical trial sites that generated the data cited in the marketing authorization application.

We cannot predict whether any additional marketing authorizations will ultimately be granted or how long the applicable regulatory authority or agency will take to do so. Regulatory agencies, including the FDA, have substantial discretion in the approval process. In addition, the approval process and the requirements governing clinical trials vary from country to country. The policies of the FDA or other regulatory authorities may change, and additional government regulations may be enacted that could prevent, limit or delay the necessary approval of any products we may develop and commercialize. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or elsewhere. If we are slow or unable to adapt to new or changed requirements, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, and we may not achieve or sustain profitability.

Additionally, any future regulatory approvals that we receive may also contain requirements for costly post-marketing testing and surveillance to monitor the safety and effectiveness of the product. Once a product is approved, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export, and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. These requirements include submission of safety and other post-marketing reports, registration, and continued compliance with good manufacturing practices for any clinical trials that we conduct post-approval.

Finally, per FDA regulations, changes made to products, specifications, or test data evaluation methodology would generally require communication with the FDA. There are several pathways for communicating with the FDA of such changes. As part of such review, the FDA may request additional information, at which time the product may become temporarily unavailable.

Obtaining and maintaining regulatory approval for a product candidate in one jurisdiction does not mean that we will be successful in obtaining regulatory approval for that product candidate in other jurisdictions.

Obtaining and maintaining regulatory approval for a product in one jurisdiction does not guarantee that we will be able to obtain or maintain similar approval in other jurisdictions, while a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA grants marketing approval for use of our RECELL System for the treatment of pediatric burns, trauma injuries and/or vitiligo, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the product candidate in those countries if not currently approved. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a medical device must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to approval.

We are highly dependent on our regulatory approval in the United States and failure to maintain that approval would materially impact our business and prospects.

Our business is highly dependent on the PMA we received in September 2018 from the FDA. This PMA allows us to sell our RECELL System in the United States, our current primary market. In addition, maintaining this PMA also increases the probability of approval of secondary indications for the PMA outside of trauma burns. While we intend to take every action and precaution to ensure that our PMA remains effective, it is possible that the FDA could take a position in the future that requires a modification, temporary suspension or revocation of our PMA. Any such action by the FDA would have a material adverse effect on our business.

We may encounter substantial delays in any further clinical studies necessary to support any regulatory applications for additional commercial applications of our technology.

We cannot guarantee that any preclinical testing or clinical trials will be conducted as planned or completed on schedule, if at all. As a result, we may not achieve the expected clinical milestones necessary for approval by the FDA, or other regulators, for the use of our RECELL System for additional applications in the United States or other countries.

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A failure in a clinical study or regulatory application can occur at any stage. Events that may prevent successful or timely commencement, enrollment or completion of clinical development or a regulatory application include:

- delays in raising, or inability to raise, sufficient capital to fund the planned trials;
- delays in reaching a consensus with regulatory agencies on trial design;
- changes in trial design;
- inability to identify, recruit and train suitable clinical investigators;
- inability to add new clinical trial sites;
- delays in reaching agreement on acceptable terms for the performance of the trials with prospective clinical research organizations and clinical trial sites;
- delays in recruiting suitable clinical sites and patients (i.e., subjects) to participate in clinical trials;
- imposition of a clinical hold by regulatory agencies for any reason, including negative clinical results, safety concerns or as a result of an inspection of manufacturing or clinical operations or trial sites;
- failure by any relevant parties to adhere to clinical trial requirements;
- failure to perform in accordance with the FDA's Good Clinical Practice ("GCPs"), or applicable regulatory guidelines in other countries;
- delays in the testing, validation, manufacturing and delivery of the product candidates to the clinical sites;
- delays caused by clinical trial sites not completing a trial;
- failure to demonstrate adequate effectiveness;
- occurrence of serious adverse events in clinical trials that are associated with the product candidates that are viewed to outweigh its potential benefits;
- changes in regulatory requirements and guidance that require amending or submitting new clinical protocols;
- adverse events, safety issues, product recalls, manufacturing or supply chain interruptions, or poor clinical outcomes where the RECELL System is being used commercially; and
- disagreements with regulatory agencies in the interpretation of the data from our clinical trials.

Delays, including delays caused by the above factors, can be costly and could negatively affect our ability to complete clinical trials for our product candidates. If we are not able to successfully complete clinical trials or are not able to do so in a timely and cost-effective manner, we will not be able to obtain regulatory approval for the use of our RECELL System for additional applications, all of which could have a material adverse effect on our business, financial condition and results of operations.

We may be unsuccessful in commercializing our RECELL System, or other future products, due to unfavorable pricing regulations or third-party coverage and reimbursement policies.

We cannot guarantee that we will receive favorable pricing and reimbursement for use of our products. The rules and regulations that govern pricing and reimbursement for medical products vary widely from country to country or from indication to indication, and within the United States, can also vary widely from one health system or hospital to the next. In some foreign jurisdictions, including the EU, the government largely controls pricing of medical products. In other countries, coverage negotiations must occur at the regional or hospital level. Pricing negotiations can take considerable time after the receipt of marketing approval for a medical product.

As a result, even after obtaining regulatory approval for a product in a particular country, we may be subject to price regulations or limited reimbursement, which may delay or limit our commercial launch of the product and negatively impact the revenue we are able to generate from the sale of the product in that country. Adverse pricing limitations may hinder our ability to recoup our total investment in our RECELL System or other future products, even after obtaining regulatory approval.

If we are unable to promptly obtain coverage and profitable payment rates from hospital budget, government-funded and private purchasers for the RECELL System or any future products, this could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products and our overall financial condition.

For example, we presently benefit from various reimbursement codes, including the following:

- Medicare reimburses hospitals for inpatient services using Medicare Severity Diagnosis-Related Groups ("MS-DRGs").
- Specific International Classification of Disease, 10th revision, Procedure Classification System ("ICD-10-PCS") code series describing our "cell suspension technique" for the use of the RECELL System.
- Current Procedural Terminology ("CPT") for physicians to support reimbursement for physician rendered healthcare services.

There can be no guarantee that the above reimbursement codes will not be withdrawn, reduced, consolidated or otherwise be altered in a manner which is not supportive of ongoing commercial use of the RECELL System. In addition, effective January 1, 2022,

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we are approved for a Transitional Pass-through Application (“TPT”) to support additional Medicare payment in the outpatient and the ambulatory surgical setting.

We have limited financial resources and will likely require additional financings to continue the development and commercialization of our RECELL System or any future products, which may cause dilution to our existing stockholders or place restrictions on our operations. If additional financing is not available, we may have to postpone, reduce or cease operations.

If we are unable to achieve profitability sufficient to permit us to fund our operations and other planned actions, we may be required to raise additional capital. There can be no assurance that such capital would be available on favorable terms, or at all. If we raise additional capital through the issuance of equity or convertible debt securities, the percentage ownership held by existing stockholders may be reduced, and the market price of our common stock or CDIs could fall due to an increased number of shares or CDIs available for sale in the market. Debt financing, if available, may involve restrictive covenants, which may limit our operating flexibility with respect to certain business matters. If we are unable to secure additional capital as circumstances require, we may not be able to fund our planned activities or continue our operations.

We have limited experience in manufacturing our products in large-scale commercial quantities and we may face manufacturing risks that may adversely affect our ability to manufacture products and could reduce our gross margins and negatively affect our business and operating results.

Our success depends, in part, on our ability to manufacture our current and future products in sufficient quantities and on a timely basis to meet demand, while adhering to product quality standards, complying with regulatory quality system requirements and managing manufacturing costs. We have a manufacturing facility located in Ventura, California where we produce, package and warehouse the RECELL System. We also rely on global third-party manufacturers, Baxter International Inc., Hospira (a division of Pfizer), Thermo Fisher Scientific, Lyophilization Services of New England and Becton Dickinson and Company, for production of some of the components used in the RECELL System. If our facility, or the facilities of our third-party contract manufacturers, suffer damage, or a force majeure event, this could materially impact our ability to operate.

We are also subject to other risks relating to our manufacturing capabilities, including:

- quality and reliability of components, sub-assemblies and materials that we source from third-party suppliers, who are required to meet our quality specifications, some of whom are our single-source suppliers for the products they supply;
- failure to secure raw materials, components and materials in a timely manner, in sufficient quantities or on commercially reasonable terms;
- inability to secure raw materials, components and materials of sufficient quality to meet the exacting needs of medical device manufacturing;
- failure to maintain compliance with quality system requirements or pass regulatory quality inspections;
- inability to increase production capacity or volumes to meet demand; and
- inability to design or modify production processes to enable us to produce future products efficiently or implement changes in current products in response to design or regulatory requirements.

These risks could be exacerbated by our limited experience as an entity with large-scale commercial manufacturing. As demand for our products increases, we will have to invest additional resources to purchase raw materials and components, sub-assemblies and materials, hire and train employees and enhance our manufacturing processes. If we fail to increase our production capacity efficiently to meet demand for our products, we may not be able to fill customer orders on a timely basis, our sales may not increase in line with our expectations and our operating margins could fluctuate or decline. It may not be possible for us to manufacture our products at a cost or in quantities sufficient to make these products commercially viable or to maintain current operating margins, all of which could have a material adverse effect on our business, financial condition and results of operations. In addition, we are continually identifying additional third-party manufacturers who could serve if necessary, as replacement manufacturers should the need arise.

We rely on third parties to conduct, supervise and monitor our clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug product candidates and our business could be substantially harmed.

We rely on clinical research organizations (“CRO”), and clinical trial sites to ensure our clinical trials are conducted properly and on time. While we will have agreements governing their activities, we will have limited influence over their actual performance. CROs manage and monitor the clinical trials, duties and functions, and we will control only certain aspects of our CROs’ activities. Nevertheless, we will be responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities.

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We and our CROs are required to comply with the FDA's GCPs for conducting, recording and reporting the results of clinical trials to assure that the data and reported results are credible and accurate and that the rights, integrity and confidentiality of clinical trial participants are protected. The FDA, and comparable foreign regulatory authorities, enforce these GCPs through periodic inspections of trial sponsors, principal investigators and clinical trial sites. If we or our CROs fail to comply with applicable GCPs, the clinical data generated in our future clinical trials may be deemed unreliable and the FDA or other foreign regulatory authorities may require us to perform additional clinical trials before approving any marketing applications.

If our CROs do not successfully carry out their contractual duties or obligations, fail to meet expected deadlines, or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements, or for any other reasons, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for, or successfully commercialize, our product candidates. If any such event were to occur, our financial results and the commercial prospects for our product candidates would be harmed, our costs could increase, and our ability to generate revenues could be delayed. If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. Further, switching or adding additional CROs involves additional costs and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which could materially impact our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

As a result of the ongoing COVID-19 pandemic, other pandemics, inadequate funding or other reasons, the FDA and other government agencies may have resource constraints which could limit their ability to review and approve our applications in a timely manner, thus negatively impact our business.

The FDA's ability to review and approve regulatory submissions is impacted by staffing levels, funding levels and emergency priorities. The time to review submissions can vary from time to time. If a prolonged delay occurs in the review of any application from the Company, our business could be adversely impacted.

Product recalls or inventory losses caused by unforeseen events may adversely affect our operating results and financial condition.

Our products are manufactured, stored and distributed using technically complex processes requiring specialized facilities, highly specific raw materials and other production constraints. The complexity of these processes, as well as strict company and government standards for the manufacture, storage and distribution of our product candidates, subjects us to risks. In addition, process deviations or unanticipated effects of approved process changes may result in production runs of our RECELL System not complying with stability requirements or specifications. The occurrence or suspected occurrence of production and distribution difficulties can lead to lost inventories and in some cases product recalls, with consequential reputational damage and the risk of product liability. The investigation and remediation of any identified problems can cause production delays, substantial expense, lost sales and delays of new product launches. In the event our production efforts require a recall or result in an inventory loss, our operating results and financial condition may be adversely affected.

A cyber security incident could be disruptive to our business, compromise confidential data, cause reputation harm, and subject us to litigation and federal and state governmental inquiries.

We collect and store sensitive business and other information, including intellectual property and trade secrets, on our networks. Our business operations are dependent upon the secure maintenance of this information. Despite our efforts to secure this information, there can be no assurance that cyberattacks and other threats from malicious persons and groups will not cause harm to or disrupt our business and operations. As a result, cyber security and the continued development and enhancement of our controls, processes and practices designed to protect our information systems from attack, damage or unauthorized access remain a priority for us. We may be required to expend significant additional resources to protect against cyber threats. A cyber-attack may result in a material adverse effect on our financial position and results of operations and harm our business reputation.

We rely on information technology systems for critical business functions and the operations of our business.

We rely upon complex, integrated information technology (IT) systems in our business functions including our quality systems to operate our business. If any of our IT systems were to be disrupted or fail, our business could suffer irreparable harm, financial loss, and our operations would be adversely impacted.

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The burn industry is subject to seasonal sales patterns and other variations which impact our revenue and operating cash flows.

In the past, the burn industry has been characterized by a high degree of seasonality. Typically, relatively high levels of burn incidences have been realized in the summer months and low levels of burn incidences have been realized in the early winter months. As a result, a significantly higher percentage of our annual revenues have historically been recognized in the third quarter and the lowest percentage of annual revenues in the first quarter of a given calendar year. The seasonality of burn related cases, which can be exacerbated by COVID-19 influences, impact our revenues, thus making it difficult accurately predict future revenues and may prevent us from achieving our quarterly or annual forecasts or meeting or exceeding the expectations of research analysts or investors, which in turn may cause our stock price to decline.

The markets in which we operate are highly competitive and innovative. Our competitors may develop products that render our products less attractive or obsolete and our business may deteriorate.

The markets for our products are highly competitive and our competitors may develop products that may more effectively compete with our products, thus negatively impacting our sales, financial conditions and business prospects. Our competitors may have significantly more financial and other resources to invest in product development. We must continue to develop and market new products, or we risk our products becoming obsolete, in which case, our revenues may decline, and our business prospects may suffer.

Product development is an expensive, uncertain and lengthy process.

We have significant product development projects ongoing that, if successful, are intended to improve the ease and use of our device in our current burn indication as well as in soft tissue reconstruction, vitiligo and future indications. The costs, timeline and ultimate success of these product development programs are subject to risk and uncertainty. If the Company is not able to develop and obtain regulatory approval for these products in development in a timely fashion and within budget, our business prospects and financial condition may suffer.

Compliance with environmental, health and safety requirements is costly and, if not achieved, could result in material financial fines and penalties, expensive lawsuits, cessation of business operations, and a material adverse impact on the business.

Our manufacturing and other processes may involve the use of hazardous materials subject to federal, state, and local and foreign environmental requirements. Under some environmental laws and regulations, we could be held responsible for costs at third-party sites that we have used for waste disposal, or for contamination at our past or present facilities. Failure to comply with current environment laws, or future laws, could result in significant fines, penalties and expenses which could have an adverse impact on our financial condition.

Our future targeted indications would require us to obtain a Biologics License Application (“BLA”) for cell and gene therapy approval by the FDA (as opposed to PMA approval for a device). BLAs are subject to greater FDA scrutiny, as well as significantly more time and expense than a PMA. If we are unable to obtain FDA approval for future BLAs, our future financial condition, prospects and results would be adversely impacted.

The FDA requires a BLA for future cell and other biologic therapy candidates. The BLA is a request for permission to deliver or introduce a biologic product into interstate commerce in the U.S. The FDA undertakes a detailed and rigorous review of BLA candidates including pre-approval inspections of manufacturing facilities as well as pre and post approval clinical trials. If these commitments are not met, the FDA can withdraw the product from the market.

We may be subject to civil and criminal penalties if the FDA determines that we have marketed or promoted our products for off-label usage.

We are prohibited from promoting our products for uses that are inconsistent with the uses that have been approved by the FDA - also known as “off-label” uses. More specifically, we may not make claims, in our promotion materials, website or otherwise, about the use of any RECELL products which are outside of their approved labeling and indications. If the FDA determines that our marketing activities constitute off-label promotion, the FDA could impose fines and penalties on the Company and our executives, withdraw or recall our approved product from the market, as well as limit our product from off-label usage.

Risks Relating to our Industry and Intellectual Property

We face competition from the existing standard of care and any future potential changes in medical practice and technology and the possibility that our competitors may develop products, treatments or procedures that are similar, more advanced, safer or more effective than ours.

The medical device, biotechnology and pharmaceutical industries, specifically relating to the areas where we currently or intend to market our RECELL System, are intensely competitive and subject to significant changes due to technology and medical practice standards. We may face competition from any number of different sources with respect to any products we develop and commercialize.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products, treatments or procedures that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than our RECELL System or any future products we develop. Many of our current or future competitors may have significantly greater financial resources and experience and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we may have. Mergers and acquisitions in the pharmaceutical, medical device, and biotechnology industries or wound care markets may result in increased concentration of resources among a smaller number of our competitors. Other early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These companies compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

We could be subject to product liability lawsuits, which could result in costly and time-consuming litigation and significant liabilities.

The development of medical device products, such as our RECELL System, involves an inherent risk of product liability claims and associated financial liability and adverse publicity. Any products we may develop could be found to be harmful or to contain harmful substances and expose us to substantial liability and risk of litigation or may force us to discontinue production. We may be unable to obtain or maintain insurance on reasonable terms or otherwise protect ourselves against potential product liability claims that could impede or prevent further business development of any products we may create and commercialize. Furthermore, a product liability claim could damage our reputation, whether or not such claims are covered by insurance or have merit. A product liability claim against us or the withdrawal of a product from the market could have a material adverse effect on our business or financial condition. Furthermore, product liability lawsuits, regardless of their success, would likely be time consuming and expensive to resolve and would divert management's time and attention, which could seriously harm our business.

If we are unable to effectively protect our intellectual property, we may not be able to operate our business and third parties may be able to use and profit from our technology, both of which would impair our ability to be competitive

Our success will be heavily dependent on our ability to obtain and maintain meaningful patent protection for our technologies and products throughout the world. Patent law relating to the scope of claims in the technology fields in which we will operate is still evolving. The amount of ongoing protection for our proprietary rights therefore is uncertain. We will rely on patents to protect a significant part of our intellectual property and to enhance our competitive position. However, our presently pending or future patent applications may be denied, and any patent previously issued to us or our subsidiaries may be challenged, invalidated, held unenforceable or circumvented. In particular, we filed a patent Term Extension application with the U.S. Patent and Trademark Office requesting an extension of our commercial patent that covers the RECELL System, U.S. Patent No. 9,029,140. If the term extension is approved, the patent term will be extended to April 9, 2024. Without such approval, our RECELL System patent will expire in February 2023 which could prevent us from defending our patent in the event a competitor infringes on our RECELL System by producing the same type of product. Furthermore, the patent protections we have been granted may not be broad enough to prevent competitors from producing products similar to ours.

On February 7, 2022, the term on 38 granted patents (other than our core patent referenced above (U.S. Patent 9,029,140)) and 2 pending patent applications that cover our commercial product expired. These patent assets expired in the following countries: Austria, Australia, Belgium, Brazil, France, Germany, Hong Kong, Italy, Japan, Netherlands, Portugal, Spain, Sweden, Turkey, United Kingdom, and USA.

In markets other than the USA, where we continue to have patent protection on the RECELL process, the expiration of these patents means the Company may not be able to deter a competitor from introducing a product similar to the RECELL System in those jurisdictions. If this were to occur, our ability to successfully market and sell our products in such markets could be materially impaired.

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In addition, the laws of various foreign countries in which we may compete, such as China, may not protect our intellectual property to the same extent as do the laws of the United States. If we fail to obtain adequate patent protection for our proprietary technology, our ability to be commercially competitive will be materially impaired.

In the ordinary course of business and as appropriate, we intend to apply for additional patents covering both our technologies and products, as we deem appropriate. Our existing patents and any future patents we obtain may not be sufficiently broad to prevent others from practicing our technologies or developing competing products and technologies. In addition, because patent law is evolving in the life science industry, the patent positions of companies like ours are uncertain. As a result, the validity and enforceability of our patents cannot be predicted with certainty.

We may find it difficult to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on all of our technologies and products in every jurisdiction is expensive. Competitors could reverse engineer our technologies in jurisdictions where we have not obtained patent protection to develop their own products. These products may compete with our products and may not be covered by any patent claims or other intellectual property rights.

The laws of some countries do not protect intellectual property rights to the same extent as the laws of the United States and many companies have encountered significant problems in protecting and defending such rights in foreign jurisdictions. This lack of protection, particularly in relation to biotechnology, could make it difficult for us to stop the infringement of our patents. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial cost and divert the efforts and attention of key personnel from other aspects of our business.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights and we may be unable to protect our rights to, or use of, our technology.

If we choose to go to court to stop someone else from using the inventions claimed in our patents or our licensed patents, that individual or company has the right to ask the court to rule that these patents are invalid and/or should not be enforced against that third party. These lawsuits are expensive and would distract our key personnel and consume time and other resources, even if we were successful in stopping the infringement of these patents. In addition, there is a risk that a court will decide that these patents are invalid or unenforceable and that we do not have the right to stop the other party from using the inventions or, even if the validity or enforceability of these patents is upheld, the court may refuse to stop the other party because the competitors' activities do not infringe our rights.

If third parties make claims of intellectual property infringement against us, or otherwise seek to establish their intellectual property rights equal or superior to ours, we may have to spend time and money in response and potentially discontinue certain of our operations.

While we currently do not believe it to be the case, third parties may claim that we are employing their proprietary technology without authorization or that we are infringing on their patents. If such claims were made, we could incur substantial costs coupled with diversion of our management and key technical personnel in defending against these claims. Furthermore, parties making claims against us may be able to obtain injunctive or other equitable relief which could effectively halt our ability to further develop, commercialize and sell products. In the event of a successful claim of infringement, courts may order us to pay damages and obtain one or more licenses from third parties. We may not be able to obtain these licenses at a reasonable cost, if at all. Defense of any lawsuit or failure to obtain any of these licenses could prevent us from commercializing available products and have a material negative effect on our business.

Any suits filed against us by third parties alleging we infringe their intellectual property rights could harm our business and operating results as well as our reputation.

There is considerable patent and other intellectual property activity in the industry in which we operate. We may be unaware of intellectual property rights of others that may cover some or all of our technology. Additionally, notwithstanding our receipt of a patent, a third-party may nevertheless challenge the validity of one or more claims included in the patent, which may require significant expenditure of funds, as well as time and effort by key personnel, to defend our claims.

Our current and future relationships with investigators, health care professionals, consultants, third-party payors, and customers will be subject to applicable healthcare regulatory laws, which could expose us to penalties.

Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations. These laws regulate the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute our products for which we obtain marketing approval. Such laws include:

- the federal Anti-Kickback Statute prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or service, for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it to have committed a violation; in addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act;
- the federal false claims laws including the civil False Claims Act, which can be enforced through civil whistleblower or qui tam actions, and civil monetary penalties laws, which impose criminal and civil penalties against individuals or entities for knowingly presenting, or causing to be presented to the federal government, claims for payment that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or knowingly making, or causing to be made, a false statement to avoid, decrease or conceal an obligation to pay money to the federal government; in addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act;
- HIPAA imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or making false or fraudulent statements relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations, also imposes obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information on health plans, health care clearing houses, and certain health care providers, known as covered entities, and their business associates, defined as independent contractors or agents of covered entities that create, receive or obtain protected health information in connection with providing a service for or on behalf of a covered entity as well as their covered subcontractors;
- a number of federal, state and foreign laws, regulations, guidance and standards that impose requirements regarding the protection of health data that are applicable to or affect our operations;
- the federal transparency requirements, sometimes referred to as the “Sunshine Act,” under the Patient Protection and Affordable Care Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children’s Health Insurance Program (with certain exceptions) to report annually to the government information related to payments or other “transfers of value” made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, and requires applicable manufacturers and group purchasing organizations to report annually to the government ownership and investment interests held by the physicians described above and their immediate family members. Beginning in 2022, applicable manufacturers also will be required to report such information regarding their relationships with physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists and certified nurse midwives during the previous year; and
- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, may apply to our business practices, including but not limited to, research, distribution, sales, and marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; and state laws that require medical device companies to comply with the industry’s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state laws that require medical device manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, marketing expenditures or drug pricing, as well as state and local laws that require the registration of sales representatives; and state and foreign laws governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

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Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

Healthcare legislative reform measures may have a material adverse effect on our business and results of operations.

In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs. For example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or the Health Care Reform Law, was passed, which substantially changed the way health care is financed by both governmental and private insurers, and significantly impacts the U.S. healthcare industry. The Health Care Reform Law, among other things, (i) subjects biologic products to potential competition by lower-cost biosimilars, (ii) addresses a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted, or injected, (iii) increases the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extends the rebate program to individuals enrolled in Medicaid managed care organizations, (iv) establishes annual fees and taxes on manufacturers of certain branded prescription drugs, and (v) promotes a new Medicare Part D coverage gap discount program.

In addition, other legislative changes have been proposed and adopted in the United States since the Health Care Reform Law was enacted. On August 2, 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least \$1.2 trillion for the years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers up to 2% per fiscal year. On January 2, 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, or the ATRA, which, among other things, delayed for another two months the budget cuts mandated by these sequestration provisions of the Budget Control Act of 2011. On March 1, 2013, the President signed an executive order implementing sequestration, and on April 1, 2013, the 2% Medicare payment reductions went into effect. Additional state and federal healthcare reform measures may be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

Macroeconomic and Social Risks

Our business, results of operations and financial condition may be adversely impacted by the COVID-19 pandemic.

The ongoing COVID-19 pandemic has negatively affected the U.S. and global economies, disrupted global supply chains, resulted in significant travel and transport restrictions, and created significant disruption of the financial markets. We continue to closely monitor the impact of the COVID-19 pandemic on all aspects of our business, including how it is impacting our employees, product development, customers and supply chain. We continue to be unable to predict the ultimate impact that the COVID-19 pandemic may have on our business, future results of operations, financial position or cash flows. The extent to which our operations may be impacted by the COVID-19 pandemic and recovery will depend largely on future developments, which are highly uncertain and cannot be accurately predicted, especially given the emergence of variants of the original COVID-19 strain, including the delta and omicron variants.

We may experience additional operating costs due to increased challenges with our workforce (including as a result of illness, absenteeism or government orders), access to supplies, capital, and fundamental support services (such as shipping and transportation). Even after the COVID-19 pandemic has subsided, we may experience materially adverse impacts to our business due to any resulting supply chain disruptions, economic recession or depression. Furthermore, the impacts of potential worsening of global economic conditions, inflation resulting from government interventions and stimulus, and continued disruptions to and volatility in the financial markets remain unknown.

The impact of the COVID-19 pandemic may also exacerbate other risks discussed in this section, any of which could have a material adverse effect on us. This situation continues to change rapidly, and additional impacts may arise that we are not aware of currently, including the emergence of additional variants which may or may not be resistant to currently available vaccines and therapeutic treatments.

Adverse changes in general economic conditions or uncertainty about future economic conditions, including economic uncertainty from the current pandemic as well as departures of critical personnel from the industry, could adversely affect us.

We are subject to the risks arising from adverse changes in general economic market conditions, including the negative impact to the U.S. and global economy from the COVID-19 pandemic. Uncertainty about future economic conditions could negatively

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affect our current and prospective customers causing them to delay the purchase of our products. Poor economic conditions could harm our business, financial condition, operating results and cash flows. In addition, a number of nurses and other critical personnel in burn centers who are trained and well versed in the use of the RECELL system have determined to change occupations, possibly as a result of the ongoing pandemic. Nationally, this has been termed the “great resignation”. The fact that many burn center employees have moved on to other positions or industries may limit our ability to increase adoption of our RECELL system as we will be required to train a new group of nurses and other personnel critical to the implementation of the RECELL system.

We continue to take precautions due to the COVID-19 pandemic that could negatively impact our business.

In response to the COVID-19 pandemic, we have taken measures intended to protect the health and well-being of our employees, customers, and communities, which could negatively impact our business. These measures include temporarily requiring all non-essential employees (personnel whose roles allow) to work remotely, restricting work-related travel except for direct onsite service to our customers, restricting non-essential visitors from entering our sites, increasing the frequency and extent of cleaning and disinfecting facilities, workstations, and equipment and developing social distancing plans. The health of our workforce, customers and communities is of primary concern and we may take further actions as may be required by government authorities or as we determine are in the best interests of our employees, customers and others. In addition, our management team has, and will likely continue to, spend significant time, attention and resources monitoring the COVID-19 pandemic and seeking to manage its effects on our business and workforce. The extent to which the pandemic and our precautionary measures may impact our business will depend on future developments, which are highly uncertain and cannot be predicted at this time, especially given the emergence of variants on the original COVID-19 virus.

Risks Relating to Our Common Stock and CDIs

We have never paid a dividend on our common stock and CDIs and do not intend to do so in the foreseeable future, and consequently, investors’ only opportunity to realize a return on their investment in the Company is through the appreciation in the price of our common stock and CDIs.

We do not anticipate paying cash dividends on our common stock and CDIs in the foreseeable future and intend to retain all earnings, if any, for our operations. If we decided to pay dividends at some future time, we may not have sufficient funds legally available to do so. Even if funds are legally available for distribution, we may be unable to pay any dividends to our stockholders because of limitations imposed by a lack of liquidity. Accordingly, our stockholders may have to sell some or all of their common stock or CDIs (as applicable) in order to generate cash flow from their investment. Our stockholders may not receive a gain on their investment when they sell their common stock or CDIs and may lose some or all of their investment. Any determination to pay dividends in the future on our common stock and CDIs will be made at the discretion of our board of directors and will depend on our results of operations, financial conditions, contractual restrictions, restrictions imposed by applicable law, capital requirements, and other factors that our board of directors deems relevant.

As long as we remain subject to the rules of the ASX and of NASDAQ, we will be unable to access equity capital without stockholder approval if such equity capital sales would result in an equity issuance above regulatory thresholds and consequently, we may be unable to obtain financing sufficient to sustain our business if we are unsuccessful in soliciting requisite stockholder approvals.

Our ability to access equity capital is currently limited by ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions, issue or agree to issue during any consecutive 12-month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities in aggregate would exceed 15% of the number of outstanding common shares at the commencement of that 12-month period unless stockholder approval is obtained. Our equity issuances will be limited by ASX Listing Rule 7.1 so long as we continue to be listed on the ASX and this constraint may prevent us from raising the full amount of equity capital needed for operations without prior stockholder approval.

In addition to ASX Listing Rule 7.1, we are also subject to NASDAQ Listing Rule 5635(d), commonly referred to as the NASDAQ 20% Rule, which requires stockholder approval of a transaction other than a public offering involving the sale, issuance, or potential issuance by a company of common stock (or securities convertible into or exercisable for common stock) equal to 20% or more of the common stock, or 20% or more of the voting power outstanding before the issuance for less than the greater of book or market value of the shares. While less restrictive than ASX Listing Rule 7.1, the operation of the NASDAQ 20% rule could limit our ability to raise capital through issuance of common stock or convertible securities without jeopardizing our listing status. If we were to violate the NASDAQ 20% rule, the Company would be subject to delisting from NASDAQ and share prices and trading volumes would likely suffer.

There has been relatively limited trading volume in the markets for our common stock and CDIs, and more active, liquid trading markets for such securities may never develop.

Trading in our common stock on NASDAQ and our CDIs on the ASX is often thin and susceptible to wide fluctuations in trading prices due to such limited trading volume and other factors, some of which may have little to do with our operations or business prospects. Limited liquidity in the trading markets for our common stock and CDIs may adversely affect a stockholder's ability to sell its shares of our common stock or our CDIs at the time it wishes to sell them or at a price that it considers acceptable. In addition, if a more active, liquid public trading market does not develop we may be limited in our ability to raise capital by selling shares of common stock or CDIs. We cannot assure you that more active, liquid public trading markets for our common stock and CDIs will develop or, if developed, will be sustained.

The market price and trading volume of our common stock and CDIs may be volatile and may be affected by variability in our performance from period to period and economic conditions beyond management's control.

The market price of our common stock (including common stock represented by CDIs) may be highly volatile and could be subject to wide fluctuations. This means that our stockholders could experience a decrease in the value of their common stock or CDIs regardless of our operating performance or prospects. The market prices of securities of companies operating in the medical device and biotech sectors have often experienced fluctuations that have been unrelated or disproportionate to the operating results of these companies. In addition, the trading volume of our common stock and CDIs may fluctuate and cause significant price variations to occur. If the market price of our common stock or CDIs declines significantly, our stockholders may be unable to resell our common stock or CDIs at or above their purchase price, if at all. There can be no assurance that the market price of our common stock and CDIs will not fluctuate or significantly decline in the future.

Some specific factors that could negatively affect the price of our common stock and CDIs or result in fluctuations in their price and trading volume include:

- actual or expected fluctuations in our operating results;
- actual or expected changes in our growth rates or our competitors' growth rates;
- results of clinical trials of our product candidates;
- results of clinical trials of our competitors' products;
- regulatory actions with respect to our products or our competitors' products;
- reports of one or more patient serious adverse events;
- publication of research reports by securities analysts about us or our competitors in the industry;
- our failure or the failure of our competitors to meet analysts' projections or guidance that we or our competitors may give to the market;
- fluctuations of exchange rates between the U.S. dollar and the Australian dollar;
- issuances by us of debt or equity securities;
- litigation involving our company, including stockholder litigation;
- investigations or audits by regulators into the operations of our company;
- proceedings initiated by our competitors or clients;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- sales or perceived potential sales of the common stock or CDIs by us, our directors, senior management or our stockholders in the future;
- short selling or other market manipulation activities;
- announcement or expectation of additional financing efforts;
- terrorist acts, acts of war or periods of widespread civil unrest;
- economic and social effects of the COVID-19 virus, including any emerging variants or other pandemics;
- natural disasters and other calamities;
- changes in market conditions for biopharmaceutical stocks;
- our inability to raise additional capital, limiting our ability to continue as a going concern;
- changes in market prices for our product or for our raw materials;
- changes in market valuations of similar companies;
- changes in key personnel for us or our competitors;
- speculation in the press or investment community;
- changes or proposed changes in laws and regulations affecting our industry; and
- conditions in the financial markets in general or changes in general economic conditions.

The requirements of being a public company in the United States may strain our resources and divert management’s attention.

As a public company, we are subject to the reporting requirements of the Exchange Act, the U.S. Sarbanes-Oxley Act of 2002 (the “**Sarbanes-Oxley Act**”), the Dodd-Frank Act and the listing standards and the rules and regulations of NASDAQ. We are also subject to the reporting requirements under the ASX Listing Rules due to the listing of our CDIs on ASX. We expect that the requirements of these rules and regulations will increase our legal, accounting and financial compliance costs, make some activities more difficult, time consuming and costly, and place significant strain on our personnel, systems and resources. As a result of our disclosure of information in filings required of a public company, our business and financial condition is more visible, which may result in threatened or actual litigation, including by competitors, stockholders or third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and harm our business and operating results.

We are an emerging growth company, and the reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act of 2012 (“**JOBS Act**”). For as long as we continue to be an emerging growth company, we may take advantage of certain exemptions and relief from various U.S. reporting requirements that are applicable to other public companies that are not emerging growth companies, including (i) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (ii) having the option of delaying the adoption of certain new or revised financial accounting standards, (iii) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and (iv) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We have taken, and in the future may take, advantage of these exemptions until such time that we are no longer an emerging growth company. Accordingly, the information contained herein and in other reports we file with the SEC may be different than the information our investors receive from other public companies in which they hold stock. Further, we have elected to take advantage of the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our operating results and financial statements may not be comparable to the operating results and financial statements of other companies who have adopted the new or revised accounting standards. It is possible that some investors will find our common stock and CDIs less attractive as a result, which may result in a less active trading market for our common stock and CDIs and higher volatility in our stock and CDI price.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the date of the first sale of our common stock pursuant to an effective registration statement under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) which, given our public offering of common stock on March 1, 2021, will be December 31, 2026, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least \$1.07 billion, (iii) the last day of the fiscal year in which we are deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, or (iv) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

If research analysts publish unfavorable commentary or downgrade our common stock or CDIs it could adversely affect our share price and trading volume.

The trading market for our common stock and CDIs depends, in part, on the research and reports that research analysts publish about us and our business and industry. If one or more research analysts downgrade our shares or CDIs, publish unfavorable commentary about the Company or cease publishing reports about us or our business, the price of our common stock and CDIs could decline. If one or more of the research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our common stock and CDIs could decrease, which could cause our share price or trading volume to decline.

General Risk Factors

If we fail to manage our growth effectively, our business could be disrupted.

Our future financial performance and ability to successfully commercialize our products, which is not guaranteed, and to compete in the market will depend, in part, on our ability to manage any future growth effectively. We expect to make significant investments to facilitate our future growth through, among other things:

- new product development;
- clinical development of our RECELL System to such areas trauma injuries and vitiligo;
- clinical trials for additional indications; and

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- funding of our marketing and sales infrastructure.

Any failure to manage future growth effectively could have a material adverse effect on our business and results of operations.

Our growth and success depend on our ability to attract and retain additional highly qualified and skilled sales and marketing, research and development, operational, managerial and finance personnel.

Competition for skilled personnel is intense and the unexpected loss of an employee with a particular skill could have a material adverse effect on our operations until a replacement can be found and trained. If we cannot attract and retain skilled scientific and operational personnel for our research and development and manufacturing operations on acceptable terms, we may not be able to develop and commercialize our products. Further, any failure to effectively integrate new personnel could prevent us from successfully growing our company.

Our operations are subject to anti-corruption laws, including Australian bribery laws, and the FCPA and other anti-corruption laws that apply in countries where we do business.

Anti-corruption laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these anti-corruption laws. In addition, we cannot predict the nature, scope, or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

There is no assurance that we will be completely effective in ensuring our compliance with all applicable anti-corruption laws or other laws including trade related laws. If we are not in compliance with these laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity.

Likewise, any investigation of any potential violations of these laws by respective government bodies could also have an adverse impact on our reputation, our business, results of operations and financial condition.

Item 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

Item 2. PROPERTIES

Our principal corporate office is located at 28159 Avenue Stanford, Suite 220, Valencia, California 91355. We lease the 17,500 square foot facility under on lease agreement that, as amended, expires on July 31, 2023. Our production plant in Ventura, California is a 27,480 square foot facility that we lease through September 30, 2024 with the right to extend the lease, at our sole option, as a result of two, three-year, options that allow us to extend the lease up to an additional six years in total. We do not own any real property. We believe that leased facilities are adequate to meet current needs and that additional facilities will, if required, be available for lease to meet future needs.

Item 3. LEGAL PROCEEDINGS

We are currently not aware of any material pending legal proceedings to which we are a party or of which any of our property is the subject, nor are we aware of any such proceedings that are contemplated by any governmental authority. From time to time, as an operating business, we are involved in routine disputes (both formal and informal) with customers, manufacturing partners and employees.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

AVITA Medical, the former parent company of the AVITA Group, began as a laboratory spin-off in the Australian State of Western Australia. AVITA Medical was formed under the laws of the Commonwealth of Australia in December 1992 and has operated as AVITA Medical since 2008. AVITA Medical's ordinary shares originally began trading in Australia on the ASX on August 9, 1993. AVITA Medical's ADSs traded over the counter on the OTCQX under the ticker symbol "AVMXY" from May 14, 2012 through December 31, 2019 and its ADSs began trading on the NASDAQ on October 1, 2019, under the ticker symbol "RCEL".

Since completion of the Redomiciliation on June 29, 2020, the Company's common stock has been quoted on NASDAQ under the ticker symbol "RCEL" and the Company's CDIs have been quoted on the ASX under the ticker code "AVH". One share of common stock on NASDAQ is equivalent to five CDIs on the ASX.

Holders

As of January 31, 2022, the Company had approximately 24,927 unique stockholders of record of our common stock (which includes 24,821 holders of the Company's CDIs, with each representing 1/5 of a share of common stock, and CHESSE Depository Nominees Pty Ltd, holds the legal title to all of the outstanding common stock underlying the CDIs of the Company).

Dividends

We have never paid cash dividends to our stockholders or, prior to the Redomiciliation, to the holders of ordinary shares in AVITA Medical. We intend to retain future earnings for use in our business and do not anticipate paying cash dividends on our common stock and CDIs in the foreseeable future. Any future dividend policy will be determined by our board of directors and will be based upon various factors, including our results of operations, financial condition, current and anticipated cash needs, future prospects, contractual restrictions and other factors as our board of directors may deem relevant.

Item 6. [Reserved]

Item 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the transition period ended December 31, 2021, and six months ended December 31, 2020, should be read in conjunction with our consolidated financial statements and related notes included in this Transition Report.

Results of Operations

Transition Period Ended December 31, 2021, compared to the Six Months Ended December 31, 2020

The table below summarizes the results of our continuing operations for each of the periods presented (in thousands).

| Statement of Operations Data: | Transition Period Ended | Six Months Ended | \$ | % |
|-------------------------------------|-------------------------|--------------------|----------|--------|
| | December 31, 2021 | December 31, 2020 | Change | Change |
| Revenues | \$ 13,956 | \$ 10,163 | \$ 3,793 | 37% |
| Cost of sales | (1,905) | (1,750) | (155) | 9% |
| Gross profit | 12,051 | 8,413 | 3,638 | 43% |
| BARDA income | 580 | 1,045 | (465) | (44)% |
| Operating Expenses: | | | | |
| Sales and marketing expenses | (8,472) | (6,865) | (1,607) | 23% |
| General and administrative expenses | (10,996) | (11,703) | 707 | (6)% |
| Research and development expenses | (7,586) | (6,735) | (851) | 13% |
| Total operating expenses | (27,054) | (25,303) | (1,751) | 7% |
| Operating loss | (14,423) | (15,845) | 1,422 | (9)% |
| Interest expense | (17) | (10) | (7) | 70% |
| Other income | 38 | 8 | 30 | 375% |
| Loss before income taxes | (14,402) | (15,847) | 1,445 | (9)% |
| Income tax benefit (expense) | (25) | (21) | (4) | 19% |
| Net loss | <u>\$ (14,427)</u> | <u>\$ (15,868)</u> | \$ 1,441 | (9)% |

Total net revenue increased 37% to \$14.0 million, compared to \$10.2 million in the corresponding period in the prior year. RECELL® commercial revenues were \$13.8 million, while RECELL revenues associated with the U.S. Department of Health and Human Services’ Biomedical Advanced Research and Development Authority within the Office of the Assistant Secretary for Preparedness and Response (“BARDA”) were \$0.2 million. Revenues associated with BARDA were attributable to the vendor managed inventory associated with the purchase of RECELL units for emergency preparedness by BARDA.

Gross profit margin was 86% compared with 83% in the corresponding period in the prior year, driven largely by the extension of our shelf-life and lower shipping costs.

BARDA income consisted of funding from BARDA, under the Assistant Secretary for Preparedness and Response, within the U.S. Department of Health and Human Services, under ongoing USG Contract No. HHSO100201500028C. Under the BARDA contract, income of \$0.6 million was recognized during the transition period ended December 31, 2021, compared to income of \$1.0 million for the same period in the prior year. BARDA income declined as a result of wind-down of certain activities associated with continued pivotal trials for the treatment of pediatric scald injuries.

Total operating expenses increased 7% to \$27.1 million, compared to \$25.3 million in the corresponding period in the prior year.

Sales and marketing expenses increased 23%, or \$1.6 million, to \$8.4 million, compared to \$6.9 million recognized in the corresponding period in the prior year. Increased costs in the current year are driven primarily by pre-commercialization planning for RECELL launches in soft tissue reconstruction and vitiligo as well higher travel costs and increased hands-on professional education and training events. Higher travel costs along with professional and training events in the current period are driven by fewer COVID-19 related travel restrictions.

General and administrative expenses decreased 6%, or \$0.7 million, to \$11.0 million, compared to \$11.7 million recognized in the corresponding period in the prior year. The decrease was driven by certain one-time professional services costs incurred in the

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prior period with establishing the Company as a domestic filer with the SEC following completion of the Redomiciliation, and severance costs associated with a former executive employee in the prior year.

Research and development expenses increased 13%, or \$0.8 million, to \$7.6 million, compared to \$6.7 million recognized in the corresponding period in the prior year. The increase was primarily attributed to ongoing development of a next generation device for more automated preparation of Spray-On Skin™ Cells for vitiligo. In addition, we had higher costs associated with an increased rate of enrollment into our soft tissue reconstruction clinical trial, as well as other research and development costs associated with furthering the Company’s pipeline.

Net loss decreased 9%, or \$1.4 million, to \$14.4 million, over the \$15.9 million recognized in the corresponding period in the prior year. The decrease in net loss was driven by higher revenue during the year, partially offset by higher operating expenses as described above.

Year Ended June 30, 2021, compared to Year Ended June 30, 2020

The table below summarizes the results of our continuing operations for each of the periods presented (in thousands).

| Statement of Operations Data: | Year-Ended | | \$ Change | % Change |
|-------------------------------------|---------------|---------------|--------------|-------------|
| | June 30, 2021 | June 30, 2020 | | |
| Revenues | \$ 29,232 | \$ 14,263 | 14,969 | 105% |
| Cost of sales | (5,949) | (2,973) | (2,976) | 100% |
| Gross profit | 23,283 | 11,290 | 11,993 | 106% |
| BARDA income | 2,055 | 3,926 | (1,871) | (48)% |
| Operating Expenses: | | | | |
| Sales and marketing expenses | (14,660) | (15,706) | 1,046 | (7)% |
| General and administrative expenses | (22,400) | (33,025) | 10,625 | (32)% |
| Research and development expenses | (14,818) | (9,164) | (5,654) | 62% |
| Total operating expenses | (51,878) | (57,895) | 6,017 | (10)% |
| Operating loss | (26,540) | (42,679) | 16,139 | (38)% |
| Interest expense | (22) | (33) | 11 | (33)% |
| Other income | 17 | 686 | (669) | (98)% |
| Loss before income taxes | (26,545) | (42,026) | 15,481 | (37)% |
| Income tax benefit (expense) | (38) | (4) | (34) | 850% |
| Net loss | \$ (26,583) | \$ (42,030) | 15,447 | (37)% |

Total net revenue increased 105% to \$29.2 million, compared to \$14.3 million in the corresponding period in the prior year. RECELL® commercial revenues were \$21.5 million, while RECELL revenues associated with the U.S. Department of Health and Human Services’ Biomedical Advanced Research and Development Authority within the Office of the Assistant Secretary for Preparedness and Response (“BARDA”) were \$7.7 million. Revenues associated with BARDA were attributable to the purchase of RECELL units for emergency preparedness by BARDA. RECELL commercial revenues, increased 50% or \$7.2 million.

Gross profit margin was 80% compared with 79% in the same period in the prior year, driven largely by lower shipping costs and increased production along with the extension of our shelf-life.

BARDA income consisted of funding from BARDA, under the Assistant Secretary for Preparedness and Response, within the U.S. Department of Health and Human Services, under ongoing USG Contract No. HHSO100201500028C. Under the BARDA contract, income of \$2.1 million was recognized during the year ended June 30, 2021, compared to income of \$3.9 million for the year ended June 30, 2020. BARDA income declined as a result of wind-down of certain activities associated with supporting the U.S. FDA approval of the RECEL System as well as the compassionate use, continued access programs and pivotal trials for the treatment of pediatric scald injuries.

Total operating expenses decreased 10% or \$6.0 million to \$51.9 million, compared with \$57.9 million incurred in the same period in the prior year. Sales and marketing expenses decreased \$1.0 million or 7% to \$14.7 million, compared to \$15.7 million recognized in the same period in the prior year. The decrease in sales and marketing expenses is primarily due to fewer conferences, lower travel expenses due to COVID-19 related travel restrictions and higher costs incurred in the prior year associated with the product launch. General and administrative expenses decreased 32% or \$10.6 million to \$22.4 million compared with \$33.0 million recognized in the same period in the prior year. The decrease was driven by higher share-based compensation expenses in the prior

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year associated with certain performance milestones being met along with higher costs related to the Redomiciliation. Research and development expenses increased 62% or \$5.7 million to \$14.8 million, compared to \$9.2 million recognized in the same period in the prior year. The increase was primarily attributed to ramping up of clinical trials related activities for treatment of vitiligo as well as other research and development costs associated with furthering the Company's pipeline.

Net loss decreased 37% or \$15.4 million to \$26.6 million, over the \$42.0 million recognized in the same period in the prior year. The decrease in net loss was driven by higher revenue during the year, and lower operating expenses described above.

B. Liquidity and Capital Resources

We expect to utilize cash reserves until U.S. sales of our products reach a level sufficient to fund ongoing operations. The AVITA Group has historically funded its research and development activities, and more recently its substantial investment in sales and marketing activities, through raising capital by issuing securities, and it is expected that similar funding will be obtained to provide working capital if and when required. As of December 31, 2021, the Company has sufficient cash reserves to fund operations for the next 12-months. If the Company is unable to raise capital in the future, the Company may need to curtail expenditures by scaling back certain research and development or other programs.

On March 1, 2021, the Company issued 3,214,250 shares of common stock at an offering price of \$21.50 per share in a registered underwritten offering. The gross proceeds from the offering were approximately \$69.1 million.

During the year ended June 30, 2020, we raised additional capital via a private placement in the amount of \$81.7 million (through our former parent company, AVITA Medical). We sold the equivalent of 2,033,898 shares at an issue price of \$40.17 per share for total net proceeds of \$76.6 million, after deducting commission and offering expenses.

The AVITA Group also benefits from cash inflows from the BARDA contract, awarded to the AVITA Group in September 2015 and subsequently expanded through a series of modifications. These payments from BARDA offset operating costs from various activities undertaken to support the FDA regulatory approval process for RECELL in the United States, preparation for the planned commercial launch of RECELL in the United States, and RECELL clinical programs in the United States. Further, there were no material expenditure commitments from the BARDA contract. With the U.S. FDA approval of RECELL for the treatment of burns in September 2018, and the U.S. market launch of the product in January 2019, sales of goods are expected to be an increasing source of revenue in the future. On July 13, 2020, the Company announced that BARDA will procure the RECELL System and agreed to the purchase, storage and delivery of RECELL Systems utilizing a vendor-managed inventory ("VMI") plan valued at \$7.6 million. Further, BARDA has expanded the awarded contract to provide supplemental funding of \$1.6 million to support emergency deployment of RECELL Systems for use in mass casualty or other emergency situations. Delivery of RECELL system under the VMI plan commenced in the third quarter of fiscal year 2021 and as of fiscal year-end June 30, 2021, a total of 5,614 RECELL system units have been delivered into the VMI and accepted by BARDA. As of December 31, 2021, we had received cumulative payments of \$35.5 million under the BARDA contract. For the transition period ended December 31, 2021, we have recognized \$185,000 of revenue related to BARDA services provided to BARDA for emergency preparedness.

Given the above, we believe there is presently sufficient working capital to support our committed research and development programs and other activities over the next twelve months and the Company believes it has the ability to realize its assets and pay its liabilities and commitments in the normal course of business.

The following table summarizes our cash flows for the periods presented:

| | Transition | Six-Months | Year-Ended | |
|---|---------------------|---------------------|-------------------|-----------------|
| | Period Ended | Ended | June 30, | June 30, |
| | December 31, | December 31, | 2021 | 2020 |
| (In Thousands) | 2021 | 2020 | | |
| Net cash used in operations | \$ (5,501) | \$ (13,388) | \$ (25,901) | \$ (22,747) |
| Net cash used in investing activities | (49,682) | (635) | (1,174) | (847) |
| Net cash provided by financing activities | 7 | (9) | 64,049 | 77,057 |
| Effect of foreign exchange rate on cash and restricted cash | (59) | 158 | 133 | 3 |
| Net increase in cash and restricted cash | (55,235) | (13,874) | 37,107 | 53,466 |
| Cash and restricted cash at beginning of year | 110,947 | 73,840 | 73,840 | 20,374 |
| Cash and restricted cash at end of year | 55,712 | 59,966 | 110,947 | 73,840 |

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Net cash used in operating activities was \$5.5 million during the transition period ended December 31, 2021, and \$13.4 million during the six-month period ended December 31, 2020. The decrease in the transition period was primarily due to collections of the BARDA receivables attributable from the purchase of RECELL units by BARDA, timing of payments of wages and fringe benefits and lower operating losses.

Net cash used in investing activities was \$49.7 million during the transition period and \$0.6 million during the six-month period ended December 31, 2020. Cash flows used for investing activities was primarily attributable to investing excess cash in marketable securities.

Net cash provided by financing activities was \$7,000 during the transition period and the net cash used in for the six-month period ended December 31, 2020 was \$9,000. During the transition period the company received cash related to the issuance of shares and exercise of options.

Capital management

We aim to manage capital so that the Company continues as a going concern while also maintaining optimal returns to stockholders and benefits for other stakeholders. We also aim to maintain a capital structure that ensures the lowest cost of capital available to the Company. We regularly review the Company's capital structure and seek to take advantage of available opportunities to improve outcomes for the Company and its stockholders.

For the transition period ended December 31, 2021, there were no dividends paid and we have no plans to commence the payment of dividends. We have no purchase commitments or long-term contractual obligations as of December 31, 2021. We have no committed plans to issue further shares on the market but will continue to assess market conditions and the Company's cash flow requirements to ensure the Company is appropriately funded in order to pursue its various opportunities.

There is no significant external borrowing at the reporting date. Neither the Company nor any of the subsidiaries are subject to externally imposed capital requirement.

C. Research and Development, Patents and Licenses

In recent years, we have continued our practice of building valuable research collaborations with institutions based primarily in the United States and other regions to enable us to develop a point-of-care solution for the potential treatment of a wide range of skin injuries or defects which may be suitable for use with the RECELL System. These collaborative arrangements ensure that we work with well-respected key opinion leaders and laboratories without incurring significant ongoing administrative and personnel costs. All clinical, research and development of RECELL System, including clinical studies, is performed in compliance with the appropriate governing authorities, regulators, and standards. We maintain in-house general counsel and research and development project expertise to coordinate these research collaborations.

Our research and development expenses consist primarily of expenses for contracted research and development activities conducted by major contract research organizations on our behalf, including personnel, testing facilities and other payments in accordance with our research and clinical agreements. Research and development expenses were \$7.6 million and \$6.7 million during the transition period December 31, 2021 and the six-month period ended December 31, 2020, respectively. Research and development expenses were \$14.8 million and \$9.2 million, during the years ended June 30, 2021, and 2020, respectively.

D. Trend Information

While our RECELL System has reached commercialization for specific applications in certain jurisdictions, the United States remains our primary point of commercial and clinical focus. In addition, we are currently seeking to expand the breadth of clinical indications for which the RECELL System is approved for use in the United States we have no plans to conduct clinical studies outside of the United States at this time. While we seek to advance the commercial opportunities for the RECELL System, it is not possible for us to predict with any degree of accuracy the outcome of our business in the future.

E. Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements (as defined in the rules and regulations of the SEC) that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material investors.

F. Contractual Obligations and Commitments

The Company does not have any contractual obligations or purchase commitments, except for lease obligations for the transition period ended December 31, 2021. For details of lease obligations refer to Note 6 in the consolidated financial statements.

G. Critical Accounting Policies and Estimates

The SEC defines “critical accounting policies” as those that require the application of management’s most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods.

The preparation of consolidated financial statements in conformity with U.S. Generally Accepted Accounting Practices, or U.S. GAAP, requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. We base those estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

The following listing is not intended to be a comprehensive list of all of our accounting policies. Our significant accounting policies are described in Note 2 to our consolidated financial statements contained elsewhere in this Transition Report. In many cases, the accounting treatment of a particular transaction is dictated by U.S. GAAP, with no need for our judgment in its application. There are also areas in which our judgment in selecting an available alternative would not produce a materially different result. We have identified the following as our critical accounting policies.

Revenue Recognition

The Company adopted ASC Topic 606 – Revenue from Contracts with Customers, on July 1, 2018. Under Topic 606, the Company recognizes revenue when its customers obtain control of promised goods or services, in an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services.

To determine revenue recognition for arrangements that are within the scope of Topic 606, the Company performs the following five steps:

1. Identify the contract with a customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognize revenue when/as performance obligation(s) are satisfied

In order for an arrangement to be considered a contract, it must be probable that the Company will collect the consideration to which it is entitled for goods or services to be transferred. Once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised with each contract, determines whether those are performance obligations and the related transaction price. The Company then recognizes the sale of goods based on the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied.

The Company’s revenue consists primarily of the sale of the RECELL System to hospitals or other treatment centers and to BARDA (collectively, “customers”), predominately in the United States. The Company evaluated the BARDA contract and concluded that a portion of the arrangement, such as the procurement of the RECELL system and the emergency preparedness, represents a transaction with a customer and as such are in the scope of ASC 606. Amounts received from BARDA for the research and development of the Company’s product are classified as BARDA income in the consolidated statement of operations and are accounted for under IAS 20. For further details refer to BARDA Income and Receivables below.

Revenues for commercial customers (hospitals and treatment centers) are recognized as control of the product is transferred to customers, at an amount that reflects the consideration expected to be received in exchange for the product. Revenues are recognized net of volume discounts. As such, revenue is recognized only to the extent a significant reversal of revenues is not expected to occur in subsequent periods. For the Company’s contracts that have an original duration of one year or less, the Company used the practical expedient applicable to such contracts and does not consider the time value of money. Further, because of the short duration of these contracts, the Company has not disclosed the transaction price for the remaining performance obligations as of each reporting period or when the Company expects to recognize this revenue. The Company has further applied the practical expedient to exclude sales tax in the transaction price and expense contract fulfilment costs such as commissions and shipping and handling expenses as incurred.

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For revenues related to the BARDA contract with-in the scope of ASC 606, the Company identified two performance obligations (i) the procurement of 5,614 RECELL units, (ii) emergency preparedness services. Through this contract the Company promises to procure the product through a vendor management inventory arrangement and to stand ready to provide emergency deployment services related to the product. Emergency preparedness services include procuring necessary storage containers, housing, and maintaining the containers (and product), and providing shipping and handling services in the event of an emergency situation. This stand ready obligation is a series of distinct services that are substantially the same and have the same pattern of transfer to the customer, overtime as services are consumed.

The total transaction price for the portion of the BARDA contract that is with-in the scope of ASC 606, was determined to be \$9.2 million. The transaction price was allocated on a stand-alone selling price basis as follows: \$7.6 million to the procurement of the RECELL product, which is classified as revenues when recognized in the consolidated statement of operations and \$1.6 million to the emergency deployment services is be classified as revenues when recognized in the consolidated statement of operations. The \$1.6 million for emergency deployment includes variable consideration which is deemed immaterial to the contract as a whole. The Company estimated the stand-alone selling price of the procurement of the RECELL product based on historical pricing of the Company's product at the initial execution of the contract. The Company estimated the stand-alone selling price of the emergency deployment services performed based on the Company's projected cost of providing the services plus an applicable profit margin as denoted in the contract.

The Company's performance obligations are either satisfied at a point in time or over time as services are provided. The product procurement performance obligation is satisfied at a point in time, upon transfer of control of the product. As such, the related revenue for these performance obligations is recognized at a point in time as revenue within the Company's consolidated statement of operations. In addition to guidance under ASC 606, the Company recognizes revenue from the sales of RECELL product to BARDA for placement into vaccine stockpiles in accordance with Securities and Exchange Commission (SEC) Interpretation, Commission Guidance regarding Accounting for Sale of Vaccines and BioTerror Countermeasures to the Federal Government for Placement into the Pediatric Vaccine Stockpile or the Strategic National Stockpile (SNS). Under this guidance, revenue is recognized when product is placed in the BARDA vendor-managed inventory as control of the product has been transferred to the customer at the time of delivery to the VMI. RECELL units that have been delivered to BARDA have a product replacement obligation at no cost to BARDA due to product's limited shelf-life. The estimated cost of the expired inventory over the term of the contract is accrued on a per unit basis at the time of delivery. The liability is released upon replacement of the product along with a corresponding reduction to inventory. The emergency preparedness services performance obligation is satisfied over time. Revenue for the emergency deployment will be recognized on a straight-line basis during the term of the contract as services are consumed over time. Services recognized are included in sales within the consolidated statement of operations. Contract costs to fulfil the performance obligation are incremental and expected to be recovered are capitalized and amortized on a straight-line basis over the term of the contract. Contract costs are included in other long-term assets, respectively.

Contract Liabilities

The Company receives payments from customers based on contractual terms. Trade receivables are recorded when the right to consideration becomes unconditional. The Company satisfies its performance obligation on product sales when the products are shipped or delivered, depending on the terms of the sale. Payment terms on invoiced amounts are typically 30-90 days, and do not include a financing component. Contract liabilities are recorded when the Company receives payment prior to satisfying its obligation to transfer goods to a customer.

See Note 14 to our Consolidated Financial Statements included in this Transition Report for additional detail on revenue recognition.

Government Grants / BARDA Income and Receivables

The AVITA Group was granted a BARDA contract in September 2015, wherein BARDA provided funding to the AVITA Group to support the ongoing U.S. clinical regulatory program towards FDA premarket approval, Compassionate Use program, clinical and health economics research, and U.S. pediatric burn programs.

Income under the BARDA contract is earned under a cost-plus-fixed-fee arrangement in which the Company is reimbursed for direct costs incurred plus allowable indirect costs and a fixed-fee earned. Billings under the contracts are based on approved provisional indirect billing rates, which permit recovery of fringe benefits, general and administrative expenses and a fixed fee.

The Company has concluded that grants are not within the scope of ASC 606, as they do not meet the definition of a contract with a "customer". The Company has further concluded that Subtopic 958-605, Not-for-Profit-Entities-Revenue Recognition also does not apply, as the Company is a business entity, and the grants are with governmental agencies. Government grants and related

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receivables are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, the fair value is credited to deferred income and is released to the profit or loss over the expected useful life of the relevant asset by equal annual installments.

Share-Based Compensation

The Company records compensation expense for share-based payments to employees, including grants of stock options, restricted stock units and performance-based awards based on the fair market value of the awards on the date of grant. The fair value of share-based compensation awards is amortized over the vesting period of the award. Compensation expense for performance-based awards is measured based on the number of shares ultimately expected to vest, estimated at each reporting date based on management's expectations regarding the relevant performance criteria.

The Company estimates the fair value of tenure-based share options using the Black-Scholes option pricing model on the date of grant. The Company estimates the fair value of options with a performance condition and market condition using the Monte-Carlo simulation model. Restricted stock units are valued based on the market price on the grant date.

The following assumptions were used in the valuation of stock options.

- Expected volatility – determined using the average of the historical volatility using daily intervals over the expected term and the derived volatility using the longest term available of 12 months.
- Expected dividends - based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.
- Expected term – the expected term of the Company's stock options for tenure only vesting has been determined utilizing the "simplified" method as described in the SEC's Staff Accounting Bulletin No. 107 relating to stock-based compensation. The simplified method was chosen because the Company has limited historical option exercise experience due to its short operating history of awards granted, the first plan was established in 2016 and was primarily used for Executives awards. Further, the Company does not have sufficient history of exercises in the U.S. market given the recent redomiciliation to the United States in the prior fiscal year. The expected term of options with a performance condition or market condition was set to the contractual term of 10 years.
- Risk-free interest rate – the risk-free interest rate is based on the U.S. Treasury yield in effect at the time of grant for a period approximately equal to the expected term of the award.

See Note 15 to our Consolidated Financial Statements included in this Transition Report for additional detail on share-based compensation.

Income Taxes

Income taxes are accounted for using the liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that a portion of the deferred tax asset will not be realized.

The Company reviews its uncertain tax positions regularly. An uncertain tax position represents the Company's expected treatment of a tax position taken in a filed return or planned to be taken in a future tax return or claim that has not been reflected in measuring income tax expense for financial reporting purposes. The Company recognizes the tax benefit from an uncertain tax position when it is more-likely-than-not that the position will be sustained upon examination on the basis of the technical merits or the statute of limitations for the relevant taxing authority to examine and challenge the tax position has expired.

See Note 16 to our Consolidated Financial Statements included in this Transition Report for additional detail on income taxes.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, we are not required to provide the information required by this item.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our financial statements and supplementary data are attached hereto beginning on Page F-1 and are incorporated by reference herein.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its chief executive officer and chief financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. As required by Rules 13a-15(b) and 15d-15(b) under the Exchange Act, our management, with the participation of our chief executive officer and chief financial officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures as of December 31, 2021. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2021.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for our company, as this term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. As required by Rules 13a-15(e) and 15d-15(e) under the Exchange Act, our management, with the participation of our chief executive officer and chief financial officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2021, based on the criteria set forth in the Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2021.

This report does not include an attestation report of our independent registered public accounting firm regarding our internal control over financial reporting, in accordance with applicable SEC rules that permit us to provide only management's report in this report.

Changes in Internal Control over Financial Reporting

During the three-months ended December 31, 2021, there were no material changes made in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act).

Inherent Limitations on Disclosure Controls and Procedures

Management recognizes that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the benefits of possible controls and procedures relative to their costs. Because of these inherent limitations, our disclosure controls and procedures may not prevent or detect all instances of fraud, misstatements, or other control issues. In addition, projections of any evaluation of the effectiveness of disclosure or internal controls to future periods are subject to risks, including, among others, that controls may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate.

Item 9B. OTHER INFORMATION

None

PART III**Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE****Directors and Executive Officers**

The following table sets forth our directors and executive officers, their ages and the positions they held as of the date of this Transition Report. All of our directors and executive officers may be contacted at our registered office located at 28159 Avenue Stanford, Suite 220, Valencia, CA 91355.

| Name | Position | Age | Date First Elected or Appointed |
|-------------------------|--|------------|--|
| Lou Panaccio | Non-Executive Chairman | 64 | July 2014 |
| Jeremy Curnock Cook | Non-Executive Director | 72 | October 2012 |
| Louis Drapeau | Non-Executive Director | 77 | January 2016 |
| Professor Suzanne Crowe | Non-Executive Director | 71 | January 2016 |
| James Corbett | Non-Executive Director | 63 | July 2021 |
| Jan Stern Reed | Non-Executive Director | 62 | July 2021 |
| Dr. Michael Perry | Executive Director and Chief Executive Officer | 62 | June 2017 |
| Michael Holder | Chief Financial Officer | 59 | March 2021 |
| Kathy McGee | Chief Operating Officer | 56 | December 2020 |
| Erin Liberto | Chief Commercial Officer | 47 | August 2017 |
| Andrew Quick | Chief Technology Officer | 51 | April 2019 |
| Donna Shiroma | General Counsel | 59 | June 2018 |

Lou Panaccio has served as Non-Executive Chairman of our Board of Directors since July 2014. Mr. Panaccio is a successful healthcare businessman with extensive experience leading companies from concept to commercialization. Mr. Panaccio possesses more than 30 years of executive leadership experience in healthcare services and life sciences, including more than 20 years of board-level experience. Mr. Panaccio is currently a Non-Executive Director of ASX50 company and one of the world's largest medical diagnostics companies, Sonic Healthcare Limited, where he has served since 2005. In addition, Mr. Panaccio is Non-Executive Director of Unison Housing Limited, was Non-Executive Chairman of Genera Biosystems Limited until June 2019, and a Non-Executive Director of Rhythm Biosciences Limited, a publicly listed (ASX) development-stage medical diagnostics company.

We believe Mr. Panaccio is qualified to serve on our board of directors based on his extensive experience in the healthcare services and life sciences and his experience serving on boards.

Jeremy Curnock Cook has served as a Non-Executive Director of our Board of Directors since October 2012. He is a veteran in the life sciences/healthcare industry and has been actively supporting the commercialization of healthcare innovations and helping entrepreneurs build their international businesses over the past 45 years. As Founder and Managing Director of BioScience Managers, Mr. Curnock Cook brings his decades of international experience to our Board of Directors, to support the identification of investment opportunities and in the strategic assessment of value creation options, in particular through M&A and expansion into new geographies. He actively supports portfolio companies through his executive and non-executive roles. Over his career, Mr. Curnock Cook has successfully managed in excess of \$1 billion in equity investments. He launched the first dedicated biotechnology fund for the Australian market and is a former head of the life science private equity team at Rothschild Asset Management, an early pioneer and significant investor in the sector. In his early career he founded the International Biochemicals Group which he successfully sold to Royal Dutch Shell. Mr. Curnock Cook co-created a European-focused seed fund with Johnson & Johnson and built the International Biotechnology Trust. Mr. Curnock Cook has served on more than 40 boards of directors in the life science sector, in the UK, Europe, USA, Canada, Japan, and Australia. In addition to serving on our Board of Directors, Mr. Curnock Cook serves on the following boards: REX Bionics appointed February 2012, Sea Dragon appointed October 2012, Adherium Ltd appointed April 2015, Bioscience Managers UK Ltd appointed August 2017, JLCC Ltd appointed December 2019, International BioScience Managers Ltd appointed March 2000, Bioscience Managers Pty Ltd appointed January 2003, Smart Matrix Ltd appointed February 2013, CRiL appointed November 2020, and Humanetix appointed September 2021.

We believe Mr. Curnock Cook is qualified to serve on our board of directors based on his extensive experience in the life sciences.

Louis Drapeau has served as a Non-Executive Director of our Board of Directors since January 2016. Mr. Drapeau has considerable expertise in both the biotech sector and with the financial reporting and other requirements of U.S. public companies. From March 2011 until May 2019, Mr. Drapeau served as an Independent Director at AmpliPhi Biosciences Corporation, Inc., a public (NYSE) clinical-stage biotechnology company focused on the development of bacteriophage-based therapies for the treatment

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of antibiotic-resistant bacterial infections. Mr. Drapeau has held senior positions with Insite Vision Inc., Nektar Therapeutics, and BioMarin Pharmaceutical, Inc., and served as an Audit Partner at Arthur Andersen LLP. Mr. Drapeau was previously an Independent Director at Bio-Rad Laboratories, a public (NYSE) company manufacturing products for the life science research and clinical diagnostics markets, and InterMune, Inc., a public (NASDAQ) commercial-stage biotech company. He has an MBA from Stanford University.

We believe Mr. Drapeau is qualified to serve on our board of directors based on his experience with financial reporting and other requirements of U.S. public companies, and considerable expertise in the biotech sector.

Professor Suzanne Crowe AO has served as a Non-Executive Director of our Board of Directors since January 2016. Australian-based, she is a physician-scientist and ASX/NASDAQ-listed company director with expertise in supporting companies with their medical and scientific strategies. A Fellow of the Australian Institute of Company Directors, and Emeritus Professor, Monash University Melbourne, she is currently a Non-Executive Director of Sonic Healthcare Ltd, a large global medical diagnostic company. Past board positions include St. Vincent's Health Australia Ltd (2012-2021), the country's largest not-for-profit health and aged care provider. After 35 years at both, she has recently retired from the Burnet Institute, having served as Associate Director Clinical Research, and The Alfred Hospital Melbourne, where she held the appointment of Senior Specialist Physician in Infectious Diseases. She was appointed as Officer of the Order of Australia (AO) in 2020 in recognition of her services to health, clinical governance, biomedical research, and education.

We believe Professor Crowe is qualified to serve on our board of directors based on her technical experience and extensive expertise in supporting companies with their medical and scientific strategies.

James Corbett has served as a Non-Executive Director of our Board of Directors since July 2021. He has approximately 40 years of leadership experience in the medical device field, most recently, as CEO of CathWorks Ltd., a software-based medical technology company. Mr. Corbett has extensive global commercial and operating experience, serving as an expatriate General Manager of Baxter Japan and later as General Manager and President of Scimed Life Systems Inc. and Boston Scientific International respectively. During his career he has served as CEO of three publicly listed companies; Microtherapeutics Inc (MTIX), ev3 Inc (evvv), Alphatec Spine (ATEC). Mr. Corbett has also led two privately funded companies as CEO: Home Diagnostics Inc. and Vertos Medical. Mr. Corbett has extensive capital market and governance experience from both public and private environments. Mr. Corbett holds a Bachelor of Science in Business Administration from the University of Kansas.

We believe Mr. Corbett is qualified to serve on our board of directors based on his global commercial and operating expertise in supporting companies with their medical and scientific strategies.

Jan Stern Reed has served as a Non-Executive Director of our Board of Directors since July 2021. She has more than 35 years of legal, management and business leadership experience primarily within the healthcare industry, and brings significant expertise in corporate governance, compliance and risk management. Ms. Reed served as Senior Vice President, General Counsel and Corporate Secretary at Walgreens Boots Alliance, Inc., a global pharmacy-led, health and wellbeing company. Prior to Walgreens, Ms. Reed was Executive Vice President, Human Resources, General Counsel and Corporate Secretary of Solo Cup Company, where she was responsible for the legal, human resources, internal audit, corporate communications, and compliance functions. Prior to Solo Cup Company, she was Associate General Counsel, Corporate Secretary and Chief Corporate Governance Officer at Baxter International, Inc. Ms. Reed holds a Bachelor of Arts degree from the University of Michigan and a Juris Doctor from the Northwestern University Pritzker School of Law. Ms. Reed currently serves as a board member of Stepan Co. (NYSE:SCL), a major manufacturer of specialty and intermediate chemicals used in a broad range of industries, and AngioDynamics, Inc. (NASDAQ: ANGO), a leading provider of innovative, minimally invasive medical devices for vascular access, peripheral vascular disease and oncology.

We believe Ms. Reed is qualified to serve on our Board of Directors based on her extensive experience in legal, management and business leadership within the healthcare industry.

Dr. Michael Perry was appointed Chief Executive Officer and Executive Director in June 2017. He continues to serve in this role. Prior to this appointment, Dr. Perry served as a Non-Executive Director commencing in February 2013. From 2016 to 2017, he served as Senior Vice President and Chief Scientific Officer of Global Business Development and Licensing for Novartis AG. From 2014 to 2016, Dr. Perry served as Chief Scientific Officer of Novartis' Cell and Gene Therapy Unit, and from 2012 to 2014 he served as Vice President and Global Head of Stem Cell Therapy for Novartis Pharmaceuticals Corp, a U.S. affiliate of Switzerland-based Novartis AG. Dr. Perry previously served as the Global Head of R&D at Baxter Healthcare, President and CEO of Cell & Gene Therapy at Novartis affiliates Systemix Inc. and Genetic Therapy, Inc., VP Regulatory Affairs at Sandoz Pharmaceuticals Corp., Director of Regulatory Affairs at Schering-Plough Corporation, and Chairman, CEO or CMO at several early-stage biotech companies. He also previously served as a Venture Partner with Bay City Capital, LLC, a life science investment firm managing

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venture capital funds, based in San Francisco California. Dr. Perry serves as a Director of Arrowhead Pharmaceuticals, a public (NASDAQ) development stage company focused on medicines that treat intractable diseases by silencing genes. He is also a Venture Partner at BioScience Managers Pty Ltd.

We believe Dr. Perry is qualified to serve on our board of directors based on our review of his experience, qualifications, attributes and skills, including his executive leadership experience in the healthcare and biotechnology industries.

Michael Holder was appointed Chief Financial Officer in March 2021. Mr. Holder is a seasoned executive with more than 25 years of experience serving in senior financial, executive management and board roles with leading companies in the medtech, biotech and pharma industries. Most recently, Mr. Holder served as Chief Financial Officer of ImmuneCyte Inc., a global clinical stage biopharmaceutical company with innovative cell and gene immune-oncology therapeutics. Between 2017 and 2018, Mr. Holder served as CEO and Portfolio Manager of Carolina Longevity Institute, a global investment company focused on medtech, biotech and pharma investments in the healthspan and human longevity sectors. From 2005 to 2017, Mr. Holder was CEO, CFO, and Chairman of the Board of Organ Transport Systems, Inc. a medical device company in the organ transplantation industry. From 2000 to 2004, Mr. Holder was VP Sales, Operations and Finance; Chief Financial Officer of Premier Sourcing Partners, the information and medical technology subsidiary of Premier Inc. Prior to that, Mr. Holder was CFO of BeaconEye Inc., a publicly traded medtech company; Vice President of Heartland Capital Partners, the Sam Walton family controlled private equity fund; and Principal in the Corporate Development Group of AMR Corporation, a former Fortune 500 transportation and information technology company.

Mr. Holder holds a Master of Business Administration from the Wharton School of Business at the University of Pennsylvania and a Bachelor of Science in Business Administration from the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill.

Kathy McGee was appointed Chief Operating Officer in December 2020. She brings more than 25 years of biopharmaceutical and life sciences experience to AVITA Medical, most recently serving as President of CnA Consulting Group, which focuses on providing specialized consulting services to the life sciences industry. Prior to CnA Consulting, Ms. McGee was the Vice President of West Coast Operations at Shire Pharmaceuticals Regenerative Medicine Division, formerly Advanced BioHealing, where she was a part of the leadership team responsible for manufacturing operations, strategic planning, capital expansion, and real estate. At Advanced BioHealing, Ms. McGee served as the Senior Vice President of Operations and General Manager, with responsibility for the company's manufacturing operations in La Jolla, CA. She has also held senior operations leadership roles at Smith and Nephew and Advanced Tissue Sciences. She earned her Bachelor of Science in Chemistry and Mathematics from University College Galway Ireland, and holds a Master's degree in Business and Management from Webster University

Erin Liberto has served as Chief Commercial Officer since August 2017. Ms. Liberto has more than 20 years of multifaceted global commercial experience developing, launching, managing, and optimizing healthcare portfolios with products that span therapeutic and aesthetic indications for international organizations including Allergan and Johnson & Johnson. Ms. Liberto's proficiency in long-term strategic planning has led to more than a dozen successful product launches across the United States, Europe, and Asia Pacific. Ms. Liberto holds an International MBA with a concentration in Global Marketing from Thunderbird School of Global Management in Arizona and a Bachelor of Commerce from McMaster University in Canada.

Andrew Quick was appointed Chief Technology Officer in April 2019 and previous to that served as Senior Vice President, Clinical Development. Mr. Quick joined the company in July of 2010 and has more than 25 years of experience in medical device design, development, clinical research and medical affairs. Mr. Quick has previously held leadership positions in the development of diagnostic instrumentation and active implantable therapeutics, including most recently with Boston Scientific Neuromodulation / Advanced Bionics from 2006 to 2010 where he led U.S. investigational device and post-market clinical research in the cochlear implant business. He also served in a series of positions with SonaMed Corporation from 1994 to 2005, including Vice President, Products and Clinical Affairs. Mr. Quick has B.S. and M.S. degrees in Biomedical Engineering from Boston University.

Donna Shiroma has served as General Counsel since June 2018. Ms. Shiroma has more than 20 years of legal and compliance experience in the pharmaceutical and medical device industries and has played an instrumental role in transitioning companies from clinical to commercial entities. Prior to joining the Company, she served in roles of increasing responsibility as corporate counsel, general counsel, vice president of legal, chief privacy and compliance officer, and chief commercial officer for Astex Pharmaceuticals from 2017 to 2018, Ascend Therapeutics from 2008 to 2017, PDL BioPharma from 2006 to 2008, and several Johnson & Johnson companies. Ms. Shiroma holds a B.S. in Environmental Sciences from University of California, Berkeley, and a Juris Doctor degree from Santa Clara University School of Law. She is licensed in the State of California as an attorney.

Term of Office

Our directors are elected for a term of one year and until their respective successors are elected and qualified, or until their earlier resignation, disqualification or removal. Our executive officers are appointed by our board of directors and hold office for such terms as may be prescribed by our board of directors and until their successors are appointed, or until their earlier resignation or removal.

Family Relationships

There are no family relationships between our directors or executive officers.

Involvement in Certain Legal Proceedings

None of our directors or executive officers has been involved in any of the following events during the past ten years:

- a) any bankruptcy petition filed by or against any business or property of such person or any partnership or business in which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b) any conviction in a criminal proceeding or being a named subject of a pending criminal proceeding (excluding traffic violations and other minor offences);
- c) being the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities or banking activities;
- d) being found by a court of competent jurisdiction (in a civil action), the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- e) being the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any federal or state securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease- and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- f) being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(40) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Gender Diversity

Under the 4th Edition of the ASX's Corporate Governance Principles and Recommendations the Company is required to set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally.

In the Company's 2021 Form 10-K, the Company confirmed that it had set a target of having at least 30% of its directors being of each gender by 2024. As at the date of this Transition Report, the Company has almost achieved that target as the directors of the Company are 28.6% female and 71.4% male.

The Company is also in the process of developing measurable objectives for achieving gender diversity in the composition of its senior executives and workforce generally in accordance with its Code of Ethics and Business Conduct. The Company will disclose its measurable objectives, the time period for achieving those objectives and the Company's progress towards achieving those objectives in future reporting periods.

Performance Evaluations

At least annually, the Nominations and Corporate Governance Committee will lead the board of directors in a self-evaluation to determine whether the board, its committees and individual directors are functioning effectively. The board completed its last self-

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evaluation during the fiscal year ended June 30, 2021. The board has not yet undertaken its self-evaluation for the transition period ending December 31, 2021, however, an annual self-assessment will be completed during the calendar year 2022.

The Company's Compensation Committee has historically undertaken a review of the performance of the Company's senior executives annually during March. Given that the transition period was during the period from July 1, 2021 to December 31, 2021, the review of the performance of the Company's senior executives was not undertaken during the transition period.

Code of Ethics

We have adopted a Code of Conduct, or the Code, that constitutes a “code of ethics” as that term is defined in paragraph (b) of Item 406 of Regulation S-K and that applies to our executive officers, non-executive directors, management and employees of the Company. A copy of the Code is included as Exhibit 14.1 to this Transition Report and is available on our website at www.avitamedical.com.

If we make any amendments to the Code or grant any waivers, including any implicit waiver, from a provision of the Code, we will disclose the nature of such amendment or waiver on our website. The information on our website is not incorporated by reference into this Transition Report.

Section 16(a) Beneficial ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act requires the Company's directors and certain of its executive officers and persons who beneficially own more than 10% of the Company's common shares to file reports of and changes in ownership with the SEC. Based solely on the Company's review of copies of SEC filings it has received or filed, the Company believes that each of its directors, executive officers, and beneficial owners of more than 10% of the shares satisfied the Section 16(a) filing requirements during transition period ended December 31, 2021.

Election of Directors

Our board of directors consists of seven members. Directors are elected at our annual general meeting of stockholders, and hold office for a term of one year and until their successors have been elected and qualified or until the earlier of their resignation or removal. Due to the change from fiscal to calendar year end, we currently anticipate that directors will be elected in the second half of calendar year 2022 after serving less than one full year. In subsequent years, directors will be elected to full one-year terms. Any newly created directorship or any vacancy occurring on our board of directors may be filled only by a majority of the remaining members of our board, even if such majority is less than a quorum, and each director so elected shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor is elected and qualified. Under ASX Listing Rule 14.4, any directors of the Company (except a managing director) must not hold office without re-election past the third annual general meeting following the director's appointment or three years, whichever is longer.

Stockholder Nominees for Director

There have been no material changes to the procedures by which stockholders may recommend nominees to the Board.

Committees of the Board of Directors

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Our board of directors has established an audit committee, a compensation committee and a nomination and corporate governance committee, each of which operates pursuant to a written charter adopted by our board of directors. Our board of directors may also establish other committees from time to time to assist the board of directors. The composition and functioning of all of our committees comply with all applicable requirements of the Sarbanes-Oxley Act, NASDAQ and SEC rules and regulations and the ASX Listing Rules and also align with the ASX Corporate Governance Council’s 4th Edition Corporate Governance Principles and Recommendations. Each committee has a charter, which is available on our website at www.avitamedical.com. As of the date of this report, the composition of our audit, compensation and nomination and corporate governance committees were as follows:

| Director | Independent | Compensation Committee | Audit Committee | Nomination and Corporate Governance Committee |
|-------------------------|-------------|------------------------|-----------------|---|
| Lou Panaccio | X | | Member | |
| Jeremy Curnock Cook | X | Member | | Member |
| Louis Drapeau | X | | | |
| Professor Suzanne Crowe | X | Chair | | Chair |
| James Corbett | X | Member | Chair | Member |
| Jan Stern Reed | X | Member | Member | Member |

Audit Committee

NASDAQ Marketplace Rules require us to establish an audit committee comprised of at least three members, each of whom is financially literate and satisfies the respective “independence” requirements of the SEC and NASDAQ and one of whom has accounting or related financial management expertise at senior levels within a company. In addition, the ASX Listing Rules and the 4th Edition of the ASX’s Corporate Governance Principles and Recommendations require us to have an audit committee comprised of at least three members, all of whom are non-executive directors and a majority of whom are “independent” directors and which is chaired by an independent director who is not the chair of the board.

We have a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. Our Audit Committee assists our board of directors in overseeing the accounting and financial reporting processes of our company and audits of our financial statements, including the integrity of our financial statements, compliance with legal and regulatory requirements, our registered public accounting firm’s qualifications and independence, and registered public accounting firm, and such other duties as may be directed by our board of directors. The Audit Committee is also required to assess risk management in conjunction with the board.

Our Audit Committee currently consists of three board members, each of whom satisfies the “independence” requirements of the SEC, NASDAQ Marketplace Rules, the ASX Listing Rules and the 4th Edition of the ASX’s Corporate Governance Principles and Recommendations. Our Audit Committee is currently composed of Lou Panaccio, Jan Stern Reed and James Corbett (each of whom joined the Audit Committee in September 2021). Each qualifies as an “independent director” within the meaning of NASDAQ Marketplace Rules and the 4th Edition of the ASX’s Corporate Governance Principles and Recommendations. Mr. Corbett is the chairman of the Audit Committee (being an independent director who is not the chair of the board) and was appointed on February 23, 2022. Our board of directors has determined that James Corbett is an “audit committee financial expert,” as defined in item 407(d)(5)(ii) of Regulations S-K. The Audit Committee meets at least two times per year. See below for summary of attendance.

The number of meetings the Audit Committee held during the transition period ended December 31, 2021, and the number of meetings attended by each Director is as follow:

| Audit Committee Meeting Attendance | | |
|---|------------------|------------------|
| Directors in Attendance: | 8/23/2021 | 11/2/2021 |
| Lou Panaccio | X | X |
| Jeremy Curnock Cook | X | X |
| Louis Drapeau | X | X |
| James Corbett | X | X |
| Jan Stern Reed | X | |
| Michael Perry | X | X |

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Both Jeremy Curnock Cook and Louis Drapeau were members of the Audit Committee during the transition period ended December 31, 2021 and have since stepped down from their role on the Audit Committee. In addition, the CEO of the Company was in attendance at both Audit Committee meetings during the transition period ended December 31, 2021.

Compensation Committee

Our board of directors has established a Compensation Committee, which is comprised of independent directors, within the meaning of NASDAQ Marketplace Rules and also the 4th Edition of the ASX's Corporate Governance Principles and Recommendations. The Compensation Committee must be comprised solely of non-executive directors in accordance with the ASX Listing Rules and must also be chaired by an independent director in accordance with the 4th Edition of the ASX's Corporate Governance Principles and Recommendations. The Compensation Committee is responsible for reviewing the salary, incentives and other benefits of our directors, senior executive officers and employees, and to make recommendations on such matters for approval by our board of directors. The Compensation Committee is also responsible for overseeing and advising our board of directors with regard to the adoption of policies that govern our compensation programs. Suzanne Crowe, Jeremy Curnock Cook, Jan Stern Reed and James Corbett are the current members of the Compensation Committee and each qualifies as an "independent director" within the meaning of NASDAQ Marketplace Rules and the 4th Edition of the ASX's Corporate Governance Principles and Recommendations. Professor Crowe is the chair of this committee (being an independent director who is not the chair of the board).

The number of meetings the Compensation Committee held during transition period ended December 31, 2021, and the number of meetings attended by each Director is as follows:

| Directors: | Compensation Committee Meeting Attendance | | | |
|-------------------------|---|-----------|-----------|------------|
| | 8/16/2021 | 8/18/2021 | 9/29/2021 | 10/28/2021 |
| Lou Panaccio | X | X | X | |
| Jeremy Curnock Cook | X | X | X | X |
| Louis Drapeau | X | X | X | X |
| Professor Suzanne Crowe | X | X | X | X |
| James Corbett | X | | X | X |
| Jan Stern Reed | X | X | X | X |
| Michael Perry | X | X | X | X |

Nomination and Corporate Governance Committee

Our board of directors has established a Nomination and Corporate Governance Committee. Under the 4th Edition of the ASX's Corporate Governance Principles and Recommendations, our Nomination and Corporate Governance Committee should have at least three members, a majority of whom are independent director and should also be chaired by an independent director. Suzanne Crowe, Jan Stern Reed and Jeremy Curnock Cook are the current members of the Nomination and Corporate Governance Committee and each qualifies as an "independent director" within the meaning of NASDAQ Marketplace Rules and the 4th Edition of the ASX's Corporate Governance Principles and Recommendations. Professor Crowe is the chair of this committee (being an independent director). The Nomination and Corporate Governance Committee is responsible for identifying individuals qualified to become members of our board of directors, recommending nominees for election at the stockholders meetings or to fill vacancies that arise on our board of directors, and recommending qualified and experienced directors to serve on the committees of our board of directors. In addition, the Nomination and Corporate Governance Committee is responsible for leading the board of directors to complete a self-evaluation of the board, its committees, and the individual directors.

The number of meetings the Nomination and Corporate Governance Committee held during the transition period ended December 31, 2021, and the number of meetings attended by each Director is as follows:

| Directors: | Nomination and Corporate Governance Committee Meeting Attendance |
|---------------------|--|
| | 10/28/2021 |
| Lou Panaccio | |
| Jeremy Curnock Cook | X |
| Louis Drapeau | X |

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| | |
|-------------------------|---|
| Professor Suzanne Crowe | X |
| James Corbett | X |
| Jan Stern Reed | X |
| Michael Perry | X |

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Directors' Meetings

The number of meetings of the Board of Directors held during the transition period ended December 31, 2021, and the number of meetings attended by each Director is as follow:

| Board of Directors' Meeting Attendance | | | |
|---|------------------|------------------|------------------|
| Directors in Attendance: | 8/24/2021 | 9/29/2021 | 11/4/2021 |
| Lou Panaccio | X | X | X |
| Jeremy Curnock Cook | X | X | X |
| Louis Drapeau | X | X | X |
| Professor Suzanne Crowe | X | X | X |
| James Corbett | X | X | X |
| Jan Stern Reed | X | X | X |
| Michael Perry | X | X | X |

Item 11. EXECUTIVE COMPENSATION

The particulars of the compensation paid to our “named executive officers” of our company are set out in the summary compensation below.

- Michael Perry, *Chief Executive Officer*
- Michael Holder, *Chief Financial Officer*
- Kathy McGee, *Chief Operating Officer*
- Erin Liberto, *Chief Commercial Officer*
- Andrew Quick, *Chief Technology Officer*
- Donna Shiroma, *General Counsel*

SUMMARY COMPENSATION TABLE

The following table sets forth for our named executive officers the following information for the transition period ended December 31, 2021 and the fiscal years ended June 30, 2021 and 2020.

| Name and Position | Year | Stock | | Option | Nonqualified deferred compensation earnings (5) | All Other | | Total | |
|--|------|--------------------|-------------------|--------------------|--|--------------------------|---------|-------|------------|
| | | Salary (1) (\$) | Bonus (2) (\$) | Awards (3) (\$) | Awards (4) (\$) | Compensation (6) (\$) | (7) | | |
| Michael Perry Chief Executive Officer | TP | 282,487 | - | 772,244 | 323,137 | 383 | 108,286 | (7) | 1,486,537 |
| | 2021 | 497,087 | 414,960 | - | - | - | 146,800 | (8) | 1,058,847 |
| | 2020 | 475,000 | 415,625 | 15,424,774 | - | - | 991,473 | (9) | 17,306,872 |
| Michael Holder Chief Financial Officer | TP | 212,500 | - | 212,205 | 90,337 | 1,000 | 6,491 | | 522,533 |
| | 2021 | 114,423 | - | - | 1,966,472 | - | 51,008 | (10) | 2,131,903 |
| | 2020 | - | - | - | - | - | - | | - |
| Kathy McGee Chief Operating Officer | TP | 177,675 | 33,757 | 212,205 | 90,337 | 413 | 1,333 | | 515,720 |
| | 2021 | 199,646 | 35,350 | - | 1,893,473 | - | 21,427 | | 2,149,896 |
| | 2020 | - | - | - | - | - | - | | - |
| Erin Liberto, Chief Commercial Officer | TP | 171,746 | - | 212,205 | 90,337 | 76 | 8,488 | | 482,852 |
| | 2021 | 335,572 | 125,058 | - | - | - | 54,636 | | 515,266 |
| | 2020 | 310,539 | 114,548 | - | - | - | 50,452 | | 475,540 |
| Andrew Quick Chief Technology Officer | TP | 168,714 | - | 212,205 | 90,337 | 143 | 1,265 | | 472,664 |
| | 2021 | 329,648 | 117,936 | - | - | - | 44,113 | | 491,697 |
| | 2020 | 314,717 | 97,231 | - | - | - | 42,319 | | 454,267 |
| Donna Shiroma General Counsel | TP | 171,746 | 40,000 | 212,205 | 90,337 | 123 | 1,288 | | 515,699 |
| | 2021 | 335,572 | 116,721 | - | - | - | 21,413 | | 473,706 |
| | 2020 | 313,064 | 103,022 | 60,136 | - | - | 36,090 | | 512,312 |

- (1) Amounts in this column represent dollar value of base salary (cash and non-cash) earned by the named executive officer during the period covered.
- (2) Amounts in this column represent dollar value of bonus (cash and non-cash) earned by the named executive officer during the period covered.
- (3) Amounts in this column represent awards of restricted stock units with the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. The fair value determined at the date of grant in accordance with U.S. GAAP based on the closing price of our common stock on the applicable grant date. The vesting of these stock awards are subject to various performance or related criteria, including continuation of employment over the relevant vesting period.
- (4) Amounts in this column represent awards of stock options with the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. Amounts in this column represent option awards issued to the individuals noted, based on the fair value determined at the date of grant in accordance with U.S. GAAP. See Note 13- Share-Based Payment Plans to our Consolidated Financial Statements included in Part II, Item 8. "Financial Statements and Supplementary Data" for the assumptions used in determining the grant date fair value of option awards. The vesting of these option awards are subject to various performance or related criteria, including continuation of employment over the relevant vesting period.
- (5) Above-market or preferential earnings on compensation that is deferred on a basis that is not tax-qualified, including such earnings on nonqualified defined contribution plans.
- (6) Amounts in this column represent all other compensation for the covered fiscal year that the smaller reporting company could not properly report in any other column of the Summary Compensation Table. This includes the 401-k Match, superannuation (pension) and health care benefits.
- (7) Comprises (a) \$95,235 in relation to the travel, flight and accommodation costs associated with the executive commuting from his home to our offices in Valencia, California (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado State laws); (b) \$10,722 associated with medical benefits (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado and Nevada State laws), and (c) \$2,329 associated with deferred compensation employer matching contributions.
- (8) Comprises (a) \$114,408 in relation to the travel, flight and accommodation costs associated with the executive commuting from his home on Colorado to our offices in Valencia, California (including an amount necessary to gross up these cost for income

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- tax purposes under U.S. federal, California and Colorado State laws); (b) \$26,217 associated with medical benefits (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado State laws), and (c) \$6,175 associated with 401-k matching contributions.
- (9) Comprises (a) \$204,682 in relation to the travel, flight and accommodation costs associated with the executive commuting from his home on Colorado to our offices in Valencia, California (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado State laws); (b) \$723,620 associated with profession legal, financial and tax advice associated with the conclusion of various employment, financial and income tax issues in connection with the executive’s revised employment arrangement (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado State laws); and (c) \$50,419 associated with medical benefits (including an amount necessary to gross up these cost for income tax purposes under U.S. federal, California and Colorado State laws), and (d) \$12,752 associated with 401-k matching contributions.
- (10) Comprises \$47,923 of relocation expenses and \$3,085 of 401(k) employer match contribution.

Employment Contracts

The following table outlines the specified terms of the relevant employment contracts for the named executive officers of the Company. For compensation information of named executives refer to the table above.

| <u>Role</u> | <u>Name</u> | <u>Contract Duration</u> | <u>Period of Notice</u> | <u>Termination payments provided for by contract (1)</u> |
|---|-------------------|--------------------------|---|--|
| Chief Executive Officer (CEO) | Dr. Michael Perry | Open ended contract | Voluntary Termination: not less than 30 days nor more than 90 days. Termination for Good Reason: Not to exceed 90 days | 12 months |
| Chief Financial Officer | Michael Holder | Open ended contract | 3-month notice period | 9 months |
| Chief Operating Officer (COO) | Kathy McGee | Open ended contract | 3-month notice period | 9 months |
| Chief Commercial Officer (CCO) | Erin Liberto | Open ended contract | No notice period | 6 months |
| Chief Technology Officer (CTO) | Andrew Quick | Open ended contract | No notice period | 6 months |
| General Counsel (GC) | Donna Shiroma | Open ended contract | No notice period | 6 months |

- (1) Severance payments only in the event of employment termination for involuntary termination without cause or termination for “good reason.” For the CFO and COO, Good Reason is defined as (i) a material diminution in executive’s authority, duties or responsibilities in effect at the time of this agreement; (ii) any reduction in the executive’s then-current base salary, (iii) relocation of executive’s principal place of work by a distance of fifty miles or more from the executive’s then current principal place of work without the executive’s consent; (iv) material breach by the company of any provision of the executive’s employment agreement or (v) the occurrence of a change in control provided (i) through (iv) if such conduct is not cured within thirty days of receipt of written notice by the executive. For the CEO, Good Reason is defined as (i) a material reduction in executive’s base salary unless a proportionate reduction is made to the base salary of all members of the Company’s senior management; (ii) a material diminution in the executive’s authority, duties or responsibilities including a requirement that the CEO report to a corporate officer or employee instead of reporting directly to the board; (iii) a decision by the Company which would require the CEO to change his principle residence; or (iv) any other action or inaction that constitutes a material breach by the Company of the agreement with the CEO.

Compensation Principles

The Compensation Committee has a formal Compensation Governance Framework which, at the core, consists of a Compensation Committee Charter (the “**Charter**”). The Charter outlines responsibilities and duties of the members, sets forth the frequency of meetings, establishes and reviews the overall compensation philosophy of the Company as well as review and approve the executive compensation program for the Chief Executive Officer and other executive officers, and make appropriate recommendations to the board of directors.

Compensation Committee

The Compensation Committee approves or makes recommendations to our Board of Directors on decisions concerning compensation of the executive management team and board of directors on a periodic basis to ensure that it is consistent with our short-term and long-term goals. The Compensation Committee assess the appropriateness of the nature and amount of compensation of our executives by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the recruitment and retention of a high-quality board and executive team.

Additionally, the Compensation Committee is responsible for evaluating the performance of the Company's key senior executives. Our Chief Executive Officer and other members of management regularly discuss our compensation issues with Compensation Committee members. Subject to Compensation Committee review, modification and approval, our Chief Executive Officer typically makes recommendations respecting bonuses and equity incentive awards for the other members of the executive management team. The Compensation Committee establishes all bonus and equity incentive awards for all executive members of the management team.

Resignation, Retirement, Termination for Cause, or Resignation without Good Reason Arrangements

The Company does not have any agreements or plans in place for the named executive officers that would provide additional compensation in connection with a resignation, retirement, termination for cause, or resignation without good reason.

Potential Payments upon Involuntary Termination, Resignation without Good Reason or Change-In-Control

The employment agreements provide for the following severance payments upon termination by us without cause or by the employee for good reason (as defined in the particular employment agreement): (i) payment of the employee's then-current base salary for a period of nine months (in the case of COO and CFO) or twelve months (in the case of the CEO), following termination; (ii) a pro-rated target bonus for the period during which the employee was employed in the year of termination; and (iii) continued coverage under our group health and benefits plan consistent with the term of the base salary; and (iv) immediate acceleration of unvested stock options. Further, in the case of the Chief Executive Officer, if his employment terminates as a result of disability or death, he or his representative will be entitled to receive: (i) a lump sum payment equal to 12 months of the employee's then-current base salary, (ii) any unpaid vacation, and (iii) any unpaid expense reimbursements due and owing. Payment in each case is subject to the employee's, or representative's execution of a release.

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Outstanding Equity Awards at Fiscal Year End

The following table presents information regarding outstanding equity awards held by our named executive officers as of December 31, 2021.

| Name | Option awards | | | | Stock awards | |
|--|---|--|--------------------------------|----------------------------|--|---|
| | Number of securities underlying unexercised options (#) exercisable | Number of securities underlying unexercised unearned options (#) | Option exercise price (\$) (2) | Option expiration date (2) | Number of unearned shares, units or other rights have not vested (#) | Market or payout value of unearned shares, units or other rights have not vested (\$) (1) |
| Michael Perry, Chief Executive Officer (3) | 150,000 | — | \$ 5.99 | 11/30/2028 | 71,260 | \$ 853,695 |
| | — | 55,200 | \$ 12.18 | 12/22/2031 | 95,280 | \$ 1,141,454 |
| Michael Holder, Chief Financial Officer | — | 37,500 | \$ 22.25 | 3/22/2031 | 10,500 | \$ 125,790 |
| | 14,063 | 98,437 | \$ 19.91 | 5/11/2031 | | |
| | — | 6,925 | \$ 20.21 | 7/6/2031 | | |
| Kathy McGee, Chief Operating Officer | 9,500 | 118,500 | \$ 21.88 | 3/4/2031 | 10,500 | \$ 125,790 |
| | — | 6,925 | \$ 20.21 | 7/6/2031 | | |
| Erin Liberto, Chief Commercial Officer | 40,000 | — | \$ 5.03 | 9/6/2027 | 10,500 | \$ 125,790 |
| | 15,825 | 5,275 | \$ 6.38 | 11/1/2028 | | |
| | 44,775 | 14,925 | \$ 5.99 | 11/30/2028 | | |
| | — | 6,925 | \$ 20.21 | 7/6/2031 | | |
| Andrew Quick, Chief Technology Officer | 45,187 | — | \$ 6.32 | 5/18/2027 | 10,500 | \$ 125,790 |
| | 3,750 | 1,250 | \$ 6.38 | 11/1/2028 | | |
| | 22,659 | 7,553 | \$ 5.99 | 11/30/2028 | | |
| | 20,200 | 20,200 | \$ 21.35 | 4/1/2029 | | |
| | — | 6,925 | \$ 20.21 | 7/6/2031 | | |
| Donna Shiroma, General Counsel | 15,000 | 2,000 | \$ 4.38 | 6/25/2028 | 10,500 | \$ 125,790 |
| | 19,575 | 6,525 | \$ 6.38 | 11/1/2028 | | |
| | 48,525 | 16,175 | \$ 5.99 | 11/30/2028 | | |
| | — | 6,925 | \$ 20.21 | 7/6/2031 | | |

- (1) Amounts in this column are calculated by multiplying the closing market price of the Company's stock as of December 31, 2021 by the number of shares or units of stock awards.
- (2) Represents range of exercise price and expiration dates as options were granted on different dates throughout their tenure.
- (3) On December 22, 2021 stockholders approved the equivalent of 150,480 long term incentives that vest over tenure and performance metrics.

[Table of Contents](#)**Compensation of Directors**

The following table sets forth certain information regarding the compensation earned by or awarded to each non-employee director who served on our board during the transition period ended December 31, 2021. We do not provide separate compensation to our executive directors, such as Dr. Michael Perry, our Chief Executive Officer. Dr. Perry's compensation is reported in this Annual Report under "Item 11. Executive Compensation."

| | Fees earned or paid in cash (\$) | Stock awards (\$) | Option awards (\$) | Non-equity incentive plan compensation (\$) | Nonqualified deferred compensation earnings (\$) | All other compensation (\$) | Total (\$) |
|--------------------------------------|---|----------------------------------|-----------------------------------|--|---|--|-----------------------|
| Non-Executive Directors | | | | | | | |
| L Panaccio – Chairman | \$ 54,207 | \$ 52,983 | \$ 18,714 | \$ - | \$ - | \$ 5,421 | \$ 131,325 |
| J Curnock Cook | 40,552 | 52,983 | 18,714 | - | - | - | 112,249 |
| L Drapeau | 50,562 | 52,983 | 18,714 | - | - | - | 122,259 |
| S Crowe | 42,619 | 52,983 | 18,714 | - | - | 4,262 | 118,578 |
| J Corbett | 41,562 | 158,645 | 56,116 | - | - | - | 256,323 |
| J Reed | 43,437 | 158,645 | 56,116 | - | - | - | 258,198 |
| Total Non-Executive Directors | \$ 272,939 | \$ 529,222 | \$ 187,088 | \$ - | \$ - | 9,683 | \$ 998,932 |

Compensation Committee Interlocks and Insider Participation

During the transition period ended December 31, 2021, Suzanne Crowe, Louis Drapeau, Jeremy Curnock Cook and Jan Stern Reed and James Corbett (who were both appointed to the Compensation Committee on September 8, 2021) served as members of our Compensation Committee. None of the members of our Compensation Committee were an officer, former officer or employee of the Company during the period ended December 31, 2021. None of the members of our Compensation Committee had any relationship requiring disclosure by us under any paragraph of Item 404 of Regulation S-K. None of our executive officers currently serve, nor in the past fiscal year have served, as a member of the board of directors or Compensation Committee of any entity that has one or more executive officers serving on our board of directors or Compensation Committee.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Principal Stockholders and Management

The following table provides certain information regarding the ownership of our common stock (including our CDIs), as of January 31, 2022 by each person or group of affiliated persons known to us to be the beneficial owner of more than 5% of our common stock (including our CDIs); each of our named executive officers; each of our directors; and all of our executive officers and directors as a group. The table also sets out the names of all persons (of which the Company is aware) who have disclosed pursuant to the *Corporations Act 2001* (Cth) that they are “substantial shareholders” of the Company and carry 5% or more of the voting rights attached to the issued securities of the Company.

Unless otherwise indicated in the table or the related notes, the address for each person named in the table is c/o AVITA Medical, Inc., 28159 Avenue Stanford Suite 220, Valencia, CA 91355.

| Title of Class | Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership ⁽¹⁾ | Percentage of Class ⁽²⁾ |
|---|--|---|---|
| More than 5% stockholders: | | | |
| Common Stock | BlackRock, Inc., 55 East 52nd Street, New York, NY 10055 | 1,473,048 (3) | 5.91% |
| Common Stock | Montgomery Investment Management Pty Ltd, Level 5, 17 Castlereagh Street, Sydney, NSW 2000 | 1,397,962 (4) | 5.61% |
| Common Stock | Redmile Group, LLC, One Letterman Drive, Bldg. D, Ste D3-300, San Francisco, CA 94129 | 1,346,217 (5) | 5.40% |
| Common Stock | The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355 | 1,270,510 (6) | 5.10% |
| Directors and named executive officers: | | | |
| Common Stock | Lou Panaccio | 20,064 (7) | * |
| Common Stock | Jeremy Curnock Cook | 4,350 | * |
| Common Stock | Louis Drapeau | 339 (8) | * |
| Common Stock | Professor Suzanne Crowe | 4,112 (9) | * |
| Common Stock | James Corbett | 13,025 | * |
| Common Stock | Jan Stern Reed | 13,025 | * |
| Common Stock | Dr. Michael Perry | 286,946 (10) | 1.15% |
| Common Stock | Michael Holder | 23,438 (11) | * |
| Common Stock | Kathy McGee | 17,750 (11) | * |
| Common Stock | Erin Liberto | 100,600 (11) | * |
| Common Stock | Andrew Quick | 91,796 (11) | * |
| Common Stock | Donna Shiroma | 83,100 (11) | * |
| All executive officers and directors as a group (12 persons) | | 658,545 | 2.64% |

* Represents beneficial ownership of less than 1% of the outstanding common stock.

- (1) Except as otherwise indicated, we believe that the beneficial owners of the common stock (and CDIs) listed above, based on information furnished by such owners, have sole investment and voting power with respect to such shares, subject to community property laws where applicable. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities.
- (2) Percentage of ownership is based on 24,925,743 shares of our common stock issued (including all common stock represented by CDIs) and outstanding as of January 31, 2022. Common stock (or CDIs) subject to options or RSUs exercisable within 60 days of January 31, 2021 are deemed outstanding for purposes of computing the percentage ownership of the person holding such option or RSUs, but are not deemed outstanding for purposes of computing the percentage ownership of any other person.
- (3) BlackRock, Inc., a Delaware corporation ("BlackRock"), has the sole power to vote or to direct the vote of 1,582,710 shares of common stock, the shared power to vote or to direct the vote of 0 shares of common stock, the sole power to dispose or to direct the disposition of 1,588,592 shares of common stock and shared power to dispose or to direct the disposition of 0 shares of common stock. This information has been obtained from Amendment No. 1 to Schedule 13G filed by BlackRock with the SEC on February 4, 2022.
- (4) Montgomery Investment Management Pty Ltd is the manager of various unit trusts and, in that capacity can exercise the power to vote or dispose of the shares of common stock.
- (5) Redmile Group, LLC's beneficial ownership of the shares of common stock is comprised of 672,411 shares of common stock owned by certain private investment vehicles and/or separately managed accounts managed by Redmile Group, LLC, which

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shares of common stock may be deemed beneficially owned by Redmile Group, LLC as investment manager of such private investment vehicles and/or separately managed accounts. Jeremy C. Green's beneficial ownership of common stock is comprised of 672,411 shares of common stock owned by certain private investment vehicles and/or separately managed accounts managed by Redmile Group, LLC, which shares of common stock may be deemed beneficially owned by Redmile Group, LLC as investment manager of such private investment vehicles and/or separately managed accounts. The reported securities may also be deemed beneficially owned by Jeremy C. Green as the principal of Redmile Group, LLC. Redmile Group, LLC and Mr. Green each disclaim beneficial ownership of these shares of common stock, except to the extent of its or his pecuniary interest in such shares of common stock, if any. This information has been obtained from Amendment No. 1 to Schedule 13G filed by Redmile Group LLC with the SEC on February 14, 2022.

- (6) The Vanguard Group, Inc., a Pennsylvania corporation ("Vanguard"), has the sole power to vote or to direct the vote of 0 shares of common stock, the shared power to vote or to direct the vote of 41,762 shares of common stock, the sole power to dispose or to direct the disposition of 1,219,014 shares of common stock and shared power to dispose or to direct the disposition of 51,496 shares of common stock. This information has been obtained from Amendment No. 1 to Schedule 13G filed by Vanguard with the SEC on February 9, 2022.
- (7) Reflects 100,320 CDIs, which represent 20,064 shares of our common stock. Amount includes 29,860 CDIs which represent 5,972 shares of common stock that are held by The Panaccio Superannuation Fund.
- (8) Reflects 1,695 CDIs, which represent 339 shares of our common stock.
- (9) Reflects 20,560 CDIs, which represent 4,112 shares of our common stock.
- (10) Includes of 634,602 CDIs, which represent 126,920 shares of common stock, and 616 shares of common stock that are not represented by CDIs. In addition, the amount includes stock options which give Dr Perry the right to acquire 159,410 shares of our common stock exercisable within 60 days of January 31, 2022.
- (11) Amount represents stock options to acquire shares of our common stock exercisable within 60 days of January 31, 2022.

Equity Compensation Plan Information

The following table sets out equity compensation plan information as of December 31, 2021.

| <u>Plan Category</u> | | <u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u> | <u>Weighted-average exercise price of outstanding options, warrants and rights</u> | <u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the second column)</u> |
|--|-----|--|--|---|
| Equity compensation plans approved by security holders | | | | |
| 2016 Equity Incentive Plan | (2) | 1,045,745 | \$ 11.57 | — (1) |
| RSU Awards | | 71,260 | \$ — | |
| 2020 Equity Incentive Plan | | 718,125 | \$ 20.67 | 1,026,875 |
| 2021 AGM Awards | | 219,080 | \$ 12.18 | |
| Equity compensation plans not approved by security holders | | | | |
| Total | | 2,054,210 | \$ — | 1,026,875 |

- (1) Upon closing of the Redomiciliation, the 2016 Plans were terminated with respect to future grants and accordingly, there are no more shares available to be issued under the 2016 Plans.
- (2) The 2016 Plans were previously approved and adopted by the shareholders of AVITA Medical, the former parent company.

Australian Disclosure Requirements

In addition to the Company's primary listing on the NASDAQ Global Market, the Company's shares of common stock are also quoted in the form of CDIs on the ASX and trade under the ticker symbol "AVH". As part of our ASX listing, we are required to comply with the various disclosure requirements as set out under the ASX Listing Rules. The following information is intended to comply with the ASX Listing Rules (where that information has not been provided elsewhere in this Transition Report).

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Jurisdiction of incorporation and restrictions on the acquisition of securities

The Company is incorporated in the State of Delaware in the United States of America. As a foreign company registered in Australia, the Company is not subject to Chapters 6, 6A, 6B and 6C of the *Corporations Act 2001* (Cth) dealing with the acquisition of its shares (including substantial holdings and takeovers).

Under the Delaware General Corporation Law, the Company's shares are generally freely transferable, subject to restrictions imposed by United States federal or state securities laws, by the Company's certificate of incorporation or by-laws or by an agreement signed with the holders of shares on issue. The Company's certificate of incorporation and by-laws do not impose any specific restrictions on the transfer of its shares. Repurchases of the Company's securities are governed by the safe harbor provisions set forth in Rule 10b-18 of the Securities Exchange Act of 1934. However, provisions of the Delaware General Corporation Law, the Company's certificate of incorporation and the Company's by-laws could make it more difficult to acquire the Company by means of a tender offer (takeover), a proxy contest or otherwise, or to remove incumbent officers and directors of the Company. These provisions could discourage certain types of coercive takeover practices and takeover bids that the Company's board may consider inadequate and encourage persons seeking to acquire control of the Company to first negotiate with the board.

Australian Corporate Governance Statement

The board of directors and employees of the Company are committed to developing, promoting and maintaining a strong culture of good corporate governance and ethical conduct. The board of directors confirm that the Company's corporate governance framework is generally consistent with the ASX's Corporate Governance Council's "Corporate Governance Principles and Recommendations" (4th Edition) ("**ASX Governance Recommendations**"). The Company's Corporate Governance Statement is available for viewing at <https://ir.avitamedical.com/corporate-governance>. The Corporate Governance Statement sets out the ASX Governance Recommendations and the Company's response as to how and whether it follows those recommendations. Where the Company's practices depart from a recommendation, the board of directors have disclosed in the Corporate Governance Statement the departure along with reasons for the adoption of its own practices. The Company's most recent Corporate Governance Statement, dated February 28, 2022 and approved by the board of directors remains accurate as of the date of this Transition Report on Form 10-KT.

Issued capital

As of January 31, 2022, the Company's issued share capital was as follows:

- 24,925,743 shares of common stock, of which:
- 10,768,329 shares of common stock were held by 106 stockholders and quoted on NASDAQ; and
- 14,157,414 shares of common stock were held by CHESSE Depository Nominees Pty Limited ("Authorized Nominee") (on behalf of 24,828 CDI holders) representing 70,787,070 CDIs quoted on ASX.

As of January 31, 2022, the following unquoted securities are on issue, which entitle the holders of those securities, upon vesting of their conversion rights, to be issued shares of common stock (including in certain cases in the form of CDIs) of the Company:

- the equivalent of 1,778,120 unquoted options held amongst 125 option holders. Specifically:
- the equivalent of 205,200 options are on issue to Dr Michael Perry, CEO;
- the equivalent of 1,572,920 options were granted (and are on issue) to 124 employees and directors of the AVITA Group under the 2016 and 2020 stock option incentive plans and the 2021 AGM Awards; and
- the equivalent of 297,490 unquoted restricted stock units ("**RSUs**") held as follows:
- the equivalent of 166,540 RSUs held by Dr Michael Perry, CEO; and
- the equivalent of 130,950 RSUs held by 21 executives under AVITA Medical's Employee Incentive Option Plan and the 2021 AGM Awards.

Voting Rights

The Company's by-laws provide that each stockholder has one vote for every share of common stock entitled to vote held of record by such stockholder. If holders of CDIs wish to attend and vote at the Company's general meetings, they will be able to do so, provided, in case of voting, that the relevant steps as set out below are complied with by the CDI holder. Under the ASX Listing Rules

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and ASX Settlement Operating Rules, the Company must allow CDI holders to attend any meeting of the holders of the underlying securities, unless relevant United States laws at the time of the meeting prevent CDI holders from attending those meetings.

In order to vote at such meetings, CDI holders have the following options:

- instruct the Authorized Nominee (as the legal owner of the shares of common stock) to vote the common stock represented by their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and that instruction form must be completed and returned to the Company's registry prior to the record date fixed for the relevant meeting ("**CDI Voting Instruction Receipt Time**"), which is notified to the CDI holder in the voting instructions included in the notice of meeting; or
- inform the Company that they wish to nominate themselves or a third party to be appointed as the Authorized Nominee's proxy with respect to their common stock underlying their CDIs for the purposes of attending and voting at the meeting. The instruction form must be completed and returned to the Company's registry prior to the CDI Voting Instruction Receipt Time.

Alternatively, a CDI holder can convert their CDIs into a holding of common stock and vote those shares of common stock at a meeting of stockholders. Such a conversion must be undertaken prior to the record date fixed by the Company's board of directors for determining the entitlement of stockholders to attend and vote at the meeting. However, if the former CDI holder later wishes to sell their investment on the ASX, it would be necessary to convert those shares of common stock back to CDIs.

As CDI holders will not appear on the Company's register as the legal holders of the underlying common stock, they will not be entitled to vote at a stockholder meeting unless one of the above steps is undertaken. As each CDI represents 1/5 of a share of common stock, if the CDI holder takes one of the steps noted above to allow it to vote at a stockholder meeting, the CDI holder will be entitled to one vote for every five CDIs it holds.

Holders of options, warrants and RSUs are not entitled to vote.

Substantial Stockholders

The information required in relation to the substantial shareholders of the Company is included in this Transition Report at Item 12 of Part III.

Distribution of Common Stock and CDI Holders at January 31, 2022

Below is a distribution schedule of the number of holders of CDIs, categorized by the size of their holdings, based on the Company's registers as at January 31, 2022 (assuming all issued shares of common stock are held as CDIs).

| | CDIs | |
|--------------------|-------------------|--------------------|
| | Number of Holders | Number of CDIs |
| 1 - 1000 | 16,883 | 5,991,485 |
| 1,001 - 5,000 | 6,021 | 14,309,360 |
| 5,001 - 10,000 | 1,085 | 8,107,300 |
| 10,001 - 100,000 | 847 | 21,555,955 |
| 100,001 - and over | 83 | 74,664,615 |
| | <u>24,919</u> | <u>124,628,715</u> |

The number of stockholders and/or CDI holders holding less than a marketable parcel of shares of common stock and/or CDIs (where a "marketable parcel" means a parcel of securities worth at least A\$500, pursuant to the ASX Operating Rules) was 6,437 based on the closing market price of the Company's common stock and CDIs as of January 31, 2022.

There is no current on-market buy-back of our securities.

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Twenty Largest CDI Holders as of January 31, 2022

Below is a statement of the 20 largest holders of CDIs, and the number and percentage of issued CDIs held by those holders, based on the Company's registers as January 31, 2022 (assuming all shares of common stock of the Company are held as CDIs, with 5 CDIs representing a beneficial ownership interest in one share of common stock in the Company).

| Rank | Name | Number of CDIs Held (1) | % of CDIs Outstanding |
|-------------|---|--------------------------------|------------------------------|
| 1 | BlackRock Institutional Trust Company, N.A. | 7,365,240 | 5.91% |
| 2 | Montgomery Investment Management Pty Ltd | 6,989,810 | 5.61% |
| 3 | Redmile Group, LLC | 6,731,085 | 5.40% |
| 4 | The Vanguard Group, Inc. | 6,355,450 | 5.10% |
| 5 | Farallon Capital Management, L.L.C. | 4,000,000 | 3.21% |
| 6 | State Street Global Advisors (US) | 3,664,975 | 2.94% |
| 7 | Pura Vida Investments, LLC | 3,340,715 | 2.68% |
| 8 | Blackcrane Capital, LLC | 3,086,785 | 2.48% |
| 9 | Geode Capital Management, L.L.C. | 2,109,600 | 1.69% |
| 10 | Norges Bank Investment Management (NBIM) | 1,686,620 | 1.35% |
| 11 | RTW Investments L.P. | 1,400,000 | 1.12% |
| 12 | Northern Trust Investments, Inc. | 1,047,095 | 0.84% |
| 13 | Michael Perry | 637,680 | 0.51% |
| 14 | Arlene Perry | 631,525 | 0.51% |
| 15 | UBS Securities Australia Ltd. | 626,450 | 0.50% |
| 16 | AustralianSuper - Member Direct | 508,535 | 0.41% |
| 17 | Private Clients of Hub24 | 508,260 | 0.41% |
| 18 | XY Capital Limited | 500,970 | 0.40% |
| 19 | BT Portfolio Services, Ltd. | 487,815 | 0.39% |
| 20 | Allianz Global Investors U.S. LLC | 440,735 | 0.35% |

- (1) Including shares of common stock represented as though they are held as CDIs (with 5 CDIs representing a beneficial ownership interest in one share of common stock in the Company).

General Information

The name of our Secretary is Donna Shiroma.

The Company's ASX liaison officer who is responsible for communications with the ASX is Mark Licciardo.

The complete mailing address, including zip code, of our principal executive office is 28159 Avenue Stanford, Suite 220, Valencia, CA 91355, USA. The telephone number is +1(661) 367-9170.

The address of our registered office in Australia is c/- Mertons Corporate Services Pty Ltd, Level 7, 330 Collins Street, Melbourne VIC 3000, Australia and our telephone number there is +61 3 8689 9997.

Registers of securities are held as follows:

- for CDIs in Australia at Computershare Investor Services Pty Limited, Level 2, 45 St Georges Terrace, Perth WA 6000 Australia, Investor Enquiries +61 8 9323 2000 (within Australia) +61 3 9415 4677 (outside Australia); and
- for common stock in the United States at Computershare Investor Services, 250 Royall Street, Canton, MA 02021 USA, Tel: 866-644-4127.

Application of funds

The Company advises that it has used the cash and assets in a form readily convertible to cash that it had at the time of the Company's admission to the Official List of ASX in a way that is consistent with its business objectives.

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Directors' Declaration

As at the date of this Transition Report, the directors confirm that they are of the opinion that there are reasonable grounds to believe that the members of the “extended closed group” identified in Note 19, being the Company and the Australian Subsidiaries that are party to the deed of cross guarantee that is detailed in Note 19, will be able to meet any liabilities to which they are, or may become, subject, by virtue of the deed of cross guarantee.

Item 13. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Transactions with Related Persons

SEC rules require us to disclose any transaction or currently proposed transaction in which the Company is a participant and in which any related person has or will have a direct or indirect material interest involving the lesser of \$120,000 or 1% of the average of the Company's total assets as of the end of the last two completed fiscal years. A related person is any executive officer, director, nominee for director, or holder of 5% or more of the Company's Common Stock, or an immediate family member of any of those persons. Since July 1, 2020, the Company has not participated in any such related party transaction.

Director Independence

Our board of directors has determined that all members of our board of directors, except Dr. Michael Perry, are independent directors for purposes of the rules of NASDAQ and the SEC and for the purposes of the ASX Listing Rules and the ASX Corporate Governance Council's 4th Edition Corporate Governance Principles and Recommendations. In making this determination, our board of directors considered the relationships that each non-executive director has with us and all other facts and circumstances that our board of directors deemed relevant, including the beneficial ownership of our common stock by each non-executive director and Mr. Perry's executive role within the AVITA Group.

The composition and functioning of our board of directors and each of our committees complies with all applicable requirements of NASDAQ and the rules and regulations of the SEC as well as the ASX Listing Rules and the ASX Corporate Governance Council's 4th Edition Corporate Governance Principles and Recommendations.

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**Principal Accounting Fees and Services**

Grant Thornton LLP, the U.S. member of Grant Thornton International Ltd, independent registered public accountants have served as our independent public accountant for the transition period ended December 31, 2021 and the fiscal years ended June 30, 2021 and 2020. Grant Thornton Audit Pty Ltd, a subsidiary of Grant Thornton Australia Ltd, independent registered public accountants served as our independent public accountant prior to the Redomiciliation. The following table sets forth fees billed or accrued by our independent registered public accountants during the transition period ended December 31, 2021 and the fiscal years ended June 30, 2021 and 2020:

| | Transition Period Ended | Year Ended | |
|---|-------------------------|---------------|---------------|
| | December 31, 2021 | June 30, 2021 | June 30, 2020 |
| Audit fees - Grant Thornton LLP (1) | \$ 400,000 | \$ 1,038,645 | \$ 265,423 |
| Audit fees - Grant Thornton Audit Pty Ltd (1) | - | 25,845 | 212,147 |
| Grant Thornton UK LLP (1) | 44,698 | | |
| Tax fees - Grant Thornton LLP (2) | 147,222 | 126,929 | 90,737 |
| Tax fees - Grant Thornton Audit Pty Ltd (2) | - | - | 20,815 |
| Total fees | \$ 591,920 | \$ 1,191,419 | \$ 589,122 |

- (1) Audit fees consist of fees billed for the professional services rendered by the principal accountant for the audit of the registrant's annual financial statements and review of financial statements included in the registrant's Form 10-Q or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements.
- (2) Tax fees include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning.

Pre-Approval Policies and Procedures

The Audit Committee's policy is for the Audit Committee to approve all audit and non-audit services prior to such services being performed by the independent registered public accounting firm. Before engaging an independent registered public accountant firm to render audit or non-audit services, the engagement is approved by our audit committee or the engagement to render services is entered into pursuant to pre-approval policies and procedures established by the audit committee. The Audit Committee pre-approved all audit services provided by independent registered public accountants during the transition period and the fiscal year ended June 30, 2021.

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Transition Report:

- (1) All Financial Statements

See Index to Financial Statements in Part II, Item 8 of this Transition Report.

- (2) Financial Statement Schedules

all financial statement schedules have been omitted since the required information was not applicable or was not present in amounts sufficient to require submission of the schedules, or because the information required is included in the financial statements or the accompanying notes.

- (3) Exhibits

The exhibits listed in the following Index to Exhibits are filed, furnished or incorporated by reference as part of this Transition Report

EXHIBITS

| Exhibit Number | Exhibit Description |
|----------------|--|
| 2.1 | Scheme Implementation Agreement (incorporated by reference to Exhibit 99.2 of Form 6-K of Avita Medical Limited dated April 20, 2020) |
| 3.1 | Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the registrant's Form 8-K12B filed on June 30, 2020) |
| 3.2 | Certificate of Amendment of Certificate of Incorporation** |
| 3.3 | Amended and Restated Bylaws** |
| 4.1 | Description of Capital Stock (incorporated by reference to the registrant's Form 8-K12B filed on June 30, 2020) |
| 10.1 | Employee Incentive Option Plan (incorporated by reference to Exhibit 4.1 of the Form 20-F of Avita Medical Limited filed September 27, 2019)† |
| 10.2 | Employee Share Plan (incorporated by reference to Exhibit 4.2 of the Form 20-F of Avita Medical Limited filed September 27, 2019)† |
| 10.3 | Award Contract dated September 29, 2015 by and between the registrant and the U.S. Department of Health and Human Services Biomedical Advanced Research and Development Authority (BARDA) (incorporated by reference to Exhibit 4.3 of the Form 20-F of Avita Medical Limited filed September 27, 2019)* |
| 10.4 | Award Contract dated September 29, 2015 by and between the registrant and BARDA (incorporated by reference to Exhibit 4.4 of the Form 20-F of Avita Medical Limited filed September 27, 2019) * |
| 10.5 | Amendment of Solicitation/Modification of Contract dated June 24, 2016 by and between the registrant and BARDA (incorporated by reference to Exhibit 4.5 of the Form 20-F of Avita Medical Limited filed September 27, 2019) * |
| 10.6 | Amendment of Solicitation/Modification of Contract dated September 28, 2017 by and between the registrant and BARDA (incorporated by reference to Exhibit 4.6 of the Form 20-F of Avita Medical Limited filed September 27, 2019) * |
| 10.7 | Amendment of Solicitation/Modification of Contract dated July 2, 2018 by and between the registrant and BARDA (incorporated by reference to Exhibit 4.7 of the Form 20-F of Avita Medical Limited filed September 27, 2019) * |
| 10.8 | Lease Agreement between the registrant and Hartco Ventura Inc. dated January 25, 2018 (incorporated by reference to Exhibit 4.8 of the Form 20-F of Avita Medical Limited filed September 27, 2019) |
| 10.9 | Lease Agreement between the registrant and RIF-Avenue Stanford LLC, dated October 3, 2016, as amended (incorporated by reference to Exhibit 4.9 of the Form 20-F of Avita Medical Limited filed September 27, 2019) |

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| Exhibit Number | Exhibit Description |
|-----------------------|--|
| 10.10 | Third Amendment to the Lease Agreement between the registrant and RIF III-Avenue Stanford LLC, dated November 17, 2020, as amended) ** |
| 10.11 | Executive Employment Agreement between the registrant and Dr. Michael Perry, dated November 12, 2019. ** |
| 10.12 | RSUs – Confirmatory Deed between the registrant and Dr. Michael Perry, dated November 12, 2019. ** |
| 10.13 | Option Confirmatory Deed between the registrant and Dr. Michael Perry, dated November 12, 2019. ** |
| 10.14 | Executive Employment Agreement between the registrant and Michael Holder, dated effective March 22, 2021. ** |
| 10.15 | Executive Employment Agreement between the registrant and Kathy McGee, dated effective December 1, 2020. ** |
| 10.16 | Executive Employment Agreement between the registrant and Erin Liberto, dated effective August 28, 2017. ** |
| 10.17 | Executive Employment Agreement between the registrant and Andrew Quick, dated effective April 1, 2019. ** |
| 10.18 | Executive Employment Agreement between the registrant and Donna Shiroma, dated effective June 25, 2018. ** |
| 10.19 | Stock Option Grant Agreement between the registrant and Jan Stern Reed, dated effective December 22, 2021. ** |
| 10.20 | Stock Option Grant Agreement between the registrant and Jeremy Curnock Cook, dated effective December 22, 2021. ** |
| 10.21 | Stock Option Grant Agreement between the registrant and Louis Drapeau, dated effective December 22, 2021. ** |
| 10.22 | Stock Option Grant Agreement between the registrant and Louis Panaccio, dated effective December 22, 2021. ** |
| 10.23 | Stock Option Grant Agreement between the registrant and Suzanne Crowe, dated effective December 22, 2021. ** |
| 10.24 | RSU Agreement between the registrant and Jan Stern Reed, dated effective December 22, 2021. ** |
| 10.25 | RSU Agreement between the registrant and Jeremy Curnock Cook, dated effective December 22, 2021. ** |
| 10.26 | RSU Agreement between the registrant and Louis Drapeau, dated effective December 22, 2021. ** |
| 10.27 | RSU Agreement between the registrant and Louis Panaccio, dated effective December 22, 2021. ** |
| 10.28 | RSU Agreement between the registrant and Suzanne Crowe, dated effective December 22, 2021. ** |
| 10.29 | 2020 Omnibus Incentive Plan ** |
| 10.30 | Fourth Amendment to the Lease Agreement between the registrant and RIF III-Avenue Stanford LLC, dated August 25, 2021, as amended) ** |
| 14.1 | Code of Ethics ** |
| 21.1 | Subsidiaries of the Registrant ** |
| 23.1 | Consent of Independent Registered Public Accounting Firm ** |
| 31.1 | Certification of CEO pursuant to Section 302 of The Sarbanes-Oxley Act of 2002 ** |
| 31.2 | Certification of CFO pursuant to Section 302 of The Sarbanes-Oxley Act of 2002 ** |
| 32.1 | Certification of CEO and CFO pursuant to Section 906 of The Sarbanes-Oxley Act of 2002 ** |
| 101.INS | Inline XBRL Instance Document. |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document. |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document. |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document. |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document. |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

† Management contract or compensation plan or arrangement.

* Certain identified confidential information has been redacted from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

** Filed herewith

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AVITA Medical, Inc.
(Registrant)

Date: February 28, 2022

/s/ Dr. Michael Perry
Dr. Michael Perry
Chief Executive Officer (Principal Executive Officer)

Date: February 28, 2022

/s/ Michael Holder
Michael Holder
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| <u>Name</u> | <u>Title</u> | <u>Date</u> |
|---|---|-------------------|
| <u>/s/ Dr. Michael Perry</u> Dr. Michael Perry | Chief Executive Officer and Director (Principal Executive Officer) | February 28, 2022 |
| <u>/s/ Michael Holder</u> Michael Holder | Chief Financial Officer (Principal Financial and Accounting Officer) | February 28, 2022 |
| <u>/s/ Lou Panaccio</u> Lou Panaccio | Director | February 28, 2022 |
| <u>/s/ Jeremy Curnock Cook</u> Jeremy Curnock Cook | Director | February 28, 2022 |
| <u>/s/ Louis Drapeau</u> Louis Drapeau | Director | February 28, 2022 |
| <u>/s/ Suzanne Crowe</u> Suzanne Crowe | Director | February 28, 2022 |
| <u>/s/ James Corbett</u> James Corbett | Director | February 28, 2022 |
| <u>/s/ Jan Stern Reed</u> Jan Stern Reed | Director | February 28, 2022 |

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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| Consolidated Balance Sheets as of December 31, 2021, June 30, 2021 and 2020 | F-3 |
| Consolidated Statements of Operations for the Transition Period Ended December 31, 2021, the six-months ended December 31, 2020 and the Years Ended June 30, 2021 and 2020 | F-4 |
| Consolidated Statements of Comprehensive Loss for the Transition Period Ended December 31, 2021, the six-months ended December 31, 2020 and the Years Ended June 30, 2021 and 2020 | F-5 |
| Consolidated Statements of Shareholders' Equity for the Transition Period Ended December 31, 2021 and the Years Ended June 30, 2021 and 2020 | F-6 |
| Consolidated Statements of Cash Flows for the Transition Period Ended December 31, 2021, for the six-months ended December 31, 2020 and the Years Ended June 30, 2021 and 2020 | F-7 |
| Notes to Consolidated Financial Statements | F-8 |

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
AVITA Medical, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Avita Medical, Inc. (a Delaware corporation) and subsidiaries (the “Company”) as of December 31, 2021, June 30, 2021 and June 30, 2020, the related consolidated statements of operations, comprehensive loss, changes in shareholders’ equity, and cash flows for the six-month period ended December 31, 2021, and the years ended June 30, 2021 and 2020, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, June 30, 2021 and June 30, 2020, and the results of its operations and its cash flows for the six-month period ended December 31, 2021, and the years ended June 30, 2021 and 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2020.

Los Angeles, California
February 28, 2022

AVITA MEDICAL, INC.
Consolidated Balance Sheets
(In thousands, except share and per share data)

| | As of | | |
|--|----------------------|------------------|------------------|
| | December 31, 2021 | June 30, 2021 | June 30, 2020 |
| ASSETS | | | |
| Cash and cash equivalents | \$ 55,511 | \$ 110,746 | \$ 73,639 |
| Marketable securities | 29,649 | - | - |
| Accounts receivable, net | 3,118 | 3,467 | 2,076 |
| BARDA receivables | 308 | 3,936 | 356 |
| Prepays and other current assets | 1,213 | 1,333 | 990 |
| Restricted cash | 201 | 201 | 201 |
| Inventory | 2,132 | 1,647 | 1,125 |
| Total current assets | 92,132 | 121,330 | 78,387 |
| Marketable securities long-term | 19,692 | - | - |
| Plant and equipment, net | 1,262 | 1,458 | 1,363 |
| Operating lease right-of-use assets | 1,544 | 1,480 | 2,347 |
| Intangible assets, net | 443 | 472 | 364 |
| Other long-term assets | 942 | 761 | 1 |
| Total assets | \$ 116,015 | \$ 125,501 | \$ 82,462 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Accounts payable and accrued liabilities | 2,708 | 3,120 | 4,333 |
| Accrued wages and fringe benefits | 5,363 | 3,321 | 2,816 |
| Other current liabilities | 1,075 | 949 | 560 |
| Total current liabilities | 9,146 | 7,390 | 7,709 |
| Contract liabilities | 952 | 1,075 | 435 |
| Operating lease liabilities, long term | 918 | 878 | 1,917 |
| Other long-term liabilities | 375 | 503 | - |
| Total liabilities | 11,391 | 9,846 | 10,061 |
| Contingencies (Note 12) | | | |
| Shareholders' equity: | | | |
| Common stock, \$0.0001 par value per share, 200,000,000 shares authorized, 24,925,743, 24,895,864 and 21,467,912 shares issued and outstanding at December 31, 2021 and June 30, 2021 and 2020, respectively | 3 | 3 | 3 |
| Preferred stock, \$0.0001 par value per share, 10,000,000 shares authorized, no shares issued or outstanding at December 31, 2021 and June 30, 2021 and 2020. | - | - | - |
| Additional paid-in capital | 332,484 | 328,889 | 259,165 |
| Accumulated other comprehensive income | 8,060 | 8,259 | 8,146 |
| Accumulated deficit | (235,923) | (221,496) | (194,913) |
| Total shareholders' equity | 104,624 | 115,655 | 72,401 |
| Total liabilities and shareholders' equity | \$ 116,015 | \$ 125,501 | \$ 82,462 |

The accompanying notes form part of the consolidated financial statements

AVITA MEDICAL, INC.
Consolidated Statements of Operations
(In thousands, except share and per share data)

| | <u>Transition Period</u> | <u>Six-Month Period</u> | <u>Year Ended</u> | |
|--|---|---|----------------------|----------------------|
| | <u>July 1 - December 31,</u> <u>2021</u> | <u>July 1 - December 31,</u> <u>2020</u> | <u>June 30, 2021</u> | <u>June 30, 2020</u> |
| | | (unaudited) | | |
| Revenues | \$ 13,956 | \$ 10,163 | \$ 29,232 | \$ 14,263 |
| Cost of sales | (1,905) | (1,750) | (5,949) | (2,973) |
| Gross profit | 12,051 | 8,413 | 23,283 | 11,290 |
| BARDA income | 580 | 1,045 | 2,055 | 3,926 |
| Operating expenses: | | | | |
| Sales and marketing expenses ⁽¹⁾ | (8,472) | (6,865) | (14,660) | (15,706) |
| General and administrative expenses ⁽¹⁾ | (10,996) | (11,703) | (22,400) | (33,025) |
| Research and development expenses ⁽¹⁾ | (7,586) | (6,735) | (14,818) | (9,164) |
| Total operating expenses | (27,054) | (25,303) | (51,878) | (57,895) |
| Operating loss | (14,423) | (15,845) | (26,540) | (42,679) |
| Interest expense | (17) | (10) | (22) | (33) |
| Other income | 38 | 8 | 17 | 686 |
| Loss before income taxes | (14,402) | (15,847) | (26,545) | (42,026) |
| Income tax benefit/(expense) | (25) | (21) | (38) | (4) |
| Net loss | <u>\$ (14,427)</u> | <u>\$ (15,868)</u> | <u>\$ (26,583)</u> | <u>\$ (42,030)</u> |
| Net loss per common share: | | | | |
| Basic | \$ (0.58) | \$ (0.74) | \$ (1.17) | \$ (2.07) |
| Diluted | \$ (0.58) | \$ (0.74) | \$ (1.17) | \$ (2.07) |
| Weighted-average common shares: | | | | |
| Basic | 24,915,414 | 21,563,576 | 22,674,313 | 20,290,966 |
| Diluted | 24,915,414 | 21,563,576 | 22,674,313 | 20,290,966 |

(1) Refer to Note 2 for reclassification of share-based compensation expense.

The accompanying notes form part of the consolidated financial statements

AVITA MEDICAL, INC.
Consolidated Statements of Comprehensive Loss
(In thousands)

| | <u>Transition Period</u> | <u>Six-Month Period</u> | <u>Year Ended</u> | |
|--|---|---|----------------------|----------------------|
| | <u>July 1 - December 31,</u> <u>2021</u> | <u>July 1 - December</u> <u>31, 2020</u> | <u>June 30, 2021</u> | <u>June 30, 2020</u> |
| Net loss | \$ (14,427) | \$ (15,868) | \$ (26,583) | \$ (42,030) |
| Foreign currency translation gain/(loss) | (95) | 143 | 113 | (38) |
| Net unrealized loss on marketable securities, net of tax | \$ (104) | - | - | - |
| Comprehensive loss | <u>\$ (14,626)</u> | <u>\$ (15,725)</u> | <u>\$ (26,470)</u> | <u>\$ (42,068)</u> |

The accompanying notes form part of the consolidated financial statements

AVITA MEDICAL, INC.
Consolidated Statements of Shareholders' Equity
(In thousands, except shares)

| | Common Stock | | Additional Paid-in Capital | Accumulated Other Comprehensive Gain (Loss) | Accumulated Deficit | Total Shareholders' Equity |
|---|-------------------|-------------|----------------------------------|--|------------------------|----------------------------------|
| | Shares | Amount | | | | |
| Balance at June 30, 2019 | 18,712,996 | \$ 3 | \$ 165,473 | \$ 8,184 | \$ (152,828) | \$ 20,832 |
| Net loss | - | - | - | - | (42,030) | (42,030) |
| Issuance of common stock under direct placement | 2,033,898 | - | 81,702 | - | - | 81,702 |
| Issuance costs associated with direct placement | - | - | (5,077) | - | - | (5,077) |
| Share-based compensation | - | - | 16,486 | - | - | 16,486 |
| Exercise of stock options | 99,982 | - | 474 | - | - | 474 |
| Vesting of RSU options | 605,183 | - | - | - | - | - |
| Issuance of common stock to director in lieu of directors fees | 15,853 | - | 107 | - | - | 107 |
| Beginning balance adjustment related to the adoption of ASC 842 | - | - | - | - | (55) | (55) |
| Translation loss | - | - | - | (38) | - | (38) |
| Balance at June 30, 2020 | 21,467,912 | \$ 3 | \$ 259,165 | \$ 8,146 | \$ (194,913) | \$ 72,401 |
| Net loss | - | - | - | - | (26,583) | (26,583) |
| Issuance of common stock under direct placement | 3,214,250 | - | 69,106 | - | - | 69,106 |
| Issuance costs associated with direct placement | - | - | (5,109) | - | - | (5,109) |
| Share-based compensation | - | - | 5,664 | - | - | 5,664 |
| Exercise of stock options | 14,359 | - | 63 | - | - | 63 |
| Vesting of restricted stock units | 199,343 | - | - | - | - | - |
| Translation gain | - | - | - | 113 | - | 113 |
| Balance at June 30, 2021 | 24,895,864 | \$ 3 | \$ 328,889 | \$ 8,259 | \$ (221,496) | \$ 115,655 |
| Net loss | - | - | - | - | (14,427) | (14,427) |
| Share-based compensation | - | - | 3,588 | - | - | 3,588 |
| Exercise of stock options | 1,125 | - | 7 | - | - | 7 |
| Vesting of restricted stock units | 28,754 | - | - | - | - | - |
| Translation loss | - | - | - | (95) | - | (95) |
| Net unrealized loss on marketable securities, net of tax | - | - | - | (104) | - | (104) |
| Balance at December 31, 2021 | 24,925,743 | \$ 3 | \$ 332,484 | \$ 8,060 | \$ (235,923) | \$ 104,624 |

The accompanying notes form part of the consolidated financial statements

AVITA MEDICAL, Inc.
Consolidated Statement of Cash Flows
(in thousands)

| | Transition Period Ended | | Year-Ended | |
|---|----------------------------|-------------------|-------------------|------------------|
| | December 31, 2021 | December 31, 2020 | June 30, 2021 | June 30, 2020 |
| Cash flow from operating activities: | | | | |
| Net loss | \$ (14,427) | \$ (15,868) | \$ (26,583) | \$ (42,030) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | | |
| Depreciation and amortization | 330 | 373 | 715 | 465 |
| Share-based compensation | 3,588 | 2,920 | 5,664 | 16,486 |
| Non-cash lease expense | 328 | 276 | 591 | 502 |
| Loss on fixed asset disposal | - | - | 130 | 259 |
| Patent impairment loss | 42 | - | - | - |
| Remeasurement and foreign currency transaction gain/(loss) | (72) | 229 | 228 | 7 |
| Excess and obsolete inventory related charges and recoveries | 44 | (82) | 226 | 84 |
| BARDA deferred costs | (278) | - | 343 | - |
| Contract cost amortization | 167 | - | 129 | - |
| Provision (benefit) for doubtful accounts | (2) | (6) | 12 | 43 |
| Amortization of premium of marketable securities | 104 | - | - | - |
| Issuance of common stock to directors in lieu of directors fees | - | - | - | 107 |
| Changes in operating assets and liabilities: | | | | |
| Trade and other receivables | 350 | 144 | (1,399) | (729) |
| BARDA receivables | 3,627 | (84) | (3,580) | 26 |
| R&D Tax Credits | - | - | - | 121 |
| Prepays and other current assets | 119 | 177 | (342) | 219 |
| Inventory | (530) | (1,077) | (745) | (468) |
| Operating lease liability | (334) | (268) | (594) | (476) |
| Other long-term assets | (347) | (151) | (889) | - |
| Accounts payable and accrued liabilities | (392) | (1,700) | (1,333) | 2,308 |
| Accrued wages and fringe benefits | 2,046 | 1,474 | 493 | 693 |
| Other current liabilities | 186 | 94 | 155 | (366) |
| Contract liabilities | (123) | 161 | 640 | 6 |
| Other long-term liabilities | 73 | - | 238 | (4) |
| Net cash used in operations | (5,501) | (13,388) | (25,901) | (22,747) |
| Cash flows from investing activities: | | | | |
| Purchase of marketable securities | (49,550) | - | - | - |
| Cash paid for property and equipment | (65) | (472) | (894) | (590) |
| Cash paid for patent filing fees | (67) | (163) | (280) | (257) |
| Net cash used in investing activities | (49,682) | (635) | (1,174) | (847) |
| Cash flow from financing activities: | | | | |
| Proceeds from direct placement of common stock | - | - | 69,106 | 81,702 |
| Issuance cost associated with direct placement | - | - | (5,109) | (5,077) |
| Principal repayment of finance lease | - | (10) | (11) | (42) |
| Proceeds from exercise of stock options | 7 | 1 | 63 | 474 |
| Net cash provided/(used) by financing activities | 7 | (9) | 64,049 | 77,057 |
| Effect of foreign exchange rate on cash and restricted cash | (59) | 158 | 133 | 3 |
| Net increase/(decrease) in cash and cash equivalents and restricted cash | (55,235) | (13,874) | 37,107 | 53,466 |
| Cash and cash equivalents and restricted cash beginning of the period | 110,947 | 73,840 | 73,840 | 20,374 |
| Cash and cash equivalents and restricted cash end of the period | \$ 55,712 | \$ 59,966 | \$ 110,947 | \$ 73,840 |
| Supplemental Disclosure of Cash Flow Information | | | | |
| Cash paid for income taxes | \$ 8 | \$ 42 | \$ 42 | \$ - |
| Cash paid for interest | \$ 17 | \$ 2 | \$ 3 | \$ 42 |
| Plant and equipment purchases not yet paid | \$ 35 | \$ 60 | \$ 20 | \$ 85 |

The accompanying notes form part of the consolidated financial statements

AVITA MEDICAL, INC.
Notes to Consolidated Financial Statements

1. The Company

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“**U.S. GAAP**”). These financial statements include the assets, liabilities, revenues and expenses of all wholly-owned subsidiaries.

Nature of the Business

The AVITA group of companies (comprising AVITA Medical, Inc. (“**AVITA**” or the “**Company**”) and its subsidiaries, including AVITA Medical Pty Limited, previously known as AVITA Medical Limited, (“**AVITA Medical**”)) (collectively, “**AVITA Group**” or “**we**”, “**us**”, or “**our**”) is a commercial-stage regenerative tissue company focused on the treatment of burns, trauma and other acute injuries, together with skin defects like vitiligo. The Company’s lead product is the RECELL® System, a device that enables healthcare professionals to produce a suspension of Spray-On Skin™ Cells using a small sample of the patient’s own skin. In September 2018, the United States Food & Drug Administration (“**FDA**”) granted premarket approval (“**PMA**”) to the RECELL System for use in the treatment of acute thermal burns in patients eighteen years and older and pediatric acute full thermal burns in 2021. Following receipt of our PMA, we commenced commercializing the RECELL System in January 2019 in the United States. In addition, the FDA has granted the Company three Investigational Device Exemptions (“**IDEs**”) studies which have enabled the Company to initiate pivotal clinical investigational studies to seek expanded FDA (supplementary) PMA of the RECELL System for each of soft tissue reconstruction, pediatric scalds, and vitiligo. Enrollment of those clinical studies is ongoing and, if successful, those studies would enable the Company to commence commercializing the RECELL System in the United States in each of those indications.

In March 2020, the World Health Organization declared the outbreak of a novel strain of the coronavirus (“**COVID-19**”) a pandemic. COVID-19 is having, and will likely continue to have, an effect on the Company’s business, results of operations, financial condition, and cash flows, and its future impacts remain highly uncertain and unpredictable. The Company has considered the disruptions caused by COVID-19, including lower than forecasted sales, delays to the speed of enrollment in the Company’s clinical trials that may, if successful, support commercial approval and new revenues in additional markets, and macroeconomic factors, that may impact its estimates. The Company has assessed the potential impact of COVID-19 on certain accounting matters including, but not limited to, the allowance for doubtful accounts, inventory reserves and return reserves, and impairment considerations for long-lived assets, marketable securities and intangibles, as of December 31, 2021 and through the date of this report. The Company’s business and operations have been impacted by COVID-19 as the effects of COVID-19 related travel restrictions have reduced accidents and the incidence of burns and burns admissions. With respect to future operating results, it is not possible at this time to predict, with any degree of precision, the effects of COVID-19. Consequently, actual results for accounting estimates and assumptions, particularly those relating to the recoverability of certain intangible assets and estimates of expected credit losses on accounts receivable could differ from these estimates.

Effective December 2, 2020 (United States time), AVITA Therapeutics, Inc., changed its corporate name to AVITA Medical, Inc. after successfully filing a Certificate of Amendment of Certificate of Incorporation with the Secretary of State of Delaware. The Company’s change of name was registered with the Australian Securities and Investments Commission effective as from January 6, 2021. The Company’s common stock continues to trade on The NASDAQ Stock Exchange LLC (“**NASDAQ**”) under the symbol “**RCEL**” and its CHES Depository Interests (“**CDIs**”) continue to trade on the Australian Securities Exchange (“**ASX**”) under the ticker symbol, “**AVH**”.

CHANGE OF YEAR-END

On November 8, 2021, the Company changed its fiscal year-end from June 30th to December 31st, effective immediately. The decision to change the fiscal year-end to a calendar year end was to align our reporting cycle more closely with how we manage our business.

Redomiciliation

On June 29, 2020, a statutory scheme of arrangement under Australian law to effect a redomiciliation of the AVITA Group from Australia to the United States of America was implemented (the “**Redomiciliation**”). The Redomiciliation was approved by shareholders on June 15, 2020 and approved by the Federal Court of Australia on June 22, 2020.

Pursuant to the Redomiciliation, all ordinary shares in AVITA Medical, the former parent company of the AVITA Group, were exchanged for shares of common stock in the Company. As a result, the Company became the sole shareholder of AVITA Medical

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and the new parent company of the AVITA Group. In conjunction with the Redomiciliation, an implicit consolidation or reverse split on a 1 for 100 basis was implemented whereby shareholders of AVITA Medical received one share of common stock in the Company for every 100 shares held in AVITA Medical.

Under the Redomiciliation, eligible shareholders in AVITA Medical received consideration in the form of:

- five CDIs in the Company for every 100 ordinary shares in AVITA Medical that were held by them; or
- one share of common stock in the Company for every 5 ADSs in AVITA Medical that were held by them.

The Company's CDIs are quoted on the ASX under AVITA Medical's previous ASX ticker code, "AVH". The Company's shares of common stock are quoted on NASDAQ under AVITA Medical's previous NASDAQ ticker code, "RCEL". One share of common stock on NASDAQ is equivalent to five CDIs on the ASX.

As a result of the 'implicit consolidation' that occurred under the Redomiciliation, the number of shares of common stock on issue in the Company (as set out in the consolidated financial statements) is less than the number of ordinary shares issued and outstanding in AVITA Medical that was previously set out in the consolidated financial statements of AVITA Medical. All common stock amounts included in these financial statements have been retroactively reduced by a factor of one hundred and all per share amounts have been increased by a factor of one hundred, with the exception of the Company's common stock par value.

As a result of the Redomiciliation, the reporting currency of the AVITA Group changed from the Australian dollar to the U.S. dollar. In accordance with SEC regulation, SX Rule 320 (e), the impact of the change in the reporting currency was included in a component of other comprehensive income (loss).

2. Summary of Significant Accounting Policies

Reclassification

Certain amounts in the prior period Consolidated Statement of Operations have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported operating expense, loss before taxes, net loss and earnings per share.

After the issuance of the consolidated financial statements for the year ended June 30, 2020, and the quarter ended September 30, 2020, the Company concluded that the presentation of share-based compensation should be reclassified to the functional expense line items consistent with cash compensation in accordance with SAB Topic 14. The Company has determined that such change in presentation of prior period amounts in the Statement of Operations is not material to the consolidated financial statements.

The Company reclassified share-based compensation expense of \$16.5 million to sales and marketing expense, general and administrative expense and research and development expenses as detailed in the table below for year ended June 30, 2020 (in thousands).

| | Year-ended June 30, 2020 | | |
|-------------------------------------|--------------------------|---------------------|-------------|
| | As previously reported | Amount reclassified | As Reported |
| Sales and marketing expenses | \$ (14,813) | \$ (893) | \$ (15,706) |
| General and administrative expenses | (18,135) | (14,890) | (33,025) |
| Research and development expenses | (8,461) | (703) | (9,164) |
| Share-based compensation | (16,486) | 16,486 | - |
| Total operating expenses | (57,895) | - | (57,895) |
| Operating loss | (42,679) | - | (42,679) |
| Loss before income taxes | (42,026) | - | (42,026) |
| Net loss | (42,030) | - | (42,030) |

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. As a result of the Redomiciliation described above, the parent company of the AVITA group changed from AVITA Medical to the Company. All intercompany transactions and balances have been eliminated on consolidation.

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Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts (including doubtful accounts, carrying value of long-lived asset, the useful lives of long-lived assets, accounting for marketable securities, income taxes, stock-based compensation and the stand-alone selling price for the BARDA contract) and related disclosures. Estimates have been prepared on the basis of the current and available information. However, actual results could differ from estimated amounts.

Foreign Currency Translation and Foreign Currency Transactions

The financial position and results of operations of the Company's operating non-U.S. subsidiaries are generally determined using the respective local currency as the functional currency of that subsidiary. Assets and liabilities of these subsidiaries are translated at the exchange rate in effect at each period end. Income statement accounts are translated at the average rate of exchange prevailing during the period. Adjustments arising from the use of differing exchange rates from period to period are included in accumulated other comprehensive gain (loss) in shareholders' equity. Gains and losses resulting from foreign currency transactions are included in general and administrative expenses and were a gain of \$35,000 and losses of \$114,000, \$97,000 and \$7,000 for the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020, respectively.

The Company's subsidiaries that use the U.S. dollar as their functional currency remeasure monetary assets and liabilities at exchange rates in effect at the end of each period, nonmonetary assets and liabilities at historical rates. Gains and losses resulting from these remeasurements and foreign currency transactions are included in general and administrative expenses and were a gain \$37,000 and losses of \$115,000 and \$131,000 for the transition period ended December 31, 2021, the six months ended December 31, 2020 and the year ended June 30, 2021, respectively. For the year ended June 30, 2020 such amounts were not significant.

Comprehensive Loss

The components of comprehensive income (loss) consist of net income (loss) and changes in foreign currency exchange rate translation. The changes in foreign currency exchange rate translation are excluded from earnings and reported as a component of shareholders' equity. The foreign currency translation adjustment results from those subsidiaries not using the United States dollar as their functional currency since the majority of their economic activities are primarily denominated in their applicable local currency. Accordingly, all assets and liabilities related to these operations are translated at the current exchange rates at the end of each period, whereas revenues and expenses are translated at average exchange rates in effect during the period. The resulting cumulative translation adjustments are recorded directly to the accumulated other comprehensive gain/(loss) account in shareholders' equity.

Revenue Recognition

The Company recognizes revenue when its customers obtain control of promised goods or services, in an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services.

To determine revenue recognition for arrangements that are within the scope of Topic 606, the Company performs the following five steps:

1. Identify the contract with a customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognize revenue when/as performance obligation(s) are satisfied

In order for an arrangement to be considered a contract, it must be probable that the Company will collect the consideration to which it is entitled for goods or services to be transferred. Once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised with each contract, determines whether those are performance obligations and the related transaction price. The Company then recognizes the sale of goods based on the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied.

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The Company's revenue consists primarily of the sale of the RECELL System to hospitals or other treatment centers and to BARDA (collectively, "customers"), predominately in the United States. The Company evaluated the BARDA contract and concluded that a portion of the arrangement, such as the procurement of the RECELL system and the emergency preparedness, represents a transaction with a customer and as such are in the scope of ASC 606. Amounts received from BARDA for the research and development of the Company's product are classified as BARDA income in the consolidated statement of operations and are accounted for under IAS 20. For further details refer to BARDA Income and Receivables below.

Revenues for commercial customers (hospitals and treatment centers) are recognized as control of the product is transferred to customers, at an amount that reflects the consideration expected to be received in exchange for the product. Revenues are recognized net of volume discounts. As such, revenue is recognized only to the extent a significant reversal of revenues is not expected to occur in subsequent periods. For the Company's contracts that have an original duration of one year or less, the Company elected the practical expedient applicable to such contracts and does not consider the time value of money. Further, because of the short duration of these contracts, the Company has not disclosed the transaction price for the remaining performance obligations as of each reporting period or when the Company expects to recognize this revenue. The Company has further applied the practical expedient to exclude sales tax in the transaction price and expense contract fulfillment costs such as commissions and shipping and handling expenses as incurred.

For revenues related to the BARDA contract within the scope of ASC 606, the Company identified two performance obligations (i) the procurement of 5,614 RECELL units, (ii) emergency preparedness services. Through this contract the Company promises to procure the product through a vendor management inventory arrangement and to stand ready to provide emergency deployment services related to the product. Emergency preparedness services include procuring necessary storage containers, housing, and maintaining the containers (and product), and providing shipping and handling services in the event of an emergency situation. This stand ready obligation is a series of distinct services that are substantially the same and have the same pattern of transfer to the customer, overtime as services are consumed.

The total transaction price for the portion of the BARDA contract that is with-in the scope of ASC 606, was determined to be \$9.2 million. The transaction price was allocated on a stand-alone selling price basis as follows: \$7.6 million to the procurement of the RECELL product, which is classified as revenues when recognized in the consolidated statement of operations and \$1.6 million to the emergency deployment services which is classified as revenues when recognized in the consolidated statement of operations. The \$1.6 million for emergency deployment includes variable consideration which is deemed immaterial to the contract as a whole. The Company estimated the stand-alone selling price of the procurement of the RECELL product based on historical pricing of the Company's product at the initial execution of the contract. The Company estimated the stand-alone selling price of the emergency deployment services performed based on the Company's projected cost of providing the services plus an applicable profit margin as denoted in the contract.

The Company's performance obligations are either satisfied at a point in time or over time as services are provided. The product procurement performance obligation is satisfied at a point in time, upon transfer of control of the product. As such, the related revenue for these performance obligations is recognized at a point in time as revenue within the Company's consolidated statement of operations. In addition to guidance under ASC 606, the Company recognizes revenue from the sales of RECELL product to BARDA for placement into vaccine stockpiles in accordance with *Securities and Exchange Commission (SEC) Interpretation, Commission Guidance regarding Accounting for Sale of Vaccines and BioTerror Countermeasures to the Federal Government for Placement into the Pediatric Vaccine Stockpile or the Strategic National Stockpile (SNS)*. Under this guidance, revenue is recognized when product is placed in the BARDA vendor-managed inventory as control of the product has been transferred to the customer at the time of delivery to the VMI. RECELL units that have been delivered to BARDA have a product replacement obligation at no cost to BARDA due to product's limited shelf-life. The estimated cost of the expired inventory over the term of the contract is recognized on a per unit basis at the time of delivery. The liability is released upon replacement of the product along with a corresponding reduction to inventory. The emergency preparedness services performance obligation is satisfied over time. Revenue for the emergency deployment will be recognized on a straight-line basis during the term of the contract as services are consumed over time. Services recognized are included in sales within the consolidated statement of operations. Contract costs to fulfil the performance obligations are incremental and expected to be recovered are capitalized and amortized on a straight-line basis over the term of the contract. Contract costs are included in other long-term assets.

Contract Liabilities

The Company receives payments from customers based on contractual terms. Trade receivables are recorded when the right to consideration becomes unconditional. The Company satisfies its performance obligation on product sales when the products are shipped or delivered, depending on the terms of the sale. Payment terms on invoiced amounts are typically 30-90 days, and do not include a financing component. Contract liabilities are recorded when the Company receives payment prior to satisfying its obligation to transfer goods to a customer.

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Cost of Sales

Cost of sales related to products includes costs to manufacture or purchase, package, and ship the Company's products. Costs also include relevant production overhead and depreciation and amortization. These costs are recognized when control of the product is transferred to the customer and revenue is recognized.

Income Taxes

Income taxes are accounted for using the liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income or loss in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that a portion of the deferred tax asset will not be realized. We recognize interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statement of operations. Accrued interest and penalties are included on the related tax liability line in the consolidated balance sheet.

The Company reviews its uncertain tax positions regularly. An uncertain tax position represents the Company's expected treatment of a tax position taken in a filed return, or planned to be taken in a future tax return or claim that has not been reflected in measuring income tax expense for financial reporting purposes. The Company recognizes the tax benefit from an uncertain tax position when it is more-likely-than-not that the position will be sustained upon examination on the basis of the technical merits or the statute of limitations for the relevant taxing authority to examine and challenge the tax position has expired.

Cash and Cash Equivalents

Consists of cash held at deposit institutions and cash equivalents. Cash equivalents consist of short-term highly liquid investments with original maturities of three months or less from the date of purchase and consist primarily of money market funds. The Company holds cash at deposit institutions in the amount of \$4.4 million, \$54.2 million and \$73.6 million of which \$203,000, \$273,000 and \$466,000 is denominated in foreign currencies in foreign institutions as of December 31, 2021, June 30, 2021 and 2020, respectively. As of December 31, 2021, June 30, 2021 and 2020, the Company held cash equivalents in the amount of \$51.1 million, \$56.5 million and \$0, respectively.

Restricted Cash

Pursuant to a contractual agreement with American Express to maintain the business credit card, the Company must maintain restricted cash deposits which amounted to approximately \$201,000 as of December 31, 2021 and June 30, 2021 and 2020, respectively.

Concentrations

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, trade receivables, BARDA receivables and other receivables. As of December 31, 2021, and June 30, 2021, and 2020, substantially all of the Company's cash was deposited in accounts at financial institutions, and amounts may exceed federally insured limits. Management believes that the Company is not exposed to significant credit risk due to the financial strength of the depository institutions in which its cash is held.

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As of December 31, 2021, one commercial customer accounted for approximately 10% of net accounts receivable. As of June 30, 2021, and 2020, no single commercial customer accounted for more than 10% of net accounts receivable. For the transition period ended December 31, 2021, and the six-months ended December 31, 2020, no single commercial customer accounted for more than 10% of total revenues. For the years ended June 30, 2021, and 2020, no single commercial customer accounted for more than 10% of total revenues. BARDA revenues for the procurement of the RECELL system accounted for approximately 1.3%, 0%, 26.5% and 0% of total revenues for the transition period ended December 31, 2021, the six-months ended December 31, 2020, and the years ended June 30, 2021 and 2020, respectively. BARDA receivables for the procurement of the RECELL system and emergency preparedness accounted for approximately 3%, 91% and 0% of BARDA receivables as of December 31, 2021, June 30, 2021, and 2020, respectively. See table below for breakdown of BARDA receivables (in thousands).

| | As of December 31, 2021 | As of June 30, 2021 | As of June 30, 2020 |
|---|-------------------------------|---------------------------|---------------------------|
| BARDA procurement and emergency preparedness services | \$ 9 | \$ 3,583 | \$ — |
| BARDA expense reimbursements | 299 | 353 | 356 |
| Total | \$ 308 | \$ 3,936 | \$ 356 |

Fair Value of Financial Instruments

The carrying values of the Company's financial instruments, consisting of cash and cash equivalents, marketable securities, trade receivables, prepaids and other receivables, accounts payable, accrued liabilities and contract liabilities, approximate fair value due to the relative short-term nature of these instruments.

Marketable Securities

We classify all highly liquid investments with original maturities of three months or less from the date of purchase as cash equivalents and all highly liquid investments with stated maturities of greater than three months as marketable securities. The Company classifies marketable securities as short-term when they have remaining contractual maturities of one year or less from the balance sheet date, and as long-term when the investments have remaining contractual maturities of more than one year from the balance sheet date. Classification is determined at the time of purchase and re-evaluated each balance sheet date. Short-term marketable securities represent investment of cash available for current operations. We account for our marketable securities as available-for-sale securities.

All marketable securities, which consist of corporate debt securities, asset backed securities, U.S treasury and commercial paper are denominated in the U.S. dollars, have been classified as "available for sale", and are carried at fair value. Unrealized gains and losses, net of any related tax effects, are excluded from earnings and are included in other comprehensive income (loss) and reported as a separate component of stockholders equity until realized. Realized gains and losses on marketable securities are included in interest and other income, net, in the accompanying Consolidated Statements of Operations. The cost of any marketable securities sold is based on the specific identification method. The amortized cost of marketable securities is adjusted for amortization of premiums and accretion of discounts to maturity. Interest on marketable securities is included in other income. In accordance with the Company's investment policy, management invests to diversify credit risk and only invests in securities with high credit quality, including U.S. government securities, and the maximum final maturity from the date of purchase is thirty-seven months.

If necessary, the Company will recognize an allowance for credit losses on available-for-sale debt securities on an individual basis, and will no longer consider other than-temporary impairment or immediately reduce the cost basis of the investment provided that it is more likely than not that the security will be held to recovery or maturity. Further, the Company will recognize any improvements in estimated credit losses on available-for-sale debt securities immediately in earnings and reduce the existing allowance for credit losses. The Company will disaggregate its available-for-sale debt securities into the following categories: commercial paper, corporate debt, government and agency securities and money market funds. The Company's corporate bonds are comprised of predominantly high-grade corporate bonds while its government and agency securities are U.S. treasury bonds, and U.S. agency bonds. The Company has analyzed both corporate bonds and government and agency securities and identified that both types of securities have similar risk characteristics in that they are traded infrequently and have contractual interest rates and maturity dates.

To evaluate for impairment, management reviews credit rating changes, securities trends, interest rate movements and unrealized loss at the security level of the Company's available for sale debt securities. If any of these give rise to a potential credit concern, the Company performs a discounted cash flow analysis to determine the credit portion of the impairment. The discounted cash flow analysis will be performed either internally or through the assistance of a qualified third party. Once the credit component of

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the impairment is determined, the Company will record the impaired amount as an allowance to the available-for-sale debt securities balance and as a charge to other income in the accompanying Consolidated Statements of Operations, not to exceed the amount of the unrealized loss. The Company assesses expected credit losses at the end of each reporting period and adjusts the allowance through other income.

Accounts Receivable

Accounts receivable are recorded net of customer allowances for doubtful accounts. The Company estimates an allowance for expected credit losses (i.e., the inability of our customers to make required payments). These estimates are based on a combination of past experience and current trends. In estimating the allowance for expected credit losses, consideration is given to the current aging of receivables, a specific review for potential bad debts and an evaluation of historic write-offs. The resulting bad debt expense is included in sales and marketing expenses in the consolidated statement of operations. Receivables are written-off when deemed uncollectible. As of December 31, 2021 and June 30, 2021 and 2020, the allowance for doubtful accounts was \$28,000, \$30,000 and \$18,000, respectively.

A rollforward of the activity in the Company's allowance for doubtful account is as follows (in thousands):

| | For the transition period | For the period | For the year-ended June 30, | |
|--|---------------------------------------|---------------------------------------|------------------------------------|--------------|
| | July 1 - December 31, 2021 | July 1 - December 31, 2020 | 2021 | 2020 |
| | | (unaudited) | | |
| Allowance for doubtful accounts, at beginning of year | \$ 30 | \$ 18 | \$ 18 | \$ 18 |
| Bad debt expense | 2 | 7 | 12 | 43 |
| Deductions | (4) | (13) | - | (43) |
| Allowance for doubtful accounts, at end of year | <u>\$ 28</u> | <u>\$ 12</u> | <u>\$ 30</u> | <u>\$ 18</u> |

BARDA Income and Receivables

The AVITA Group was awarded a BARDA grant in September 2015. Under this grant BARDA supports the Company's research and development for the Company's product, including the ongoing U.S. clinical regulatory program targeted towards FDA PMA, our compassionate use program, clinical and health economics research, and U.S. pediatric burn programs.

Consideration received under the BARDA grant is earned and recognized under a cost-plus-fixed-fee arrangement in which the Company is reimbursed for direct costs incurred plus allowable indirect costs and a fixed-fee earned. Billings under the contracts are based on approved provisional indirect billing rates, which permit recovery of fringe benefits, general and administrative expenses and a fixed fee.

The Company has concluded that grants under the BARDA grant are not within the scope of ASC 606, as they do not meet the definition of a contract with a "customer." The Company has further concluded that Subtopic 958-605, *Not-for-Profit-Entities-Revenue Recognition* also does not apply, as the Company is a business entity and the grants are with governmental agencies or units. With respect to the BARDA grant, we considered the guidance in IAS 20, *Accounting for Government Grants and Disclosure of Government Assistance*, by analogy. BARDA income and related receivables are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions have been complied with. When the grant relates to an expense item, the grant received is recognized as income over the period when the expense was incurred.

Inventory

Inventory is valued at the lower of cost or estimated net realizable value and is reflected in cost of sales. Costs incurred in bringing each product to its present location and condition are accounted for at purchase cost on a first-in, first-out basis ("FIFO"). The Company capitalizes inventory costs associated with the Company's products when, based on management's judgment, future commercialization is considered probable and the future economic benefit is expected to be realized; otherwise, such costs are expensed as research and development. Inventory is evaluated for impairment periodically to identify inventory obsolescence when an inventory item's cost basis is in excess of its net realizable value. These adjustments are based upon multiple factors, including inventory levels, projected demand, and product shelf life.

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Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to complete the sale.

Leases

The Company has operating leases for corporate office space, manufacturing and warehouse facility. The Company has finance leases for equipment and furniture, which are not material to the consolidated financial statements. The Company's operating leases have remaining lease terms of one year to three years, some of which include options to renew the lease. At contract inception, the Company determines whether the contract is a lease or contains a lease. A contract contains a lease if the Company is both able to identify an asset and can conclude it has the right to control the identified asset for a period of time. Leases with an initial term of twelve months or less are not recorded on the condensed consolidated balance sheet.

Right of use ("ROU") assets represent the Company's right to control an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the Company's leases do not provide an explicit rate, the Company used its incremental borrowing rate ("IBR") based on the information available at commencement date in determining the discount rate used to present value lease payments. In determining the IBR, the Company considered its credit rating and current market interest rates. The IBR used approximates the interest that the Company would be required to pay for a collateralized loan over a similar term. The Company's leases typically do not include any residual value guarantees or asset retirement obligations.

The Company's lease terms are only for periods in which it has enforceable rights. A lease is no longer enforceable when both the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty. The Company has options to renew some of these leases for three years after their expiration. The Company considers these options, which may be elected at the Company's sole discretion, in determining the lease term on a lease-by-lease basis. Lease expense is recognized on a straight-line basis over the lease term and is primarily included in general and administrative expenses in the accompanying consolidated statements of operations.

The Company has lease agreements with lease and non-lease components, which are accounted for as a single lease component for all underlying asset classes. Some leases require variable payments for common area maintenance, property taxes, parking, insurance and other variable costs. The variable portion of lease payments is not included in operating lease assets or liabilities. Variable lease costs are expensed when incurred.

Property, Plant and Equipment

The Company's property, plant and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation is computed based on the straight-line method over the estimated useful lives of the various asset classes, generally three to seven years. Leasehold improvements are amortized over the shorter of the life of the related asset or the remaining term of the lease. Costs associated with customized internal-use software systems that have reached the application development stage and meet recoverability tests are capitalized and include external direct costs utilized in developing or obtaining the applications and payroll and payroll-related expenses for employees who are directly associated with the application development. Maintenance and repairs are expensed as incurred.

Intangible Assets

The Company maintains definite-lived intangible assets related to patents initially measured at cost and amortized over estimated useful lives of approximately 3—20 years. The Company had capitalized patent costs of \$673,000 \$700,000 and \$483,000 as of December 31, 2021, June 30, 2021 and 2020, respectively, related to regulatory approval of the RECELL System, and are being amortized over their estimated useful lives.

Impairment of Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated, undiscounted future cash flows is less than the carrying amount of the asset, then an impairment is recognized for the amount by which the carrying value of the asset exceeds its estimated fair value. Fair value is determined using the market, income, or cost approaches as appropriate for the asset. Any write-downs are treated as permanent reductions in the carrying amount of the asset and recognized as an operating loss. The Company recorded \$42,000 of impairments intangible assets during the transition period ended December 31, 2021. There were no impairments of long-lived assets for the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020.

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Sales and Marketing Expenses

Sales and marketing expenses consist primarily of compensation and employee benefits of sales and marketing personnel and related sales support teams, marketing events, advertising costs, travel, trade shows and other marketing materials. The Company expenses all selling and marketing costs as incurred. Advertising expenses were \$16,000, \$43,000, \$73,000 and \$51,000 for the transition period ended December 31, 2021, for the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020, respectively.

Research and Development Expenses

Research and development expenses represent costs incurred to develop the Company's products. Research and development expenses consist primarily of salaries and other personnel costs, clinical trial costs, regulatory costs and manufacturing costs for non-commercial products. The Company expenses all research and development costs in the periods in which they are incurred.

Stock-Based Compensation

The Company records compensation expense for stock options based on the fair market value of the awards on the date of grant. The fair value of stock-based compensation awards is amortized over the vesting period of the award. Compensation expense for performance-based awards is measured based on the number of shares ultimately expected to vest, estimated at each reporting date based on management's expectations regarding the relevant performance criteria, if any. The Black-Scholes option pricing model and Monte Carlo Simulation were used to estimate the fair value of the time-based and performance-based options, respectively. Under ASU 2016-09, *Compensation – Stock Compensation ("ASC 718") Improvements to Employee Share-Based Payment Accounting*, the Company elected to account for forfeitures as they occur.

The following assumptions were used in the valuation of stock options.

- Expected volatility – determined using the average of the historical volatility using daily intervals over the expected term and the derived volatility using the longest term available of 12 months.
- Expected dividends - based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future
- Expected term – the expected term of the Company's stock options for tenure only vesting has been determined utilizing the "simplified" method as described in the SEC's Staff Accounting Bulletin No. 107 relating to stock-based compensation. The simplified method was chosen because the Company has limited historical option exercise experience due to its short operating history of awards granted, the first plan was established in 2016 and was primarily used for Executives awards. Further, the Company does not have sufficient history of exercises in the U.S. market given the recent redomiciliation to the United States in the prior fiscal year. The expected term of options with a performance condition was set to the contractual term of 10 years. The contractual term was used options with performance condition were awarded to C-Suite executives and the Company assumes that they will hold them longer than rank and file executives.
- Risk-free interest rate – the risk-free interest rate is based on the U.S. Treasury yield in effect at the time of grant for a period approximately equal to the expected term of the award.

Loss per Share

Basic net loss per share is computed by dividing net loss by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed by dividing net loss by the weighted-average number of common shares outstanding during the period, assuming potentially dilutive ordinary shares from option exercises, employee share awards, and other dilutive instruments that have been issued. For periods where the Company has presented a net loss, potentially dilutive securities are excluded from the computation of diluted net loss per share as they would be anti-dilutive. The loss per share incorporates the impact of the reverse stock split that was effectuated in conjunction with the Redomiciliation. In accordance with ASC 260, the impact of the reverse stock split was retrospectively applied for all periods presented.

Deferred Compensation Plan and Investments in Corporate-Owned Life Insurance

The Company's Deferred Compensation Plan (the "**DCP**"), which became effective on October 2021, allows highly compensated key employees to elect to defer a portion of their salary, bonus, commissions and RSU awards to later years. Management determined that the DCP shall be accounted for similar to a defined benefit plan under ASC 715 and should follow an accounting similar to a cash balance plan. Management determined that the employee portion and employer portion of the deferred compensation should be recognized as compensation expense with a corresponding credit to deferred compensation liability. The

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matching contribution will be accrued over the vesting period of two-years with 25% vesting in the first year and 75% vesting in the second year. The change in the liability between each reporting is accounted for as compensation expense with a corresponding adjustment to deferred compensation liability. Upon distribution, the Company will record the distribution as a decrease to compensation liability with corresponding credit to cash. The Company funds the DCP through a Corporate-Owned Life Insurance (“COLI”). Per the ASC 325-30-25-1A, COLI is recorded as an asset in other long-term assets as it does not meet the definition of a plan asset under ASC 715. The Company invests in COLI policies relating to its deferred compensation plan. Investments in COLI policies are recorded at their cash surrender values as of each balance sheet date. Changes in the cash surrender value during the period are recorded as a gain or loss in the statement of operations in other income.

Segment Reporting

Operating segments are defined as components of an enterprise for which separate discrete financial information is available for evaluation by the chief operating decision-maker in making decisions regarding resource allocation and assessing performance. The Company’s chief operating decision maker is its Chief Executive Officer. To date, the Company has viewed its operations and manages its business as one segment.

3. Accounting Standards Update

Recent Accounting Pronouncements Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes*, which includes amendments to simplify the accounting for income taxes by removing certain exceptions to the general principles in ASC 740, *Income Taxes*, or ASC 740. The amendments also improve consistent application of and simplify U.S. GAAP for other areas of ASC 740 by clarifying and amending existing guidance. The new guidance is effective for the Company for annual periods beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022. Early adoption of the amendments is permitted. The Company is currently evaluating the potential impact that the adoption of ASU 2019-12 will have on its consolidated financial statements.

In November 2021, the FASB issued ASU 2021-10, *Government Assistance (Topic 832) - Disclosures by Business Entities about Government Assistance (“ASU 2021-10”)*, which is aimed at increasing transparency about certain government assistance received by a business entity. The standard requires business entities to make annual disclosures about the nature of the transactions and the related accounting policy used to account for the transactions, the line items and applicable amounts on the balance sheet and income statement that are affected by the transactions, and significant terms and conditions of the transactions, including commitments and contingencies. If an entity omits any required disclosures because it is legally prohibited, it must disclose that fact. ASU 2021-10 is effective for financial statements issued for annual periods beginning after December 15, 2021. The Company expects the standard to be applicable to its financial statements and is currently evaluating and understanding the requirements for drafting applicable disclosures.

4. Marketable Securities

The following table summarizes the amortized cost and estimates fair values of debt securities available for sale:

| | As of December 31, 2021 | | | Carrying Value |
|--|-------------------------|--------------------------------|---------------------------------|------------------|
| | Amortized Cost | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | |
| (in thousands) | | | | |
| Cash Equivalents: | | | | |
| Money market funds | \$ 51,112 | \$ - | \$ - | \$ 51,112 |
| Current marketable securities: | | | | |
| Commercial paper | \$ 19,586 | - | - | \$ 19,586 |
| Corporate debt securities | 7,068 | - | (7) | 7,061 |
| Asset-backed securities | 3,002 | - | - | 3,002 |
| Total current marketable securities | \$ 29,656 | \$ - | \$ (7) | \$ 29,649 |
| Long-term marketable securities: | | | | |
| U.S Treasury securities | 18,043 | - | (89) | 17,954 |
| Corporate debt securities | 1,746 | - | (8) | 1,738 |
| Total Long-term marketable securities | \$ 19,789 | \$ - | \$ (97) | \$ 19,692 |

The maturities of debt securities available for sale are summarized in the following table using contractual maturities. Actual maturities may differ from contractual maturities due to obligations that are called or prepaid.

| | As of December 31, 2021 | |
|--|-------------------------|----------------|
| | Amortized Cost | Carrying Value |
| Due in one year or less | 29,656 | 29,649 |
| Due after one year through three years | 19,789 | 19,692 |

Gross unrealized gains and losses on the Company's marketable securities were an unrealized gain of \$0 and an unrealized loss of \$104,000 as of December 31, 2021 which resulted in a net unrealized loss of \$104,000. During the transition period ended December 31, 2021, the Company did not recognize credit losses. The Company did not have any marketable securities for any other period presented. The Company has accrued interest income of \$72,000 as of December 31, 2021, recorded in Prepaids and Other Current Assets. Money market funds were included in the cash and cash equivalents line item.

5. Fair Value Measurements

The authoritative guidance on fair value measurements establishes a framework with respect to measuring assets and liabilities at fair value on a recurring basis and non-recurring basis. Under the framework, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. The framework also establishes a three-tier hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability and are developed based on the best information available in the circumstances. The hierarchy consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.

Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable inputs for the asset or liability

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Supplemental balance sheet information, related to operating leases was as follows (in thousands):

| | As of December 31, 2021 | As of June 30, 2021 | As of June 30, 2020 |
|---|----------------------------|------------------------|------------------------|
| Reported as: | | | |
| Operating lease right-of-use assets | \$ 1,544 | \$ 1,480 | \$ 2,347 |
| Total right-of-use assets | <u>\$ 1,544</u> | <u>\$ 1,480</u> | <u>\$ 2,347</u> |
| Other current liabilities: | | | |
| Operating lease liabilities, short-term | \$ 720 | \$ 702 | \$ 533 |
| Operating lease liabilities, long term | 918 | 878 | 1,917 |
| Total operating lease liabilities | <u>\$ 1,638</u> | <u>\$ 1,580</u> | <u>\$ 2,450</u> |
| Operating lease weighted average remaining lease term (years) | 2.30 | 2.67 | 3.91 |
| Operating lease weighted average discount rate | 6.51% | 6.70% | 7.50% |

As of December 31, 2021, maturities of the Company's operating lease liabilities are as follows (in thousands):

| | Operating Leases |
|-----------------------------------|------------------|
| 2022 | \$ 802 |
| 2023 | 649 |
| 2024 | 314 |
| 2025 | - |
| Total lease payments | 1,765 |
| Less imputed interest | (127) |
| Total operating lease liabilities | <u>\$ 1,638</u> |

At December 31, 2021 there were no leases entered into that had not yet commenced.

7. Inventory

The composition of inventories is as follows (in thousands):

| | December 31, 2021 | As of June 30, 2021 | June 30, 2020 |
|-----------------|-------------------|------------------------|-----------------|
| Raw materials | \$ 1,222 | \$ 982 | \$ 947 |
| Work in process | 176 | 241 | — |
| Finished goods | 734 | 424 | 178 |
| Total inventory | <u>\$ 2,132</u> | <u>\$ 1,647</u> | <u>\$ 1,125</u> |

The Company has reduced the carrying value of its inventories to reflect the lower of cost or net realizable value. Charges for estimated excess and obsolescence are recorded in cost of sales in the consolidated statement of operations and were \$44,000 and a recovery of \$82,000, for the transition period ended December 31, 2021 and the six-months ended December 31, 2020, respectively. Estimated excess and obsolescence charges were \$226,000 and \$84,000 for the years ended June 30, 2021 and 2020, respectively.

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8. Intangible Assets

The composition of intangible assets is as follows (in thousands):

| | Weighted Average Life | As of December 31, 2021 | | | As of June 30, 2021 | | | As of June 30, 2020 | | |
|--------------------------------|--------------------------|-------------------------|-----------------------------|------------------------|---------------------|-----------------------------|------------------------|---------------------|-----------------------------|------------------------|
| | | Gross Amount | Accumulated Amortization | Net Carry Amount | Gross Amount | Accumulated Amortization | Net Carry Amount | Gross Amount | Accumulated Amortization | Net Carry Amount |
| Patent 1 | 2 | \$ 209 | \$ (182) | \$ 27 | \$ 264 | \$ (190) | \$ 74 | \$ 235 | \$ (101) | \$ 134 |
| Patent 2 | 11 | 123 | (18) | 105 | 138 | (16) | 122 | 74 | (9) | 65 |
| Patent 3 | 14 | 192 | (25) | 167 | 163 | (19) | 144 | 125 | (9) | 116 |
| Patent 5 | 20 | 46 | (3) | 43 | 46 | (2) | 44 | 26 | - | 26 |
| Patent 6 | 20 | 39 | (2) | 37 | 39 | (1) | 38 | - | - | - |
| Patent 7 | 13 | 2 | - | 2 | - | - | - | - | - | - |
| Patent 8 | 20 | 3 | - | 3 | 3 | - | 3 | - | - | - |
| Patent 10 | 19 | 3 | - | 3 | - | - | - | - | - | - |
| Patent 11 | 19 | 6 | - | 6 | - | - | - | - | - | - |
| Trademarks | Indefinite | 50 | - | 50 | 47 | - | 47 | 23 | - | 23 |
| Total intangible assets | | \$ 673 | \$ (230) | \$ 443 | \$ 700 | \$ (228) | \$ 472 | \$ 483 | \$ (119) | \$ 364 |

During the transition period ended December 31, 2021, the Company recorded impairment charge of \$42,000 in general and administrative expenses. During the six-months ended December 31, 2020 and the years ended June 30, 2021 and 2020, the Company did not identify any events or changes in circumstances that indicated the carrying value of its intangibles may not be recoverable. As such, there was no impairment of intangibles assets recognized for the six-months ended December 31, 2020 and the years ended June 30, 2021 and 2020. Amortization expense of intangibles included in the consolidated statements of operations was \$56,000 and \$49,000 for the transition period ended December 31, 2021 and the six-months ended December 31, 2020, respectively. Amortization expense was \$109,000 and \$119,000 for the years ended June 30, 2021 and 2020, respectively.

The Company expects the future amortization of amortizable intangible assets held at December 31, 2021 to be (in thousands):

| | Estimated Amortization Expense |
|--------------|-----------------------------------|
| 2023 | 76 |
| 2024 | 67 |
| 2025 | 67 |
| 2026 | 67 |
| 2027 | 67 |
| Thereafter | 49 |
| Total | \$ 393 |

9. Property and Equipment, net

The composition of property and equipment, net is as follows (in thousands):

| | Useful Lives | As of December 31, 2021 | As of June 30, 2021 | As of June 30, 2020 |
|--|---------------------------------|-------------------------------|---------------------------|---------------------------|
| Computer equipment | 3 years | \$ 740 | \$ 722 | \$ 802 |
| Computer software | 3 years | 811 | 775 | 369 |
| Construction in progress | | 29 | 48 | 138 |
| Furniture and fixtures | 7 years | 440 | 440 | 425 |
| Laboratory equipment | 5 years | 566 | 523 | 194 |
| Leasehold improvements | Lesser of life or lease term | 242 | 242 | 216 |
| RECELL Moulds | 5 years | 129 | 129 | 100 |
| Less: accumulated amortization and depreciation | | (1,695) | (1,421) | (881) |
| Total plant and equipment, net | | \$ 1,262 | \$ 1,458 | \$ 1,363 |

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Depreciation expense related to plant and equipment was \$274,000, \$324,000, \$606,000 and \$346,000 for the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020, respectively.

10. Prepaids and Other Current Assets and Other Long—Term Assets

Prepaids and other current assets consisted of the following (in thousands):

| | As of December 31, 2021 | As of June 30, 2021 | As of June 30, 2020 |
|---|-------------------------------|---------------------------|---------------------------|
| Prepaid expenses | \$ 1,124 | \$ 853 | \$ 792 |
| Lease deposits | 2 | - | 123 |
| Accrued investment income | 72 | - | - |
| Other receivables | 15 | 480 | 75 |
| Total prepaids and other current assets | <u>\$ 1,213</u> | <u>\$ 1,333</u> | <u>\$ 990</u> |

Prepaid expenses primarily consist of prepaid benefits and insurance.

Other long-term assets consisted of the following (in thousands):

| | As of December 31, 2021 | As of June 30, 2021 | As of June 30, 2020 |
|------------------------------|-------------------------------|---------------------------|---------------------------|
| BARDA contract costs | \$ 504 | \$ 613 | \$ - |
| Deferred Compensation | 304 | - | - |
| Long-term lease deposits | 124 | 126 | 1 |
| Long-term prepaids | 10 | 22 | - |
| Total other long-term assets | <u>\$ 942</u> | <u>\$ 761</u> | <u>\$ 1</u> |

11. Reporting Segment and Geographic Information

The Company views its operations and manages its business in one reporting segment. Long-lived assets were primarily located in the United States as of December 31, 2021 and June 30, 2021, and 2020 with an insignificant amount located in Australia and the United Kingdom.

Revenue by region were as follows (in thousands):

| | <u>Transition period ended December 31, 2021</u> | <u>Six months ended December 31, 2020</u> | <u>Year-ended June 30, 2021</u> | <u>Year-ended June 30, 2020</u> |
|-----------------|--|---|-------------------------------------|-------------------------------------|
| | | (unaudited) | | |
| Revenue: | | | | |
| United States | \$ 13,764 | \$ 9,990 | \$ 28,955 | \$ 13,800 |
| Foreign: | | | | |
| Australia | 136 | 133 | 207 | 292 |
| United Kingdom | 56 | 40 | 70 | 171 |
| Total | <u>\$ 13,956</u> | <u>\$ 10,163</u> | <u>\$ 29,232</u> | <u>\$ 14,263</u> |

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Revenue by Customer type were as follows (in thousands):

| | <u>Transition period ended</u> <u>December 31, 2021</u> | <u>Six months ended</u> <u>December 31, 2020</u> | <u>Year-ended</u> <u>June 30, 2021</u> | <u>Year-ended</u> <u>June 30, 2020</u> |
|-------------------------------------|--|---|---|---|
| | | (unaudited) | | |
| Revenue: | | | | |
| Commercial sales | 13,771 | \$ 10,163 | \$ 21,483 | \$ 14,263 |
| BARDA: | | | | |
| Product sales | — | — | 7,595 | — |
| Services for emergency preparedness | 185 | — | 154 | — |
| Total | <u>\$ 13,956</u> | <u>\$ 10,163</u> | <u>\$ 29,232</u> | <u>\$ 14,263</u> |

Cost of sales by Customer type were as follows (in thousands):

| | <u>Transition period ended</u> <u>December 31, 2021</u> | <u>Six months ended</u> <u>December 31, 2020</u> | <u>Year-ended</u> <u>June 30, 2021</u> | <u>Year-ended</u> <u>June 30, 2020</u> |
|-------------------------------------|--|---|---|---|
| | | (unaudited) | | |
| Cost of sales | | | | |
| Commercial cost | \$ 2,017 | \$ 1,750 | \$ 3,931 | \$ 2,973 |
| BARDA: | | | | |
| Product cost | (278) | — | 1,889 | — |
| Emergency preparedness service cost | 166 | — | 129 | — |
| Total | <u>\$ 1,905</u> | <u>\$ 1,750</u> | <u>\$ 5,949</u> | <u>\$ 2,973</u> |

12. Contingencies

The Company is subject to certain contingencies arising in the ordinary course of business. The Company records accruals for these contingencies to the extent that a loss is both probable and reasonably estimable. If some amount within a range of loss appears to be a better estimate than any other amount within the range, that amount is accrued. Alternatively, when no amount within a range of loss appears to be a better estimate than any other amount, the lowest amount in the range is accrued. The Company expenses legal costs associated with loss contingencies as incurred. As of December 31, 2021, the Company does not have any outstanding or threatened litigation that would have a material impact to the financial statements.

13. Common and Preferred Stock

On June 29, 2020, a statutory scheme of arrangement under Australian law to effect a redomiciliation of the AVITA Group from Australia to the United States of America was implemented (“the **Redomiciliation**”). The Redomiciliation was approved by shareholders on June 15, 2020 and approved by the Federal Court of Australia on June 22, 2020.

Pursuant to the Redomiciliation, all ordinary shares in AVITA Medical, the former parent company of the AVITA Group, were exchanged for shares of common stock in the Company. As a result, the Company became the sole shareholder of AVITA Medical and the new parent company of the AVITA Group. In conjunction with the Redomiciliation, an implicit consolidation or reverse split on a 1 for 100 basis was implemented whereby shareholders of AVITA Medical received one share of common stock in the Company for every 100 shares held in AVITA Medical.

Under the Redomiciliation, eligible shareholders in AVITA Medical received consideration in the form of:

- five CDIs in the Company for every 100 ordinary shares in AVITA Medical that were held by them; or
- one share of common stock in the Company for every 5 ADSs in AVITA Medical that were held by them.

The Company’s CDIs are quoted on the ASX under AVITA Medical’s previous ASX ticker code, “AVH”. The Company’s shares of common stock are quoted on NASDAQ under AVITA Medical’s previous NASDAQ ticker code, “RCEL”. One share of common stock on NASDAQ is equivalent to five CDIs on the ASX.

As a result of the ‘implicit consolidation’ that occurred under the Redomiciliation, the number of shares of common stock on issue in the Company (as set out in the consolidated financial statements) is less than the number of ordinary shares on issue in

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AVITA Medical that was previously set out in the consolidated financial statements of AVITA Medical. All common stock amounts included in these financial statements have been retroactively reduced by a factor of one hundred and all per share amounts have been increased by a factor of one hundred, with the exception of the Company's common stock par value.

The Company is authorized to issue 200,000,000 shares of common stock, par value \$0.0001 per share, and 10,000,000 shares of preferred stock, par value \$0.0001 per share, issuable in one or more series as designated by the Company's board of directors. No other class of capital stock is authorized. As of December 31, 2021 and June 30, 2021, and 2020, 24,925,743, 24,895,864 and 21,467,912 shares of common stock, respectively, were issued and outstanding and no shares of preferred stock were outstanding.

On March 1, 2021, the Company issued 3,214,250 shares of common stock at the offering price of \$21.50 per share. The gross proceeds from the offering were approximately \$69.1 million while the Company incurred \$5.1 million in capital issuance expenses. The offering was made pursuant to a shelf registration statement on Form S-3 (File No. 333-249419) that was previously filed with the Securities and Exchange Commission (the "SEC") on October 9, 2020 and declared effective on October 16, 2020. It was also publicly released on the ASX. The final prospectus supplement relating to and describing the terms of the offering was filed with the SEC on February 25, 2021 (in the United States) and released on the ASX on March 1, 2021 (in Australia).

During the year ended June 30, 2020, the AVITA Group raised additional capital via a private placement in the amount of \$81.7 million (through our former parent company, AVITA Medical). The Company sold the equivalent of 2,033,898 ordinary shares at an issue price of \$40.17 per share for total net proceeds of \$76.6 million, after deducting commission and offering expenses. An aggregate of the equivalent of 15,853 ordinary shares were issued to the directors of the Company in lieu of director fees during the year ended June 30, 2020, under the Director Share Plan that was approved in December 2017.

14. Revenue

The Company's revenue consists of sale of the RECELL System to hospitals or other treatment centers and to BARDA (collectively "customers"), predominately in the United States. In addition, the Company records service revenue for the emergency preparedness services provided to BARDA.

Performance Obligations

For commercial contracts, we identified the hospital or treatment center as the customer in Step 1 of the ASC 606 5 step model and have determined a contract exists with those customers in Step 1. As these contracts typically have a single performance obligation (i.e. product delivery), no allocation of the transaction price is required in Step 4 of the model. Control of the product is transferred to the customer at a point in time. Specifically, we determined the customer obtains control of the product at point in time at which the goods are either shipped or delivered to our customers' facilities, depending on the terms of the contract. The transaction price is stated within the contract and is therefore fixed consideration. The transaction price does not include the sales tax that are imposed by governmental authorities.

For the contract with BARDA, the Company identified two performance obligations (i) the procurement of 5,614 RECELL units, (ii) emergency preparedness services. The Company's performance obligations are either satisfied at a point in time or over time as services are provided. The product procurement performance obligation is satisfied at a point in time, upon transfer of control of the product. RECELL units that have been delivered to BARDA have a product replacement obligation at no cost to BARDA due to product's limited shelf-life. The estimated cost of the expired inventory over the term of the contract is recognized on a per unit basis at the time of delivery. The liability is released upon replacement of the product along with a corresponding reduction to inventory. During the transition period ended December 31, 2021, the Company released \$278,000 of deferred cost liability due to extended shelf life from 18 months to two years of the RECELL product. The Company has estimated deferred cost of approximately \$64,000, \$343,000 and \$0 as of December 31, 2021 and June 30, 2021 and 2020, respectively, for the rotation cost of the product. Such amounts are recorded in other current liabilities in the amounts of \$0 and \$77,000 and other long-term liabilities in the amount of \$64,000 and \$266,000 as of December 31, 2021 and June 30, 2021, respectively. The emergency preparedness services performance obligation is satisfied over time. Revenue for the emergency deployment will be recognized on a straight-line basis during the term of the contract as services are consumed over time. Services recognized of \$185,000 and \$154,000 for the transition period ended December 31, 2021 and the year ended June 30, 2021, respectively, and are included in sales within the consolidated statement of operations. For the six months ended December 31, 2020 and the year ended June 30, 2020, the Company did not have any service revenue with BARDA. Contract costs to fulfil the performance obligation are incremental and expected to be recovered are capitalized and amortized on a straight-line basis over the term of the contract. As of December 31, 2021, June 30, 2021 and June 30, 2020 contract costs of \$504,000, \$613,000 and \$0 are included in other long-term assets, respectively.

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Remaining Performance Obligations

Revenues from remaining performance obligations are calculated as the dollar value of the remaining performance obligations on executed contracts. The estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) pursuant to the Company's existing customer agreements is \$952,000, \$1.1 million and \$435,000 as of December 31, 2021 and June 30, 2021 and 2020, respectively. Approximately \$517,000 and \$665,000 of this amount as of December 31, 2021 and June 30, 2021 relates to our July 2020 contract with BARDA for the purchase, delivery and storage of RECELL Systems for emergency response preparedness for a period of three years. The Company expects to recognize this amount as services are provided to BARDA. The remaining balance of \$435,000 as of December 31, 2021 and June 30, 2021 and 2020, the Company expects to recognize revenue upon receiving Japanese Pharmaceuticals and Medical Device Act approval of the RECELL System in Japan. For the transition period ended December 31, 2021, we recognized \$185,000 of service revenue related to the BARDA contract. Revenue recognized for the BARDA contract for the year ended June 30, 2021 was \$7.6 million for the RECELL product and \$154,000 of service revenue related to the emergency readiness performance obligation. There were no purchases by BARDA for the six-months ended December 31, 2020 and for the year ended June 30, 2020. We are contracted to manage this inventory of product until the federal government requests shipment or at contract termination on December 31, 2023.

Variable Consideration

The Company evaluates its contracts with customers for forms of variable consideration, which may require an adjustment to the transaction price based on their estimated impact. For commercial customers, revenue from the sale of goods is recognized net of volume discounts. The Company uses the expected value method when estimating variable consideration. Revenue is only recognized to the extent that it is probable that a significant reversal will not occur. Variable consideration under the BARDA contract is not material to the consolidated financial statements.

Volume Discounts — The Company generally provides contracted customers with volume discounts that are explicitly stated in the Company's customer contracts. The RECELL system is sold with respective volume discounts based on aggregated sales over a 12-month period on a customer-by-customer basis. Revenue from these sales is recognized based on the price specified in the contract, net of estimated volume discounts, and net of any sales tax charged. Goods sold are not eligible for return. The Company has determined such discounts are not distinct from the Company's sale of products to the customer and, therefore, these payments have been recorded as a reduction of revenue and as a reduction to accounts receivable, net.

Contract Assets and Contract Liabilities

Contract assets include amounts related to the Company's contractual right to consideration for both completed and partially completed performance for which the Company does not have the right to payment. As of December 31, 2021, June 30, 2021 and June 30, 2020, the Company does not have any contract assets.

Contract liabilities are recorded when the Company receives payment prior to satisfying its obligation to transfer goods to a customer. The Company had \$952,000, \$1.1 million, and \$435,000 of contract liabilities as of December 31, 2021 and June 30, 2021, and 2020, respectively. The increase in contract liability primarily relates to the unsatisfied performance obligation for emergency preparedness under the BARDA contract. Performance obligation will be recognized over time over the term of the contract. For the transition period ended December 31, 2021, \$185,000 of revenue was recognized from amounts included in the beginning balance of contract liabilities. For the six-months ended December 31, 2020 and the years ended June 30, 2021 and 2020, amounts recognized were not significant.

Cost to Obtain and Fulfill a Contract

Contract fulfillment costs include commissions and shipping expenses. The Company has opted to immediately expense the incremental cost of obtaining a contract when the underlying related asset would have been amortized over one year or less. The Company generally does not incur costs to obtain new contracts.

Contract Costs

Cost to fulfil the BARDA emergency preparedness performance obligation, which primarily consist of billed costs to BARDA incurred in connection with the emergency deployment services, are incremental and expected to be recovered. Costs are capitalized and amortized on a straight-line basis over the term of the contract. As of December 31, 2021, June 30, 2021 and June 30, 2020, the Company had \$504,000, \$613,000 and \$0 of contracts costs included in other long-term assets. Amortization expense related to deferred contract costs were \$167,000, \$0, \$129,000 and \$0 during the transition period ended December 31, 2021, the six-

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months ended December 31, 2020, and during the years ended June 30, 2021 and 2020, respectively, and are classified as cost of sales on the accompanying consolidated Statements of Operations. There was no impairment loss in relation to deferred contract costs during the transition period ended December 31, 2021, the six-months ended December 31, 2020, the years ended June 30, 2021 and 2020.

Disaggregated Revenue

The Company disaggregates revenue from contracts with customers into geographical regions and by customer type. As noted in the segment footnote, the Company's business consists of one reporting segment. A reconciliation of disaggregated revenue by geographical region and customer type is provided in Segment Note 11.

15. Share-Based Payment Plans

Overview of Employee Share-Based Compensation Plans

Our former parent company, AVITA Medical, adopted the Employee Share Plan and the Incentive Option Plan (collectively, the "2016 Plans"). Upon completion of the Redomiciliation, the 2016 Plans were terminated with respect to future grants and accordingly, there are no more shares available to be issued under the 2016 Plans. In addition, upon completion of the Redomiciliation, the Company had an implicit consolidation or reverse stock split of 100:1 and all share information presented below in relation to the 2016 Plans has been presented on a reverse split stock basis. During November 2020, the Company, pursuant to Rule 416 under the Securities Act of 1933, filed a registration statement on form S-8 to register a total of 1,750,000 shares of common stock which may be issued pursuant to the terms of the Company's 2020 Omnibus Incentive Plan ("2020 Plan"). On December 22, 2021, the Company's stockholders approved the issuance of options and awards to the Board of Directors and the CEO. These awards are subject to the vesting and performance conditions as denoted in the individual agreements.

The 2020 Plan provides for the grant of the following Grants: (a) Incentive Stock Options, (b) Nonstatutory Stock Options, (c) Stock Appreciation Rights, (d) Restricted Stock Grants, (e) Restricted Stock Unit Grants, (f) Performance Grants, and (g) Other Grants. The 2020 Plan will be administered by the Compensation Committee or by the Board acting as the Compensation Committee. Subject to the general purposes, terms and conditions of the 2020 Plan, applicable law and any charter adopted by the Board governing the actions of the Compensation Committee, the Compensation Committee will have full power to implement and carry out the 2020 Plan. Without limitation, the Compensation Committee will have the authority to interpret the plan, approve persons to receive grants, determine the terms and number of shares of the grants, determine vesting and exercisability of grants, and make all other determinations necessary or advisable in connection with the administration of this Plan.

The contractual term of awards granted under the 2020 Plan is ten years from the date of its grant. Unless otherwise specified, the vesting period of awards under the 2020 Plan was: (i) vest over a four-year period in four equal installments, 25% at the end of each year from the date of grant, and /or (ii) subject to other performance criteria and hurdles, as determined by the Compensation Committee

The following table summarizes information about the Company's share-based award plans as of December 31, 2021:

| | Outstanding Options | Outstanding Restricted Stock Units | Shares available for future issuance |
|-----------------|----------------------------|---|---|
| 2016 Plan | 1,045,745 | - | - |
| RSU Awards | - | 71,260 | - |
| 2020 Plan | 630,625 | 87,500 | 1,026,875 |
| 2021 AGM Awards | 80,350 | 138,730 | - |

Share-Based Payment Expenses

Share-based payment transactions are recognized as compensation expense based on the fair value of the instrument on the date of grant. The Company uses the graded-vesting method to recognize compensation expense. Compensation cost is reduced for forfeitures as they occur in accordance with ASU 2016-09, Simplifying the Accounting for Share-Based Payments ("ASU 2016-09"). During the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020, the Company recorded share-based compensation expense of \$3.6 million, \$2.9 million, \$5.7 million and \$16.5 million, respectively. No income tax benefit was recognized in the consolidated statement of operations for share-based payment arrangements for the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020.

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The Company has included share-based compensation expense as part of operating expenses in the accompanying consolidated statements of operations as follows (in thousands):

| | <u>Transition period ended December 31, 2021</u> | <u>Six months ended December 31, 2020</u> (unaudited) | <u>Year-ended June 30, 2021</u> | <u>Year-ended June 30, 2020</u> |
|-------------------------------------|--|--|-------------------------------------|-------------------------------------|
| Sales and marketing expenses | \$ 663 | \$ 624 | \$ 925 | \$ 893 |
| General and administrative expenses | 2,318 | 1,992 | 4,095 | 14,890 |
| Research and development expenses | 607 | 304 | 644 | 703 |
| Total | <u>\$ 3,588</u> | <u>\$ 2,920</u> | <u>\$ 5,664</u> | <u>\$ 16,486</u> |

A summary of share option activity as of December 31, 2021 and changes during the year then ended is presented below:

| | Service Only Share Options | Performance Based Share Options | Market Awards | Total Share Options | Weighted- Average Exercise Price | Weighted- Average Remaining Contractual Term (in years) | Aggregate Intrinsic Value |
|---|-------------------------------------|---------------------------------------|------------------|---------------------------|---|--|---------------------------------|
| Outstanding shares at June 30, 2021 | 997,826 | 495,669 | - | 1,493,495 | \$ 14.53 | 7.99 | \$ 12,233,949 |
| Granted | 157,450 | 106,675 | 27,600 | 291,725 | 17.28 | | |
| Exercised | (1,125) | - | - | (1,125) | 6.06 | | |
| Expired | (6,775) | - | - | (6,775) | 29.28 | | |
| Forfeited | (18,250) | (2,350) | - | (20,600) | 20.94 | | |
| Outstanding shares at December 31, 2021 | <u>1,129,126</u> | <u>599,994</u> | <u>27,600</u> | <u>1,756,720</u> | 14.86 | 7.83 | 5,118,309 |
| Exercisable at December 31, 2021 | 521,102 | 307,332 | - | 828,434 | \$ 9.01 | 6.67 | \$ 4,422,594 |

The weighted-average grant-date fair value of options granted during the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020 was \$10.35, \$0, \$14.08 and \$26.56, respectively. The total intrinsic value of options exercised during the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020 was \$13,000, \$80,000, \$221,000 and \$3.1 million, respectively. Intrinsic value is measured using the fair market value at the date of exercise for options exercised, or at balance sheet date for outstanding options, less the applicable exercise price.

Cash received from the exercise of options was approximately \$7,000, \$1,000, \$63,000 and \$474,000 for the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020, respectively.

As of December 31, 2021, there was approximately \$7.0 million of total unrecognized compensation cost related to share-based compensation expense. Of this amount \$4.3 million relates to service only share options to be recognized over a weighted average period of 1.46 years, \$2.6 million related to performance-based share options to be recognized over a weighted average period of 1.86 years and \$100,000 related to market options to be recognized over a weighted average period of 3.14 years.

Restricted Stock Units

Restricted stock units (“RSUs”) are granted to executives as part of their long-term incentive compensation. RSUs granted prior to the 2020 Plan arise out of contracts between the Company's former parent company, AVITA Medical and the holders of such securities. RSUs granted as a result of stockholder approval at the December 22, 2021 AGM arise out of contracts between the Company and the holders of such securities. These RSU awards were approved by the Compensation Committee as determined necessary. All RSU awards have a contractual term of 10 years and vest in accordance with the tenure or performance conditions as determined by the Compensation Committee and set out in the contracts between the Company and the holders of such securities. The grant date fair value is determined based on the price of the Company stock price on the date of grant (stock price determined on NASDAQ post Redomiciliation and ASX prior to the Redomiciliation). RSUs primarily consist of awards to the CEO and other executives as well as Non-Executive Directors (as occurred following the 2021 AGM). The CEO RSU awards are described below.

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A summary of the status of the Company's unvested RSUs as of June 30, 2021, and changes that occurred during the year is presented below:

| Unvested Shares | Service Condition RSU | Performance Condition RSU | Market Condition | Total RSU's | Weighted Average Grant Date Fair Value per Unit |
|--|-----------------------|---------------------------|------------------|-------------|---|
| Unvested RSUs outstanding at June 30, 2021 | 47,507 | 52,507 | - | 100,014 | \$ 38.17 |
| Granted | 67,250 | 111,340 | 47,640 | 226,230 | 13.57 |
| Vested | - | (28,754) | - | (28,754) | 36.15 |
| Forfeited | - | - | - | - | - |
| Unvested RSUs outstanding at December 31, 2021 | 114,757 | 135,093 | 47,640 | 297,490 | \$ 19.66 |

The weighted-average grant-date fair value of the RSUs granted during the transition period ended December 31, 2021, the six months ended December 31, 2020, and the years ended June 30, 2021 and 2020 were \$13.57, \$22.65, \$22.65 and \$39.12 per unit, respectively. The total fair value of shares vested during the transition period ended December 31, 2021, the six months ended December 31, 2020 and the years ended June 30, 2021 and 2020 were \$599,000, \$4.1 million, \$4.9 million, \$9.2 million, respectively.

As of December 31, 2021, there was \$3.8 million of total unrecognized compensation cost related to RSU awards. Of this amount \$1.1 million relates to service only RSUs to be recognized over a weighted average period of 1.20 years, \$2.5 million related to performance-based awards, this amount includes \$0.9 million for performance share awards that have been determined to be not probable, and \$0.2 million related to market awards to be recognized over a weighted average period of 3.14 years. The associated expense for the performance RSUs that have been determined as not probable will be recognized if the performance condition(s) is determined to be probable. The remaining unrecognized expense related to performance RSUs of \$1.6 million is expected to be recognized over a weighted average period of 1.84 years.

2019 CEO RSUs

On November 2019, the equivalent of 395,542 RSUs were issued to the CEO with the following vesting terms:

- a) Tenure – the equivalent of 142,521 RSUs with a vesting period of three-years commencing on June 1, 2020. As of December 31, 2021 a total of 47,507 RSUs are outstanding from this award.
- b) Milestone performance – 253,021 of the RSUs will vest upon satisfaction of various performance conditions. As of December 31, 2021 all milestones except the one listed below have been achieved and 229,268 RSUs have been released and 23,753 RSUs awards remain unvested.
 - FDA approval of the next generation RECELL device prior to June 30, 2022. – Performance criteria has been assessed as not probable.

2021 AGM Awards

On December 22, 2021, as part of the Company's 2021 AGM, the Company's stockholders approved the grant of stock option awards and RSUs to the CEO and the Board of Directors. These awards are referred to as the 2021 AGM awards.

Awards to the CEO under the 2021 AGM Awards

On December 22, 2021, the CEO was issued an aggregate 150,480 options and RSUs comprising:

- 37,600 tenure-based options and RSUs (23,800 RSUs and 13,800 options) with 25% of those options and RSUs vesting annually commencing on December 14, 2022.
- 37,640 performance-based options and RSUs (23,840 RSUs and 13,800 options) that vest upon satisfaction of the below conditions:
 - 9,410 awards (5,960 RSUs and 3,450 options) - Achieve Centers for Medicare and Medicaid Services reimbursement for out-patient transitional pass-through payment code (TPT) by June 30, 2022

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- 9,410 awards (5,960 RSUs and 3,450 options) - Achieve Japanese approval from Pharmaceuticals and Medical Device Agency (PMDA) and reimbursement code by September 30, 2022
- 9,410 awards (5,960 RSUs and 3,450 options) - Achieve profitability of the Company's Burns business for two consecutive quarters by March 31, 2023
- 9,410 awards (5,960 RSUs and 3,450 options) - Achieve US FDA approval of vitiligo indication by December 31, 2023
- 75,240 stretch-performance based options and RSUs (47,640 RSUs and 27,600 options) that vest upon satisfaction of the below conditions:
 - 37,620 (23,820 RSUs and 13,800 options) - Achieve a doubling based on a 10-day volume-weighted average price of the Company's share price as of the date of the 2021 Annual Meeting (being December 14, 2021) by June 30, 2023. The target share price is \$25.74.
 - 37,620 (23,820 RSUs and 13,800 options) - Achieve a market capitalization of the Company of greater than or equal to US\$1.25 billion (as compared to market capitalization of ~US\$435M as of October 14, 2021), and maintain that market capitalization for at least 30 consecutive calendar days on or before December 31, 2024.

In order for any options or RSUs issued to the CEO to vest, both the service condition and the relevant performance or market condition (as set out in the relevant agreement between the Company and the CEO) must be satisfied. The market awards will partially vest upon satisfaction of the market condition, and the other portions will vest on the anniversary of the vesting condition or December 22 of the relevant year. The WVAP condition has a minimum of three potential tranches and the market capitalization award has a minimum of two potential tranches. For market-based awards, share-based compensation expense will be recognized over the longer of the expected achievement period for the relevant market condition and the service condition. The market condition period and the valuation of each tranche were determined using a Monte Carlo simulation. In the event the market condition is met prior to the expected achievement period, any then-unrecognized compensation expense associated with the options or RSUs that have vested with respect to both the market condition and the service condition will be recognized immediately in the Company's consolidated statements of operations.

Awards to the Board of Directors under the 2021 AGM Awards

The Board of Director awards consist of an aggregate 68,600 options and RSUs as follows:

- 41,400 tenure-based options and RSUs (15,300 options and 26,100 RSUs) vesting 12-months from the grant date.
 - 6,900 tenure-based options and RSUs (4,350 RSUs and 2,550 options) granted to each of the six non-executive board members based on the vesting terms detailed above.
- 27,200 tenure-based options and RSUs (9,850 options and 17,350 RSUs) vesting on the first, second and third anniversary of the grant date in equal amounts (i.e. 1/3 of the RSUs and options will vest on each anniversary of the grant date, being on December 22 of each relevant year).
 - 13,600 tenure-based options and RSUs (8,675 RSUs and 4,925 options) granted to Jan Stern Reed and James Corbett as an initial grant in connection with their appointment to the Board of Directors.

Option Pricing Model

The Company estimates the fair value of tenure-based share options using the Black-Scholes option pricing model on the date of grant. The Company estimates the fair value of options with a performance condition and market conditions using the Monte-Carlo simulation model.

The valuation of the options is affected by the Company's share price as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, expected share price volatility over the term of the awards and actual and projected employee share option exercise behaviors. The risk-free rate is based on the U.S. Treasury rate for the expected life at the time of grant, volatility is based on the average historical and implied volatility. For tenure-based options, the expected life is based on the estimated average of the life of options using the simplified method as prescribed by SAB 107. The Company utilizes the simplified method for plain vanilla options to determine the expected life of the options due to insufficient exercise activity during recent years. For performance or market awards using the Monte Carlo simulation, the Company estimates the expected term based on a future exercise assumption of 2x the exercise price for rank-and-file employees and 3x the exercise price for executives. The contractual term of 10 years has been set as the expected term for performance and market awards. The expected dividend assumption is based on the Company's history and expectation of dividend payouts.

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Included in the following table is a summary of the related assumptions used in the Black-Scholes Option pricing model and Monte-Carlo simulation in transition period ended December 31, 2021, and the fiscal year ended June 30, 2021 and the Binomial models for share options granted for the year ended June 30, 2020. Note that for the six months ended December 31, 2020, there were no options granted.

| | Transition Period Ended | Year Ended | |
|-----------------------------|--------------------------------|----------------------|----------------------|
| | December 31, 2021 | June 30, 2021 | June 30, 2020 |
| Expected volatility | 68% - 75% | 65% - 80% | 75% - 90% |
| Weighted-average volatility | 69% | 73% | 88% |
| Expected dividends | 0% | 0% | 0% |
| Expected term (in years) | 5 - 10 | 5 - 10 | 10 |
| Risk-free interest rate | 0.88% - 1.46% | 0.77% - 1.64% | 0.68% - 2.65% |

16. Income Taxes

Geographic sources of income (loss) from continuing operations before income taxes are as follows:

| (amounts in thousands) | Transition Period Ended December 31, 2021 | Six-months ended December 31, 2020 (unaudited) | Year Ended June 30, 2021 | Year Ended June 30, 2020 |
|--|--|---|-------------------------------------|-------------------------------------|
| United States | \$ (14,490) | \$ (15,689) | \$ (26,478) | \$ (20,793) |
| Foreign | 88 | (158) | (67) | (21,233) |
| Income (loss) from continuing operations before income taxes | \$ (14,402) | \$ (15,847) | \$ (26,545) | \$ (42,026) |

The income tax benefit (expense) as shown in the accompanying consolidated statements of operations includes the following:

| (amounts in thousands) | Transition Period Ended December 31, 2021 | Six-months ended December 31, 2020 (unaudited) | Year Ended June 30, 2021 | Year Ended June 30, 2020 |
|---|--|---|-------------------------------------|-------------------------------------|
| Current: | | | | |
| Federal | \$ — | \$ — | \$ — | \$ — |
| State | 25 | 21 | 38 | 4 |
| Foreign | — | — | — | — |
| | <u>25</u> | <u>21</u> | <u>38</u> | <u>4</u> |
| Deferred: | | | | |
| Federal | — | — | — | — |
| State | — | — | — | — |
| Foreign | — | — | — | — |
| | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> |
| Total Income Tax Expense (Benefit) | \$ 25 | \$ 21 | \$ 38 | \$ 4 |

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The provision for income taxes differs from the tax computed using the statutory United States federal income tax rate of 21%, 21%, and 21% for the transition period ended December 31, 2021, and years ended June 30, 2021, and 2020 as a result of the following items:

| <u>(amounts in thousands)</u> | <u>Transition Period Ended December 31, 2021</u> | <u>Six-months ended December 31, 2020</u> (unaudited) | <u>Year Ended June 30, 2021</u> | <u>Year Ended June 30, 2020</u> |
|--|--|--|-------------------------------------|-------------------------------------|
| Tax expense (benefit) at U.S. statutory rate | \$ (3,024) | \$ (3,328) | \$ (5,574) | \$ (8,827) |
| State income taxes | 25 | 21 | 36 | 4 |
| Foreign rate differential | 5 | (10) | (5) | (1,389) |
| Tax Credits | — | — | — | — |
| Share-based compensation | 997 | (216) | (27) | (3,794) |
| Permanent differences | 29 | 230 | 233 | 669 |
| Change in tax rate | — | — | — | — |
| Net change in valuation allowance | 1,993 | 3,324 | 5,375 | 13,341 |
| Income tax expense (benefit) | \$ 25 | \$ 21 | \$ 38 | \$ 4 |

A summary of deferred income tax assets is as follows (in thousands):

| | <u>Transition Period Ended December 31, 2021</u> | <u>Six-months ended December 31, 2020</u> (unaudited) | <u>Year-Ended June 30, 2021</u> | <u>Year-Ended June 30, 2020</u> |
|--|--|--|-------------------------------------|-------------------------------------|
| Deferred tax liabilities | | | | |
| ROU Asset | \$ (404) | \$ (471) | \$ (389) | \$ (608) |
| Intangible assets | \$ (25) | \$ — | \$ — | \$ — |
| Property, plant and equipment | (5) | (5) | (5) | - |
| Total deferred tax liabilities | \$ (434) | \$ (476) | \$ (394) | \$ (608) |
| Deferred tax assets | | | | |
| Property, plant and equipment | \$ — | \$ — | \$ — | \$ 17 |
| Accrued expenses | 1,151 | 912 | 686 | 564 |
| Intangible assets | — | 278 | 262 | 255 |
| Stock based compensation | 2,739 | 2,991 | 3,215 | 2,996 |
| Lease liability | 428 | 501 | 415 | 634 |
| Net operating loss carryforward | 46,918 | 42,355 | 44,282 | 37,756 |
| Other | 483 | 332 | 609 | 285 |
| Total deferred tax assets | \$ 51,719 | \$ 47,369 | \$ 49,469 | \$ 42,507 |
| Less valuation allowance | (51,285) | (46,893) | (49,075) | (41,899) |
| Net deferred tax assets | \$ 434 | \$ 476 | \$ 394 | \$ 608 |
| Net deferred tax assets / (liabilities) | \$ — | \$ — | \$ — | \$ — |

At December 31, 2021, the Company and its subsidiaries had net operating loss carryforwards for federal, state, United Kingdom, and Australia income tax purposes of \$122.0 million, \$79.7 million, \$31.9 million and \$38.2 million respectively. The net operating loss carryforwards may be subject to limitation regarding their utilization against taxable income in future periods due to “change of ownership” provisions of the Internal Revenue Code and similar state and foreign provisions. Of these carryforwards, \$21.7 million will expire, if not utilized, between 2026 through 2038. The remaining carryforwards have no expiration.

In assessing the recoverability of its deferred tax assets, the Company considers whether it is more likely than not that its deferred assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income in those periods in which temporary differences become deductible and/or net operating losses can be utilized. The Company considers all positive and negative evidence when determining the amount of the net deferred tax assets that are more likely than not to be realized. This evidence includes, but is not limited to, historical earnings, scheduled reversal of taxable temporary differences, tax planning strategies and projected future taxable income. Based upon the weight of available evidence including the uncertainty regarding the Company’s ability to utilize certain net operating losses and tax credits in the future, the Company has established a valuation allowance against its net deferred tax assets of \$51.3 million and \$46.9 million as of December 31, 2021 and 2020, respectively. The Company has established a valuation allowance against its net deferred tax asset of \$49.1 million and \$41.9 million

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as of June 30, 2021 and 2020 respectively. The deferred tax assets are primarily net operating loss carryforwards for which management has determined it is more likely than not that the deferred tax assets will not be realized.

The Company recognizes the tax benefit from an uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements related to a particular tax position are measured based on the largest benefit that has a greater than a 50% likelihood of being realized upon settlement. The amount of unrecognized tax benefits is adjusted as appropriate for changes in facts and circumstances, such as significant amendments to existing tax law, new regulations or interpretations by the taxing authorities, new information obtained during a tax examination, or resolution of an examination.

The Company has not identified any uncertain tax positions as of December 31, 2021 and June 30, 2021 and 2020.

The Company files income tax returns in the U.S. federal, California and certain other state and foreign jurisdictions. The Company remains subject to income tax examinations for its U.S. federal and state income taxes generally for fiscal years ended June 30, 2006 and forward. The Company also remains subject to income tax examinations for international income taxes for fiscal years ended June 30, 2016 through June 30, 2020, and for certain other U.S. state and local income taxes generally for the fiscal years ended June 30, 2017 through June 30, 2020.

17. Loss per Share

The following is a reconciliation of the basic and diluted loss per share computations:

| | <u>Transition period ended</u> | <u>Six-Months Ended</u> | <u>Year-ended</u> | <u>Year-ended</u> |
|---|--------------------------------|--------------------------|----------------------|----------------------|
| | <u>December 31, 2021</u> | <u>December 31, 2020</u> | <u>June 30, 2021</u> | <u>June 30, 2020</u> |
| | | (unaudited) | | |
| Net Loss | \$ 14,427 | \$ 15,868 | \$ 26,583 | \$ 42,030 |
| Weighted-average common shares—outstanding, basic | 24,915 | 21,564 | 22,674 | 20,291 |
| Weighted-average common shares—outstanding, diluted | 24,915 | 21,564 | 22,674 | 20,291 |
| Net loss per common share, basic | \$ 0.58 | \$ 0.74 | \$ 1.17 | \$ 2.07 |
| Net loss per common share, diluted | \$ 0.58 | \$ 0.74 | \$ 1.17 | \$ 2.07 |

The Company's basic net loss per share is calculated by dividing the net loss by the weighted-average number of shares of common stock outstanding for the relevant period. For the purposes of the calculation of diluted net loss per share options to purchase common stock, restricted stock units and unvested shares of common stock issued upon the early exercise of stock options have been excluded from the calculation of diluted net loss per share as their effect is anti-dilutive. Because the Company has reported a net loss for all periods presented, diluted net loss per common share is the same as the basic net loss per share for those periods.

18. Retirement Plans

The Company offers a 401(k)-retirement savings plan (the "401(k) Plan") for its employees, including its executive officers, who satisfy certain eligibility requirements. The Internal Revenue Code of 1986, as amended, allows eligible employees to defer a portion of their compensation, within prescribed limits, on a pre-tax basis through contributions to the 401(k) Plan. The Company matches contributions to the 401(k) Plan based on the amount of salary deferral contributions the participant makes to the 401(k) Plan. The Company will match up to 6% of an employee's compensation that the employee contributes to his or her 401(k) Plan account. Total Company matching contributions to the 401(k) Plan were \$966,000, \$310,000, \$733,000 and \$713,000 in the transition period ended December 31, 2021, the six-months ended December 31, 2020 and the years ended June 30, 2021 and 2020.

Deferred compensation plans

The Company's Deferred Compensation Plan (the "DCP"), which became effective on October 2021 allows for eligible management and highly compensated key employees to elect to defer a portion of their salary, bonus, commissions and RSU awards to later years. These deferrals are immediately vested and are subject to investment risk and a risk of forfeiture under certain circumstances. The Company matches 4% to 6% (depending on level) of employee contributions. These matching employer contributions are vested over a two-year period with 25% vesting on year one and 75% vesting on year two. Employer contributions to the DCP for the transition period ended December 31, 2021 was \$16,000. The Company's deferred compensation plan liability was \$262,000 as of transition period ended December 31, 2021 and is included in other long-term liabilities.

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The Company established a COLI to fund the DCP. The COLI is subject to creditor claims in the event of insolvency, but the assets held in the COLI are not available for general corporate purposes. Amounts in the COLI are invested in a number of funds. The securities are carried at the cash surrender value and are included in other long-term assets on the Consolidated Balance Sheets. We record investment gains and losses in operating expenses on the Consolidated Statements of Operations, along with the offsetting amount related to the increase or decrease in deferred compensation liability.

The fair values of the Company's deferred compensation plan assets and liability are included in the table below. For additional information on the fair value hierarchy and the inputs used to measure fair value, see Note 5, Fair Value Measurements.

| | Fair Value as of December 31, 2021 | | | |
|---|------------------------------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Corporate-owned life insurance policies (1) | - | 304 | - | 304 |

(1) The corporate-owned life insurance contracts are recorded at cash surrender value, which is provided by a third party and reflects the net asset value of the underlying publicly traded mutual funds, and are categorized as Level 2.

19. Deed of Cross Guarantee

The Company (as the parent entity of the AVITA Group) is party to a deed of cross guarantee dated June 29, 2020 (“**Deed**”) with each of its Australian wholly-owned subsidiaries, namely:

- AVITA Medical Pty Ltd (ACN 058 466 523);
- C3 Operations Pty Ltd (ACN 090 161 505);
- Visiomed Group Pty Ltd (ACN 003 010 580); and
- Infamed Pty Limited (ACN 084 800 653),

(together, the “**Australian Subsidiaries**”).

The Company and the Australian Subsidiaries were the only parties to the Deed at December 31, 2021 and comprise the “closed group” for the purposes of the Deed (and also the “extended closed group”). No parties were added to or removed from the Deed, or subject to a notice of disposal, during or since the financial year ended December 31, 2021. Since December 31, 2021, there has been no change in ownership of any of the Australian Subsidiaries.

By entering into the Deed, the Company and the Australian Subsidiaries have guaranteed the debts of each other.

Relief under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785

By entering into the Deed, the Australian Subsidiaries have been relieved from the requirement to prepare a financial report and directors' report for the financial year ended December 31, 2021 (being the transition period) under *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*.

[Table of Contents](#)**Consolidated financial information of parties to the Deed**

The financial statements below are additional disclosure items specifically required by the Australian Securities and Investments Commission and represent the consolidated financial statements of the entities that are party to the Deed only (being the 'closed group' and also the 'extended closed group' under the Deed).

| (in thousands) | Transition period ended December 31, 2021 |
|-------------------------------------|--|
| Revenues | \$ 242 |
| Cost of sales | (129) |
| Gross profit | 113 |
| Operating Expenses: | |
| Sales and marketing expenses | (107) |
| General and administrative expenses | 81 |
| Product development expense | (12) |
| Total operating expenses | (38) |
| Other Income | - |
| Net loss | \$ 75 |

| (in thousands) | As of December 31, 2021 |
|--|----------------------------|
| ASSETS | |
| Cash | \$ 154 |
| Accounts receivable, net | 35 |
| Prepays and other current assets | 2,617 |
| Inventory | 4 |
| Total assets | 2,810 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | |
| Accounts payable and accrued liabilities | 10 |
| Accrued wages and fringe benefits | 93 |
| Other current liabilities | 2,699 |
| Total liabilities | 2,802 |
| Contributed equity | 232,747 |
| Reserves | 31,541 |
| Accumulated deficit | (264,280) |
| Total stockholders' equity (deficit) | 8 |
| Total liabilities and stockholders' equity (deficit) | \$ 2,810 |

20. Subsequent Events

The Company has considered all events occurring subsequent to December 31, 2021 and has concluded that all significant events have been disclosed in the financial statements and accompanying notes.

Delaware

The First State

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I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "AVITA THERAPEUTICS, INC.", CHANGING ITS NAME FROM "AVITA THERAPEUTICS, INC." TO "AVITA MEDICAL, INC.", FILED IN THIS OFFICE ON THE SECOND DAY OF DECEMBER, A.D. 2020, AT 8:40 O`CLOCK A.M.

7906862 8100
SR# 20208532389




Jeffrey W. Bullock, Secretary of State

Authentication: 204206702
Date: 12-02-20

You may verify this certificate online at corp.delaware.gov/authver.shtml

AVITA THERAPEUTICS, INC.

**CERTIFICATE OF AMENDMENT OF
CERTIFICATE OF INCORPORATION**

Avita Therapeutics, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "DGCL"), for the purpose of amending its Certificate of Incorporation, hereby certifies as follows:

FIRST: That by resolution of the Board of Directors of the Corporation setting forth a proposed amendment of the Certificate of Incorporation of the Corporation, the Board of Directors declared said amendment to be advisable and authorized, approved and adopted said amendment. The resolution setting forth the proposed amendment is as follows:

NOW, THEREFORE, BE IT RESOLVED, that Section 1.01 of Article 1 of the Certificate of Incorporation shall be amended in its entirety to read as follows:

"SECTION 1.01 Name. The name of the Corporation is "**AVITA** Medical, Inc." (the "Corporation")."

SECOND: That said amendment of the Certificate of Incorporation of the Corporation herein certified was duly adopted pursuant to the provisions of Section 242 of the DGCL.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be executed on this 25th day of November, 2020.

AVITA THERAPEUTICS, INC.

By: 
Name: Donna Shiroma
Title: Corporate Secretary

**AMENDED AND RESTATED BYLAWS
OF
AVITA MEDICAL INC.**

(as amended December 22, 2021)

**ARTICLE I
Meeting of Stockholders**

Section 1.1. *Annual Meetings*. If required by applicable law, an annual meeting of stockholders shall be held for the election of directors at such date, time and place, if any, either within or without the State of Delaware, as may be designated by resolution of the board of directors (the "Board of Directors") of Avita Medical, Inc. (the "Corporation") from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2. *Special Meetings*.

(A) Special meetings of stockholders for any purpose or purposes, unless otherwise prescribed by statute or by the Corporation's certificate of incorporation, as amended, restated, supplemented or otherwise modified (the "Certificate of Incorporation"), (1) may be called at any time by the order of a majority of the Whole Board, the Chairman of the Board, the Chief Executive Officer or the President (in the absence of a chief executive officer), and (2) shall be called by the Secretary upon the written request of the holders of record of at least twenty-five percent (25%) of the outstanding shares of common stock of the Corporation (the "Requisite Percentage"), subject to and in compliance with these Bylaws. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. For purposes of these bylaws, the term "Whole Board" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships.

(B) Any request by stockholders to call a special meeting in accordance with Section 1.2(A)(2) of these Bylaws shall (1) be delivered to, or mailed to and received by, the Secretary of the Corporation at the Corporation's principal executive offices, (2) be signed by each stockholder, or a duly authorized agent of such stockholder, requesting the special meeting, (3) set forth the purpose or purposes of the meeting, and (3) include all of the information required by Section 1.13(A)(2) as to any nominations proposed to be presented and any other business proposed to be conducted at such special meeting and as to the stockholder(s) proposing such business or nominations, and a representation by the stockholder(s) proposing such business that within five business days after the record date for any such special meeting it will provide such information as of the record date for such special meeting. A special meeting requested by stockholders shall be held at such date, time and place within or without the State of Delaware as may be fixed by the Board of Directors; provided, however, that the date of any such special meeting shall not be more than ninety (90) days after the request to call the special meeting is received by the Corporate Secretary.

(C) Notwithstanding the foregoing, a special meeting requested by stockholders in accordance with Section 1.2(A)(2) of these Bylaws shall not be held if: (1) the stated business to be brought before the special meeting is not a proper subject for stockholder action under applicable law, (2) the Board of Directors has called or calls for an annual or special meeting of stockholders to be held within one hundred twenty (120) days after the request for the special meeting is delivered to or received by the Secretary and the Board of Directors determines in good faith that the business of such annual or special meeting includes (among any other matters properly brought before the annual or special meeting) the purpose specified in the request, (3) an annual or special meeting was held not more than one hundred twenty (120) days before the request to call the special meeting was received by the Corporation which included the purpose specified in the request, and (4) the special meeting requested by stockholders involves or was made in a manner that involved a violation of or does or did not comply with the Certificate of Incorporation, these Bylaws, Regulation 14A under the Exchange Act (as hereinafter defined) or other applicable law.

(D) A stockholder may revoke a request for a special meeting at any time by written revocation delivered to, or mailed to and received by, the Secretary. If, at any time after receipt by the Secretary of the Corporation of a proper request for a special meeting of stockholders, there are no longer valid requests from stockholders holding in the

aggregate at least the Requisite Percentage, whether because of revoked requests or otherwise, the Board of Directors, in its discretion, may cancel the special meeting (or, if the special meeting has not yet been called, may direct the Chairman of the Board or the Secretary of the Corporation not to call such a meeting).

Section 1.3. *Notice of Meetings.* Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given that shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the Certificate of Incorporation or these Bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

Section 1.4. *Adjournments.* Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

Section 1.5. *Quorum.* Except as otherwise provided by law, the Certificate of Incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of not less than a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, then either (i) the chairperson of the meeting or (ii) a majority in voting power of the stockholders so present (in person or by proxy) and entitled to vote may adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any subsidiary of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. *Organization.* Meetings of stockholders shall be presided over by the Chairman of the Board of Directors or, in his or her absence, by the Chief Executive Officer or, in his or her absence, by the President or, in his or her absence, by a Vice President or, in the absence of the foregoing persons, by a chairman designated by the Board of Directors or, in the absence of such designation, by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. *Voting; Proxies.* Except as otherwise provided by or pursuant to the provisions of the Certificate of Incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by

written ballot. At all meetings of stockholders for the election of directors at which a quorum is present a plurality of the votes cast shall be sufficient to elect. All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless otherwise provided by the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the Corporation which are present in person or by proxy and entitled to vote thereon.

Section 1.8. Fixing Date for Determination of Stockholders of Record.

(A) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(B) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 1.9. List of Stockholders Entitled to Vote. The officer who has charge of the stock ledger shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten (10) days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (ii) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.9 or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. Action by Written or Electronic Consent of Stockholders. Any action which is required to be or may be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice to stockholders and without a vote if consents in writing or by electronic communication, setting forth the action so taken, shall have been signed by the holders of outstanding stock having not less than the minimum

number of votes that would be necessary to authorize or to take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Section 1.11. *Inspectors of Election.* The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12. *Conduct of Meetings.* The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding person of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 1.13. *Notice of Stockholder Business and Nominations.*

(A) *Annual Meetings of Stockholders.* (1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders only (a) pursuant to the Corporation's notice of meeting (or any supplement thereto), (b) by or at the direction of the Board of Directors or any committee thereof or (c) by any stockholder of the Corporation who was a stockholder of record of the Corporation at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 1.13.

(2) For any nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (A)(1) of this Section 1.13, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and any such proposed business (other than the nominations of persons

for election to the Board of Directors) must constitute a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day, nor earlier than the close of business on the one hundred twentieth (120th) day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that no annual meeting was held in the previous year or if the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Corporation). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (a) as to each person whom the stockholder proposes to nominate for election as a director (i) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, and (ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a description of any agreement, arrangement or understanding with respect to the nomination or proposal between or among such stockholder and/or such beneficial owner, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, including, in the case of a nomination, the nominee, (iv) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and such beneficial owners, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the Corporation, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder or such beneficial owner, with respect to securities of the Corporation, (v) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination, (vi) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination, and (vii) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder. The foregoing notice requirements of this Section 1.13 shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as the Corporation may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this Section 1.13 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation at the annual meeting is increased effective after the time period for which nominations would otherwise be due under paragraph (A)(2) of

this Section 1.13 and there is no public announcement by the Corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.13 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(B) *Special Meetings of Stockholders.* Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (1) by or at the direction of the Board of Directors or any committee thereof or (2) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 1.13. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (A)(2) of this Section 1.13 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120th) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(C) *General.* (1) Except as otherwise expressly provided in any applicable rule or regulation promulgated under the Exchange Act, only such persons who are nominated in accordance with the procedures set forth in this Section 1.13 shall be eligible to be elected at an annual or special meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 1.13. Except as otherwise provided by law, the chairman of the meeting shall have the power and duty (a) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 1.13 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies or votes in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by clause (A)(2)(c)(vi) of this Section 1.13) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 1.13, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.13, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.13, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(2) For purposes of this Section 1.13, "public announcement" shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or other national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

(3) Notwithstanding the foregoing provisions of this Section 1.13, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 1.13; provided however, that any references in these bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 1.13 (including paragraphs (A)(1)(c) and (B) hereof), and compliance with paragraphs (A)(1)(c) and (B) of this Section 1.13 shall be the exclusive means for a stockholder to make nominations or submit other business (other than, as provided in the penultimate sentence of (A)(2), business other than nominations brought properly under and in compliance with Rule 14a-8 of the Exchange Act, as may be amended from time to time). Nothing in this Section 1.13 shall be deemed to affect any rights (a) of stockholders to request inclusion of proposals or nominations in the Corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act or (b) of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

ARTICLE II **Board of Directors**

Section 2.1. *Number; Qualifications.* Subject to the Certificate of Incorporation, the Board of Directors shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Whole Board. Directors need not be stockholders.

Section 2.2. *Election; Resignation; Vacancies.* The Board of Directors shall initially consist of the persons named as directors in the Certificate of Incorporation or elected by the incorporator of the Corporation, and each director so elected shall hold office until the first annual meeting of stockholders or until his or her successor is duly elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his or her successor is duly elected and qualified, subject to such director's earlier death, resignation, disqualification or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect when such notice is given unless the notice specifies (a) a later effective date, or (b) an effective date determined upon the happening of an event or events, such as the failure to receive the required vote for reelection as a director and the acceptance of such resignation by the Board of Directors. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective. Unless otherwise provided by law or the Certificate of Incorporation, any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled only by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, and each director so elected shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor is elected and qualified.

Section 2.3. *Regular Meetings.* Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine.

Section 2.4. *Special Meetings.* Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the Chief Executive Officer, the Secretary, or by any two members of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5. *Telephonic Meetings Permitted.* Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6. *Quorum; Vote Required for Action.* At all meetings of the Board of Directors the directors entitled to cast a majority of the votes of the Whole Board shall constitute a quorum for the transaction of business. Except in cases in which the Certificate of Incorporation, these bylaws or applicable law otherwise provides, a majority of the

votes entitled to be cast by the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7. *Organization.* Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors or, in his or her absence, by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. *Action by Unanimous Consent of Directors.* Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmissions are filed with the minutes of proceedings of the board or committee in accordance with applicable law.

Section 2.9. *Chairman of the Board and Vice-Chairman of the Board.* The Board of Directors may elect one or more of its members to serve as Chairman or Vice-Chairman of the Board and may fill any vacancy in such position at such time and in such manner as the Board of Directors shall determine. The Chairman of the Board, if any, shall preside at all meetings of the Board of Directors at which he or she is present and shall perform such duties and possess such powers as are designated by the Board of Directors. If the Board of Directors appoints a Vice-Chairman of the Board, he or she shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman of the Board and shall perform such other duties and possess such other powers as may from time to time be designated by the Board of Directors. The fact that a person serves as either Chairman or Vice-Chairman of the Board shall not make such person considered an Officer of the Corporation.

Section 2.10. *Compensation of Directors.* If the Corporation is admitted to the official list of ASX Limited (“ASX”), this Section 2.10 shall apply. Directors may receive, pursuant to a resolution of the Board of Directors, fees and other compensation for their services as directors, including without limitation their services as members of committees of the Board of Directors. The maximum aggregate annual cash fee pool from which non-executive directors may be paid for their service as a member of the Board of Directors, exclusive of expense reimbursement, genuine “special exertion” fees paid in accordance with these bylaws and equity grants, shall not exceed A\$450,000 (or such larger sum as may be approved by the Stockholders at an annual or special meeting of the stockholders).

ARTICLE III Committees

Section 3.1. *Committees.* The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it.

Section 3.2. *Committee Rules.* Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these Bylaws.

ARTICLE IV
Officers

Section 4.1 *Officers*. The officers of the Corporation shall consist of a Chief Executive Officer, a Chief Financial Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time determine, which may include, without limitation, one or more Vice Presidents, Assistant Secretaries or Assistant Treasurers. Each of the Corporation's officers shall be elected by the Board of Directors, each to have such authority, functions or duties as set forth in these bylaws or as determined by the Board of Directors. Each officer shall be chosen by the Board of Directors and shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly chosen and qualified, or until such person's earlier death, disqualification, resignation or removal.

Section 4.2 *Removal, Resignation and Vacancies*. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any officer may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect when such notice is given unless the notice specifies (a) a later effective date, or (b) an effective date determined upon the happening of an event or events, such as the failure to receive the required vote for reelection as a director and the acceptance of such resignation by the Board of Directors. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified.

Section 4.3 *Chief Executive Officer*. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Chairman of the Board of Directors. Unless otherwise provided in these bylaws, all other officers of the Corporation shall report directly to the Chief Executive Officer or as otherwise determined by the Chief Executive Officer. The Chief Executive Officer shall, if present and in the absence of the Chairman of the Board of Directors, preside at meetings of the stockholders and of the Board of Directors.

Section 4.4 *President*. The President shall be the chief operating officer of the Corporation, with general responsibility for the management and control of the operations of the Corporation. The President shall have the power to affix the signature of the Corporation to all contracts that have been authorized by the Board of Directors or the Chief Executive Officer. The President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine. In the absence of a separately appointed President, the Chief Executive Officer shall be the President.

Section 4.5 *Chief Financial Officer*. The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings, and shares. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine. In the absence of a separately appointed Treasurer, the Chief Financial Officer shall be the Treasurer.

Section 4.6 *Vice Presidents*. The Vice President shall have such powers and duties as shall be prescribed by his or her superior officer or the Chief Executive Officer. A Vice President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.7 *Treasurer*. The Treasurer shall supervise and be responsible for all the funds and securities of the Corporation, the deposit of all moneys and other valuables to the credit of the Corporation in depositories of the

Corporation, borrowings and compliance with the provisions of all indentures, agreements and instruments governing such borrowings to which the Corporation is a party, the disbursement of funds of the Corporation and the investment of its funds, and in general shall perform all of the duties incident to the office of the Treasurer. The Treasurer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.8 *Secretary*. The powers and duties of the Secretary are to: (i) act as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose; (ii) see that all notices required to be given by the Corporation are duly given and served; (iii) act as custodian of the seal of the Corporation and affix the seal or cause it to be affixed to all certificates of stock of the Corporation and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these bylaws; (iv) have charge of the books, records and papers of the Corporation and see that the reports, statements and other documents required by law to be kept and filed are properly kept and filed; and (v) perform all of the duties incident to the office of Secretary. The Secretary shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.9 *Additional Matters*. The Chief Executive Officer and the Chief Financial Officer of the Corporation shall have the authority to designate employees of the Corporation to have the title of Assistant Vice President, Assistant Treasurer or Assistant Secretary. Any employee so designated shall have the powers and duties determined by the officer making such designation. The persons upon whom such titles are conferred shall not be deemed officers of the Corporation unless elected by the Board of Directors.

Section 4.10 *Execution of Contracts and Instruments*. All contracts, deeds, mortgages, bonds, certificates, checks, drafts, bills of exchange, notes and other instruments or documents to be executed by or in the name of the Corporation shall be signed on the corporation's behalf by such officer or officers, or other person or persons, as may be so authorized (i) by the Board of Directors, or (ii) subject to such limitations, if any, as the Board of Directors may impose, by the Chief Executive Officer. Such authority may be general or confined to specific instances and, if the Board of Directors or Chief Executive Officer (whichever grants authority) so authorizes or otherwise directs, may be delegated by the authorized officers to other persons. Unless otherwise provided in such resolution, any resolution of the Board of Directors or a committee thereof authorizing the Corporation to enter into any such instruments or documents or authorizing their execution by or on behalf of the Corporation shall be deemed to authorize the execution thereof on its behalf by the Chief Executive Officer, the President, Chief Financial Officer or any Vice President (an "Authorized Officer"). Furthermore, each Authorized Officer shall be authorized to enter into any contract or execute any instrument in the name of and on behalf of the Corporation in matters arising in the ordinary course of the Corporation's business and to the extent incident to the normal performance of such Authorized Officer's duties.

ARTICLE V Stock

Section 5.1. *Certificates*. The shares of the Corporation may be certificated or uncertificated in accordance with the Delaware General Corporation Law, and shall be entered in the books of the Corporation and registered as they are issued. The issue of shares in uncertificated form shall not affect shares represented by a certificate until the certificate is surrendered to the Corporation. Any certificates representing shares of the Corporation's stock shall be in such form as may be prescribed by law and by the Board of Directors, certifying the number and class of shares owned by such stockholder in the Corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by any two authorized officers of the Corporation certifying the number of shares owned by such holder in the Corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. *Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates.* The Corporation may issue (i) a new certificate of stock or (ii) uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI
Indemnification and Advancement of Expenses

Section 6.1. *Right to Indemnification.* The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 6.3, the Corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors of the Corporation.

Section 6.2. *Prepayment of Expenses.* The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, *provided, however,* that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VI or otherwise.

Section 6.3. *Claims.* If a claim for indemnification (following the final disposition of such proceeding) or advancement of expenses under this Article VI is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. *Nonexclusivity of Rights.* The rights conferred on any Covered Person by this Article VI shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5. *Other Sources.* The Corporation's obligation, if any, to indemnify or to advance expenses to any Covered Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

Section 6.6. *Amendment or Repeal.* Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of these bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6.7. *Other Indemnification and Advancement of Expenses.* This Article VI shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

ARTICLE VII
Miscellaneous

Section 7.1. *Fiscal Year.* The fiscal year of the Corporation shall be determined by resolution of the Board of Directors.

Section 7.2. *Seal.* The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3. *Method of Notice.* Whenever notice is required by law, the Certificate of Incorporation or these bylaws to be given by the Corporation to any director, committee member or stockholder, personal notice shall not be required and any such notice may be given in writing (a) by mail, addressed to such director, committee member or stockholder at his or her address as it appears on the books of the Corporation, or (b) by any other method permitted by law (including, but not limited to, overnight courier service, facsimile, electronic mail or other means of electronic transmission) directed to the addressee at his, her or its address most recently provided to the Corporation. Any notice given by the Corporation by mail shall be deemed to have been given at the time when deposited in the United States mail. Any notice given by the Corporation by overnight courier service shall be deemed to have been given when delivered to such service. Any notice given by the Corporation by facsimile, electronic mail or other means of electronic transmission that generally can be accessed by or on behalf of the receiving party at substantially the same time as it is transmitted shall be deemed to have been given when transmitted, unless the Corporation receives a prompt reply that such transmission is undeliverable to the address to which it was directed.

Section 7.4. *Waiver of Notice.* Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7.5. *Form of Records.* Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

Section 7.6. *Amendment of Bylaws.* Subject to any additional votes set forth in the Certificate of Incorporation, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the stockholders or by the Board of Directors.

Section 7.7. *Registered Stockholders.* The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

Section 7.8. *Facsimile Signature.* In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section 7.9. *ASX Listing.* If the Corporation is admitted to the official list of ASX, the following clauses apply:

(A) Notwithstanding anything contained in these Bylaws, if the Listing Rules of ASX and any other rules of ASX which are applicable while the Corporation is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express waiver by ASX (“Listing Rules”), prohibit an act being done, the act shall not be done.

(B) Nothing contained in these Bylaws prevents an act being done that the Listing Rules require to be done.

(C) If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).

(D) If the Listing Rules require these Bylaws to contain a provision and they do not contain such a provision, these Bylaws are deemed to contain that provision.

(E) If the Listing Rules require these Bylaws not to contain a provision and they contain such a provision, these Bylaws are deemed not to contain that provision.

(F) If any provision of these Bylaws is or becomes inconsistent with the Listing Rules, these Bylaws are deemed not to contain that provision to the extent of the inconsistency.

Section 7.10. *Small holdings sale facility.*

(A) In this Section 7.10:

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of common stock of the Corporation or such other ratio as may be adopted by the Corporation from time to time.

“CDI holder” means a holder of the Corporation’s CDIs.

“Marketable Parcel” means a number of CDIs equal to a marketable parcel as defined in the ASX Listing Rules and the ASX Settlement Operating Rules, calculated on the day before the Corporation gives notice under Section 7.10(B).

“takeover” means a takeover bid (as that term is defined in section 9 of the *Corporations Act 2001* (Cth)) or a similar bid under the laws of a foreign jurisdiction outside of Australia.

(B) For so long as the Corporation is admitted to the official list of the ASX, the Corporation may sell the CDI holding of a CDI holder who holds less than a Marketable Parcel of CDIs, provided that the Corporation complies with each of the following: (i) the Corporation may do so only once in any 12-month period; (ii) the Corporation must notify the CDI holder in writing of its intention to sell such CDIs in accordance with this Section 7.10; (iii) the CDI holder must be given at least 6 weeks from the date the notice is sent in which to tell the Corporation that the CDI holder wishes to retain its CDI holding; (iv) if the CDI holder tells the Corporation in accordance with Section 7.10(B)(iii) that the CDI holder wishes to retain its CDI holding, the Corporation will not sell the holding; (v) the power to sell lapses following the announcement of a takeover but the procedure may be started again after the close of the offers made under the takeover; (vi) the Corporation or the purchaser must pay the costs of the sale; and (vii) the proceeds of the sale will not be distributed until the Corporation has received any certificate relating to the CDIs (or is satisfied that the certificate has been lost or destroyed).

(C) The Corporation may, before a sale is effected under this Section 7.10, revoke a notice given or suspend or terminate the operation of this Section 7.10 either generally or in specific cases.

(D) If a CDI holder is registered in respect of more than one parcel of securities (whether CDIs or shares of common stock), the Corporation may treat the CDI holder as a separate CDI holder in respect of each of those parcels so that this Section 7.10 will operate as if each parcel was held by different CDI holders.

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE AGREEMENT (the “**Amendment**”) is entered into as of the 17th day of November, 2020, by and between RIF III – Avenue Stanford, LLC, a California limited liability company (“**Landlord**”) and Avita Medical Americas, LLC, a Delaware limited liability company (“**Tenant**”).

W I T N E S S E T H:

WHEREAS, Landlord and Tenant have entered into a Lease dated October 3, 2016, as amended by that certain First Amendment to Lease, dated as of December 14, 2016, and as amended by that certain Second Amendment to Lease, dated as of December 4, 2017 (as amended, the “**Existing Lease**”) pursuant to which Landlord leased to Tenant certain premises consisting of approximately 17,465 square feet located at 28159 Avenue Stanford, Suites 200 and 220, Valencia, California, 91355 (the “**Premises**”), such Existing Lease, as heretofore modified, being herein referred to as the “**Lease**”.

WHEREAS, the current Expiration Date of the Lease is January 31, 2021. Landlord and Tenant desire to modify the Lease to, among other things, extend the term of the Lease, on the terms and conditions set forth below.

A G R E E M E N T:

NOW THEREFORE, in consideration of the Premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

1. The Lease Term is extended such that the Lease shall terminate on July 31, 2022 (the “**Third Extension Term**”). The monthly Base Rent during the Third Extension Term shall be as follows:

| Period | Monthly Base Rent |
|-------------------------------------|--------------------------|
| February 1, 2021 – January 31, 2022 | \$33,183.50 |
| February 1, 2022 – July 31, 2022 | \$34,179.01 |

2. Except as otherwise expressly provided herein, all defined terms used in this Amendment shall have the same respective meanings as are provided for such defined terms in the Lease. Tenant shall accept the Premises in its “as is” condition, without any representations or warranties, and shall pay increases in Common Area Operating Expenses, over the Base Years as provided in the Lease during the Third Extension Term.
3. Landlord’s address for notice purposes is hereby amended as follows: Any notices or demands directed to Landlord shall be delivered to Rexford Industrial Realty, L.P., 11620 Wilshire Boulevard, Suite 1000, Los Angeles, California, 90025; Tel. 310.966.1680, Fax 310.966.1690; Attn.: General Counsel, DLanzer@rexfordindustrial.com.
4. Tenant warrants, represents and certifies to Landlord that as of the date of this Amendment, (i) Landlord is not in default under the Lease, (ii) Tenant does not have any defenses or offsets to payment of rent and performance of its obligations under the Lease as and when the same become due; and (iii) Tenant has no remaining renewal, extension or termination options or rights of first offer or first refusal.

5. Tenant represents and warrants that it has dealt with no broker, agent or other person in connection with this transaction and that no broker, agent or other person brought about this transaction, other than CBRE, Inc., and Tenant agrees to indemnify and hold Landlord harmless from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with Tenant with regard to this leasing transaction.
6. Insofar as the specific terms and provisions of this Amendment purport to amend or modify or are in conflict with the specific terms, provisions and exhibits of the Lease, the terms and provisions of this Amendment shall govern and control; in all other respects, the terms, provisions and exhibits of the Lease shall remain unmodified and in full force and effect.
7. Landlord and Tenant hereby agree that (i) this Amendment is incorporated into and made a part of the Lease, (ii) any and all references to the Lease hereinafter shall include this Amendment, and (iii) the Lease and all terms, conditions and provisions of the Lease are in full force and effect as of the date hereof, except as expressly modified and amended hereinabove.
8. Notwithstanding anything to the contrary contained in the Lease, in the event the so-called "split roll" property tax ballot initiative passes in California thereby removing certain Proposition 13 tax protections applicable to commercial properties (the "**Split Roll Initiative**"), the amount of Real Property Taxes applicable to the Base Year shall not include the amount of any increase in Real Property Taxes resulting from a reassessment triggered by the Split Roll Initiative.
9. Annually, Tenant at Tenant's sole cost and expense, shall deliver to Landlord data regarding the electricity consumed in the operation of the Premises (the "**Energy Data**") for purposes of regulatory compliance, manual and automated benchmarking, energy management, building environmental performance labeling and other related purposes, including but not limited, to the Environmental Protection Agency's Energy Star rating system and other energy benchmarking systems. Tenant agrees to update such benchmarking information for Tenant's operations conducted during the year. Landlord shall use commercially reasonable efforts to utilize automated data transmittal services offered by utility companies to access the Energy Data.
10. In accordance with the California Consumer Privacy Act ("**CCPA**"), Landlord makes the following disclosure: Landlord collects certain categories of personal information about tenants including identifiers (such as names, email addresses and telephone numbers) and commercial information relating to tenants' business operations. Such personal information is collected by Landlord for use in providing services under the Lease and for other internal business purposes. Landlord does not sell personal information. To learn more about Landlord's privacy policy, please visit <https://www.rexfordindustrial.com/privacy-policy>.
11. Each party hereto, and their respective successors and assigns shall be authorized to rely upon the signatures of all of the parties hereto on this Amendment which are delivered by facsimile or PDF as constituting a duly authorized, irrevocable, actual, current delivery of this Amendment with original ink signatures of each person and entity. Further, the parties hereto expressly consent and agree that this Amendment may be electronically signed and that electronic signatures appearing on this Amendment shall be treated, for purposes of validity, enforceability and admissibility, the same as hand-written signatures. This Amendment may be executed in counterparts, each of which shall be deemed an original part and all of which together shall constitute a single agreement.
12. The ACM Notification is attached hereto as Exhibit "A" and shall be incorporated into the Lease.
13. The Coronavirus Acknowledgement is attached hereto as Addendum One and shall be incorporated into the

Lease.

14. The Option to Extend is attached hereto as Addendum Two and shall be incorporated into the Lease.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have signed this Amendment as of the day and year firstabove written.

TENANT:

AVITA MEDICAL AMERICAS, LLC,
a Delaware limited liability company

By: Michael Perry
Name: Dr. Michael Perry
Title: CEO
Date: Nov 20, 2020 7:35 AM PST

LANDLORD:

RIF III – AVENUE STANFORD, LLC,
a California limited liability company

By: Rexford Industrial Realty, L.P.,
a Maryland limited partnership,
Its Managing Member

Rexford Industrial Realty, Inc.,
a Maryland corporation,
Its General Partner

By: Howard Schwimmer
Name: Howard Schwimmer
Printed: _____
Title: Co-Chief Executive Officer
Date: Nov 20,2020 2:55 PM PST

EXHIBIT "A"

ACM Notification

This Exhibit is attached to and made a part of the Amendment by and between RIF III – Avenue Stanford, LLC, a California limited liability company ("**Landlord**"), and Avita Medical Americas, LLC, a Delaware limited liability company ("**Tenant**"), for space in the building located at 28159 Avenue Stanford, Valencia, California, 91355 (the "**Building**").

Asbestos-containing materials ("**ACMs**") were historically commonly used in the construction of commercial buildings across the country. ACMs were commonly used because of their beneficial qualities; ACMs are fire-resistant and provide good noise and temperature insulation.

Some common types of ACMs include surfacing materials (such as spray-on fireproofing, stucco, plaster and textured paint), flooring materials (such as vinyl floor tile and vinyl floor sheeting) and their associated mastics, carpet mastic, thermal system insulation (such as pipe or duct wrap, boiler wrap and cooling tower insulation), roofing materials, drywall, drywall joint tape and drywall joint compound, acoustic ceiling tiles, transits board, base cove and associated mastic, caulking, window glazing and fire doors. These materials are not required under law to be removed from any building (except prior to demolition and certain renovation projects). Moreover, ACMs generally are not thought to present a threat to human health unless they cause a release of asbestos fibers into the air, which does not typically occur unless (1) the ACMs are in deteriorated condition, or (2) the ACMs have been significantly disturbed (such as through abrasive cleaning, or maintenance or renovation activities).

It is possible that some of the various types of ACMs noted above (or other types) are present at various locations in the Building. Anyone who finds any such materials in the Building should assume them to contain asbestos unless those materials are properly tested and found to be otherwise. In addition, under applicable law, certain of these materials are required to be presumed to contain asbestos in the Building if the Building was built prior to 1981 (these materials are typically referred to as "Presumed Asbestos Containing Materials" or "**PACM**"). PACM consists of thermal system insulation and surfacing material found in buildings constructed prior to 1981, and asphalt or vinyl flooring installed prior to 1981. If the Building was built prior to 1981 and any thermal system insulation, asphalt or vinyl flooring or surfacing materials are found to be present in the Building, such materials must be considered PACM unless properly tested and found otherwise. In addition, Landlord has identified the presence of certain ACMs in the Building. For information about the specific types and locations of these identified ACMs, please contact the Building manager. The Building Manager maintains records of the Building's asbestos information including any Building asbestos surveys, sampling and abatement reports. This information is maintained as part of Landlord's asbestos Operations and Maintenance Plan ("**O&M Plan**").

The O&M Plan is designed to minimize the potential of any harmful asbestos exposure to any person in the Building. Because Landlord is not a physician, scientist or industrial hygienist, Landlord has no special knowledge of the health impact of exposure to asbestos. Therefore, Landlord hired an independent environmental consulting firm to prepare an O&M Plan. The O&M Plan includes a schedule of actions to be taken in order to (1) maintain any building ACMs in good condition, and (2) to prevent any significant disturbance of such ACMs. Appropriate Landlord personnel receive regular periodic training on how to properly administer the O&M Plan.

The O&M Plan describes the risks associated with asbestos exposure and how to prevent such exposure. The O&M Plan describes those risks, in general, as follows: asbestos is not a significant health concern unless asbestos fibers are released and inhaled. If inhaled, asbestos fibers can accumulate in the lungs and, as exposure increases, the risk of disease (such as asbestosis and cancer) increases. However, measures taken to minimize exposure and consequently minimize the accumulation of fibers, can reduce the risk of adverse health effects.

The O&M Plan also describes a number of activities which should be avoided in order to prevent a release of asbestos fibers. In particular, some of the activities which may present a health risk (because those activities may cause an airborne release of asbestos fibers) include moving, drilling, boring or otherwise disturbing ACMs. Consequently, such activities should not be attempted by any person not qualified to handle ACMs. In other words, the approval of Building management must be obtained prior to engaging in any such activities. Please contact the Building manager for more information in this regard. A copy of the written O&M Plan is located in the Building Management Office and, upon your request, will be made available to tenants for you to review and copy during regular business hours.

Because of the potential or presumed presence of ACM in the Building, we are also providing the following warning, which is commonly known as a California Proposition 65 warning: **WARNING: This building contains asbestos, a chemical known to the State of California to cause cancer.**

Please contact the Building manager with any questions regarding the contents of this notification.

ADDENDUM ONE

CORONAVIRUS ACKNOWLEDGEMENT

ATTACHED TO AND A PART OF THE THIRD AMENDMENT TO LEASE
DATED NOVEMBER 17, 2020, BETWEEN
RIF III – AVENUE STANFORD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY
and
AVITA MEDICAL AMERICAS, LLC, A DELAWARE LIMITED LIABILITY COMPANY

The parties hereby acknowledge that, as of the date of this Amendment, the coronavirus outbreak, including, without limitation Covid-19 and any mutations thereof (the “**Coronavirus Situation**”) has resulted in various governmental entities at various levels (federal, state, county, city and local) to issue various laws, ordinances, regulations, orders and controls directly in response to the Coronavirus Situation (collectively and as hereinafter promulgated, the “**Coronavirus Governmental Actions**”), which have included, without limitation, orders that may give tenants the right to withhold or defer rent payments without late fees or interest (“**Coronavirus Rent Deferrals**”). Landlord and Tenant acknowledge that this Amendment is being entered into while both parties have knowledge and awareness of the Coronavirus Situation and the ongoing Coronavirus Governmental Actions, and Tenant acknowledges and agrees that Landlord would not lease the Premises to Tenant without Tenant expressly waiving any current or future rights to Coronavirus Rent Deferrals and all other rights now or in the future to withhold any payments to Landlord arising in any way from the Coronavirus Governmental Actions. Therefore, in consideration of the foregoing and Landlord’s willingness to enter into this Amendment, to the maximum extent allowed by Legal Requirements, Tenant hereby expressly and irrevocably waives any and all current or future rights to Coronavirus Rent Deferrals and all other rights now or in the future to withhold any payments of Rent to Landlord arising in any way from the Coronavirus Governmental Actions. Tenant acknowledges and agrees that Landlord is under no obligation to provide notice of any incidents of coronavirus infections within the Project, and the presence of coronavirus infected individuals within the Project is not an excuse or basis for not making payments to Landlord otherwise due under this Amendment, including, without limitation, Rent.

Notwithstanding the foregoing, in the event Tenant ever seeks to defer or withhold Rent, Tenant shall promptly provide Landlord with the following documentation for Tenant and any Guarantors to substantiate the impact of the Coronavirus Situation, it being understood that failure to provide any such documentation by Tenant while withholding any rent shall be considered an Event of Default by Tenant under this Agreement: (a) projected cash flow statements covering the next six (6) months, showing all sources and uses of cash; (b) summary of all cash receipts and expenditures for the six (6) most recent calendar months, and for the current month to date; (c) schedule of liabilities identifying for each, the nature and amount of the debt, the monthly payment amount, any collateral for the debt, whether and to what extent any defaults, and what relief, if any, was requested or granted by the creditor; (d) current balance sheet along with profit and loss statements for the prior two (2) years and monthly to date; (e) list of all bank and other cash deposit accounts held by (i) Tenant or any Guarantor, (ii) any other entity that is owned or controlled, directly or indirectly, by Tenant or any Guarantor and (iii) the primary owners of the business; (f) six (6) most recent monthly statements for each of the accounts described above; (g) complete tax returns for the prior two (2) years filed by Tenant, any Guarantor and the primary owners of the business; (h) all owners’ or stockholders’ individual monetary contributions in helping to sustain the monthly operations of the Tenant entity during the prior twelve (12) month period; and (i) submission of the applicable Corona Virus Situation disaster assistance program and related materials.

ADDENDUM TWO

OPTION TO EXTEND

ATTACHED TO AND A PART OF THE THIRD AMENDMENT TO LEASE
DATED NOVEMBER 17, 2020, BETWEEN
RIF III – AVENUE STANFORD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY
AND
AVITA MEDICAL AMERICAS, LLC, A DELAWARE LIMITED LIABILITY COMPANY

(a) Provided that as of the time of the giving of the Extension Notice and the Commencement Date of the Extension Term, (x) Tenant is the Tenant originally named herein, (y) Tenant actually occupies all of the Premises initially demised under this Lease and any space added to the Premises, and (z) no Default exists or would exist but for the passage of time or the giving of notice, or both; then Tenant shall have the right to extend the Term of the Lease for an additional term of three (3) years (such additional term is hereinafter called the "**Extension Term**") commencing on the day following the expiration of the Third Extension Term (hereinafter referred to as the "**Commencement Date of the Extension Term**"). In order to properly exercise Tenant's right to the Extension Term, Tenant shall give Landlord written notice (hereinafter called the "**Extension Notice**") of its election to extend the Term of the Lease at least 6 months, but not more than 9 months, prior to the scheduled expiration date of the Third Extension Term.

(b) The Base Rent payable by Tenant to Landlord during the first year of the Extension Term shall be the greater of (i) an amount equal to 103% of the Base Rent applicable to the last year of the Third Extension Term and (ii) the then prevailing market rate for comparable space in the Project and comparable buildings in the vicinity of the Project, taking into account the size of the Lease, the length of the renewal term, market escalations and the credit of Tenant. The Base Rent shall not be reduced by reason of any costs or expenses saved by Landlord by reason of Landlord's not having to find a new tenant for such premises (including, without limitation, brokerage commissions, costs of improvements, rent concessions or lost rental income during any vacancy period). In the event Landlord and Tenant fail to reach an agreement on such rental rate and execute the Amendment (defined below) prior to the expiration of the Lease, then Tenant's exercise of the renewal option shall be deemed withdrawn and the Lease shall terminate on its original expiration date. Upon each anniversary of the Commencement Date of the Extension Term, the Base Rent shall be increased by 3%.

(c) The determination of Base Rent does not reduce the Tenant's obligation to pay or reimburse Landlord for Common Area Operating Expenses, Insurance Cost Increases, Increases above the Base Real Property Taxes and other reimbursable items as set forth in the Lease, and Tenant shall reimburse and pay Landlord as set forth in the Lease with respect to such Common Area Operating Expenses, Insurance Cost Increases, Increases above the Base Real Property Taxes and other items with respect to the Premises during the Extension Term without regard to any cap on such expenses set forth in the Lease.

(d) Except for the Base Rent as determined above, Tenant's occupancy of the Premises during the Extension Term shall be on the same terms and conditions as are in effect immediately prior to the expiration of the Third Amendment Extension Term; provided, however, Tenant shall have no further right to any allowances, credits or abatements or any options to expand, contract, renew or extend the Lease.

(e) If Tenant does not give the Extension Notice within the period set forth in paragraph (a) above, Tenant's right to extend the Lease Term shall automatically terminate. Time is of the essence as to the giving of the Extension Notice.

(f) Landlord shall have no obligation to refurbish or otherwise improve the Premises for the Extension Term. The Premises shall be tendered on the Commencement Date of the Extension Term in "as-is" condition.

(g) If the Lease is extended for the Extension Term, then Landlord shall prepare and Tenant shall execute an amendment to the Lease confirming the extension of the Lease Term and the other provisions applicable thereto (the "**Amendment**").

(h) If Tenant exercises its right to extend the Term of the Lease for the Extension Term pursuant to this Addendum, the term "Term" as used in the Lease, shall be construed to include, when practicable, the Extension Term except as provided in (d) above.

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT ("Agreement") is made and entered into on November 12, 2019, by and between Avita Medical Ltd., an Australian corporation (the "Company"), Avita Medical Americas, LLC ("Avita America ") and Michael Perry, an individual (the "Executive") with reference to the following:

RECITALS

WHEREAS, the Executive has been serving in the role of Chief Executive Officer of the Company since June 1, 2017,

WHEREAS the Board of Directors of the Company (the " Board") desires to employ Executive to serve as the Chief Executive Officer of the Company and to manage the operations of the Company and its subsidiaries pursuant to this Agreement.

WHEREAS the Executive is willing to continue to serve in the role of Chief Executive Office of the Company and provide services to the Company and its subsidiaries under the terms and conditions stated herein,

WHEREAS, the Executive will serve as Chief Executive Officer of the Company, but will be paid through Avita America (so long as Avita America remains a wholly owned subsidiary of the Company), effective as of September 1, 2019 (the " Effective Date"); and the parties agree that the terms of this Agreement will apply from the Effective Date and replaces all prior agreements, arrangements or understandings concerning the appointment of the Executive;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

(v) **Employment and Duties**

1.1 **Employment.** The Company here by employs the Executive as the Chief Executive Officer ("CEO") of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Board.

1.2 **Duties.** The Executive shall perform, to the best of his ability and in a manner satisfactory to the Board, all such duties that are consistent with his title and position as the most senior executive officer of the Company, and such other duties as may reasonably be assigned to him by the Board. The Executive's duties will be conducted principally from the Company ' s North America office, currently located in Valencia, California, or at such other location as determined by the Board (but subject to the terms of this Agreement), with travel to such other locations from time to time as reasonably required. For absence of doubt, Executive can perform his duties from any location. Executive shall continue to commute as necessary from his principle residence in Denver, CO, at Company's reasonable expense, as further detailed in Section 3.4. The Board will not require Executive to relocate from Denver, CO.

1.3 **Time and Efforts.** The Executive shall devote his full business time and provide his best efforts, attention, and energies to the business of the Company and its subsidiaries and to the performance of Executive's duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board; provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive's obligations to the Company or its subsidiaries hereunder and

such service is disclosed in advance by Executive to the Board. The Board has issued approval for Executive to maintain the following appointments:

- (a) University of Colorado School of Medicine, *Adjunct Professor*
- (b) Houston Methodist Research Institute /Cornell School of Medicine, *Adjunct Professor*
- (c) Houston Methodist, External Advisory Board for Translational Medicine, *Chair*
- (d) Gamida Cell Ltd., *Non-executive director*
- (e) Arrowhead Pharmaceuticals Inc., *Non-executive director*
- (f) Armata Pharmaceuticals, *Non-executive director*
- (g) Bioscience Managers Pty Ltd, *Managing Director*

The Company will also reimburse the Executive for fees related to the maintenance of Veterinary Licensure in the U.S. and Canada and A VMA, CVMA and DEA licensures.

(vi) **Employment Period**

The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at -will" and for an indefinite period of time, such that either the Executive or the Company may terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without notice , but subject to the severance pay provisions (if applicable) as set forth below in Sections 5 and 6 of this Agreement.

(vii) **Compensation**

As the total consideration for the Executive's services rendered here under, Executive shall be entitled to the following:

3.1 **Base Salary.** The Executive shall be paid an annual base salary of Four Hundred and Seventy-Five Thousand United States Dollars (\$475,000.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement payable in regular installments in accordance with the customary payroll practices of Avita America. The Executive's salary will be subject to annual review by the Board and may be increased or decreased in the sole discretion of the Board.

3.2 **Annual Performance Bonus.** In addition to the Base Salary, the Executive shall be eligible to receive an annual performance bonus as determined by the Board with the exception of the guaranteed portion of the Annual Bonus which is to be paid in accordance with clause 3.2(b). ("Annual Bonus") based upon the Company's performance for the preceding calendar year of service (each year being regarded as a "Bonus Period"), as measured against certain performance targets as mutually established by the parties to be paid to Executive no later than March 15 of the year following the Bonus Period. The Annual Bonus shall be determined as follows:

- (a) As ultimately determined in the Board's discretion, the target amount of the Annual Bonus shall be seventy percent (70%) of Executive's Base Salary ("Target Bonus").
- (b) For calendar year 2019, the Annual Bonus shall be prorated for 7/12ths of the year guaranteed at 50% of Executive's Base Salary and the remaining 7/12ths at the Board's discretion for the remainder of the year.
- (c) At the sole discretion of the Board, Executive may be entitled to an additional amount of up to fifty percent (50%) of the Target Bonus ("Additional Bonus") i.e., up to 105%

of base salary when combined with the Target Bonus.

- (d) In order to be eligible and entitled to receive any Annual Bonus or Additional Bonus payment, the Executive must have been and is still employed on the last day of the Bonus Period and the Company must not have given Executive notice of termination for Cause and the Executive also must not have given notice of termination pursuant to section 5.4 (other than for termination due to Disability or Death), on or before the date the Annual Bonus or Additional Bonus is to be paid.

3.3 **Long Term Incentive.** The Company agreed upon employment of Executive to grant equity to Executive. All Restricted Stock Units ("RSUs") and Options referred to herein, as well as any future grants, shall be issued as soon as administratively feasible following their respective grant dates, but no later than thirty (30) business days following such date. The Company has issued to the Executive equity in the form of RSUs under the terms and conditions contained in the RSUs Confirmatory Deed and options on the terms of the Option Deed, a copy of each of which is attached to this Agreement as Annexure A and Annexure B, respectively.

3.4 **Business Expenses.** During the Employment Term, the Executive is entitled to reimbursement (through Avita America) for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies. For air travel incurred in commuting from Denver, CO, Executive shall be entitled to fly business class (or a lesser flight class if business class is not available). The Company shall pay those of the Executive's reasonable commuting expenses, as well as Executive's reasonable housing expenses of hotel stays or a corporate apartment and automobile lease or rental, whichever Executive elects. In addition, the Company shall pay that amount that is necessary to compensate Executive for the U.S. federal and applicable state income tax due as a consequence of the Company's payment of such travel and housing and automobile expenses, which amount shall be withheld from his compensation and paid to the appropriate governmental authority. To the extent any of these expense payments are taxable income to the Executive, the Company shall pay an additional amount intended to gross-up for any income tax impact. The Executive is entitled to reimbursement of eligible expenses incurred while employed but paid following termination of employment. Avita Americas will conduct standard audits of expenses incurred by the Executive and C-suite employees.

3.5 **Vacation, Personal Time, and Sick Leave.** The Executive shall be entitled each year to a vacation, during which time his compensation shall be paid in full. The time allotted for such vacation shall be an aggregate of five (5) weeks per year. There is a cap on the amount of unused vacation time that can be accumulated and carried forward to subsequent years. Executive can never accumulate in excess of a total of (8) weeks. Consequently, if less than the full five (5) weeks is used by the Executive in any given year, the amount of the unused vacation can be carried forward, but the vacation total can never exceed eight (8) weeks at any point in time. If the cap of eight (8) weeks is ever reached, Executive cannot accrue any additional vacation time until he uses some of the vacation time and the amount drops below the cap. Once the amount drops below the cap, Executive will begin accruing vacation time again (pro-rated on an annual basis), but subject to the cap. In the year Executive's employment as CEO terminates, he shall be paid, at his regular rate of pay, for unused vacation (which can never exceed the amount of the eight (8) week cap). The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive and the Company.

Executive shall also be entitled to five (5) paid personal days each year. Executive shall accrue

five (5) personal days for calendar year 2017 as of the Effective Date of this Agreement. There is a cap on the amount of unused personal days that can be carried forward to subsequent years, and that amount is seven days (7) total. The cap shall operate in the same way as the cap described in the paragraph above related to vacation. To the extent possible, Executive agrees to schedule personal days to be taken at a time convenient to the Company.

Executive shall also be entitled to forty-eight (48) hours of sick leave each year. There is a cap on the amount of unused sick leave that can be carried forward to subsequent years, and that amount is sixty (60) hours total. The cap shall operate in the same way as the cap described in the paragraph above related to vacation. However, the Company shall have no obligation to pay for unused sick time when Executive's employment terminates.

3.6 **Health Insurance.** The Company shall pay to Executive on an after-tax basis an amount equal to 100% of the monthly premiums for the Executive and his family (spouse, eligible children) under the medical and dental plans of his former employer. The Company shall pay 100% of the monthly premiums for Executive and his family (spouse, eligible children) under the Company-provided vision plan. If in the future, the Executive, and his family (spouse, eligible children) cease to be covered under the medical and dental plans of his former employer and begin coverage under the Company-provided medical and dental programs then the Company shall pay 100% of the monthly premiums for that coverage. The Company reserves the right and may at any time, in its sole discretion, terminate, change, or modify any employee benefit plans, policies or programs that it offers or provides. The Executive is entitled to reimbursement of eligible expenses incurred while employed but paid following termination of employment. For absence of doubt, the Company shall not discontinue payments under this Section without consent of Executive.

3.7 **Disability Insurance.** Executive and the Company shall agree upon a disability insurance policy (the "Policy") to insure solely to Executive and/or his beneficiaries. The Company shall during the Employment Term purchase and pay all premiums on the Policy. Such policy shall be in an amount equal to the Executive's annual Base Salary plus Executive's Target Annual Bonus of 70% of Base Salary.

(viii) **Proprietary Information**

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business and subsidiaries; (ii) the Executive's work for the Company and its subsidiaries has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company and its subsidiaries and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 **Confidential Information.** Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as CEO of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper or personal benefit any "Confidential Information" (as defined below) that was acquired by, learned by or disclosed to Executive during or by reason of the Executive's employment as CEO of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as CEO of the Company. As used in this Agreement, "**Confidential Information**" means any and all confidential or proprietary information of the Company and its subsidiaries or affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical, developmental, operating, performance, know-how, and process information, drawings and designs, customer information

(including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed during the course of employment with the Company. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or disclosing such information. The provisions of this Section 4 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (including under applicable securities laws, such as the ASX Listing Rules) (or by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If required under applicable securities laws (including the ASX Listing Rules) the Executive must disclose such Confidential Information as and to the extent required under those securities laws. If, in the absence of a protective order or the receipt of a waiver hereunder (and other than as a requirement under applicable securities laws), the Executive is, on the advice of counsel compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute (at the same time as executing this Agreement) the Company's standard form Intellectual Property Agreement protecting the trade secrets and other intellectual property of the Company.

4.2 **Duty of Loyalty and Non-Competition.** During the Employment Term, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venture, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to, meeting with management teams or entering into preliminary or definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) (on a fully diluted basis) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as CEO of the Company for any reason as specified in Section 5 hereof, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use Confidential Information to engage in any competition against the Company. Any technologies used by the Company in the course of Executive's employment are restricted to a specific field of use or therapeutic area used or planned to be used by the Company will only be considered confidential or competitive in that specific defined field of use. Executive is free to pursue interests and/or employment with other companies using these technologies in other fields of use outside those used by the Company, including without limitation for example oncology, diabetes and/or endocrine fields.

4.3 **Non-Solicitation.** For a period beginning on the Effective Date and ending one year after the date on which the Executive is no longer employed as CEO of the Company (the "Non-Solicitation Period"), the

Executive shall not in any capacity, either separately or in association with others: (i) solicit for employment or endeavor in any way to entice away from employment with the Company or its subsidiaries or affiliates any employee of the Company or its subsidiaries or affiliates, or any person or entity that had been an employee or affiliate of the Company or its subsidiaries within the six month period preceding the commencement of a solicitation; nor (ii) use Confidential Information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company or its subsidiaries to discontinue, reduce or modify such relationship with the Company or its subsidiaries.

4.4 **Non-disparagement.** The Executive agrees (whether during or after Executive's employment as CEO of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company or its subsidiaries or affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive's rights under Section 7 of the National Labor Relations Act.

The Company agrees (whether during or after Executive's employment as CEO of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company or its subsidiaries or affiliates, or any consultants or any individual or entity with whom the Executive has a business relationship, which could reasonably be expected to adversely affect in any manner the business or personal reputation of the Executive. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict the Company from providing truthful information to any governmental or regulatory agency or under applicable securities laws (including the ASX Listing Rules) (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation.

4.5 **Return of Property.** Upon termination of his employment as CEO of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all Confidential Information and other documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries, an affiliate or any of their businesses or property that the Executive may possess or have under the Executive's direction or control other than documents provided to the Executive in the Executive's capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 **Remedies.** The Executive acknowledges that (i) the Executive has had an opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriate remedy for the Company. If the Executive breaches or threatens to breach any of the provision of this section 4, the Company shall be entitled, in addition to all other remedies, to seek an injunction restraining any such breach, without any bond or other security being required and without the necessity of showing actual

damages.

As it relates to Section 4.4, only, Executive shall be entitled to seek any remedy available to him under applicable law and is not limited by the provisions of Section 11 of this Agreement.

4.7 **Severability.** If any of the provisions of this Section 4, or any part thereof, are held to be invalid or unenforceable, the same shall not affect the remainder of the covenant or covenants, which shall be given full effect, without regard to the invalid or unenforceable portions. Without limiting the generality of the foregoing, if any of the provisions, or any part thereof, are held to be unenforceable because of the duration of such provision or the area covered thereby, the parties hereto agree that the court making such determination shall have the power to reduce the duration and/or area of such provision and, in its reduced form, such provision shall then be enforceable.

5. **Termination**

The Executive's employment shall terminate upon the happening of the following:

5.1 **Termination For Cause.** The Company may immediately terminate this Agreement for Cause at any time if the Board determines that Cause exists. For purposes of this Agreement, "Cause" shall mean:

- (a) An act of intentional dishonesty, fraud, embezzlement, or misappropriation of money, property, or proprietary information in connection with the Executive's responsibilities as an Executive.
- (b) The Executive's conviction of, or plea of nolo contendere to, a felony offense or to any crime involving moral turpitude;
- (c) The Executive's willful misconduct in connection with his employment duties, as reasonably determined by the Board, that is detrimental to the Company, and which is not cured on reasonable notice to Executive;
- (d) The Executive's unsatisfactory performance, as determined by the Board, including but not limited to, habitual failure or refusal to perform his employment duties under this Agreement if such failure or refusal is not cured by Executive within twenty (20) days after receiving written notice thereof from the Board; or
- (e) The Executive's breach of any material provision of this Agreement or any other material agreement between Executive and the Company, or Executive's breach or violation of any lawful employment policy of the Company, including those prohibiting harassment of another employee, which has or could reasonably have a material detrimental effect on the Company or its reputation.

5.2 **Termination Without Cause.** The Company may terminate this Agreement and all of the Company's obligations hereunder (except as hereinafter provided) Without Cause at any time during the Employment term by giving the Executive twelve (12) months' notice or payment of twelve (12) months Base Salary in lieu of notice (as described in Section 6.2 below). For purposes of this Agreement, "Without Cause" shall mean termination by the Company of Executive's employment for any reason, other than as specified in Sections 5.1 or 5.3 hereof. Upon a termination by the Company Without Cause, Executive shall receive the compensation and benefit continuation required by Section 6.2 below.

5.3 **Termination Due to Disability or Death.** Executive's employment hereunder may be terminated by the Company as follows:

- (a) To the extent permitted by law, upon thirty (30) days' written notice to Executive in the event that Executive is unable to perform the duties specified in this Agreement by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to

last for a continuous period of not less than twelve (12) months; or

- (b) Immediately upon the death of Executive.

5.4 **Voluntary Termination by Executive**. Executive's employment hereunder may be terminated by Executive for any reason upon Executive providing Company with written notice to terminate ("Termination Notice"). Executive shall provide such Termination Notice as soon reasonably possible prior to Executive's termination date given Executive's future plans, but in no event less than 30 days nor more than 120 days prior to termination. As from receipt by the Company of the Termination Notice the Company shall pay Executive his Base Salary, and any bonus decided by the Board shall be prorated through his termination date.

5.5 **Good Reason**. Executive shall be considered to have resigned for Good Reason in any of the following events or conditions which occur without the Executive's written consent, and which remain in effect after notice has been provided by the Executive to the Company of such material reduction and the expiration of a 30 day cure period, unless those events constitute or arise as a result of the occurrence of a "Cause" event or circumstance as defined in Section 5.1, above: (i) a material reduction in the Executive's Base Salary unless a proportionate reduction is made to the Base Salary of all members of the Company's senior management; (ii) a material diminution in the Executive's authority, duties or responsibilities including a requirement that the CEO report to a corporate officer or employee instead of reporting directly to the Board; (iii) a decision by the Company which would require the Executive to change his principle residence from Denver, CO; or (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement. The Executive's notification to the Company must be in writing and must occur within a reasonable period of time, not to exceed 90 days, following the Executive's discovery of the relevant event or condition.

5.6 **Definition of Termination of Employment or Separation from Service**: The terms "termination," "resignation," "termination of employment," or any other term reasonably interpreted to mean a separation from service, will be used interchangeably to mean "Separation from Service" under Section 409A of the Internal Revenue Code of the United States Department of Treasury ("Section 409A"), unless specifically stated otherwise herein. Separation From Service shall mean:

- (a) the date upon which the Company and Executive reasonably anticipate that Executive will perform no services; or
- (b) the date Executive's level of bona fide services to the Company permanently decrease to no more than twenty (20) percent of the average level of bona fide services performed over the immediately preceding 36-month period (or the full period of services if Executive has been providing services for less than 36-months).

6. **Effect of Termination**

6.1 In the event that Executive's employment is terminated by the Company for Cause pursuant to Section 5.1 or by Executive due to a voluntary resignation pursuant to Section 5.4 above:

- a. The Company (through Avita America) shall pay to Executive, or his representatives, on the date of termination of employment (the "Termination Date") only that portion of the Base Salary provided in Section 3.1 that has been earned but unpaid to the Termination Date, and any accrued but unpaid Vacation pay provided in Section 3.5, and any expense reimbursements due and owing to Executive as of the Termination Date; and
- b. Executive shall not be entitled to (i) any other salary or compensation, (ii) any Annual

Bonus or any other bonus pursuant to Section 3.2, any Long-Term Incentive pursuant to Section 3.3, nor (iii) any Benefits pursuant to Section 3.6.

- **Termination Without Cause.** In the event Executive's employment is terminated Without Cause pursuant to Section 5.2 above, the Company (through Avita America) shall pay to Executive, or his representatives, on the Termination Date the following:

- (a) The payments, if any, referred to in Section 6.1(a) above; and

- (b) Subject to the Executive's execution and delivery to the Company of a written general release in the standard form, a sample of which is attached to this Agreement as Annexure C, requested by the Company, and the Executive's continued compliance with the terms of such release and Section 4 hereof, the Company (through Avita America) shall pay Executive as severance pay a lump-sum payment (less applicable withholding taxes) equal to twelve (12) months of Executive's annual Base Salary as in effect immediately prior to Executive's termination date. In no event shall the lump sum severance payment be made later than March 15th following the year in which the Termination Date occurs.

- **Termination Due to Disability or Death.** In the event Executive 's employment is terminated due to Disability or death pursuant to Section 5.3 above, the Company (through Avita America) shall pay to Executive, or his representatives, on the Termination Date the following:

- a. The payments, if any, referred to in Section 6.1(a) above; and

- b. For a Termination Due to Disability or Death, and subject to the Executive's execution and delivery to the Company of a written general release in the standard form, a sample of which is attached to this Agreement as Annexure C, requested by the Company, and the Executive's continued compliance with the terms of such release and Section 4 hereof, Company (through Avita America) shall pay Executive as severance pay a lump-sum payment (less applicable withholding taxes) equal to twelve (12) month s of Executive's annual Base Salary as in effect immediately prior to Executive 's Termination Date. In the event Executive is unable, for any reason, to accept the payments contemplated by this provision, any amounts due under this provision shall be paid to Executive's guardian, conservator, estate or other applicable person or entity. In no event shall the lump sum severance payment be made later than March 15th following the year in which the Termination Date occurs.

6.4 **Resignation for Good Reason.** In the event the Executive' resign s for Good Reason pursuant to Section 5.5 above, the Company (through Avita America) shall pay to the Executive, or his representatives, on the Termination Date the following:

- a. The payments, if any, referred to in Section 6.1(a) above; and

- b. For a Resignation for Good Reason, and subject to the Executive's execution and delivery to the Company of a written general release in the standard form, a sample of which is attached to this Agreement as Annexure C, requested by the Company, and the Executive's continued compliance with the terms of such release and Section 4 hereof, Company (through Avita America) shall pay Executive as severance pay a lump-sum payment (less applicable withholding taxes) equal to twelve (12) months of Executive's annual Base Salary as in effect immediately prior to Executive 's termination date. In no event shall the lump sum severance payment be made later than March 15th following the year in which the Termination Date occurs.

6.5 **Pay In Lieu of Notice.** Except as expressly provided in Sections 6.1 through 6.4 and Sections 6.6 and 6.7 hereof or as required by applicable law, upon the termination of the Executive' s employment hereunder, the Executive shall have no further rights to any compensation or benefits from the Company or Avita America. The Company reserves the right to relieve Executive of all duties during any notice period that is required pursuant to the

provisions of Section 5 above and provide comparable pay and benefits in lieu of notice during such notice period. Nothing in this Section 6.5 shall limit Executive's entitlement to benefits to the extent outlined elsewhere in this Agreement.

6.6 **Payment Restriction under Corporations Act 2001.** The Parties agree and acknowledge that notwithstanding any other provision of this Agreement (and in particular, sections 6.1 through 6.5) to the contrary, the Company is subject to, and must comply with, the provisions of the Australian Corporations Act 2001 (Cth) and the ASX Listing Rules. Without limiting the generality of the foregoing, sections 5 and 6 of this Agreement are subject to prohibition under the Corporations Act 2001 (Cth) that a company may not give a person a benefit in connection with a person's retirement from an office (being a managerial or executive position within the 3 years prior to retirement), or position of employment, in a company (or an associate of that company), in aggregate value in excess of the equivalent of the average of the Employee's annual base salary for each of the previous 3 years, without prior approval of the Company's shareholders. For these purposes, a 'benefit' includes a payment or other valuable consideration and 'retirement' includes loss of office or position, resignation from the office and death of the officeholder.

7. **Directors and Officers Insurance Coverage.**

The Company hereby covenants and agrees that, so long as the Executive shall continue to serve as an officer of the Company and thereafter so long as the Executive shall be subject to any possible proceedings by reason of the fact that Executive was an officer of the Company, the Company shall use reasonable efforts to obtain and maintain in full force and effect directors' and officers' liability insurance ("D&O Insurance") in reasonable amounts from established and reputable insurers to the extent permitted by applicable Australian law, and Executive shall be a covered party under such D&O Insurance to the maximum extent of the coverage available for any director or officer of the Company.

Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain D&O Insurance if the Company determines in good faith that such insurance is not reasonably available, the premium costs for such insurance are disproportionate to the amount of coverage provided, the coverage is reduced by exclusions so as to provide an insufficient benefit or such insurance is not permitted under applicable law. For absence of doubt, so long as the Company maintains D&O insurance for any Officer or Director of the Company, Company shall maintain D&O Insurance for Executive subject to the terms of this Section 7.

In the event of a change in control of the Company pursuant to which the Company or any successor is obligated to provide D&O Insurance for a period following the effective date of the transaction or to purchase a D&O Insurance tail policy, Executive shall be a covered party under such D&O Insurance or tail policy to the maximum extent of the coverage permitted by applicable Australian law and otherwise available for any director or officer of the Company.

8. **Post-Termination Litigation.**

Subject to the terms of this Section 8, Executive agrees to participate in any litigation relating to his actions while serving as the CEO of the Company. In such event, the Company shall, to the extent not provided by the D&O Insurance contemplated by Section 7, above, pay to Executive \$3,000 per day for each day or part day he participates in Company litigation, each day or part day he reasonably spends preparing for such litigation and each day or part day he spends traveling on behalf of the Company, traveling to or from any required meetings, proceeding or preparations. Additionally, Company shall pay executive an amount equal to Executive's after-tax cost of any reasonable expenses incurred traveling to or from such required meetings, proceedings, or preparations.

9. **Assignment**

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any affiliate of the Company or any entity that assumes the ownership and control of the business of the Company.

10. **Severability**

Should any term, provision, covenant, or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant, or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voided term, provision, covenant, or condition is not contained herein.

11. **Binding Arbitration**

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as CEO of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, or common law, shall be submitted to and resolved by final and binding arbitration as the exclusive method for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the American Arbitration Association ("AAA") relating to employment disputes, unless the parties otherwise mutually agree to modify the AAA Rules. A copy of the AAA Employment Rules are available for review at www.adr.org/employment and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s). If the parties cannot mutually agree upon an Arbitrator, then the parties shall select a neutral Arbitrator through the procedures established by the AAA. The Arbitrator shall have the powers provided under the California Code of Civil Procedure relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. The parties shall have the right to reasonable discovery. The parties agree that the Company shall pay the administration costs of the AAA arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorney's fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses, except as otherwise provided in this Agreement to the prevailing party.

The Arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation, and shall award costs and reasonable attorneys' fees to the prevailing party as provided by law. The award of the Arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the Arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance

Programs. Nothing in this Section shall required arbitration of disputes that are excluded from coverage by this section of by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the Class Action Waiver). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both himself and others under the California Private Attorneys General Act of 2004. Executive will not be subject to any retaliation or discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

This provision shall not apply if all or any portion of the dispute falls within the provisions of Section 4.6 of this Agreement.

12. **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

13. **Compliance with IRC Section 409A**

This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each payment made under this Agreement shall be designated as a "separate payment" within the meaning of Section 409A.

Notwithstanding anything herein to the contrary, (i) if at the time of Executive's termination of employment as CEO of the Company Executive is a "specified employee" as defined in Section 409A of the Code, and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to Executive) until the date that is six (6) months following Executive's termination of employment as CEO of the Company (or the earliest date as is permitted under Section 409A of the Code) and (ii) if any other payments of money or other benefits due to Executive hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, determined by the Board, that does not cause such an accelerated or additional tax. In the event that payments under this Agreement are deferred pursuant to this Section 13 in order to prevent any accelerated tax or additional tax under Section 409A of the Code, then such payments shall be paid at the time specified under this Section 13 without any interest thereof.

Notwithstanding anything to the contrary herein, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of amounts or benefits upon or following a termination of employment unless such termination is also a "Separation from Service" within the meaning of Section 409A of the Code and, for purposes of any such provision of this Agreement, references to a "resignation," "Termination," " termination of employment " or like terms shall mean Separation from Service.

Notwithstanding anything to the contrary herein, except to the extent any expense, reimbursement or in-kind benefit provided pursuant to this Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Code: (x) the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (y) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred, and (z) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit.

The Company shall consult with Executive in good faith regarding the implementation of this Section 13; provided that neither the Company nor any of its employees or representative s shall have any liability to Executive with respect thereto.

14. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
Chief Financial Officer
28159 Avenue Stanford, Suite 220
Valencia, CA 91355

With a copy to the General Counsel

If to Executive:
Dr. Michael Perry
At current home address on file with the Company

15. Miscellaneous

a. **Binding Agreement.** This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors, and assigns.

b. **Entire Agreement.** This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that

do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

c. Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) he or it has full power, authority and capacity to execute and deliver this Agreement, and to perform his or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the breach of any agreements or other obligations to which he or it is a party or he or it is otherwise bound; (c) this Agreement is his or it is valid and binding obligation in accordance with its terms; (d) Executive represents and warrants that he is under no other obligations, contractual or otherwise, that could impair his ability to perform fully and satisfactorily all of his obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice he has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

d. Attorney's Fees. In the event that any party shall bring an action or proceeding in connection with the performance, breach or interpretation of this Agreement, then the prevailing party in any such action or proceeding, as determined by the court, arbitrator or other body having jurisdiction, shall be entitled to recover from the losing party all reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees, court costs, costs of investigation, expert witness fees and other costs reasonably related to such action or proceeding.

Company shall reimburse Executive for attorney's fees incurred in the negotiation and drafting of this Agreement and any other agreement implementing the terms of this Agreement including but not limited to RSU and option documents and plans, reflected in Executive's counsel's current invoice (June 15-mid August 2019). Company shall also reimburse Executive for reasonable attorney's fees incurred for any continuing work with respect to the same matter until it is finalized. However, any additional attorney's fees invoice(s) submitted to the Company for payment shall list thereon, for each entry, the time spent, who performed the work, and an appropriately redacted description of the work performed sufficient to understand the nature of the work performed without waiving any applicable privileges or protections. Deficient invoices may be returned for further detail, and, if reasonable, non-privileged detail is not thereafter provided, the deficiency may result in non-payment of said invoice(s).

e. Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

f. Negotiated Agreement. This Agreement was jointly negotiated by Executive and the Company and/or their respective attorneys. Should any dispute arise concerning the meaning or construction of any term or terms of this Agreement, no presumption for or against either as the drafting party, as set forth in California Civil Code Section 1654, shall apply.

g. Change in Exchange Upon Which Company is Traded. In the event the Company is no longer listed on the Australian Securities Exchange the attached Appendix I shall take effect thereby adding, replacing, or amending the corresponding provisions of this Agreement as outlined in Appendix I.

[Signatures on following page]

IN WITNESS WHEREOF, this Agreement is executed as of November 12, 2019 ("Execution Date").

" COMPANY"

Avita Medical Ltd., an Australian
corporation

By: Lou Panaccio

Name: Lou Panaccio
Title: Chairman of the Board

and

"EXECUTIVE"

Michael Perry

By: Michael Perry

Michael Perry

"Avita Americas"

Avita Medical Americas, LLC., a
limited liability company incorporated
in Delaware

By: Lou Panaccio

Name: Lou Panaccio
Title: Chairman of the Board

Exhibit 10.12

K&L GATES

RSUs - Confirmatory Deed

Dr Michael Perry

and

AVITA MEDICAL LIMITED
ACN 058 466 523

RSUs - Confirmatory Deed

Date: 12 November 2019

Parties:

1. **Dr Michael Perry** of 300 Cook St., Denver, CO, 80206, United States (**Dr Perry**)
2. **Avita Medical Limited** ACN 058 466 523 of 28159 Avenue Stanford, Suite 220, Valencia, CA 91355, United States (**Company**)

Background:

- A At the Company's 2017 AGM on 30 November 2017 shareholders approved the issue to the Company's Managing Director Dr Michael Perry of 50,000,000 RSUs in the nature of employee LTIs.
- B. An RSU is a "restricted security unit", which is an unfunded and unsecured contractual entitlement to be issued or transferred a Share for each RSU on a future date (after vesting of the RSU entitlement.)
- C. The Company also will, subject to shareholder approval at the Company's 2019 AGM, issue 39,554,252 RSUs on the Terms and Conditions.
- D. This Deed now confirms and records the offer by the Company and the acceptance of the RSUs by Dr Perry.

Agreed terms:

1. Definitions and interpretation

1.1 Definitions

In this Deed:

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company;

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Victoria;

Cause has the meaning as provided in section 5.1 of the Employment Agreement;

Constitution means the constitution of the Company as may be amended from time to time;

Company means **Avita Medical Limited** ACN 058 466 523;

Control Event means any of the following:

- (a) One person (or more than one person acting as a group) acquires ownership of stock of the Company that, together with the stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company; provided that a Control Event shall not occur if any person (or more than one person acting as a group) owns more than 50% of the total fair market value or total voting power of the Company's stock and acquires additional stock; or
- (b) One person (or more than one person acting as a group) acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition) ownership of the Company's stock possessing 30% or more of the total voting power of the stock of

such corporation; or

- (c) A majority of the members of the Board is replaced during any twelve- month period by directors whose appointment or election is not endorsed by a majority of the Board before the date of appointment or election; or
- (d) One person (or more than one person acting as a group), acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition) assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company immediately before such acquisition(s,)

in all of the above events a "Control Event" will only occur if it qualifies as a change in control event under Section 409A of the Internal Revenue Code but for clarity a "Control Event" excludes any solvent reconstruction or re- organization of the Company or its entities (including without limitation the interposition of a new holding entity to the group);

Corporations Act means the *Corporations Act 2001 (Cth)*;

Deed means this deed including the background, any schedules and any annexures.

Employment Agreement means the agreement dated 12 November 2019 containing the terms and conditions upon which Dr Perry is employed by the Company as CEO of the Company.

Fair Market Value means, in relation to Shares issued resulting from the vesting of RSUs:

- (a) the closing sale price per share of ordinary shares of the Company on a recognized securities exchange or over-the-counter market on which the ordinary shares of the Company are principally traded on the date on which Fair Market Value is being determined.
- (b) if the ordinary shares of the Company are not traded on the date the Shares are issued due to a trading suspension or trading halt undertaken to facilitate a private placement of the Company, the value of ordinary shares of the Company sold in the private placement; or
- (c) If the ordinary shares of the Company are not then listed on any recognized securities exchange or traded in an over-the-counter market or the value of such Shares is not otherwise determinable, the value as reasonably determined by the Board in good faith.

Initial Vesting Date means 12 November 2019 ;

LTIs means long term incentive rights;

Reorganization means any merger, consolidation, reconstruction or other reorganization in respect of the Company, including any compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company;

RSUs means restricted security units, each unit convertible into one fully paid Share in the Company, which is an unfunded and unsecured contractual entitlement to be issued or transferred a Share on future dates;

Security Interest means:

- (a) an interest or power reserved in or created or otherwise arising in or over an interest in any asset whether under a bill of sale, mortgage, charge, lien, pledge, other security interest or preferential arrangement (including retention of title), trust or power or otherwise by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation;
- (b) a security interest as defined in *Personal Property Securities Act 2009 (Cth)* (**PPSA**) and to which the PPSA applies; or
- (c) any agreement to grant or create anything referred to in either of paragraph (a) or (b) of this definition and any other thing which gives a creditor priority to any other creditor with respect to any asset or an interest in any asset;

Share means a fully paid ordinary share in the capital of the Company;

Terms and Conditions means the RSUs terms and conditions set out in Schedule 1 of this Deed;

Termination for Cause has the meaning in section 5.1 of the Employment Agreement;

Termination Due to Disability or Death has the meaning in section 5.3 of the Employment Agreement;

Termination By the Company Without Cause has the meaning in section 5.2 of the Employment Agreement;

Vesting Conditions means the vesting conditions of the RSUs as defined in Schedule 1 of this Deed;

Voluntary Termination has the meaning as provided in section 5.4 of the Employment Agreement;

Voluntary Termination for Good Cause has the meaning as provided in section 5.5 of the Employment Agreement.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) headings are used for convenience only and do not affect the interpretation of this Deed,
- (d) other grammatical forms of a defined word or expression have a corresponding meaning;
- (e) a reference to a document is to that document as amended, novated, supplemented, extended or restated from time to time,
- (f) a reference to a party is to a party to this Deed and includes that party's executors, administrators, successors, permitted assigns and permitted substitutes ;
- (g) if something is to be or may be done on a day that is not a Business Day then it must be

done on the next Business Day;

- (h) "person" includes a natural person, partnership, body corporate, association, joint venture, governmental or local authority, and any other body or entity whether incorporated or not;
- (i) "month" means calendar month and "year" means 12 consecutive months;
- (j) a reference to a thing (including a right) includes a part of it but nothing in this clause implies that part performance of an obligation constitutes performance of that obligation;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) is to that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) "include", "for example" and any similar expressions are not used, and must not be interpreted, as words of limitation;
- (m) money amounts are stated in Australian currency unless otherwise specified;
- (n) a reference to a time of day 1s to that time in Melbourne, Victoria;
- (o) a reference to any agency or body that ceases to exist, is reconstituted, renamed or replaced, or has its powers or functions removed (**defunct body**) is to the agency or body that performs most closely the powers or functions of the defunct body;
- (p) any provision in this Deed which is in favour of more than one person benefits all of them jointly and each of them severally; and
- (q) any provision in this Deed which binds more than one person binds all of them jointly and each of them severally.

2. Terms and conditions of RSUs

2.1 Terms and conditions approved by Shareholders

The parties agree that:

- (a) 50 million RSUs have been issued to Dr Perry prior to the date of this Deed;
- (b) subject to shareholder approval at the Company's 2019 AGM, a further 39,554,252 RSUs will be issued to Dr Perry; and
- (c) all of the RSUs (as referred to in paragraphs (a) and (b) above) are governed by the terms of this Deed (including the attached Terms and Conditions).

2.2 Issue of Shares on vesting

As soon as administratively practical (including in consideration of the ability of the Company to cleanse any trading in the resulting Shares under section 708A of the Corporations Act) but in any event within 5 Business Days after the vesting of Dr Perry's RSUs, the Company will in accordance with the Terms and Conditions issue to Dr Perry an equal number of Shares represented by the vested RSUs (in cancellation of the corresponding number of vested RSUs) and Dr Perry agrees to hold those Shares issued pursuant to the RSUs in accordance with the Company's Constitution (as amended from time to time) and the ASX Listing Rules. Other than compliance with Section 1043A of the Corporations Act (possession of inside information) and the Company's then applicable securities trading policy (as applicable to all of the Company's employees), on filing a cleansing notice by the Company under section 708A of the Corporations Act (which the Company shall use its best endeavours to file on or within 5 Business Days of the relevant issue of Shares), there will be no restriction under Australian law

on Dr Perry dealing in those Shares.

2.3 Re-organization

Where for any reason the Company undertakes a solvent reconstruction or re- organization of the Company or its entities (including without limitation the interposition of a new holding entity to the group), Dr Perry agrees to exchange (on a "like for like" basis) his RSUs for new restricted stock units (on substantially the same terms and conditions as provided in this Deed) in the new parent entity which arises on such solvent reconstruction or re- organization.

3. Contracts of employment and other employment rights

3.1 No change to employment terms

The participation in the issue of the RSUs does not change or vary any of the terms and conditions of Dr Perry's employment pursuant to the Employment Agreement.

3.2 No right to future employment or engagement

Without limiting clause 3.1 above, this Deed does not confer on Dr Perry any right to future employment or engagement and does not affect any rights which the Company may have to terminate his employment or engagement.

3.3 Acknowledgments

It is acknowledged and accepted by Dr Perry and the Company that the terms of this Deed creates legally binding obligations on the parties but do not form part of the terms and conditions of Dr Perry's employment or other engagement contract, nor do the terms of this Deed constitute a contract or arrangement (including any related condition or collateral arrangement) in relation to Dr Perry's employment or other engagement contract.

4. Powers of the Board

4.1 Powers of the Board

This Deed will be managed by the Board, which will have power (which must be exercised reasonably and in good faith) to

- (a) determine appropriate procedures for the administration of this Deed;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Deed;
- (c) determine matters falling for determination under this clause in its discretion having regard to the interests of and for the benefit of the Company;
- (d) exercise the discretions conferred on it by this clause or which may otherwise be required in relation to this Deed; and
- (e) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under this Deed.

5. Notices

Any notice or other communication to or by a party under this Deed:

- (a) must be given in accordance with this clause 5;
- (b) may be given by personal service or certified return post (signature required by Dr Perry or Mrs. Arlene Perry);

(c) must be in writing, legible and in English addressed (depending on the manner in which it is given) as shown below:

(i) If to Dr Perry and Mrs. Arlene Perry:

Address: 300 Cook St., Denver, CO, 80206, United States
Attention: Dr. Michael Perry and Mrs. Arlene Perry

(ii) If to the Company:

Address: 28159 Avenue Stanford, Suite 220, Valencia, CA 91355, United States
Attention: Chief Financial Officer

or addressed in accordance with any updated details last notified by the party to the sender by notice given in accordance with this clause;

(d) must be signed:

(i) in the case of a corporation registered in Australia, by any authorized representative or by the appropriate office holders of that corporation under section 127 of the Corporations Act; or

(ii) in the case of a corporation registered outside of Australia, by a person duly authorized by the sender in accordance with the laws governing the place of registration of that corporation; and

(e) is deemed to be given by the sender and received by the addressee:

(i) if delivered in person, when delivered to the addressee;

(ii) if posted, at 9.00 am on the fourth Business Day after the date of posting to the addressee whether delivered or not;

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 pm (addressee's time), it is deemed to have been received at 9 00 am on the next Business Day

6. General

6.1 Entire understanding

- (a) This Deed contains the entire understanding between the parties concerning the subject matter of this Deed and supersedes, terminates and replaces all prior agreements and communications between the parties concerning that subject matter.
- (b) All terms, warranties and conditions implied or imposed by statute *or* general law are excluded from this Deed, except any term, warranty or condition the exclusion of which would:
 - (i) contravene the statute or general law which implied or imposed it; or
 - (ii) cause this clause to be void
- (c) Each party acknowledges that, except as expressly stated in this Deed, it has not relied on any representation, warranty, undertaking or statement made by or on behalf of another party in relation to this Deed or its subject matter.

6.2 No adverse construction

No provision of this Deed is to be construed to the disadvantage of a party solely because that party was responsible for preparing or proposing this Deed or the provision.

6.3 No waiver

- (a) A failure to exercise, a delay in exercising or partially exercising any power, right or remedy conferred on a party by or in respect of this Deed does not operate as a waiver by that party of the power, right or remedy.
- (b) A single or partial exercise of any power, right or remedy does not preclude a further exercise of it or the exercise of any other power, right or remedy.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

6.4 Remedies cumulative

Except as set out in this Deed, the powers, rights and remedies under this Deed *are* cumulative with and not exclusive of any powers, rights and remedies provided by law independently of this Deed

6.5 Severability

Any provision of this Deed which is invalid in any jurisdiction must, in relation to that jurisdiction, be:

- (a) read down to the minimum extent necessary to achieve its validity, if applicable; and
- (b) severed from this Deed in any other case,

without invalidating or affecting the remaining provisions of this Deed or the validity of that provision in any other jurisdiction.

6.6 Consents and approvals

Unless this Deed provides otherwise, where anything depends on the consent or approval of a party, then that consent or approval may be given conditionally, unconditionally or withheld, in the absolute discretion of that party.

6.7 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

6.8 Execution and delivery

- (a) By executing this Deed, a party intends:
 - (i) to be immediately bound by this Deed; and
 - (ii) for such execution to constitute delivery of this Deed to each other party.
- (b) Nothing in this clause 6.8 should be taken to exclude any statutory or common law principle applicable to the proper execution and delivery of a deed.
- (c) This clause 6.8 supersedes, terminates and replaces any prior agreements and communications between the parties which indicate that the agreements recorded in this Deed are "subject to contract" or similar arrangements.

6.9 Conflicting provisions

If there is any conflict between the main body of this Deed and any schedules or annexures comprising it, then the provisions of the schedules and annexures of this Deed prevail.

6.10 No right of set-off

Unless this Deed expressly provides otherwise, a party has no right of set-off against a payment due to another party under this Deed.

6.11 Relationship of parties

Unless this Deed expressly provides otherwise, nothing in this Deed may be construed as creating a relationship of partnership, of principal and agent or of trustee and beneficiary.

6.12 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document. A party may sign a counterpart by executing a signature page and electronically transmitting a copy of the signed page to each other party or their authorized representative.

6.13 Governing law and jurisdiction

- (a) This Deed is governed by and must be construed in accordance with the laws of the State of Victoria, Australia.
- (b) The parties submit to the exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters arising out of or relating to this Deed, its performance or subject matter.
- (c) Each party waives any rights to:
 - (i) object to the venue of any proceedings; or
 - (ii) claim that the proceedings have been brought in an inconvenient forum or that the courts of another place are a more convenient forum,

if the proceedings have been brought in a court referred to in clause 6.13(b).

6.14 Section 409A of the Code

The RSUs are intended to comply with the "short-term deferral" rule set forth in

U.S. Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the RSUs fail to satisfy the requirements of the short-term deferral rule, the RSUs are intended to comply with Section 409A of the Code (**Section 409A**). If the RSUs are deferred compensation subject to Section 409A, and if Dr. Perry is a "Specified Employee" (within the meaning set forth Section 409A(a)(2)(B)(i)) as of the date of his separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then notwithstanding anything to the contrary in Schedule 1 the issuance of any Shares that would otherwise be made upon the date of the separation from service or within the first six months thereafter will not be made on the originally scheduled date(s) and will instead be issued on the date that is six months and one day after the date of the separation from service, with the balance of the Shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of taxation on Dr. Perry in respect of the shares under Section 409A. Each instalment of Shares that is issued is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Deed comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Dr. Perry on account of non-compliance with Section 409A.

Schedule 1 - Terms and Conditions of the RSUs

(clause 2)

1 Grant of RSUs

The Company has issued to the Participant a holding statement for the 50 million RSUs already issued to the Participant. Upon the issue of the additional 39,554,252 RSUs (**additional RSUs**) under paragraphs 3.3(c) to (e) and 3.5(c) to (g) below the Company will issue to the Participant a holding statement for the additional RSUs. All RSUs granted (and Shares issued or transferred on their vesting) will be registered in the appropriate register of the Company.

For the purposes of these Terms and Conditions, Dr Perry is referred to as the '**Participant**'.

2 Restrictions on dealing with RSUs

Except to a designated beneficiary upon the Participant's death or by will or the laws of descent and distribution, the Participant may not without prior written approval of the Board sell, assign, transfer or otherwise deal with, or grant a Security Interest over, an RSU granted to the Participant. Except to a designated beneficiary upon the Participant's death or by will or the laws of descent and distribution, the RSU lapses immediately on purported sale, assignment, transfer, dealing or the grant of Security Interest, unless the Board in its absolute discretion approves the dealing, or the transfer or transmission is effected by force of law on death or legal incapacity to the Participant's legal personal representative.

3 Operation of RSUs

3.1 Consideration

No cash consideration will be payable on the grant of the RSUs unless otherwise specified in these Terms and Conditions.

3.2 Vesting Conditions

Where the RSUs are subject to Vesting Conditions detailed in paragraphs 3.3 or 3.5 below; and those RSUs will only vest as the respective Vesting Conditions are met and if not met by the specified date, the relevant RSUs will, in the absence of a resolution of the Board of the Company to the contrary, automatically lapse.

The Vesting Conditions relate to the continued tenure (of Dr Perry) as Chief Executive Officer (**CEO**) in accordance with his employment agreement (**Tenure Vesting**), Company Share Price (**Share Price Vesting**) and Milestone performance (**Milestone Vesting**) - as set by the Board of Directors (specified below).

3.3 Tenure Vesting

The Tenure Vesting is deemed satisfied and a maximum of RSUs vest in the following numbers on the following dates, provided the Participant has been [continuously employed by the Company as CEO of the Company as at the relevant date since the grant of the RSUs (**Continuously Employed**)]:

- (a) **existing RSUs** issued pursuant to Avita shareholder approval at the 2017 AGM -
 - (i) 11,111,110 RSUs where the tenure conditions have already been satisfied, to vest on the Initial Vesting Date;
 - (ii) 5,555,556 RSUs are to vest on 1 June 2020, provided the Participant has been Continuously Employed for the period to 31 May 2020;
- (b) subject to shareholder approval at the 2019 AGM the following **additional new RSUs** -

- (i) 4,750,700 RSUs are to vest on 1 June 2020, provided the Participant has been Continuously Employed for the period to 31 May 2020;
- (ii) 4,750,700 RSUs are to vest on 1 June 2021, provided the Participant has been Continuously Employed for the period to 31 May 2021;
- (iii) 4,750,700 RSUs are to vest on 1 June 2022, provided the Participant has been Continuously Employed for the period to 31 May 2022.

For clarity if the issue of the RSUs the subject of paragraph 3.3(b) is not approved by shareholders at the Company's 2019 AGM, those RSUs will not be issued by the Company and the Participant will not have any claim or entitlement of any nature against the Company for the failure to issue those RSUs.

3.4 Share Price Vesting

Provided the Participant is and has been Continuously Employed at the relevant time:

- (a) 16,666,666 **existing RSUs** issued pursuant to Avita shareholder approval at the 2017 AGM, where the share price conditions have already been satisfied, to vest on the Initial Vesting Date.

3.5 Performance Vesting

Provided the Participant is and has been Continuously Employed at the relevant time, the Performance Vesting is satisfied the following RSUs will vest in the following numbers on the following dates:

- (a) **existing RSUs** issued pursuant to Avita shareholder approval at the 2017 AGM -
 - (i) 8,333,334 RSUs to vest on the Initial Vesting Date;
 - (ii) 8,333,334 RSUs to vest upon the date there is Initial BARDA Procurement under CLIN2 of the BARDA contract for 5,614 ReCell devices totaling USO \$7,594,620;
- (b) subject to shareholder approval at the 2019 AGM the following additional new RSUs -
 - (i) 6,850,484 RSUs to vest where the first patient first visit for treatment in an FDA approved US soft tissue/trauma trial by the Company prior to 31 March 2020;
 - (ii) 6,850,484 RSUs to vest where the first patient first visit for treatment in an FDA approved US pilot vitiligo trial by the Company prior to 30 September 2020;
 - (iii) 6,850,485 RSUs to vest where the first patient first visit for treatment in an FDA approved US pediatric trial by the Company prior to 30 June 2020;
 - (iv) 2,375,350 RSUs to vest on the submission before 30 June 2021 to the FDA of an application for approval of a next generation RECELL device (being an improvement of the current RECELL device and providing for ease of clinician use);

- (v) 2,375,349 RSUs to vest on approval by FDA approval prior to 30 June 2022 of a next generation RECELL device (being an improvement of the current RECELL device and providing for ease of clinician use).

For clarity if the issue of the RSUs the subject of paragraph 3.5(b) is not approved by shareholders at the Company's 2019 AGM, those RSUs will not be issued by the Company and the Participant will not have any claim or entitlement against the Company of any nature for the failure to issue those RSUs.

3.6 RSU Conversion and Expiry

Each RSU, once vested, will *convert* into one (1) Share credited as fully paid

All RSUs will expire and cannot be exercised, converted or transferred if they have not vested on or before:

- (a) in the case of the RSUs detailed in paragraphs 3.3(a), paragraph 3.4(a) and paragraph 3.5(a) - **30 November 2027**; and
- (b) in the case of the RSUs detailed in paragraphs 3.3(b) and 3.5(b) - **22 November 2029**.

3.7 Unvested RSUs re termination of employment

Unless an RSU has already vested, in the event of the termination of employment of the Participant:

- (a) **Termination for Cause:** All the Participant's unvested RSUs will lapse automatically
- (b) **Termination by the Company Without Cause:** All the Participant's unvested RSUs will vest;
- (c) **Termination Due to Disability or Death:** All the Participant's unvested RSUs will vest;
- (d) **Voluntary Termination for Good Cause:** All the Participant's unvested RSUs will vest;
- (e) **Voluntary Termination in all other circumstances :** All the Participant's unvested RSUs will lapse automatically.

3.8 Lapsed RSUs do not vest

A RSU which has lapsed will not vest.

3.9 No vesting of RSU on bankruptcy

It is a condition precedent to the vesting of a RSU that if the Participant is an individual the Participant is not bankrupt and has not committed an act of bankruptcy or, if the Participant is deceased, the Participant's estate is not bankrupt or if the Participant is not an individual, the Participant is not insolvent or subject to a resolution or order for winding up.

3.10 Occurrence of a "Change in Control"

Notwithstanding any other paragraph in this Schedule 2 but subject to all applicable laws upon the occurrence of a Control Event (**provided that** the Participant is as at the date of occurrence of a Control Event is still Continuously Employed) , all of the unvested RSUs held by the Participant are deemed to be vested (without the need for any other action by the Company) and any Vesting Conditions are deemed to have been waived or so modified from such occurrence.

4 Delivery of Shares on vesting of RSUs

4.1 Issue or transfer

If the Participant or the Company is liable for taxes, duties or other amounts on the issuance of the resulting Shares on vesting of an RSU and as a consequence the Company is liable to make a payment(s) for whatever reason (including withholding) to the appropriate authorities on account of that liability, unless the Participant and the Company agree otherwise:

- (a) the Company will use its reasonable endeavours to introduce potential purchasers for some of the resulting Shares held by the Participant; and
- (b) in any event, the Participant must pay to the Company within 5 Business Days of the Taxing Event an amount equal to the Tax Payment and the Company must pay the Tax Payment to the appropriate authorities.

For the purposes of this clause 4.1.

"Taxing Event" means . in relation to an RSU, the date on which the RSU first became vested pursuant to these Terms and Conditions; and

"Tax Payment" means, in relation to any Shares issued pursuant to the vesting of RSUs, the amount of the Company's liability for withholding tax as calculated by the Company (acting reasonably and in good faith) by reference to the extent required by law to the Fair Market Value of the relevant Shares as at the date of the Taxing Event, and notified to the Participant in writing by no later than the Taxing Event.

4.2 Shares issued by the Company to rank pari passu

All Shares issued on the vesting of a Participant's RSUs will rank pari passu in all respects with the Shares of the same class for the time being on issue, except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment of the Shares upon that vesting.

4.3 Shares to be quoted on ASX

If Shares of the same class as those issued or transferred on the vesting of a Participant's RSUs are quoted on the ASX, the Company will apply to the ASX

as required by the Listing Rules for those Shares to be quoted. In the event that the Company undergoes a reorganization that results in the conversion of Shares quoted on the ASX into shares quoted on another exchange, then the Company will apply to the relevant exchange and /or securities regulator (as required) for those converted shares (related to the RSUs that have vested) to be quoted.

5 Reorganization and winding-up

5.1 RSUs may vest at a time earlier than the Prescribed Vesting Date

Notwithstanding any of the above provisions, if the Board, in its absolute discretion but subject to applicable laws, gives notice that any or all of the Participant's RSUs may vest as determined by the Board within a particular time, then the RSUs may vest within that time in addition to any other period during which the RSUs vest.

5.2 Compulsory acquisition, Reorganization or winding up

If:

- (a) a person becomes bound or entitled to compulsorily acquire Shares under the Company's Constitution; or

- (b) a Reorganization is sanctioned by one or more of the following under the Company's Constitution or otherwise:
 - (i) a court;
 - (ii) a general meeting or other meeting of holders of the Company's securities; or
 - (iii) a meeting of the Company's creditors; or
 - (c) the Company passes a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company, then the Board may vest RSUs within a specified period of up to 30 days after the occurrence of the relevant event.
-

6 Adjustment of RSUs

6.1 No bonus issue

Subject to the preceding paragraphs, during the currency of a Participant's RSU and before its vests, the Participant is not entitled to participate in any bonus issue of Shares pro rata to shareholders of securities of the Company as a result of holding the RSU.

6.2 Sub-division, consolidation, reduction or return

If there is any Reorganization, including any subdivision, consolidation, reduction or return of the issued capital of the Company, the number of RSUs to which each Participant is entitled will be adjusted in the way specified by the Listing Rules (as apply to adjustments for options from time to time).

6.3 No right to participate in new issues

Subject to the preceding paragraphs, during the currency of a Participant's RSU and before its vests, the Participant is not entitled to participate in any new issue of securities of the Company as a result of holding the RSU.

6.4 Accumulation of adjustments

Full effect must be given to these paragraphs 6.1, 6.2 and 6.3 as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect must be such as to reflect in relation to the Shares comprised in an RSU.

A Participant has no right to change the number of Shares into which the RSU vests.

Exhibit 10.13

K&L GATES

Option Confirmatory Deed

DR MICHAEL PERRY

and

AVITA MEDICAL LIMITED
ACN 058 466 523

Option Confirmatory Deed

Date: 12 November 2019 Parties:

1. **Dr Michael Perry** of 300 Cook St., Denver, CO, 80206, United States (**Dr Perry** or the **Participant**)
2. **Avita Medical Limited** ACN 058 466 523 of 28159 Avenue Stanford. Suite 220, Valencia, CA 91355, United States (**Company**)

Background:

- A. At the Company's 2018 AGM on 30 November 2018 shareholders approved the issue to the Company's Managing Director Dr Perry of 15,000,000 Options and those Options were issued on 30 November 2018.
- B. This Deed now confirms and records the offer by the Company and the acceptance of those Options by Dr Perry on the terms and conditions of this Deed.

Agreed terms:

1. Definitions and interpretation

1.1 Definitions

In this Deed (including the Schedule):

Board means the board of directors of the Company or a committee appointed by the board of directors of the Company;

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Victoria;

Constitution means the constitution of the Company as may be amended from time to time;

Company means **Avita Medical Limited** ACN 058 466 523;

Control Event means any of the following:

- (a) One person (or more than one person acting as a group) acquires ownership of stock of the Company that, together with the stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company; provided that a Control Event shall not occur if any person (or more than one person acting as a group) owns more than 50% of the total fair market value or total voting power of the Company's stock and acquires additional stock; or
- (b) One person (or more than one person acting as a group) acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition) ownership of the Company's stock possessing 30% or more of the total voting power of the stock of such corporation; or
- (c) A majority of the members of the Board is replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the Board before the date of appointment or election; or
- (d) One person (or more than one person acting as a group), acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition) assets from the Company that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Company immediately before such acquisition(s),

in all of the above events a "Control Event" will only occur if it qualifies as a change in control event under Section 409A of the Internal Revenue Code but for clarity a "Control Event" excludes any solvent reconstruction or re-organization of the Company or its entities (including without limitation the interposition of a new holding entity to the group);

Corporations Act means the *Corporations Act 2001 (Cth)*;

Deed means this deed including the background, any schedules and any annexures;

Employment Agreement means the agreement dated 12 November 2019 containing the terms and conditions upon which Dr Perry is employed by the Company as CEO of the Company;

Fair Market Value means, in relation to Shares issued resulting from the exercise of Options:

- (a) the closing sale price per share of ordinary shares of the Company on a recognized securities exchange or over-the-counter market on which the ordinary shares of the Company are principally traded on the date on which Fair Market Value is being determined;
- (b) if the ordinary shares of the Company are not traded on the date the Shares are issued due to a trading suspension or trading halt undertaken to facilitate a private placement of the Company, the value of ordinary shares of the Company sold in the private placement or
- (c) if the ordinary shares of the Company are not then listed on any recognized securities exchange or traded in an over-the-counter market or the value of such Shares is not otherwise determinable, the value as reasonably determined by the Board in good faith.

Liquidation means the passing of a resolution for voluntary winding up, or the making of an order for the compulsory winding up of the Company;

Options means 15,000,000 unlisted options to acquire 15,000,000 fully paid ordinary Shares in the capital of the Company;

Reorganization means any merger, consolidation, reconstruction or other reorganization in respect of the Company, including any compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company;

Security Interest means:

- (a) an interest or power reserved in or created or otherwise arising in or over an interest in any asset whether under a bill of sale, mortgage, charge, lien, pledge, other security interest or preferential arrangement (including retention of title). trust or power or otherwise by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation;
- (a) a security interest as defined in *Personal Property Securities Act 2009 (Cth)* (**PPSA**) and to which the PPSA applies; or
- (b) any agreement to grant or create anything referred to in either of paragraph (a) or (b) of this definition and any other thing which gives a creditor priority to any other creditor with respect to any asset or an interest in any asset;

Share means a fully paid ordinary share in the capital of the Company;

"Taxing Event" means the date on which any Shares are issued to Participant pursuant to exercise of Options;

"Tax Payment" means, in relation to any Shares issued pursuant to the exercise of Options, the amount of the Company's liability for withholding tax as calculated by the Company (acting reasonably

and in good faith) by reference to the extent required by law to the Fair Market Value of the relevant Shares as at the date of the Taxing Event, and notified to the Participant in writing by no later than the Taxing Event;

Terms and Conditions means the Options terms and conditions set out in Schedule 1 of this Deed as approved by shareholders at the Company's 2018 Annual General Meeting;

Unvested Options means Options for which their respective vesting conditions have not been met;

Termination for Cause has the meaning in section 5.1 of the Employment Agreement;

Termination Due to Disability or Death has the meaning in section 5.3 of the Employment Agreement;

Termination Without Cause has the meaning in section 5.2 of the Employment Agreement;

Vested Option means an Option in respect of which all vesting conditions have been met or which are otherwise exercisable (as contemplated by Schedule 1);

Voluntary Termination has the meaning as provided in section 5.4 of the Employment Agreement;

Voluntary Termination for Good Cause has the meaning as provided in section 5.5 of the Employment Agreement.

1.2 Interpretation

In this Deed, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) headings are used for convenience only and do not affect the interpretation of this Deed;
- (d) other grammatical forms of a defined word or expression have a corresponding meaning;
- (e) a reference to a document is to that document as amended, novated, supplemented, extended or restated from time to time;
- (f) a reference to a party is to a party to this Deed and includes that party's executors, administrators, successors, permitted assigns and permitted substitutes;
- (g) if something is to be or may be done on a day that is not a Business Day then it must be done on the next Business Day;
- (h) "person" includes a natural person, partnership, body corporate, association, joint venture, governmental or local authority, and any other body or entity whether incorporated or not;
- (i) "month" means calendar month and "year" means 12 consecutive months ;
- (j) a reference to a thing (including a right) includes a part of it but nothing in this clause implies that part performance of an obligation constitutes performance of that obligation;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) is to that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) "include", "for example" and any similar expressions are not used, and must not be interpreted, as words of limitation;

- (m) money amounts are stated in Australian currency unless otherwise specified;
- (n) a reference to a time of day is to that time in Melbourne, Victoria;
- (o) a reference to any agency or body that ceases to exist, is reconstituted, renamed or replaced, or has its powers or functions removed (**defunct body**) is to the agency or body that performs most closely the powers or functions of the defunct body;
- (p) any provision in this Deed which is in favor of more than one person benefits all of them jointly and each of them severally; and
- (q) any provision in this Deed which binds more than one person binds all of them jointly and each of them severally.

2. Terms and conditions of Options

2.1 Terms and conditions approved by Shareholders

The parties agree that the Options are issued and governed by the terms of this Deed (including the Terms and Conditions as set out in Schedule 1).

2.2 Agreement by Dr Perry

Dr Perry agrees that he will hold the Options on the terms and conditions set out in this Deed (including the Terms and Conditions as set out in Schedule 1).

2.3 Issue of Shares on exercise of the Options

On exercise of the Options (or any of them), the Company will in accordance with the Terms and Conditions issue to Dr Perry that number of Shares represented by the exercised Options and Dr Perry agrees to hold those Shares issued in accordance with the Company's Constitution (as amended from time to time). Other than compliance with Section 1043A of the Corporations Act (possession of inside information) and the Company's then applicable securities trading policy (as applicable to all of the Company's employees), on filing a cleansing notice by the Company under section 708A of the Corporations Act (which the Company shall use its best endeavours to file on or within 5 Business Days of the relevant issue of Shares), there will be no restriction under Australian law on Dr Perry dealing in those Shares.

If the Participant or the Company is liable for taxes, duties or other amounts on the issuance of the resulting Shares and as a consequence the Company is liable to make a payment(s) for whatever reason (including withholding) to the appropriate authorities on account of that liability, unless the Participant and the Company agree otherwise:

- (a) the Company will use its reasonable endeavours to introduce potential purchasers for some of the resulting Shares held by the Participant and
- (b) in any event, the Participant must pay to the Company within 5 Business Days of the Taxing Event an amount equal to the Tax Payment and the Company must pay the Tax Payment to the appropriate authorities.

2.4 Re-organization

Where for any reason the Company undertakes a solvent reconstruction or re-organization of the Company or its entities (including without limitation the interposition of a new holding entity to the group), Dr Perry agrees to exchange (on a "like for like" basis) his Options for new options (on substantially the same terms and conditions as provided in this Deed) in the new parent entity which arises on such solvent reconstruction or re-organization.

3. Contracts of employment and other employment rights

3.1 No change to employment terms

The participation in the issue of the Options does not change or vary any of the terms and conditions of employment of Dr Perry as set out in the Employment Agreement.

3.2 No right to future employment or engagement

Without limiting clause 3.1 above, this Deed does not confer on Dr Perry any right to future employment or engagement and does not affect any rights which the Company may have to terminate his employment or engagement.

3.3 Acknowledgments

It is acknowledged and accepted by Dr Perry and the Company that the terms of this Deed creates legally binding obligations on the parties but do not form part of the terms and conditions of Dr Perry's employment or other engagement contract, nor do the terms of this Deed constitute a contract or arrangement (including any related condition or collateral arrangement) in relation to Dr Perry's employment or other engagement contract.

4. Cessation of appointment/employment and lapsing of options

4.1 Unvested Options re Termination

Unless an Option has already vested, if Dr Perry ceases to be appointed or employed by the Company for any reason:

- (a) **Termination for Cause:** All the Participant's unvested Options will lapse automatically;
- (b) **Termination Without Cause:** All the Participant's unvested Options will vest;
- (c) **Termination Due to Disability or Death:** All the Participant's unvested Options will vest;
- (d) **Voluntary Termination for Good Cause:** All the Participant's unvested Options will vest;
- (e) **Voluntary Termination in all other circumstances:** All the Participant's unvested Options will lapse automatically.

4.2 Vested Options re Termination

In respect of vested Options, if Dr Perry ceases to be appointed or employed by the Company for any reason:

- (a) **Termination for Cause:** The Participant may for up to 30 days exercise his vested Options and if not exercised in that period, all unexercised Options will lapse automatically;
- (b) **Termination Without Cause:** The Participant may for up to 60 days exercise his vested Options and if not exercised in that period, all unexercised Options will lapse automatically;
- (c) **Termination Due to Disability or Death:** The Participant may for up to 60 days exercise his vested Options and if not exercised in that period, all unexercised Options will lapse automatically;
- (d) **Voluntary Termination for Good Cause:** The Participant may for up to 30 days exercise his vested Options and if not exercised in that period, all unexercised Options will lapse automatically;
- (e) **Voluntary Termination in all other circumstances:** The Participant may for up to 30 days exercise his vested Options and if not exercised in that period, all unexercised Options will lapse automatically.

4.3 Liquidation

On Liquidation, all Options which have not been exercised will lapse with immediate effect upon such Liquidation.

4.4 Control Event

On the occurrence of a Control Event, all Options (notwithstanding any the existence of any vesting conditions unsatisfied immediately prior to the occurrence of a Control Event) may be exercised during the period being the lesser of the following periods:

- (a) 90 day period following the occurrence of that event. or
- (b) the period from the occurrence of that event to the expiry date of the Options, after the expiry of which all unexercised Options shall lapse with immediate effect.

5. Administration by the Board

5.1 Powers of the Board

This Deed will be managed by the Board. which will have power (which must be exercised reasonably and in good faith) to:

- (a) determine appropriate procedures for the administration of this Deed;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Deed;
- (c) determine matters falling for determination under this clause in its discretion having regard to the interests of and for the benefit of the Company;
- (d) exercise the discretions conferred on it by this clause or which may otherwise be required in relation to this Deed; and
- (e) delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under this Deed.

6. Notices

Any notice or other communication to or by a party under this Deed:

- (a) must be given in accordance with this clause;
- (b) may be given by personal service, or certified return post (signature required by Dr Perry or Mrs. Arlene Perry);
- (c) must be in writing, legible and in English addressed (depending on the manner in which it is given) as shown below:

- (i) If to Dr Perry:

Address: 300 Cook St., Denver. CO, 80206. United States
Attention: Dr. Michael Perry or Mrs. Arlene Perry

- (ii) If to the Company:

Address: 28159 Avenue Stanford, Suite 220, Valencia, CA 91355, United States
Attention: Chief Financial Officer

or addressed in accordance **with** any updated details last notified by the party to the sender by notice given in accordance with this clause;

- (d) must be signed:
 - (i) in the case of a corporation registered in Australia, by any authorized representative or by the appropriate office holders of that corporation under section 127 of the Corporations Act; or
 - (ii) in the case of a corporation registered outside of Australia, by a person duly authorized by the sender in accordance with the laws governing the place of registration of that corporation; and
- (e) is deemed to be given by the sender and received by the addressee:
 - (i) if delivered in person, when delivered to the addressee;
 - (ii) if posted, at 9.00 am on the fourth Business Day after the date of posting to the addressee whether delivered or not; or

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 pm (addressee's time), it is deemed to have been received at 9.00 am on the next Business Day.

7. General

7.1 Entire understanding

- (a) This Deed contains the entire understanding between the parties concerning the subject matter of this Deed and supersedes, terminates and replaces all prior agreements and communications between the parties concerning that subject matter.
- (b) All terms, warranties and conditions implied or imposed by statute or general law are excluded from this Deed, except any term, warranty or condition the exclusion of which would:
 - (i) contravene the statute or general law which implied or imposed it; or
 - (ii) cause this clause to be void.
- (c) Each party acknowledges that, except as expressly stated in this Deed, it has not relied on any representation, warranty, undertaking or statement made by or on behalf of another party in relation to this Deed or its subject matter.

7.2 No adverse construction

No provision of this Deed is to be construed to the disadvantage of a party solely because that party was responsible for preparing or proposing this Deed or the provision.

7.3 No waiver

- (a) A failure to exercise, a delay in exercising or partially exercising any power, right or remedy conferred on a party by or in respect of this Deed does not operate as a waiver by that party of the power, right or remedy.
- (b) A single or partial exercise of any power, right or remedy does not preclude a further exercise of it or the exercise of any other power, right or remedy.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

7.4 Remedies cumulative

Except as set out in this Deed, the powers, rights and remedies under this Deed are cumulative with and not exclusive of any powers, rights and remedies provided by law independently of this Deed.

7.5 Severability

Any provision of this Deed which is invalid in any jurisdiction must, in relation to that jurisdiction, be:

- (a) read down to the minimum extent necessary to achieve its validity, if applicable; and
- (b) severed from this Deed in any other case,

without invalidating or affecting the remaining provisions of this Deed or the validity of that provision in any other jurisdiction.

7.6 Consents and approvals

Unless this Deed provides otherwise, where anything depends on the consent or approval of a party, then that consent or approval may be given conditionally, unconditionally or withheld, in the absolute discretion of that party.

7.7 No variation

This Deed cannot be amended or varied except in writing signed by the parties.

7.8 Assignment

Except to a designated beneficiary upon Dr Perry's death or by will or the laws of descent and distribution, Dr Perry may not without prior written approval of the Board sell, assign, transfer or otherwise deal with, or grant a Security Interest over, an Option granted to Dr Perry.

Except to a designated beneficiary upon Dr Perry's death or by will or the laws of descent and distribution, the Option lapses immediately on purported sale, assignment transfer, dealing or the grant of Security Interest, unless the Board in its absolute discretion approves the dealing, or the transfer or transmission is effected by force of law on death or legal incapacity to Dr Perry's legal personal representative.

7.9 Execution and delivery

- (a) By executing this Deed, a party intends:
 - (i) to be immediately bound by this Deed; and
 - (ii) for such execution to constitute delivery of this Deed to each other party.
- (b) Nothing in this clause 7.9 should be taken to exclude any statutory or common law principle applicable to the proper execution and delivery of a deed.
- (c) This clause 7.9 supersedes, terminates and replaces any prior agreements and communications between the parties which indicate that the agreements recorded in this Deed are "subject to contract" or similar arrangements .

7.10 Conflicting provisions

If there is any conflict between the main body of this Deed and any schedules or annexures comprising it, then the provisions of the schedules and annexures of this Deed prevail.

7.11 No right of set-off

Unless this Deed expressly provides otherwise, a party has no right of set-off against a payment due to another party under this Deed.

7.12 Relationship of parties

Unless this Deed expressly provides otherwise, nothing in this Deed may be construed as creating a relationship of partnership, of principal and agent or of trustee and beneficiary.

7.13 Counterparts

If this Deed consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document. A party may sign a counterpart by executing a signature page and electronically transmitting a copy of the signed page to each other party or their authorized representative.

7.14 Section 409A of the Code

The Company makes no representation or warranty regarding the proper treatment of the Options issued under this Deed or Shares issued on exercise of the Options for purposes of Code Section 409A. Notwithstanding the foregoing, in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Or. Perry on account of non-compliance with Section 409A.

7.15 Governing law and jurisdiction

- (a) This Deed is governed by and must be construed in accordance with the laws of the State of Victoria, Australia.
- (b) The parties submit to the exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters arising out of or relating to this Deed, its performance or subject matter.
- (c) Each party waives any rights to:
 - (i) object to the venue of any proceedings; or
 - (ii) claim that the proceedings have been brought in an inconvenient forum or that the courts of another place are a more convenient forum,

if the proceedings have been brought in a court referred to in clause 7.15(b).

Executed as a deed

Signed, Sealed and Delivered by Dr Michael Perry in the presence of:)
)

/s/ Chris Soto
Signature

/s/ Donna Perry
Signature of Witness

DONNA PERRY
Name of Witness (please print)

Executed by Avita Medical Limited ACN 058 466 523 in accordance with section 127(1) of the Corporations Act 2001 (Cth):

/s/ Lou Panaccio
Signature of director

/s/ Suzanne Crowe
Signature of director or company secretary*
*delete whichever does not apply

Lou Panaccio. Chairman of the Board
Name (please print)

SUZANNE CROWE
Name (please print)

Schedule 1 — Terms and Conditions of the Options

Each Option entitles the holder (**Option Holder**) to subscribe for and be issued one fully paid ordinary share (**Share**) in **Avita Medical Ltd ACN 058 466 523 (Company)** on terms including the following:

1. Subject to clauses 2 and 3 of this Schedule and any restrictions imposed by the Australian Securities Exchange (**ASX**), each Option is exercisable at any time after the date on which the relevant Option has vested (**Vesting Date**) up and until the expiry date being 30 November 2028 (**Expiry Date**). Any Options not exercised by the Expiry Date will automatically lapse on the Expiry Date.
2. The aggregate of 15,000,000 Options is subject to vesting conditions based on tenure of Dr Perry, (ii) the Company's Share Price and (iii) milestone performance by the Company as follows:
 - (a) *Tenure* - A tranche of 3,333,333 Options, with 1,666,666 which the Company acknowledges have already vested prior to the date of this deed in accordance with the tenure conditions as specified in the Company's 2018 AGM notice, and 1,666,667 to vest on 1 June 2020;
 - (b) *Company Share Price* - In aggregate the Company acknowledges that a further 9,166,667 Options have prior to the date of this deed already vested in Dr Perry in accordance with the share price vesting conditions as specified in the Company's 2018 AGM notice;
 - (c) *Milestone Performance* - Provided Dr Perry is still employed by the Company, a further tranche of 2,500,000 Options to vest upon the achievement of the milestones "Initial procurement under the BARDA contract" under CLIN2 of the BARDA contract for 5,614 ReCell devices totaling USD \$7,594,620.
3. The Options may be exercised for part or all of the Options issued by the Option Holder giving written notice in the form set out below (**Notice of Exercise**) to the Company at its registered office prior to the Expiry Date.
4. On exercise the Company will issue to the holder for each Option exercised one ordinary share in the capital of the Company credited as fully paid. The exercise price per Option is \$0.082 per Share (**Exercise Price**).
5. On receipt by the Company of the Notice of Exercise and payment of the Exercise Price, the Company must, within 3 Business Days and if the Shares are listed on the ASX within the time period prescribed by the Listing Rules of the ASX (**ASX Listing Rules**):
 - (a) allot to the Option Holder one Share in the Company for each Option exercised by the Option Holder;
 - (b) cause to be dispatched to the Option Holder the relevant acknowledgement of issue, a holding statement or share certificate (as applicable) as soon as is reasonably practicable detailing the issue of the relevant Share/s; and
 - (c) issue (if applicable) a new holding statement (or option certificate) for the balance of the Options that remain unexercised.
6. Shares allotted on the exercise of Options will rank equally in all respects with the then existing issued ordinary fully paid shares in the capital of the Company (except in respect to any dividends which shall have been declared but not yet distributed before the actual exercise of an Option) and will be subject to the provisions of the Constitution of the Company.
7. If any Reorganization (including consolidation, subdivision, reduction, return or cancellation) of the issued capital of the Company occurs before the expiry of any Options, the number of Options to which each Option Holder is entitled or the Exercise Price of his or her Options or both must be

reorganized in accordance with the ASX Listing Rules applying to a Reorganization at the time of the Reorganization (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

8. An Option does not confer the right to participate in new issues of capital offered to holders of Shares **(Rights Entitlement)** during the currency of the Options without exercising the Options. However, the Company will ensure that for the purpose of determining Rights Entitlements to any such issue, the Option Holder is to receive at least 10 Business Days written notice from the Company of the pending closing or record date and sufficient time for the Option Holder to exercise the Options prior to that closing or record date in order to qualify for the participation in the Rights Entitlement.
9. If the Shares are listed for quotation on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation or listing of all Shares allotted on the exercise of any Options within 10 Business Days (as defined in the Listing Rules of the ASX) of allotment. In the event that the Company undergoes a reorganization that results in the conversion of Shares quoted on the ASX into shares quoted on another exchange, then the Company will apply to the relevant exchange and for securities regulator as required for those converted shares related to the Option shares to be quoted.
10. In the event of the Liquidation of the Company, all unexercised Options will lapse upon the occurrence of that Liquidation.
11. The Options do not provide any entitlement to dividends paid to ordinary shareholders.
12. The Options do not entitle the Option Holder to vote at any meeting of shareholders.
13. To the extent (if any) that any of these Option Terms and Conditions or this Deed are inconsistent with or contrary to the ASX Listing Rules, the ASX Listing Rules provisions will prevail and these Option Terms and Conditions are deemed to incorporate the relevant ASX Listing Rules provisions as an amendment to these terms; and
14. These Terms and Conditions are governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts of Victoria.

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (the "Agreement") is made and entered into by and between AVITA Medical, Inc. and AVITA Medical Americas, LLC. (collectively, the "Company") and Michael Holder, an individual (the "Executive") with reference to the following:

RECITALS

WHEREAS the Company desires to employ Executive to serve as the Chief Financial Officer of the Company;

WHEREAS the Executive is willing to serve in the role of Chief Financial Officer of the Company and provide services to the Company and its subsidiaries and affiliates under the terms and conditions stated herein,

WHEREAS, the Executive would serve as Chief Financial Officer of the Company, effective as of March 22, 2021 (the "Effective Date"),

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

1. Employment and Duties

1.1 Employment. The Company hereby employs the Executive as the Chief Financial Officer of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Chief Executive Officer ("CEO").

1.2 Duties. The Executive shall perform, to the best of his ability and in a manner satisfactory to the CEO, all such duties that are consistent with Executive's title and position, and such other duties as may reasonably be assigned to him by the CEO. The Executive's duties will be conducted principally from the Company's North America office, currently located in Valencia, California, or at such other location as determined by the CEO (but subject to the terms of this Agreement), with travel to such other locations from time to time as reasonably required.

1.3 Time and Efforts. The Executive shall devote his full business time and provide his best efforts, attention, and energies to the business of the Company, and its subsidiaries and affiliates, and to the performance of Executive's duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board of Directors (the "Board"); provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive's obligations to the Company, and its subsidiaries and affiliates hereunder and such service is disclosed in advance by Executive to the Board. Notwithstanding the above, the Executive may serve as outside

director of up to two (2) corporate or advisory boards subject to CEO approval and provided that such service does not materially conflict or interfere with Executive's obligations to the Company and there are no real or perceived conflicts of interest.

Executive further acknowledges that he owes the Company both a fiduciary duty and a duty of loyalty while employed during the employment period to act at all times in the best interests of the Company, and its subsidiaries and affiliates.

2. Compensation

As the total consideration for the Executive's services rendered hereunder, Executive shall be entitled to the following:

2.1 Base Salary. The Executive shall be paid an annual base salary of Four Hundred Twenty-Five Thousand Dollars (\$425,000.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement and payable in regular installments in accordance with the customary payroll practices of the Company. The Executive's salary will be subject to annual review by the Board and may be increased in the sole discretion of the Board.

2.2 Bonus and Relocation Expenses.

(a) Annual Performance Bonus. In addition to Base Salary, the Executive shall be eligible to receive an annual performance bonus ("Annual Bonus") based upon the Company's performance and Executive's performance for the preceding year as measured against certain performance targets as mutually established by the parties to this Agreement as determined by the Board and CEO. The Annual Bonus, if earned, shall be paid on or around the March timeframe of the following year. The amount of the Annual Bonus shall be forty percent (40%) of Executive's Base Salary ("Target Bonus"). For 2021, Executive will be eligible to receive an Annual Bonus of up to forty percent (40%) of the pro-rata share of the Base Salary (excluding any other bonus or compensation) Executive earned in 2021. At the sole discretion of the Board, Executive may be entitled to an additional amount of up to fifty percent (50%) of the Target Bonus based upon performance. For the Annual Bonus to be deemed earned, and in order to be eligible and entitled to receive any Annual Bonus payment, the Executive must be employed by, and not have given notice of resignation to the Company or have been given notice of termination by the Company at the time the Annual Bonus is determined and paid to Executive.

(b) Relocation Expenses. Executive shall be given a lump sum of Thirty Thousand Dollars (\$30,000) grossed up as subject to applicable federal, state, local taxes, and withholdings. Executive will be required to move to the Valencia area upon the opening up of businesses by the Governor of California or when employees are required to return to the workplace, whichever is earlier. Executive will be required to reimburse the Company in full should he fail to relocate to the Valencia area within three (3) months of the Company returning to the workplace following the current pandemic.

2.3 Equity. Subject to approval of the Company's Board, Executive shall be eligible for 150,000 options which will vest as follows:

- 112,500 options will vest based upon Executive achieving certain established metrics as agreed upon between Executive and the CEO;
- 37,500 options will vest based on Executive's continued employment with the Company at a rate of 9,375 per year for four (4) years, commencing with the first 9,375 option installment, which will vest upon the completion of Executive's first year of service.

Any such equity grants shall be subject to the terms of a Share Option Agreement and the governing equity plan which will be provided to the Executive within thirty (30) days of his Effective Date. In addition, Executive shall be eligible for the annual equity grants under the 2020 Omnibus Incentive Plan once the plan has been implemented.

2.4 Business Expenses. During employment, the Executive is entitled to reimbursement for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies.

2.5 Fringe Benefits. The Executive shall be entitled to fringe benefits in accordance with the plans, practices, programs and policies applicable to other peer executives of the Company.

2.6 Vacation. The Executive shall be entitled each year to a vacation, during which time his compensation shall be paid in full. The time allotted for such vacation shall be four (4) weeks per year. Executive can accrue up to six (6) weeks of vacation time, at which point no additional vacation may accrue beyond the six (6) weeks until a portion thereof is used. Any accrued vacation will roll over into the following calendar year and will not be forfeited. The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive, CEO, and the Company.

2.7 Health Insurance and Benefits. The Executive shall be eligible to participate in the Company's health, dental and vision plans, as well as the Company's 401k program, pursuant to the terms of these plans and programs.

3. Term and Termination of Employment

3.1 At-Will Employment. The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at-will" and for an indefinite period of time. Subject to the provisions of this Section, both the Executive and the Company shall have the right to terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without Good Reason, and with or without advance notice.

3.2 Definitions.

(a) **Cause.** For purposes of this Agreement, "Cause" shall mean the occurrence of one or more of the following: (i) conviction of, or a plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) participation in an act of fraud

or theft against the Company; (iii) willful and material breach of any contractual, statutory, fiduciary, or common law duty owed to the Company including without limitation Section 4.1 of this Agreement; (iv) intentional and repeated failure of Executive to perform Executive's job duties after receiving notice of the stated deficiencies and Executive willfully failing to address the deficiencies and deliberately continuing to not perform stated job duties; or (v) any willful, deliberate, premeditated act by Executive that materially and demonstrably injures the reputation, business, or a business relationship of the Company.

(b) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean: (i) a material diminution in Executive's authority, duties, or responsibilities in effect at the time of this Agreement; (ii) any reduction in the Executive's then-current base salary; (iii) relocation of Executive's principal place of work by a distance of fifty (50) miles or more from the Executive's then-current principal place of work without the Executive's consent; (iv) material breach by the Company of any provision of this Agreement; or (v) the occurrence of a Change in Control of the Company as defined in Section 3.2(c) below, provided, however, that the conduct described in the foregoing subsections (i) through (iv) will only constitute Good Reason if such conduct is not cured within thirty (30) days after the Company's receipt of written notice from the Executive specifying the particulars of the conduct the Executive believes constitutes Good Reason and such notice shall be given within thirty (30) days of the occurrence of such event or conduct.

(c) **Change in Control.** For purposes of this Agreement, "Change in Control" shall mean any of the following events occurring after the date of this Agreement: (i) a sale or transfer of all or substantially all of the assets of the Company; (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or person; (iii) any change in ownership of more than fifty percent (50%) of the voting capital stock of Company in one or more related transactions such as a buy out or exit of the Company (but excluding any change in stock listing).

3.3 Termination

(a) **Termination for Cause or Resignation without Good Reason.** In the event that the Company terminates the Executive's employment for Cause or the Executive resigns his employment without Good Reason, this Agreement will terminate without further obligations to Executive other than the following: Executive shall be entitled to receive his unpaid base salary earned through his last day of employment, accrued but unused vacation pay, and vested benefits through and including Executive's last day of employment.

(b) **Involuntary Termination Without Cause or Resignation With Good Reason.** In the event of either an involuntary termination of the Executive's employment Without Cause or a voluntary resignation by the Executive for Good Reason, in exchange for the Executive signing a separation and release of all claims agreement in a form acceptable to the Company, the Company shall provide the Executive with the following severance benefits in accordance with the timing set forth in Section 3.3(b)(v) below:

- (i) **Base Salary:** The Company shall pay the Executive the equivalent of nine (9) months of the Executive's annual base salary in effect at the time of the termination Without Cause or resignation with Good Reason in one lump sum payment, less standard deductions and withholdings.

- (ii) Three Months Notice. The Company shall provide the Executive three (3) months prior written notice in the event of an involuntary termination of the Executive's employment Without Cause or a voluntary resignation by the Executive for Good Reason.
- (iii) Benefits Coverage. The Company shall continue to provide group health, vision, and dental plan benefits to the Executive for a period of nine (9) months from and after the date of termination, with the cost of all regular premiums for such benefits paid by the Company (or its successor).
- (iv) Equity. Executive's stock options shall immediately accelerate so that 100% of any then unvested stock options shall immediately vest and become exercisable upon the date of Executive's termination Without Cause or resignation with Good Reason and shall continue to be exercisable for three (3) months
- (v) Timing of Payments. The severance benefits in the above subsection 3.3(b)(i) shall be paid to Executive no later than fifteen (15) days from the date the Executive signs the severance and release agreement and the revocation period, if any, has expired.

(c) **Termination or Resignation In Connection With Change In Control.** In the event Executive is terminated or resigns in connection with or within one (1) year following a Change in Control or for Good Reason as defined in 3.2(b) and 3.2(c), respectively, the Executive shall be entitled to all of the severance benefits set forth in Section 3.3(b) above.

4. Proprietary Information

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business, and its subsidiaries and affiliates; (ii) the Executive's work for the Company, and its subsidiaries, and affiliates has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company, and its subsidiaries and affiliates, and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 Confidential Information. Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as Chief Financial Officer of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper personal benefit any "Confidential Information" that was acquired by,

learned by or disclosed to Executive by reason of the Executive's employment as Chief Financial Officer of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as Chief Financial Officer, of the Company. As used in this Agreement, "Confidential Information" means any and all confidential or proprietary information of the Company, and its subsidiaries and affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical, developmental, operating, performance, know-how, and process information, drawings and designs, customer information (including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or

disclosing such information. The provisions of this Section 4 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential Information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information

required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute the Company's Proprietary Information Agreement protecting the trade secrets and other intellectual property of the Company.
Defend Trade Secrets Act

Notice. Executive is hereby notified in accordance with the Defend Trade Secrets Act of 2016 that he will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive is further notified that if Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the employer's trade secrets to Executive's attorney and use the trade secret information in the court proceeding if Executive: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

4.2 Duty of Loyalty and Non-Competition. While employed by the Company, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venture participant, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to, meeting with management teams or entering into preliminary or definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as Chief Financial Officer of the Company for any reason, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use confidential trade secret information for any purpose.

4.3 Non-Solicitation. For a period beginning on the Effective Date and ending two (2) years after the date on which the Executive is no longer employed as Chief Financial Officer of the Company (the "Non-Solicitation Period"), the Executive shall not in any capacity, either separately or in association with others: (i) unlawfully solicit for employment or endeavor in any way to unlawfully entice away from employment with the Company, its subsidiaries or affiliates any employee of the Company, its subsidiaries or its affiliates, or any person or entity that had been an employee of the Company or its subsidiaries or affiliates within the six (6) month period preceding the commencement of such activity; nor (ii) use confidential trade secret information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company, or its subsidiaries or affiliates to discontinue, reduce or modify such relationship with the Company or its subsidiaries or affiliates.

4.4 Non-disparagement. The Executive agrees (whether during or after Executive's employment as Chief Financial Officer of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company, and its subsidiaries and affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company, or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive's rights under Section 7 of the National Labor Relations Act.

4.5 **Return of Property.** Upon termination of his employment as Chief Financial Officer of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries or affiliates or any of their businesses or property that the Executive may possess or have under the Executive's direction or control other than documents provided to the Executive in the Executive's capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 **Remedies.** The Executive acknowledges that (i) the Executive has had an opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriate remedy for the Company. If the Executive breaches or threatens to breach any of these provisions, the Company shall be entitled, in addition to all other remedies, to seek an injunction restraining any such breach, without any bond or other security being required and without the necessity of showing actual damages.

5. Assignment

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any subsidiary or affiliate of the Company or any entity that assumes the ownership and control of the business of the Company.

6. Severability

Should any term, provision, covenant or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voided term, provision, covenant or condition is not contained herein.

7. Binding Arbitration

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as Chief Financial Officer of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, or common law, shall be submitted to and resolved by final, binding and confidential arbitration as the exclusive method for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the Judicial Arbitration and Mediation Services ("JAMS") relating to employment disputes, unless the parties otherwise mutually agree to modify the JAMS Rules. A copy of the AAA Employment Rules are available for review at <https://www.jamsadr.com/rules-employment-arbitration> and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s). If the parties cannot mutually agree upon an arbitrator, then the parties shall select a neutral arbitrator through the procedures established by the AAA. The arbitrator shall have the powers provided under the Federal Arbitration Act relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. The parties shall have the right to reasonable discovery. The parties agree that the Company shall pay the administration costs of the AAA arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys' fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses, except as otherwise provided in this Agreement to the prevailing party.

The arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation and shall award costs and reasonable attorneys' fees to the prevailing party as provided by law. The award of the arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law.

Judgment upon the award of the arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance Programs. Nothing in this Section shall require arbitration of disputes that are excluded from coverage by this section or by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the "Class Action Waiver"). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both herself and others under the California Private Attorney General Act of 2004. Executive will not be subject to any retaliation or discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

9. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
AVITA Medical Americas, LLC
28159 Avenue Stanford
Suite 220
Valencia, CA 91355

If to Executive:
Michael Holder
At current home address on file with the Company

10. Miscellaneous

10.1 Binding Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors and assigns.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

10.3 Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) he or it has full power, authority and capacity to execute and deliver this Agreement, and to perform his or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the breach of any agreements or other obligations to which he or it is a party or he or it is otherwise bound; (c) this Agreement is a valid and binding obligation in accordance with its terms for both parties; (d) Executive represents and warrants that he is under no other obligations, contractual or otherwise, that could impair his ability to perform fully and satisfactorily all of his obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice he has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

10.4 Attorney's Fees. In the event that any party shall bring an action or proceeding in connection with the performance, breach or interpretation of this Agreement, then the prevailing party in any such action or proceeding, as determined by the court, arbitrator or other body having jurisdiction, shall be entitled to recover from the losing party all reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees and court costs.


10.5 Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

[Signatures to follow on next page]

IN WITNESS WHEREOF, this Agreement is executed as of March 11, 2021.

“COMPANY”

**AVITA Medical, Inc. and
AVITA Medical Americas, LLC**

By: 

Name: Dr. Michael S. Perry
Title: Chief Executive Officer
Date: 03/12/2021

and

“EXECUTIVE”

Michael Holder

By: Michael Holder

Date: March 11, 2021

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (the “Agreement”) is made and entered into by and between AVITA Medical Americas, LLC, (the “Company”) and Kathy McGee, an individual (the “Executive”) with reference to the following:

RECITALS

WHEREAS, the Company desires to employ Executive to serve as the Chief Operating Officer of the Company;

WHEREAS, the Executive is willing to serve in the role of Chief Operating Officer of the Company and provide services to the Company and its subsidiaries and affiliates under the terms and conditions stated herein,

WHEREAS, the Executive would serve as Chief Operating Officer, of the Company, effective as of December 1, 2020 (the “Effective Date”),

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

1. Employment and Duties

1.1 Employment. The Company hereby employs the Executive as the Chief Operating Officer of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Chief Executive Officer (“CEO”).

1.2 Duties. The Executive shall perform, to the best of her ability and in a manner satisfactory to the CEO, all such duties that are consistent with Executive’s title and position, and such other duties as may reasonably be assigned to her by the CEO. The Executive’s duties will be conducted principally from the Company’s North America office, currently located in Valencia, California, or at such other location as determined by the CEO (but subject to the terms of this Agreement), with travel to such other locations including the manufacturing facility in Ventura, California from time to time as reasonably required.

1.3 Time and Efforts. The Executive shall devote her full business time and provide her best efforts, attention, and energies to the business of the Company, and its subsidiaries and affiliates, and to the performance of Executive’s duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board; provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive’s obligations to the Company, and its subsidiaries and affiliates hereunder and such service is disclosed in advance by Executive to the Board.

Executive further acknowledges that she owes the Company both a fiduciary duty and a duty of loyalty while employed during the employment period to act at all times in the best interests of the Company, and its subsidiaries and affiliates.

2. Compensation

As the total consideration for the Executive's services rendered hereunder, Executive shall be entitled to the following:

2.1 Base Salary. The Executive shall be paid an annual base salary of Three Hundred Forty Five Thousand Dollars (\$345,000.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement and payable in regular installments in accordance with the customary payroll practices of the Company. The Executive's salary will be subject to annual review by the Board and may be increased in the sole discretion of the Board.

2.2 Bonus and Relocation Expenses.

(a) Annual Performance Bonus. In addition to Base Salary, the Executive shall be eligible to receive an annual performance bonus ("Annual Bonus") based upon the Company's performance and Executive's performance for the preceding year as measured against certain performance targets as mutually established by the parties to this Agreement as determined by the Board of Directors (the "Board") and CEO. The Annual Bonus, if earned, shall be paid on or around the March timeframe of the following year. The amount of the Annual Bonus shall be thirty percent (30%) of Executive's Base Salary ("Target Bonus"). For 2020, Executive will be eligible to receive an Annual Bonus of up to thirty percent (30%) of the pro-rata share of the Base Salary (excluding any other bonus or compensation) Executive earned in 2020. For the Annual Bonus to be deemed earned, and in order to be eligible and entitled to receive any Annual Bonus payment, the Executive must be employed by, and not have given notice of resignation to the Company, or have been given notice of termination by the Company at the time the Annual Bonus is determined and paid to Executive.

(b) Relocation Expenses. Executive shall be given a lump sum of Twenty Five Thousand Dollars (\$25,000) for housing and living expenses to relocate to the Los Angeles area, subject to applicable federal, state, local taxes and withholdings which will be paid to Executive in her first payroll check. Executive will be required to reimburse the Company in full should she fail to relocate to the Los Angeles area within three (3) months of the Company announcing the date of the return to workplace following the current pandemic.

2.3 Equity. Subject to approval of the Company's Board, Executive shall be eligible for 128,000 options which will vest as follows:

- 95,000 options will vest based upon Executive achieving certain established metrics as agreed upon between Executive and the CEO;
- 33,000 options will vest based on Executive's continued employment with the Company at a rate of 8,250 per year for four (4) years, commencing with the

first 8,250 option installment, which will vest upon the completion of Executive's first year of service.

Any such equity grants shall be subject to the terms of a Share Option Agreement and the governing equity plan which will be provided to the Executive within thirty (30) days of her Effective Date.

2.4 Business Expenses. During employment, the Executive is entitled to reimbursement for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies.

2.5 Fringe Benefits. The Executive shall be entitled to fringe benefits in accordance with the plans, practices, programs and policies applicable to other peer executives of the Company.

2.6 Vacation. The Executive shall be entitled each year to a vacation, during which time her compensation shall be paid in full. The time allotted for such vacation shall be four (4) weeks per year. Executive can accrue up to six (6) weeks of vacation time, at which point no additional vacation may accrue beyond the six (6) weeks until a portion thereof is used. Any accrued vacation will roll over into the following calendar year and will not be forfeited. The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive, CEO, and the Company.

2.7 Health Insurance and Benefits. The Executive shall be eligible to participate in the Company's health, dental and vision plans, as well as the Company's 401k program, pursuant to the terms of these plans and programs.

3. Term and Termination of Employment

3.1 At-Will Employment. The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at-will" and for an indefinite period of time. Subject to the provisions of this Section, both the Executive and the Company shall have the right to terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without Good Reason, and with or without advance notice.

3.2 Definitions

(a) **Cause**. For purposes of this Agreement, "Cause" shall mean the occurrence of one or more of the following: (i) conviction of, or a plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) participation in an act of fraud or theft against the Company; (iii) willful and material breach of any contractual, statutory, fiduciary, or common law duty owed to the Company including without limitation Section 4.1 of this Agreement; (iv) willful and repeated failure to satisfactorily perform job duties; or (v) any willful act that is likely to and which does in fact have the effect of injuring the reputation, business, or a business relationship of the Company.

(b) **Good Reason.** For purposes of this Agreement, “Good Reason” shall mean: (i) a material diminution in Executive’s authority, duties, or responsibilities in effect at the time of this Agreement; (ii) any reduction in the Executive’s then-current base salary; (iii) relocation of Executive’s principal place of work by a distance of fifty (50) miles or more from the Executive’s then-current principal place of work without the Executive’s consent; (iv) material breach by the Company of any provision of this Agreement; or (v) the occurrence of a Change in Control of the Company as defined in Section 3.2(c) below, provided, however, that the conduct described in the foregoing subsections (i) through (iv) will only constitute Good Reason if such conduct is not cured within thirty (30) days after the Company’s receipt of written notice from the Executive specifying the particulars of the conduct the Executive believes constitutes Good Reason and such notice shall be given within thirty (30) days of the occurrence of such event or conduct.

(c) **Change in Control.** For purposes of this Agreement, “Change in Control” shall mean any of the following events occurring after the date of this Agreement: (i) a sale or transfer of all or substantially all of the assets of the Company; (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or person; (iii) any change in ownership of more than fifty percent (50%) of the voting capital stock of Company in one or more related transactions such as a buy out or exit of the Company (but excluding any change in stock listing).

3.3 Termination.

(a) **Termination for Cause or Resignation without Good Reason.** In the event that the Company terminates the Executive’s employment for Cause or the Executive resigns her employment without Good Reason, this Agreement will terminate without further obligations to Executive other than the following: Executive shall be entitled to receive he unpaid base salary earned through her last day of employment, accrued but unused vacation pay, and vested benefits through and including Executive’s last day of employment.

(b) **Involuntary Termination Without Cause or Resignation With Good Reason.** In the event of either an involuntary termination of the Executive’s employment Without Cause or a voluntary resignation by the Executive for Good Reason, in exchange for the Executive signing a separation and release of all claims agreement in a form acceptable to the Company, the Company shall provide the Executive with the following severance benefits in accordance with the timing set forth in Section 3.3(b)(iv) below:

- (i) Base Salary: The Company shall pay the Executive the equivalent of nine (9) months of the Executive’s annual base salary in effect at the time of the termination Without Cause or resignation with Good Reason in one lump sum payment, less standard deductions and withholdings.
- (ii) Three Months Notice: The Company shall provide the Executive three (3) months prior written notice in the event of an involuntary termination of the Executive’s employment Without Cause or a voluntary resignation by the Executive for Good Reason.

- (iii) Benefits Coverage. The Company shall continue to provide group health, vision, and dental plan benefits to the Executive for a period of nine (9) months from and after the date of termination, with the cost of all regular premiums for such benefits paid by the Company (or its successor).
- (iv) Equity. Executive's stock options shall immediately accelerate so that 100% of any then unvested stock options shall immediately vest and become exercisable upon the date of Executive's termination Without Cause or resignation with Good Reason and shall continue to be exercisable for twelve (12) months
- (v) Timing of Payments. The severance benefits in the above subsection 3.3(b)(i) shall be paid to Executive no later than fifteen (15) days from the date the Executive signs the severance and release agreement and the revocation period, if any, has expired.

(c) **Termination or Resignation In Connection With Change In Control.**

In the event Executive is terminated or resigns in connection with or within one (1) year following a Change in Control or for Good Reason as defined in 3.2(b) and 3.2(c), respectively, the Executive shall be entitled to all of the severance benefits set forth in Section 3.3(b) above.

4. Proprietary Information

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business, and its subsidiaries and affiliates; (ii) the Executive's work for the Company, and its subsidiaries, and affiliates has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company, and its subsidiaries and affiliates, and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 Confidential Information. Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as Chief Operating Officer of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper personal benefit any "Confidential Information" that was acquired by, learned by or disclosed to Executive by reason of the Executive's employment as Chief Operating Officer of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as Chief Operating Officer, of the Company. As used in this Agreement, "Confidential Information" means any and all confidential or proprietary information of the Company, and its subsidiaries and affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical, developmental, operating, performance, know-how, and process information, drawings and

designs, customer information (including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or disclosing such information. The provisions of this Section 4 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential Information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute the Company's Proprietary Information Agreement protecting the trade secrets and other intellectual property of the Company. *Defend Trade Secrets Act Notice.* Executive is hereby notified in accordance with the Defend Trade Secrets Act of 2016 that she will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Executive is further notified that if Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the employer's trade secrets to Executive's attorney and use the trade secret information in the court proceeding if Executive: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

4.2 Duty of Loyalty and Non-Competition. While employed by the Company, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venture participant, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to, meeting with management teams or entering into preliminary or

definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as Chief Operating Officer of the Company for any reason, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use confidential trade secret information for any purpose.

4.3 Non-Solicitation. For a period beginning on the Effective Date and ending two (2) years after the date on which the Executive is no longer employed as Chief Operating Officer of the Company (the "Non-Solicitation Period"), the Executive shall not in any capacity, either separately or in association with others: (i) unlawfully solicit for employment or endeavor in any way to unlawfully entice away from employment with the Company, its subsidiaries or affiliates any employee of the Company, its subsidiaries or its affiliates, or any person or entity that had been an employee of the Company or its subsidiaries or affiliates within the six (6) month period preceding the commencement of such activity; nor (ii) use confidential trade secret information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company, or its subsidiaries or affiliates to discontinue, reduce or modify such relationship with the Company or its subsidiaries or affiliates.

4.4 Non-disparagement. The Executive agrees (whether during or after Executive's employment as Chief Operating Officer of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company, and its subsidiaries and affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company, or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive's rights under Section 7 of the National Labor Relations Act.

4.5 Return of Property. Upon termination of her employment as Chief Operating Officer of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries or affiliates or any of their businesses or property that the Executive may possess or have under the Executive's direction or control other than documents provided to the Executive in the Executive's capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 **Remedies.** The Executive acknowledges that (i) the Executive has had an opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriate remedy for the Company. If the Executive breaches or threatens to breach any of these provisions, the Company shall be entitled, in addition to all other remedies, to seek an injunction restraining any such breach, without any bond or other security being required and without the necessity of showing actual damages.

5. Assignment

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any subsidiary or affiliate of the Company or any entity that assumes the ownership and control of the business of the Company.

6. Severability

Should any term, provision, covenant or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voided term, provision, covenant or condition is not contained herein.

7. Binding Arbitration

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as Chief Operating Officer of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, or common law, shall be submitted to and resolved by final, binding and confidential arbitration as the exclusive method for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the Judicial Arbitration and Mediation Services ("JAMS") relating to employment disputes, unless the parties otherwise mutually agree to modify the JAMS Rules. A copy of the AAA Employment Rules are available for review at <https://www.jamsadr.com/rules-employment-arbitration> and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s). If the parties cannot mutually agree upon an arbitrator, then the parties shall select a neutral arbitrator through the procedures established by the AAA. The arbitrator shall have the powers provided under the Federal Arbitration Act relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. The parties shall have the right to reasonable discovery. The parties agree

that the Company shall pay the administration costs of the AAA arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys' fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses, except as otherwise provided in this Agreement to the prevailing party.

The arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation and shall award costs and reasonable attorneys' fees to the prevailing party as provided by law. The award of the arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance Programs. Nothing in this Section shall require arbitration of disputes that are excluded from coverage by this section or by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the "Class Action Waiver"). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both herself and others under the California Private Attorney General Act of 2004. Executive will not be subject to any retaliation or discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

9. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
AVITA Medical Americas, LLC
28159 Avenue Stanford
Suite 220
Valencia, CA 91355

If to Executive:
Kathy McGee
At current home address on file with the Company

10. Miscellaneous

10.1 Binding Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors and assigns.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

10.3 Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) she or it has full power, authority and capacity to execute and deliver this Agreement, and to perform his or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the breach of any agreements or other obligations to which she or it is a party or she or it is otherwise bound; (c) this Agreement is a valid and binding obligation in accordance with its terms for both parties; (d) Executive represents and warrants that she is under no other obligations, contractual or otherwise, that could impair her ability to perform fully and satisfactorily all of her obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice she has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

10.4 Attorney's Fees. In the event that any party shall bring an action or proceeding in connection with the performance, breach or interpretation of this Agreement, then the prevailing party in any such action or proceeding, as determined by the court, arbitrator or other body having jurisdiction, shall be entitled to recover from the losing party all reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees and court costs.


10.5 Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

[Signatures to follow on next page]

IN WITNESS WHEREOF, this Agreement is executed as of 11/17/2020, 2020.

“COMPANY”


AVITA Medical Americas, LLC

By: 
Name: Dr. Michael S. Perry
Title: Chief Executive Officer
Date: 11/18/2020

and

“EXECUTIVE”

Kathy McGee

By: 
Date: 11/17/2020

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT ("Agreement") is made and entered into by and between Avita Medical Ltd., an Australian corporation (the "Company"), and Erin Liberto, an individual (the "Executive") with reference to the following:

RECITALS

WHEREAS, the Board of Directors of the Company (the "Board") desires to employ Executive to serve as the Chief Commercial Officer of the Company;

WHEREAS, the Executive is willing to serve in the role of Chief Commercial Officer of the Company and provide services to the Company and its subsidiaries under the terms and conditions stated herein,

WHEREAS, the Executive would serve as Chief Commercial Officer of the Company, but her direct employer shall be Avita Medical Americas, LLC ("Avita America"), effective as of August 28, 2017 (the Effective Date);

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

1. Employment and Duties

1.1 Employment. The Company hereby employs the Executive as the Chief Commercial Officer ("CCO") of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Chief Executive Officer ("CEO").

1.2 Duties. The Executive shall perform, to the best of her ability and in a manner satisfactory to the CEO, all such duties that are consistent with her title and position, and such other duties as may reasonably be assigned to her by the CEO. The Executive's duties will be conducted principally from the Company's North America office, currently located in Valencia, California, or at such other location as determined by the CEO (but subject to the terms of this Agreement), with travel to such other locations from time to time as reasonably required.

1.3 Time and Efforts. The Executive shall devote her full business time and provide her best efforts, attention, and energies to the business of the Company and its subsidiaries and to the performance of Executive's duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board; provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive's obligations to the Company or its subsidiaries hereunder and such service is disclosed in advance by Executive to the Board.

Executive further acknowledges that she owes the Company both a fiduciary duty and a duty of loyalty while employed during the employment period to act at all times in the best interests of the Company and its subsidiaries.

2. Compensation

As the total consideration for the Executive's services rendered hereunder, Executiveshall be entitled to the following:

2.1 Base Salary. The Executive shall be paid an annual base salary of Two Hundred Eighty-Five Thousand Dollars (\$285,000.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement and payable in regular installments in accordance with the customary payroll practices of Avita America. The Executive's salary will be subject to annual review by the Board and may be increased in the sole discretion of the Board.

2.2 Bonus.

Annual Performance Bonus. In addition to Base Salary, the Executive shall be eligible to receive an annual performance bonus ("Annual Bonus") based upon the Executive's performance for the preceding year as measured against certain performance targets as mutually established by the parties to this Agreement. The Annual Bonus, if earned, shall be paid 60 daysafter the close of the fiscal year. The amount of the Annual Bonus shall be thirty percent (30%) of Executive's Base Salary ("Target Bonus"). For 2017, Executive will be eligible to receive an Annual Bonus that is equal to 30% of the pro-rata share of the Base Salary (excluding any other bonus or compensation) Executive earned in 2017. At the sole discretion of the Board, Executivemay be entitled to an additional amount of up to fifty percent (150%) of the Target Bonus basedupon performance. For the Annual Bonus to be deemed earned, and in order to be eligible and entitled to receive any Annual Bonus payment, the Executive must be employed by, and not havegiven notice of resignation to the Company or have been given notice of termination by the Company.

Retention Bonus. In addition to Base Salary and Annual Performance Bonus, the Executive shall be eligible to receive a retention bonus ("Retention Bonus") of \$150,000. TheRetention Bonus shall be paid as follows:

- Full amount of \$150,000 shall be paid upon Executive' s completion of 60 days' employment with the Company with the express understanding that it is being paid with the expectation that Executive shall remain employed with the Company for at least one year following the Effective Date. Accordingly, despite its being paid after 60 days' employment, the Retention Bonus is an advance that will not be considered earned by either Executive or the Company until Executive has completed one year ofemployment with the Company. If Executive's employment is terminated either by Executive without Good Reason or the Company for Cause before Executive has completed a year of employment, Executive agrees to return the Retention Bonus to the Company.

2.3 Equity. Executive shall be eligible for 4,000,000 options, which will vest asfollows:

- 3,000,000 options will vest based upon Executive's achieving certain established metrics as agreed upon between Executive and the CEO;

- 1,000,000 options will vest based on Executive's continued employment with the Company at a rate of 250,000 per year for four years, commencing with the first 250,000 option installment, which will vest upon the completion of Executive's first year of service.

2.4 **Business Expenses.** During employment, the Executive is entitled to reimbursement (through Avita America) for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies.

2.5 **Fringe Benefits.** The Executive shall be entitled to fringe benefits in accordance with the plans, practices, programs and policies as in effect generally with respect to other peer executives of the Company.

2.6 **Vacation.** The Executive shall be entitled each year to a vacation, during which time her compensation shall be paid in full. The time allotted for such vacation shall be four (4) weeks per year. Executive can accrue up to six (6) weeks of vacation time, at which point no additional vacation may accrue beyond the six (6) weeks until a portion thereof is used. Any accrued vacation will roll over into the following calendar year and will not be forfeited. The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive and the Company.

2.7 **Health Insurance and Benefits.** The Executive shall be eligible to participate in the Company's health, dental and vision plans, as well as the Company's 401k program.

3. Term and Termination of Employment

3.1 **At-Will Employment.** The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at-will" and for an indefinite period of time. Subject to the provisions of this Section, both the Executive and the Company shall have the right to terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without Good Reason, and with or without advance notice.

3.2 Definitions.

(a) **Cause.** For purposes of this Agreement, "Cause" shall mean the occurrence of one or more of the following: (i) conviction of, or a plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) participation in an act of fraud or theft against the Company; (iii) willful and material breach of Section 4.1 of this Agreement; (iv) willful and repeated failure to satisfactorily perform job duties; or (v) any willful act that is likely to and which does in fact have the effect of injuring the reputation, business, or a business relationship of the Company, provided however, that the conduct described in the foregoing subsections (ii) through (v) will only constitute Cause if such conduct is not cured within thirty (30) days after the Executive's receipt of written notice from the Company specifying the particulars of the conduct the Company believes constitutes Cause.

(b) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean: (i) a material diminution in Executive's authority, duties, or responsibilities in effect at the time of this Agreement; (ii) any reduction in the Executive's then-current base salary; (iii) relocation of Executive's principal place of work by a distance of fifty (50) miles or more from the

Executive's then-current principal place of work without the Executive's consent; (iv) material breach by the Company of any provision of this Agreement; (v) material reduction of the Target Bonus for the then-current fiscal year before the end of the then-current fiscal year; or (vi) the occurrence of a Change in Control of the Company as defined in Section 3.3(c) below, *provided*, however, that the conduct described in the foregoing subsections (i) through (v) will only constitute Good Reason if such conduct is not cured within thirty (30) days after the Company's receipt of written notice from the Executive specifying the particulars of the conduct the Executive believes constitutes Good Reason.

(c) **Change in Control.** For purposes of this Agreement, "Change in Control" shall mean any of the following events occurring after the date of this Agreement: (i) a sale or transfer of all or substantially all of the assets of the Company; (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or person; (iii) any change in ownership of more than fifty percent (50%) of the voting capital stock of Company in one or more related transactions such as a buy out or exit of the Company (but excluding any change in stock listing).

3.3 Termination.

(a) **Termination for Cause or Resignation without Good Reason.** In the event that the Company terminates the Executive's employment for Cause or the Executive resigns her employment without Good Reason, this Agreement will terminate without further obligations to Executive other than the following: Executive shall be entitled to receive her unpaid base salary earned through her last day of employment, accrued but unused vacation pay, and vested benefits through and including Executive's last day of employment.

(b) **Involuntary Termination Without Cause or Resignation With Good Reason.** In the event of either an involuntary termination of the Executive's employment Without Cause or a voluntary resignation by the Executive for Good Reason, in exchange for the Executive signing a separation and release of all claims agreement in a form acceptable to the Company, the Company shall provide the Executive with the following severance benefits in accordance with the timing set forth in Section 3.3(b)(v) below:

- (i) **Base Salary.** The Company shall pay the Executive the equivalent of six (6) months of the Executive's annual base salary in effect at the time of the termination Without Cause or resignation with Good Reason in one lump sum payment, less standard deductions and withholdings.
- (ii) **Benefits Coverage.** The Company shall continue to provide group health, vision, and dental plan benefits to the Executive for a period of six (6) months from and after the date of termination, with the cost of all regular premiums for such benefits paid by the Company (or its successor).
- (iii) **Pro-Rated Annual Bonus.** The Company shall pay the Executive a pro-rata portion of her Annual Bonus payment for the then-current fiscal year.

The pro-rata Annual Bonus calculation shall assume that the Executive attained 100% of the performance target established for the then-current fiscal year and then will be prorated for the time the Executive actually remained employed during the then-current fiscal year.

- (iv) Equity. Executive's stock options shall immediately accelerate so that 100% of any then unvested stock options shall immediately vest and become exercisable upon the date of Executive's termination Without Cause or resignation with Good Reason and shall continue to be exercisable for either a period of 180 days after such termination or resignation or for the period specified in the vesting schedule of the applicable stock agreement, whichever is longer.
- (v) Timing of Payments. The severance benefits in the above subsections 3.3(b)(i) and 3.3(b)(iii) shall be paid to executive within 15 days of the date the Executive signs the severance and release agreement and the revocation period, if any, has expired.

(c) **Termination or Resignation In Connection With Change In Control.** In the event Executive is terminated or resigns in connection with or within one (1) year following a Change in Control, the Executive shall be entitled to all of the severance benefits set forth in Section 3.3(b) above.

4. Proprietary Information

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business and subsidiaries; (ii) the Executive's work for the Company and its subsidiaries has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company and its subsidiaries and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 Confidential Information. Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as CCO of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper personal benefit any "Confidential Information" (as defined below) that was acquired by, learned by or disclosed to Executive by reason of the Executive's employment as CCO of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as CCO of the Company. As used in this Agreement, "**Confidential Information**" means any and all confidential or proprietary information of the Company and its subsidiaries or affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical, developmental, operating, performance, know-how, and process information, drawings and designs, customer information (including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or

disclosing such information. The provisions of this Section 5 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential Information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute the Company's standard form Intellectual Property and Confidentiality Agreement protecting the trade secrets and other intellectual property of the Company.

4.2 Duty of Loyalty and Non-Competition. While employed by the Company, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venturer, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to, meeting with management teams or entering into preliminary or definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as CCO of the Company for any reason, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use confidential trade secret information for any purpose.

4.3 Non-Solicitation. For a period beginning on the Effective Date and ending two years after the date on which the Executive is no longer employed as CCO of the Company (the "**Non-Solicitation Period**"), the Executive shall not in any capacity, either separately or in association with others: (i) unlawfully solicit for employment or endeavor in any way to unlawfully entice away from employment with the Company or its subsidiaries or affiliates any employee of the Company or its subsidiaries or affiliates, or any person or entity that had been an employee or affiliate of the Company or its subsidiaries within the six month period preceding the commencement of such activity; nor (ii) use confidential trade secret information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company or its subsidiaries to discontinue, reduce or modify such relationship with the Company or its subsidiaries.

4.4 Nondisparagement. The Executive agrees (whether during or after Executive's employment as CCO of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company or its subsidiaries or affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive's rights under Section 7 of the National Labor Relations Act.

4.5 Return of Property. Upon termination of her employment as CCO of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries, an affiliate or any of their businesses or property that the Executive may possess or have under the Executive's direction or control other than documents provided to the Executive in the Executive's capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 Remedies. The Executive acknowledges that (i) the Executive has had an opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriate remedy for the Company. If the Executive breaches or threatens to breach any of these provisions, the Company shall be entitled, in addition to all other remedies, to seek an injunction restraining any such breach, without any bond or other security being required and without the necessity of showing actual damages.

5. Assignment

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any affiliate of the Company or any entity that assumes the ownership and control of the business of the Company.

6. Severability

Should any term, provision, covenant or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voided term, provision, covenant or condition is not contained herein.

7. Binding Arbitration

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as CCO of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, or common law, shall be submitted to and resolved by final and binding arbitration as the exclusive method for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the American Arbitration Association ("AAA") relating to employment disputes, unless the parties otherwise mutually agree to modify the AAA Rules. A copy of the AAA Employment Rules are available for review at www.adr.org/employment and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s). If the parties cannot mutually agree upon an Arbitrator, then the parties shall select a neutral Arbitrator through the procedures established by the AAA. The Arbitrator shall have the powers provided under the California Code of Civil Procedure relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. The parties shall have the right to reasonable discovery. The parties agree that the Company shall pay the administration costs of the AAA arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses, except as otherwise provided in this Agreement to the prevailing party.

The Arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation, and shall award costs and reasonable attorneys' fees to the prevailing party as provided by law. The award of the Arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the Arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance Programs. Nothing in this Section shall require arbitration of disputes that are excluded from coverage by this section or by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the Class Action Waiver). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both herself and others under the California Private Attorneys General Act of 2004. Executive will not be subject to any retaliation or

discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

9. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
Avita Medical
28159 Avenue Stanford
Suite 220
Valencia, CA 91355

If to Executive:
Erin Liberto

At current home address on file with the Company

10. Miscellaneous

10.1 Binding Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors and assigns.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

10.3 Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) she or it has full power, authority and capacity to execute and deliver this Agreement, and to perform her or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the

breach of any agreements or other obligations to which she or it is a party or she or it is otherwise bound; (c) this Agreement is her or its valid and binding obligation in accordance with its terms; (d) Executive represents and warrants that she is under no other obligations, contractual or otherwise, that could impair her ability to perform fully and satisfactorily all of her obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice she has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

10.4 Attorneys Fees. In the event that any party shall bring an action or proceeding in connection with the performance, breach or interpretation of this Agreement, then the prevailing party in any such action or proceeding, as determined by the court, arbitrator or other body having jurisdiction, shall be entitled to recover from the losing party all reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees and court costs.

10.5 Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, this Agreement is executed as of 09/09/2017.

"COMPANY"
Avita Medical Ltd., an Australian
corporation

By: _____
Name _____
Title: _____

and

"EXECUTIVE"
Erin Liberto

By: Erin Liberto _____

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (the “Agreement”) is made and entered into by and between Avita Medical Americas, LLC, (the “Company”) and Andrew Quick, an individual (the “Executive”) with reference to the following:

RECITALS

WHEREAS, the Board of Directors of the Company (the “Board”) desires to employ Executive to serve as the Chief Technology Officer;

WHEREAS, the Executive is willing to serve in the role of Chief Technology Officer of the Company and provide services to the Company and its subsidiaries and affiliates under the terms and conditions stated herein,

WHEREAS, the Executive has served as Chief Technology Officer, of the Company, since April 1, 2019 (the “Effective Date”),

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

1. Employment and Duties

1.1 Employment. The Company hereby employs the Executive as the Chief Technology Officer of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Chief Executive Officer (“CEO”).

1.2 Duties. The Executive shall perform, to the best of his ability and in a manner satisfactory to the CEO, all such duties that are consistent with his title and position, and such other duties as may reasonably be assigned to him by the CEO. The Executive’s duties will be conducted principally from the Company’s North America office, currently located in Valencia, California, or at such other location as determined by the CEO (but subject to the terms of this Agreement) from time to time as reasonably required.

1.3 Time and Efforts. The Executive shall devote his full business time and provide his best efforts, attention, and energies to the business of the Company, and its subsidiaries and affiliates, and to the performance of Executive’s duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board; provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive’s obligations to the Company, and its subsidiaries and affiliates hereunder and such service is disclosed in advance by Executive to the Board.

Executive further acknowledges that he owes the Company both a fiduciary duty and a duty of loyalty while employed during the employment period to act at all times in the best interests of the Company, and its subsidiaries and affiliates.

2. Compensation

As the total consideration for the Executive's services rendered hereunder, Executive shall be entitled to the following:

2.1 Base Salary. The Executive shall be paid an annual base salary of Three Hundred Thirty Seven Thousand Four Hundred Twenty Eight Dollars (\$337,428.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement and payable in regular installments in accordance with the customary payroll practices of the Company. The Executive's salary will be subject to annual review by the Board and may be increased in the sole discretion of the Board.

2.2 Bonus and Relocation Expenses.

Annual Performance Bonus. In addition to Base Salary, the Executive shall be eligible to receive an annual performance bonus ("Annual Bonus") based upon the Executive's performance for the preceding year as measured against certain performance targets as mutually established by the parties to this Agreement. The Annual Bonus, if earned, shall be paid on or around the March timeframe of the following year. The amount of the Annual Bonus shall be thirty percent (30%) of Executive's Base Salary ("Target Bonus"). For the Annual Bonus to be deemed earned, and in order to be eligible and entitled to receive any Annual Bonus payment, the Executive must be employed by, and not have given notice of resignation to the Company, or have been given notice of termination by the Company.

2.3 Equity. Executive shall be eligible for 120,799 options:

- 20,187 options vested based upon Executive achieving certain established metrics as agreed upon between Executive and the CEO;
- 15,000 immediately vested as of May 18, 2017;
- 85,612.50 options vested based on Executive's continued employment as follows:
 - 10,000 options granted on May 18, 2017
 - 5,000 options granted on November 1, 2018
 - 30,212 options granted on November 30, 2018
 - 40,400 options granted on April 1, 2019

Further information as to the terms of Executive's equity grant are contained in the Share Option Agreement.

2.4 **Business Expenses.** During employment, the Executive is entitled to reimbursement for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies.

2.5 **Fringe Benefits.** The Executive shall be entitled to fringe benefits in accordance with the plans, practices, programs and policies as in effect with respect to other peer executives of the Company.

2.6 **Vacation.** The Executive shall be entitled each year to a vacation, during which time his compensation shall be paid in full. The time allotted for such vacation shall be four (4) weeks per year. Executive can accrue up to six (6) weeks of vacation time, at which point no additional vacation may accrue beyond the six (6) weeks until a portion thereof is used. Any accrued vacation will roll over into the following calendar year and will not be forfeited. The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive, CEO, and the Company.

2.7 **Health Insurance and Benefits.** The Executive shall be eligible to participate in the Company's health, dental and vision plans, as well as the Company's 401k program.

3. Term and Termination of Employment

3.1 **At-Will Employment.** The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at-will" and for an indefinite period of time. Subject to the provisions of this Section, both the Executive and the Company shall have the right to terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without Good Reason, and with or without advance notice.

3.2 Definitions.

(a) **Cause.** For purposes of this Agreement, "Cause" shall mean the occurrence of one or more of the following: (i) conviction of, or a plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) participation in an act of fraud or theft against the Company; (iii) willful and material breach of Section 4.1 of this Agreement; (iv) willful and repeated failure to satisfactorily perform job duties; or (v) any willful act that is likely to and which does in fact have the effect of injuring the reputation, business, or a business relationship of the Company.

(b) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean: (i) a material diminution in Executive's authority, duties, or responsibilities in effect at the time of this Agreement; (ii) any reduction in the Executive's then-current base salary; (iii) relocation of Executive's principal place of work by a distance of fifty (50) miles or more from the Executive's then-current principal place of work without the Executive's consent; (iv) material breach by the Company of any provision of this Agreement; (v) material reduction of

the Target Bonus for the then-current fiscal year before the end of the then-current fiscal year; or (vi) the occurrence of a Change in Control of the Company as defined in Section 3.2(c) below, provided, however, that the conduct described in the foregoing subsections (i) through (iv) will only constitute Good Reason if such conduct is not cured within thirty (30) days after the Company's receipt of written notice from the Executive specifying the particulars of the conduct the Executive believes constitutes Good Reason.

(c) **Change in Control.** For purposes of this Agreement, "Change in Control" shall mean any of the following events occurring after the date of this Agreement: (i) a sale or transfer of all or substantially all of the assets of the Company; (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or person; or (iii) any change in ownership of more than fifty percent (50%) of the voting capital stock of Company in one or more related transactions such as a buy out or exit of the Company (but excluding any change in stock listing).

3.3 Termination.

(a) **Termination for Cause or Resignation without Good Reason.** In the event that the Company terminates the Executive's employment for Cause or the Executive resigns his employment without Good Reason, this Agreement will terminate without further obligations to Executive other than the following: Executive shall be entitled to receive his unpaid base salary earned through his last day of employment, accrued but unused vacation pay, and vested benefits through and including Executive's last day of employment.

(b) **Involuntary Termination Without Cause or Resignation With Good Reason.** In the event of either an involuntary termination of the Executive's employment by the Company Without Cause or a voluntary resignation by the Executive for Good Reason, in exchange for the Executive signing a separation and release of all claims agreement related solely to the Executive's employment in a form acceptable to the Company, the Company shall provide the Executive with the following severance benefits in accordance with the timing set forth in Section 3.3(b)(iv) below:

- (i) Base Salary: The Company shall pay the Executive the equivalent of six (6) months of the Executive's annual base salary in effect at the time of the termination Without Cause or resignation with Good Reason in one lump sum payment, less standard deductions and withholdings.
- (ii) Bonus: The Company shall pay the Executive a pro-rata portion of his Annual Bonus payment for the then current fiscal year. The pro-rata Annual Bonus calculation shall assume that the Executive attained 100% of the performance target established for the then current fiscal year and will be prorated for the time the Executive remained employed during the then current fiscal year.
- (iii) Benefits Coverage. The Company shall continue to provide group health, vision, and dental plan benefits to the Executive for a

period of six (6) months from and after the date of termination, with the cost of all regular premiums for such benefits paid by the Company (or its successor).

- (iv) Equity. Executive's stock options shall immediately accelerate so that 100% of any then unvested stock options shall immediately vest and become exercisable upon the date of Executive's termination Without Cause or resignation with Good Reason and shall continue to be exercisable for either a period of one hundred eighty (180) days after such termination or resignation or for the period specified in the vesting schedule of the applicable stock agreement, whichever is longer.
- (v) Timing of Payments. The severance benefits in the above subsection 3.3(b)(i) shall be paid to Executive no later than fifteen (15) days from the date the Executive signs the severance and release agreement and the revocation period, if any, has expired.

(c) **Termination or Resignation In Connection With Change In Control.**

In the event Executive is terminated or resigns in connection with or within one (1) year following a Change in Control or for Good Reason as defined in 3.2(b) and 3.2(c), respectively, the Executive shall be entitled to all of the severance benefits set forth in Section 3.3(b) above.

4. Proprietary Information

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business, and its subsidiaries and affiliates; (ii) the Executive's work for the Company, and its subsidiaries, and affiliates has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company, and its subsidiaries and affiliates, and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 Confidential Information. Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as Chief Technology Officer of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper personal benefit any "Confidential Information" that was acquired by, learned by or disclosed to Executive by reason of the Executive's employment as Chief Technology Officer of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as Chief Technology Officer, of the Company. As used in this Agreement, "Confidential Information" means any and all confidential or proprietary information of the Company, and its subsidiaries and affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical,

developmental, operating, performance, know-how, and process information, drawings and designs, customer information (including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or disclosing such information. The provisions of this Section 4 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential Information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute the Company's Proprietary Information Agreement protecting the trade secrets and other intellectual property of the Company.

4.2 Duty of Loyalty and Non-Competition. While employed by the Company, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venture participant, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to, meeting with management teams or entering into preliminary or definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as Chief Technology Officer of the Company for any reason, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use confidential trade secret information for any purpose.

4.3 Non-Solicitation. For a period beginning on the Effective Date and ending two (2) years after the date on which the Executive is no longer employed as Chief Technology

Officer of the Company (the “Non-Solicitation Period”), the Executive shall not in any capacity, either separately or in association with others: (i) unlawfully solicit for employment or endeavor in any way to unlawfully entice away from employment with the Company, its subsidiaries or affiliates any employee of the Company, its subsidiaries or its affiliates, or any person or entity that had been an employee of the Company or its subsidiaries or affiliates within the six (6) month period preceding the commencement of such activity; nor (ii) use confidential trade secret information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company, or its subsidiaries or affiliates to discontinue, reduce or modify such relationship with the Company or its subsidiaries or affiliates.

4.4 Non-disparagement. The Executive agrees (whether during or after Executive’s employment as Chief Technology Officer of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company, and its subsidiaries and affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company, or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive’s rights under Section 7 of the National Labor Relations Act.

4.5 Return of Property. Upon termination of his employment as Chief Technology Officer of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries or affiliates or any of their businesses or property that the Executive may possess or have under the Executive’s direction or control other than documents provided to the Executive in the Executive’s capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 Remedies. The Executive acknowledges that (i) the Executive has had an opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriate remedy for the Company. If the Executive breaches or threatens to breach any of these provisions, the Company shall be entitled, in addition to all other remedies, to seek an injunction restraining any such breach, without any bond or other security being required and without the necessity of showing actual damages.

5. Assignment

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any subsidiary or affiliate of the Company or any entity that assumes the ownership and control of the business of the Company.

6. Severability

Should any term, provision, covenant or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voided term, provision, covenant or condition is not contained herein.

7. Binding Arbitration

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as Chief Technology Officer of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, or common law, shall be submitted to and resolved by final and binding arbitration as the exclusive method for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the American Arbitration Association ("AAA") relating to employment disputes, unless the parties otherwise mutually agree to modify the AAA Rules. A copy of the AAA Employment Rules are available for review at www.adr.org/employment and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s). If the parties cannot mutually agree upon an arbitrator, then the parties shall select a neutral arbitrator through the procedures established by the AAA. The arbitrator shall have the powers provided under the California Code of Civil Procedure relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. The parties shall have the right to reasonable discovery. The parties agree that the Company shall pay the administration costs of the AAA arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys' fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses.

The arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation and shall award costs to the prevailing party as provided bylaw. The award of the arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance Programs. Nothing in this Section shall require arbitration of disputes that are excluded from coverage by this section or by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the "Class Action Waiver"). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both herself and others under the California Private Attorney General Act of 2004. Executive will not be subject to any retaliation or discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

9. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
Avita Medical Americas, LLC
28159 Avenue Stanford
Suite 220
Valencia, CA 91355

If to Executive:
Andrew Quick
At current home address on file with the Company

10. Miscellaneous

10.1 Binding Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors and assigns.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

10.3 Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) he or it has full power, authority and capacity to execute and deliver this Agreement, and to perform his or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the breach of any agreements or other obligations to which he or it is a party or he or it is otherwise bound; (c) this Agreement is a valid and binding obligation in accordance with its terms for both parties; (d) Executive represents and warrants that he is under no other obligations, contractual or otherwise, that could impair his ability to perform fully and satisfactorily all of his obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice he has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

10.4 Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

[Signatures to follow on next page]

IN WITNESS WHEREOF, this Agreement is executed as of _____, 2021.

“COMPANY”

Avita Medical Americas, LLC

By: *M. Perry*

Name: Dr. Michael S. Perry

Title: Chief Executive Officer

Date: 06/28/2021

and

“EXECUTIVE”

Andrew Quick

By: *Andrew Quick*

Date: 25-Jun 2021

EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT ("Agreement") is made and entered into by and between Avita Medical Ltd., an Australian corporation (the "Company"), and Donna Shiroma, an individual (the "Executive") with reference to the following:

RECITALS

WHEREAS, the Board of Directors of the Company (the "Board") desires to employ Executive to serve as the General Counsel of the Company;

WHEREAS, the Executive is willing to serve in the role of General Counsel of the Company and provide services to the Company and its subsidiaries under the terms and conditions stated herein,

WHEREAS, the Executive would serve as General Counsel, of the Company, but her direct employer shall be Avita Medical Americas, LLC ("Avita America"), effective as of June 25, 2018 (the Effective Date");

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and intending to be legally bound, it is hereby agreed by and between the parties hereto as follows:

1. Employment and Duties

1.1 Employment. The Company hereby employs the Executive as the General Counsel, of the Company and the Executive hereby accepts such employment as of the Effective Date pursuant to the terms and conditions set forth herein. The Executive shall report directly to the Chief Executive Officer ("CEO").

1.2 Duties. The Executive shall perform, to the best of her ability and in a manner satisfactory to the CEO, all such duties that are consistent with her title and position, and such other duties as may reasonably be assigned to her by the CEO. The Executive's duties will be conducted principally from the Company's North America office, currently located in Valencia, California, or at such other location as determined by the CEO (but subject to the terms of this Agreement), with travel to such other locations from time to time as reasonably required.

1.3 Time and Efforts. The Executive shall devote her full business time and provide her best efforts, attention, and energies to the business of the Company and its subsidiaries and to the performance of Executive's duties hereunder, and Executive shall not engage in any other business, profession or occupation for compensation or otherwise during the employment period without the prior written consent of the Board; provided that, nothing herein shall preclude Executive from serving in any capacity with any civic, educational, or charitable organization, and provided, further that, in each case, and in the aggregate, such services do not materially conflict or interfere with Executive's obligations to the Company or its subsidiaries hereunder and such service is disclosed in advance by Executive to the Board.

Executive further acknowledges that she owes the Company both a fiduciary duty and a duty of loyalty while employed during the employment period to act at all times in the best interests of the Company and its subsidiaries.

2. Compensation

As the total consideration for the Executive's services rendered hereunder, Executive shall be entitled to the following:

2.1 Base Salary. The Executive shall be paid an annual base salary of Three Hundred Thousand Dollars (\$300,000.00) per year ("Base Salary"), subject to applicable tax deductions and withholdings, beginning on the Effective Date of the Agreement and payable in regular installments in accordance with the customary payroll practices of Avita America. The Executive's salary will be subject to annual review by the Board and may be increased in the sole discretion of the Board.

2.2 Bonus and Relocation Expenses.

Annual Performance Bonus. In addition to Base Salary, the Executive shall be eligible to receive an annual performance bonus ("Annual Bonus") based upon the Executive's performance for the preceding year as measured against certain performance targets as mutually established by the parties to this Agreement. The Annual Bonus, if earned, shall be paid 60 days after the close of the fiscal year. The amount of the Annual Bonus shall be twenty-five percent (25%) of Executive's Base Salary ("Target Bonus"). For 2018, Executive will be eligible to receive an Annual Bonus that is equal to 25% of the pro-rata share of the Base Salary (excluding any other bonus or compensation) Executive earned in 2018. At the sole discretion of the Board, Executive may be entitled to an additional amount of up to fifty percent (an additional 12.5%) of the Target Bonus based upon performance. For the Annual Bonus to be deemed earned, and in order to be eligible and entitled to receive any Annual Bonus payment, the Executive must be employed by, and not have given notice of resignation to the Company, or have been given notice of termination by the Company.

Retention Bonus. In addition to Base Salary and Annual Performance Bonus, the Executive shall be eligible to receive a retention bonus ("Retention Bonus") of \$15,000. The Retention Bonus shall be paid as follows:

- Bonus amount will be paid after twelve (12) months employment. This payment is provided with the express understanding that it is being paid with the expectation that Executive shall remain employed with the Company for at least one year following the Effective Date. Accordingly, the Retention Bonus is an advance that will not be considered earned by either Executive or the Company until Executive has completed one year of employment with the Company.

Relocation Expenses. The Company will provide reimbursement of shipment of reasonable household goods to the Los Angeles area. In addition, the Company will reimburse temporary housing expenses in the Valencia area of up to \$4,000 per month from June 25, 2018 through October 31, 2018.

2.3 Equity. Executive shall be eligible for 3,000,000 options, which will vest as follows:

- e 2,220,000 options will vest based upon Executive's achieving certain established metrics as agreed upon between Executive and the CEO;
- 800,000 options will vest based on Executive's continued employment with the Company at a rate of 200,000 per year for four years, commencing with the first 200,000 option installment, which will vest upon the completion of Executive's first year of service.

2.4 Business Expenses. During employment, the Executive is entitled to reimbursement (through Avita America) for reasonable and necessary business expenses incurred by Executive in connection with the performance of Executive's duties, subject to proper documentation and approval as required pursuant to the applicable Company expense reimbursement policies.

2.5 Fringe Benefits. The Executive shall be entitled to fringe benefits in accordance with the plans, practices, programs and policies as in effect generally with respect to other peer executives of the Company.

2.6 Vacation. The Executive shall be entitled each year to a vacation, during which time her compensation shall be paid in full. The time allotted for such vacation shall be four (4) weeks per year. Executive can accrue up to six (6) weeks of vacation time, at which point no additional vacation may accrue beyond the six (6) weeks until a portion thereof is used. Any accrued vacation will roll over into the following calendar year and will not be forfeited. The Executive agrees to schedule planned vacation to be taken at a time mutually convenient to the Executive and the Company.

2.7 Health Insurance and Benefits. The Executive shall be eligible to participate in the Company's health, dental and vision plans, as well as the Company's 401k program.

3. Term and Termination of Employment

3.1 At-Will Employment. The Company and the Executive hereby agree that the Executive's employment by the Company shall be "at-will" and for an indefinite period of time. Subject to the provisions of this Section, both the Executive and the Company shall have the right to terminate this Agreement and the employment relationship at any time and for any reason, with or without Cause, with or without Good Reason, and with or without advance notice.

3.2 Definitions.

(a) **Cause.** For purposes of this Agreement, "Cause" shall mean the occurrence of one or more of the following: (i) conviction of, or a plea of guilty or nolo contendere to, a felony or crime involving moral turpitude; (ii) participation in an act of fraud or theft against the Company; (iii) willful and material breach of Section 4.1 of this Agreement; (iv) willful and repeated failure to satisfactorily perform job duties; or (v) any willful act that is likely to and which does in fact have the effect of injuring the reputation, business, or a business

relationship of the *Company*, *provided*, however, that the conduct described in the foregoing subsections (ii) through (v) will only constitute Cause if such conduct is not cured within thirty (30) days after the Executive's receipt of written notice from the Company specifying the particulars of the conduct the Company believes constitutes Cause.

(b) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean: (i) a material diminution in Executive's authority, duties, or responsibilities in effect at the time of this Agreement; (ii) any reduction in the Executive's then-current base salary; (iii) relocation of Executive's principal place of work by a distance of fifty (50) miles or more from the Executive's then-current principal place of work without the Executive's consent; (iv) material breach by the Company of any provision of this Agreement; (v) material reduction of the Target Bonus for the then-current fiscal year before the end of the then-current fiscal year; or (vi) the occurrence of a Change in Control of the Company as defined in Section 3.3(c) below, *provided*, however, that the conduct described in the foregoing subsections (i) through (v) will only constitute Good Reason if such conduct is not cured within thirty (30) days after the Company's receipt of written notice from the Executive specifying the particulars of the conduct the Executive believes constitutes Good Reason.

(c) **Change in Control.** For purposes of this Agreement, "Change in Control" shall mean any of the following events occurring after the date of this Agreement: (i) a sale or transfer of all or substantially all of the assets of the Company; (ii) any merger, consolidation or acquisition of the Company with, by or into another corporation, entity or person; (iii) any change in ownership of more than fifty percent (50%) of the voting capital stock of Company in one or more related transactions such as a buy out or exit of the Company (but excluding any change in stock listing).

3.3 Termination.

(a) **Termination for Cause or Resignation without Good Reason.** In the event that the Company terminates the Executive's employment for Cause or the Executive resigns her employment without Good Reason, this Agreement will terminate without further obligations to Executive other than the following: Executive shall be entitled to receive her unpaid base salary earned through her last day of employment, accrued but unused vacation pay, and vested benefits through and including Executive's last day of employment.

(b) **Involuntary Termination Without Cause or Resignation With Good Reason.** In the event of either an involuntary termination of the Executive's employment Without Cause or a voluntary resignation by the Executive for Good Reason, in exchange for the Executive signing a separation and release of all claims agreement in a form acceptable to the Company, the Company shall provide the Executive with the following severance benefits in accordance with the timing set forth in Section 3.3(b)(v) below:

- (i) **Base Salary:** The Company shall pay the Executive the equivalent of six (6) months of the Executive's annual base salary in effect at the time of the termination Without Cause or resignation with Good Reason in one lump sum payment, less standard deductions and withholdings.

Benefits Coverage. The Company shall continue to provide group health, vision, and dental plan benefits to the Executive for a period of six (6) months from and after the date of termination, with the cost of all regular premiums for such benefits paid by the Company (or its successor).

- (iii) Pro-Rated Annual Bonus. The Company shall pay the Executive pro-rata portion of her Annual Bonus payment for the then-current fiscal year. The pro-rata Annual Bonus calculation shall assume that the Executive attained 100% of the performance target established for the then-current fiscal year and then will be prorated for the time the Executive actually remained employed during the then-current fiscal year.
- (iv) Equity. Executive's stock options shall immediately accelerate so that 100% of any then unvested stock options shall immediately vest and become exercisable upon the date of Executive's termination Without Cause or resignation with Good Reason and shall continue to be exercisable for either a period of 180 days after such termination or resignation or for the period specified in the vesting schedule of the applicable stock agreement, whichever is longer.
- (v) Timing of Payments. The severance benefits in the above subsections 3.3(b)(i) and 3.3(b)(iii) shall be paid to executive within 15 days of the date the Executive signs the severance and release agreement and the revocation period, if any, has expired.

(c) **Termination or Resignation In Connection With Change In Control.** In the event Executive is terminated or resigns in connection with or within one (1) year following a Change in Control and for Good Reason as defined in 3.2(b), the Executive shall be entitled to all of the severance benefits set forth in Section 3.3(b) above.

4. Proprietary Information

The Executive acknowledges that: (i) the Executive has a major responsibility for the operation, development and growth of the Company's business and subsidiaries; (ii) the Executive's work for the Company and its subsidiaries has brought the Executive and will continue to bring the Executive into close contact with "Confidential Information" (as defined below); and (iii) the agreements and covenants contained in this Section 4 are essential to protect the business interests of the Company and its subsidiaries and that the Company will not enter into this Agreement but for such agreements and covenants. Accordingly, the Executive covenants and agrees to the following:

4.1 Confidential Information. Both during the term of the Executive's employment under this Agreement and indefinitely after the Executive is no longer employed as General Counsel of the Company, the Executive shall not, directly or indirectly, (i) knowingly use for an improper personal benefit any "Confidential Information" (as defined below) that was acquired by, learned by or disclosed to Executive by reason of the Executive's employment as General Counsel of the Company (before or after the date of this Agreement), or (ii) disclose any such Confidential Information to any person, business or entity, except in the proper course of the Executive's duties as General Counsel, of the Company. As used in this Agreement, "**Confidential Information**" means any and all confidential or proprietary information of the Company and its subsidiaries or affiliates that is not generally known to the public, including, without limitation, business, financial, marketing, technical, developmental, operating, performance, know-how, and process information, drawings and designs, customer information (including contact information, pricing and buying trends and needs), employee information (including the skills, abilities and compensation of other employees), and other trade secret information, now existing or hereafter discovered or developed. Confidential Information shall include information in any form whatsoever, including, without limitation, any digital or electronic record-bearing media containing or disclosing such information. The provisions of this Section 5 shall not apply to information that has become generally available to the public other than as a result of a disclosure by the Executive. In the event that the Executive is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, then the Executive will notify the Company within two (2) business days of receiving the request or requirement so that the Company may seek an appropriate protective order. If, in the absence of a protective order or the receipt of a waiver hereunder, the Executive is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, the Executive may disclose such Confidential Information to the tribunal; provided, however, that the Executive shall use the Executive's reasonable best efforts to obtain, at the expense and reasonable request of the Company, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate. The Executive acknowledges that all Confidential Information is the exclusive property of the Company. The Executive further acknowledges that the Executive's entire work product, including working drafts and work sheets, shall be the sole property of the Company, and that the Executive will have no rights, title or interest in any such material whether prepared by the Executive alone, by others or by the Executive in conjunction with others. Executive agrees as a condition of continued employment to execute the Company's standard form Intellectual Property and Confidentiality Agreement protecting the trade secrets and other intellectual property of the Company.

4.2 Duty of Loyalty and Non-Competition. While employed by the Company, the Executive shall not, without the prior written consent of the Company, participate, directly or indirectly, as an individual proprietor, partner, stockholder, officer, employee, director, manager, joint venture participant, investor, lender, consultant or in any capacity whatsoever (within the United States of America, or in any country where the Company or its subsidiaries or affiliates do business or have reasonable plans to do business) in a business engaged in competition with the Company or any of its subsidiaries or affiliates, or in a business that the Company or any of its subsidiaries or affiliates has taken reasonable steps to engage in (including, but not limited to,

meeting with management teams or entering into preliminary or definitive term sheets, letters of intent, purchase agreements, or other similar arrangements or agreements) of which the Executive has knowledge at the time of Executive's employment; provided, however, that such participation shall not include the mere ownership of not more than one percent (1%) of the total outstanding stock of a publicly held company. At all times following the termination of Executive's employment as General Counsel of the Company for any reason, Executive shall not, either directly or indirectly, engage in any unlawful competitive activities or use confidential trade secret information for any purpose.

4.3 Non-Solicitation. For a period beginning on the Effective Date and ending two years after the date on which the Executive is no longer employed as General Counsel of the Company (the "**Non-Solicitation Period**"), the Executive shall not in any capacity, either separately or in association with others: (i) unlawfully solicit for employment or endeavor in any way to unlawfully entice away from employment with the Company or its subsidiaries or affiliates any employee of the Company or its subsidiaries or affiliates, or any person or entity that had been an employee or affiliate of the Company or its subsidiaries within the six month period preceding the commencement of such activity; nor (ii) use confidential trade secret information to solicit or use any other unlawful means to induce or influence any supplier, customer, agent, consultant or other person or entity that has a business relationship with the Company or its subsidiaries to discontinue, reduce or modify such relationship with the Company or its subsidiaries.

4.4 Non-disparagement. The Executive agrees (whether during or after Executive's employment as General Counsel of the Company) not to issue, circulate, publish or utter any comments or statements to the press or other media, or to any third parties, or to any employees of the Company or its subsidiaries or affiliates, or any consultants or any individual or entity with whom the Company or its subsidiaries or affiliates has a business relationship, which could reasonably be expected to adversely affect in any manner: (i) the conduct of the business of the Company or its subsidiaries or affiliates (including, without limitation, any products, services, or business plans or prospects); or (ii) the business reputation of the Company or its subsidiaries or affiliates (including its financial condition or the direction of the business), or any of their respective products or services, or their past or present officers, directors, executives or employees. Notwithstanding the foregoing, nothing contained in this Agreement will be deemed to restrict Executive from providing truthful information to any governmental or regulatory agency (or in any way limit the content of any such information) to the extent requested or required to provide such information pursuant to applicable law or regulation. Nothing in this section is intended to limit Executive's rights under Section 7 of the National Labor Relations Act.

4.5 Return of Property. Upon termination of her employment as General Counsel of the Company or at any time as the Company requests, the Executive will promptly deliver to the Company all documents (whether prepared by the Company, a subsidiary, an affiliate, the Executive or a third party) relating to the Company, any of its subsidiaries, an affiliate or any of their businesses or property that the Executive may possess or have under the Executive's direction or control other than documents provided to the Executive in the Executive's capacity as a participant in any employee benefit plan, policy or program of the Company.

4.6 Remedies. The Executive acknowledges that (i) the Executive has had a..11 opportunity to seek the advice of counsel in connection with this Agreement; (ii) the provisions of this Section 4 are reasonable in scope and in all other respects; (iii) any violation of these provisions will result in irreparable injury to the Company; (iv) money damages may not be an adequate remedy for the Company in the event of a breach of any of these provisions by the Executive; and (v) specific performance in the form of injunctive relief would be an appropriateremedy for the Company. If the Executive breaches or threatens to breach any of these provisions, the Company shall be entitled, in addition to all other remedies, to seek an injunctionrestraining any such breach, without any bond or other security being required and without the necessity of showing actual damages.

5. Assignment

This Agreement is personal in nature, and neither this Agreement nor any part of any obligation herein shall be assignable by Executive. The Company shall be entitled to assign this Agreement to any affiliate of the Company or any entity that assumes the ownership and controlof the business of the Company.

6. Severability

Should any term, provision, covenant or condition of this Agreement be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Agreement, but such remainder shall continue in full force and effect as though each such voidedterm, provision, covenant or condition is not contained herein.

7. Binding Arbitration

Any and all disputes which involve or relate in any way to this Agreement and/or to Executive's employment or termination of employment as General Counsel of the Company, whether initiated by Executive or by the Company and whether based on contract, tort, statute, orcommon law, shall be submitted to and resolved by final and binding arbitration as the exclusivemethod for resolving all such disputes. The arbitration shall be private and confidential and conducted in Los Angeles, California pursuant to the Federal Arbitration Act and applicable California law, and pursuant to the applicable rules of the American Arbitration Association ("AAA") relating to employment disputes, unless the parties otherwise mutually agree to modifythe AAA Rules. A copy of the AAA Employment Rules are available for review at www.adr.org/employment and are incorporated herein by reference.

The party demanding arbitration shall submit a written claim to the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitationsrelating to such claim(s). If the parties cannot mutually agree upon an Arbitrator, then the partiesshall select a neutral Arbitrator through the procedures established by the AAA. The Arbitrator shall have the powers provided under the California Code of Civil Procedure relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement. Theparties shall have the right to reasonable discovery. The parties agree that the Company shall pay the administration costs of the AAA arbitration,

including payment of the fees for the Arbitrator, and any other costs directly related to the administration of the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys' fees relating to the dispute, such as deposition costs, expert witnesses and similar expenses, except as otherwise provided in this Agreement to the prevailing party.

The Arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation and shall award costs and reasonable attorneys' fees to the prevailing party as provided by law. The award of the Arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the Arbitrator may be entered in any state or federal court sitting in Los Angeles, California.

Nothing in this Section shall prevent Executive from filing or maintaining a claim for workers' compensation, state disability insurance, or unemployment insurance benefits, and nothing in this section shall be construed to prevent or excuse Executive or the Company from using existing internal procedures for the resolution of complaints. Employee may bring claims before administrative agencies when the law permits the agency to adjudicate those claims, even when there is an agreement to arbitrate; examples include claims or charges with the United States Equal Employment Opportunity Commission (or comparable state agency), the National Labor Relations Board, the U.S. Department of Labor, or the Office of Federal Contract Compliance Programs. Nothing in this Section shall require arbitration of disputes that are excluded from coverage by this section or by law.

The Company and Executive agree that any dispute in arbitration will be brought on an individual basis only, and not on a class, collective, or representative basis on behalf of others (this agreement to be referred to hereafter as the Class Action Waiver). The Class Action Waiver does not apply to any claim that Executive brings on behalf of both herself and others under the California Private Attorneys General Act of 2004. Executive will not be subject to any retaliation or discrimination if Executive seeks to challenge this arbitration provision or participate in a class, collective, or representative action in any forum, but Company may lawfully seek enforcement of this Agreement under the Federal Arbitration Act and seek dismissal of any class, collective, or representative actions or claims to the fullest extent allowed by law.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be carried out in California. Each of the parties agrees to submit to the personal jurisdiction of any state or federal court sitting in Los Angeles, California in any action or proceeding arising out of or relating to this Agreement.

9. Notice

All notices and other communications under this Agreement shall be in writing and mailed, telegraphed, telecopied, or delivered by hand (by a party or a recognized courier service) to the other party at the following address (or to such other address as such party may have specified by notice given to the other party pursuant to this provision):

If to the Company:
Avita Medical
28159 Avenue Stanford
Suite 220
Valencia, CA 91355

If to Executive:
Donna Shiroma
At current home address on file with the Company

10. Miscellaneous

10.1 Binding Agreement. This Agreement shall inure to the benefit of and shall be binding upon the Company, its successors and assigns.

10.2 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof, and the parties hereto have made no agreements, representations or warranties relating to the subject matter of this Agreement that are not set forth otherwise herein. In this regard, each of the parties represents and warrants to the other party that such party is not relying on any promises or representations that do not appear in writing herein. This Agreement supersedes any prior verbal or written agreements with the Company regarding Executive's employment or offer of employment, except as specifically referenced herein. Each of the parties further agrees and understands that this Agreement can be amended or modified only by a written agreement signed by all parties.

10.3 Representations and Warranties. Executive and the Company hereby represent and warrant to the other that: (a) she or it has full power, authority and capacity to execute and deliver this Agreement, and to perform her or its obligations hereunder; (b) such execution, delivery and performance will not (and with the giving of notice or lapse of time or both would not) result in the breach of any agreements or other obligations to which she or it is a party or she or it is otherwise bound; (c) this Agreement is her or its valid and binding obligation in accordance with its terms; (d) Executive represents and warrants that she is under no other obligations, contractual or otherwise, that could impair her ability to perform fully and satisfactorily all of her obligations under this Agreement; (e) Executive has had full opportunity to review this Agreement, to obtain all legal advice she has deemed necessary or appropriate and has either done so, or voluntarily and knowingly declined to do so; and (f) neither party has been induced to enter into this Agreement through any promises, threats, coercion, or benefits not set forth expressly in writing in this Agreement.

10.4 Attorney's Fees. In the event that any party shall bring an action or proceeding in connection with the performance, breach or interpretation of this Agreement, then the prevailing party in any such action or proceeding, as determined by the court, arbitrator or other body having jurisdiction, shall be entitled to recover from the losing party all reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees and court costs.

10.5 Counterparts. This Agreement may be executed on separate copies, any one of which need not contain signatures of more than one party but all of which taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, this Agreement is executed as of May 7, 2018.

"COMPANY"

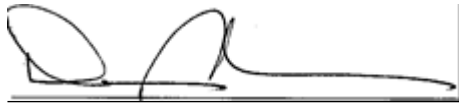
Avita Medical Ltd., an Australian
corporation

By: _____
Name Dr. Michael S. Perry
Title: CEO

and

"EXECUTIVE"

Donna Shiroma

By:  _____
Donna Shiroma

**AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT**

Notice of Stock Option Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) an option to purchase up to the number of shares of Common Stock set forth below (this “*Option*” or “*Grant*”).

| | |
|----------------------------------|---|
| Grantee Name: | Jan Stern Reed |
| Date of Grant: | December 22, 2021 |
| Exercise Price per Share: | \$12.18 |
| Number of Shares: | 7,425 Options, of which 4,925 Options are granted in connection with the Grantee’s initial appointment as a Director (“ <i>Initial Grant</i> ”) and 2,550 Options are granted in recognition of Grantee’s service as a Director in 2021 (“ <i>Service Grant</i> ”). |
| Type of Option: | Nonstatutory Stock Option |
| Country at Grant: | U.S. |
| Expiration Date: | December 22, 2031 |
| Vesting Schedule: | The Options granted pursuant to the Initial Grant shall vest (i) one third (1/3) on the first anniversary of the Date of Grant, (ii) one-third (1/3) on the second anniversary of the Date of Grant, and (iii) one-third (1/3) on the third anniversary of the Date of Grant. The Options granted pursuant to the Service Grant shall vest in full on the one year anniversary of the Date of Grant. |

Capitalized terms used but not defined in this Notice of Stock Option Grant (this “*Notice*”) have the meanings specified in the attached Option Terms and Conditions (including any appendices and exhibits). The Notice and the Option Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to this Option.

By accepting this Option (whether electronically or otherwise), Grantee acknowledges and agrees to the following:

1. This Option is governed by the terms and conditions of this Grant Agreement.

2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to this Option.
3. Vesting of this Option is subject to Grantee's Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Grant before taking any action related to this Grant Agreement.*
5. This Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Option within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Option on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of this Option and this Grant Agreement. If Grantee wishes to decline this Option, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Option, this Option will be cancelled and no benefits from this Option nor any compensation or benefits in lieu of this Option will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____
Title: _____

Signature: _____
Date: _____

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Option Terms and Conditions

1. **Grant of Option.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 23. Grantee has been granted an Option to purchase up to the number of Shares set forth in the Notice at the Exercise Price set forth in the Notice. The Exercise Price will be such price as is determined by the Committee and set forth in the Notice; provided that the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of the Grant. Dividend Equivalent Rights shall not be granted in connection with this Option.

2. **Exercise of Option.** This Option is exercisable during its term in accordance with the Vesting Schedule contained in the Notice and the applicable provisions of the Grant Agreement and subject to compliance with all Applicable Laws. Grantee may exercise the vested portion of this Option only by following the option exercise procedures established by the Administrator and payment of the aggregate Exercise Price for the Shares to be purchased, together with any applicable Tax-Related Items. This Option will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option; (b) full payment of the applicable Exercise Price in accordance with this Grant Agreement, and (c) payment of applicable Tax-Related Items, as determined by the Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Shares acquired pursuant to this Option may be issued as CDIs (except where a cashless exercise program is implemented in respect of the Option, in which case only Common Stock may be issued).

This Option may be exercised only with respect to whole Shares. The Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of the Option, provided that such minimum number will not prevent Grantee from exercising the Option for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Administrator to, prohibit the exercise of the Option during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or their Fair Market Value, for reasons of administrative convenience.

3. **Method of Payment.** Grantee may always pay the Exercise Price by personal check (or readily available funds), wire transfer, cashier's check or, where the Grantee is issued Shares (and not CDIs), by consideration received by the Company pursuant to a broker-assisted cashless exercise program implemented by the Administrator in connection with this Grant whereby the amount of Shares equal to the sum of the applicable taxes and the aggregate Exercise Price in connection with the Option exercise is sold to pay those costs and the Grantee retains the net Shares. The Administrator may also allow any other method

of payment permitted by this Grant Agreement in its discretion at the time of exercise, and any restrictions deemed necessary or appropriate to facilitate compliance with Applicable Law or administration of this Grant Agreement (including to avoid the recognition of additional compensation expenses for financial reporting purposes).

4. **Option Term.**

- a. **Maximum Term.** This Option will in all events expire at the close of business at Company headquarters on the Expiration Date specified in the Notice, unless it terminates earlier in connection with the termination of Grantee's Continuous Service Status (as provided below) or a Change in Control (as provided below).
- b. **Post-Termination Exercise Period.** If Grantee's Continuous Service Status terminates prior to the Expiration Date of this Option other than for Cause, the unvested portion of this Option will automatically expire on Grantee's date of termination, and the vested portion of this Option will remain outstanding and exercisable for the following periods, unless otherwise determined by the Committee:
 - i. three (3) months following a termination for any reason other than Cause, Disability, or death;
 - ii. six (6) months following a termination due to Disability; and
 - iii. twelve (12) months following the date of Grantee's death, if Grantee dies while in Continuous Service Status, or during the period provided in clauses (i) or (ii) above.
- c. **Termination for Cause.** If Grantee's Continuous Service Status is terminated for Cause, this Option will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and Grantee will be prohibited from exercising any portion (including any vested portion) of this Option on or after the date of such termination of Continuous Service Status. If Grantee's Continuous Service Status is suspended pending an investigation of whether Grantee's Continuous Service Status will be terminated for Cause, all of Grantee's rights under this Option, including the right to exercise such Grants, shall be suspended during the investigation period.
- d. **Determination of Termination Date.** For the purposes of this Option, Grantee's Continuous Service Status will be considered terminated as of the date Grantee is no longer actively providing services to the Company or one of its Parents, Subsidiaries, or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Option (including whether Grantee may still be considered to be providing services

while on a leave of absence, provided that the Grantee's Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

- e. **No Notice of Option Expiration.** Grantee is responsible for keeping track of the Expiration Date and the post-termination exercise periods following Grantee's termination of Continuous Service Status for any reason. The Company is not obligated to provide further notice of such periods. In no event will this Option be exercised later than the Expiration Date set forth in the Notice.
5. **Non-Transferability of Option.** This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Grantee only by Grantee and after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The terms this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
6. **New Issues of Shares.** While the Company is subject to the ASX Listing Rules, Grantee shall not have the right to participate in new issues of Shares to existing holders of Shares (e.g. a "rights offering") with respect to Shares subject to his or her Option, unless Grantee has exercised the Option and is registered as the holder of the underlying Shares prior to the record date for the determination of entitlements to participate in the new issue.
7. **Amendment or Cancellation of Option.** While the Company is subject to the ASX Listing Rules:
 - a. Under no circumstances may the terms of this Option be amended or modified so as to have any of the following effects unless the amendment or modification is made to comply with the ASX Listing Rules or unless otherwise permitted by the ASX Listing Rules or by a waiver granted by the ASX: (1) reducing the Exercise Price of this Option, (2) increasing the period for exercise of this Option, or (3) increasing the number of Shares received on exercise of this Option. Further, any other amendment or modification to the terms of this Option (i.e. any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7a) can only be made with stockholder approval or on the provision of a waiver granted by ASX from the ASX Listing Rules.
 - b. Under no circumstances may any amendment or modification be made to the terms of this Option which has the effect of cancelling the Option unless (1) stockholder approval has been obtained for the cancellation of the Option, (2) no consideration is provided to Grantee in connection with the cancellation of the Option, or (3) the amendment or modification is made to comply with the ASX Listing Rules.
 - c. The Exercise Price for the Shares to be issued pursuant to the exercise of this Option and / or the number of Shares over which this Option can be exercised may be changed in accordance with rule 6.22.2, 6.22.2A and 6.22.3 of the ASX Listing Rules.

8. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Option, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “*Employer*”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting, or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Option that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.

- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
 - i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon exercise of this Option, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

9. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
10. **Code Section 409A**. It is intended that the terms of this Option will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

11. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.*
12. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or the federal

courts located in such State, and no other courts, where this Grant is made and/or to be performed.

13. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
14. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
15. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.
17. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited

in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.

18. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
19. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
20. **Consent to Electronic Delivery and Participation.** By accepting this Option, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to this Option. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.
21. **Adjustment of Shares.** If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a "***Capitalization Adjustment***"), then the maximum number and class of Shares or type of security reserved for issuance and the Exercise Price and number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant or the Exercise Price of the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance

with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

22. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Option outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
23. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“***Administrator***” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“***Affiliate***” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“***Applicable Law***” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“***ASX***” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“***ASX Listing Rules***” means the official listing rules of the ASX.

“***Board***” means the Board of Directors of the Company.

“***Cause***” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“***CDI***” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“Code” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“Committee” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“Common Stock” means the common stock of the Company, and the common stock of any successor entity.

“Company” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“Continuous Service Status” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“Corporations Act” means the Australian *Corporations Act 2001* (Cth).

“Director” means a member of the Board.

“Disability” means that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. The Committee may rely on any determination that a Grantee is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

“Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Grant Agreement, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

“Effective Date” means the date the Grant is approved by the stockholders of the Company.

“Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“Entity” means a corporation, partnership, limited liability company or other entity.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Act Person” or **“Person”** means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option.

“Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

- a. If such Common Stock is publicly traded and is then listed on a national securities exchange in the United States, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- b. If such Common Stock is publicly traded and is only listed on the official list of the ASX in the form of CDIs, the closing price of a CDI as reported on the ASX on such date, adjusted as necessary to reflect the CDI / per Share of Common Stock ratio, or if CDIs are not traded on the ASX on such date, then on the next preceding day that CDIs are traded on the ASX, as reported on the ASX on such date unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- c. If such Common Stock is publicly traded but neither listed nor admitted to trading on a national securities exchange in the United States or the ASX, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable.
- d. If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

“Nonstatutory Stock Option” means any Option that does not qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

“Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“Option” means a contract right to purchase Shares at a fixed Exercise Price per Share, subject to certain conditions, if applicable, granted pursuant to this Grant Agreement.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Shares” means shares of Common Stock.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last

corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Tax-Related Items” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Options and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Notice of Stock Option Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) an option to purchase up to the number of shares of Common Stock set forth below (this “*Option*” or “*Grant*”).

Grantee Name: Jeremy Curnock Cook

Date of Grant: December 22, 2021

Exercise Price per Share: \$12.18

Number of Shares: 2,550

Type of Option: Nonstatutory Stock Option

Country at Grant: U.S.

Expiration Date: December 22, 2031

Vesting Schedule: The Options shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Stock Option Grant (this “*Notice*”) have the meanings specified in the attached Option Terms and Conditions (including any appendices and exhibits). The Notice and the Option Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to this Option.

By accepting this Option (whether electronically or otherwise), Grantee acknowledges and agrees to the following:

1. This Option is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to this Option.
3. Vesting of this Option is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.

4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Grant before taking any action related to this Grant Agreement.*
5. This Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Option within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Option on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of this Option and this Grant Agreement. If Grantee wishes to decline this Option, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Option, this Option will be cancelled and no benefits from this Option nor any compensation or benefits in lieu of this Option will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____ Signature: _____
 Title: _____ Date: _____

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Option Terms and Conditions

1. **Grant of Option.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 23. Grantee has been granted an Option to purchase up to the number of Shares set forth in the Notice at the Exercise Price set forth in the Notice. The Exercise Price will be such price as is determined by the Committee and set forth in the Notice; provided that the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of the Grant. Dividend Equivalent Rights shall not be granted in connection with this Option.

2. **Exercise of Option.** This Option is exercisable during its term in accordance with the Vesting Schedule contained in the Notice and the applicable provisions of the Grant Agreement and subject to compliance with all Applicable Laws. Grantee may exercise the vested portion of this Option only by following the option exercise procedures established by the Administrator and payment of the aggregate Exercise Price for the Shares to be purchased, together with any applicable Tax-Related Items. This Option will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option; (b) full payment of the applicable Exercise Price in accordance with this Grant Agreement, and (c) payment of applicable Tax-Related Items, as determined by the Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Shares acquired pursuant to this Option may be issued as CDIs (except where a cashless exercise program is implemented in respect of the Option, in which case only Common Stock may be issued).

This Option may be exercised only with respect to whole Shares. The Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of the Option, provided that such minimum number will not prevent Grantee from exercising the Option for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Administrator to, prohibit the exercise of the Option during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or their Fair Market Value, for reasons of administrative convenience.

3. **Method of Payment.** Grantee may always pay the Exercise Price by personal check (or readily available funds), wire transfer, cashier's check or, where the Grantee is issued Shares (and not CDIs), by consideration received by the Company pursuant to a broker-assisted cashless exercise program implemented by the Administrator in connection with this Grant whereby the amount of Shares equal to the sum of the applicable taxes and the aggregate Exercise Price in connection with the Option exercise is sold to pay those costs and the Grantee retains the net Shares. The Administrator may also allow any other method

of payment permitted by this Grant Agreement in its discretion at the time of exercise, and any restrictions deemed necessary or appropriate to facilitate compliance with Applicable Law or administration of this Grant Agreement (including to avoid the recognition of additional compensation expenses for financial reporting purposes).

4. **Option Term.**

- a. **Maximum Term.** This Option will in all events expire at the close of business at Company headquarters on the Expiration Date specified in the Notice, unless it terminates earlier in connection with the termination of Grantee's Continuous Service Status (as provided below) or a Change in Control (as provided below).
- b. **Post-Termination Exercise Period.** If Grantee's Continuous Service Status terminates prior to the Expiration Date of this Option other than for Cause, the unvested portion of this Option will automatically expire on Grantee's date of termination, and the vested portion of this Option will remain outstanding and exercisable for the following periods, unless otherwise determined by the Committee:
 - i. three (3) months following a termination for any reason other than Cause, Disability, or death;
 - ii. six (6) months following a termination due to Disability; and
 - iii. twelve (12) months following the date of Grantee's death, if Grantee dies while in Continuous Service Status, or during the period provided in clauses (i) or (ii) above.
- c. **Termination for Cause.** If Grantee's Continuous Service Status is terminated for Cause, this Option will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and Grantee will be prohibited from exercising any portion (including any vested portion) of this Option on or after the date of such termination of Continuous Service Status. If Grantee's Continuous Service Status is suspended pending an investigation of whether Grantee's Continuous Service Status will be terminated for Cause, all of Grantee's rights under this Option, including the right to exercise such Grants, shall be suspended during the investigation period.
- d. **Determination of Termination Date.** For the purposes of this Option, Grantee's Continuous Service Status will be considered terminated as of the date Grantee is no longer actively providing services to the Company or one of its Parents, Subsidiaries, or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Option (including whether Grantee may still be considered to be providing services

while on a leave of absence, provided that the Grantee's Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

- e. **No Notice of Option Expiration.** Grantee is responsible for keeping track of the Expiration Date and the post-termination exercise periods following Grantee's termination of Continuous Service Status for any reason. The Company is not obligated to provide further notice of such periods. In no event will this Option be exercised later than the Expiration Date set forth in the Notice.
5. **Non-Transferability of Option.** This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Grantee only by Grantee and after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The terms this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
6. **New Issues of Shares.** While the Company is subject to the ASX Listing Rules, Grantee shall not have the right to participate in new issues of Shares to existing holders of Shares (e.g. a "rights offering") with respect to Shares subject to his or her Option, unless Grantee has exercised the Option and is registered as the holder of the underlying Shares prior to the record date for the determination of entitlements to participate in the new issue.
7. **Amendment or Cancellation of Option.** While the Company is subject to the ASX Listing Rules:
 - a. Under no circumstances may the terms of this Option be amended or modified so as to have any of the following effects unless the amendment or modification is made to comply with the ASX Listing Rules or unless otherwise permitted by the ASX Listing Rules or by a waiver granted by the ASX: (1) reducing the Exercise Price of this Option, (2) increasing the period for exercise of this Option, or (3) increasing the number of Shares received on exercise of this Option. Further, any other amendment or modification to the terms of this Option (i.e. any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7a) can only be made with stockholder approval or on the provision of a waiver granted by ASX from the ASX Listing Rules.
 - b. Under no circumstances may any amendment or modification be made to the terms of this Option which has the effect of cancelling the Option unless (1) stockholder approval has been obtained for the cancellation of the Option, (2) no consideration is provided to Grantee in connection with the cancellation of the Option, or (3) the amendment or modification is made to comply with the ASX Listing Rules.
 - c. The Exercise Price for the Shares to be issued pursuant to the exercise of this Option and / or the number of Shares over which this Option can be exercised may be changed in accordance with rule 6.22.2, 6.22.2A and 6.22.3 of the ASX Listing Rules.

8. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Option, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “*Employer*”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting, or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Option that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon exercise of this Option, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

9. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
10. **Code Section 409A**. It is intended that the terms of this Option will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

11. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.*
12. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or the federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.

13. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
14. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
15. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.
17. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if

no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.

18. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
19. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
20. **Consent to Electronic Delivery and Participation.** By accepting this Option, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to this Option. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.
21. **Adjustment of Shares.** If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a "*Capitalization Adjustment*"), then the maximum number and class of Shares or type of security reserved for issuance and the Exercise Price and number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant or the Exercise Price of the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

22. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Option outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
23. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“***Administrator***” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“***Affiliate***” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“***Applicable Law***” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“***ASX***” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“***ASX Listing Rules***” means the official listing rules of the ASX.

“***Board***” means the Board of Directors of the Company.

“***Cause***” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“***CDI***” means a CHESS Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“Code” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“Committee” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“Common Stock” means the common stock of the Company, and the common stock of any successor entity.

“Company” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“Continuous Service Status” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“Corporations Act” means the Australian *Corporations Act 2001* (Cth).

“Director” means a member of the Board.

“Disability” means that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. The Committee may rely on any determination that a Grantee is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

“Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Grant Agreement, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

“Effective Date” means the date the Grant is approved by the stockholders of the Company.

“Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“Entity” means a corporation, partnership, limited liability company or other entity.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Act Person” or **“Person”** means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option.

“Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

- a. If such Common Stock is publicly traded and is then listed on a national securities exchange in the United States, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- b. If such Common Stock is publicly traded and is only listed on the official list of the ASX in the form of CDIs, the closing price of a CDI as reported on the ASX on such date, adjusted as necessary to reflect the CDI / per Share of Common Stock ratio, or if CDIs are not traded on the ASX on such date, then on the next preceding day that CDIs are traded on the ASX, as reported on the ASX on such date unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- c. If such Common Stock is publicly traded but neither listed nor admitted to trading on a national securities exchange in the United States or the ASX, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable.
- d. If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

“Nonstatutory Stock Option” means any Option that does not qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

“Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“Option” means a contract right to purchase Shares at a fixed Exercise Price per Share, subject to certain conditions, if applicable, granted pursuant to this Grant Agreement.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Shares” means shares of Common Stock.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last

corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Tax-Related Items” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Options and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT**

Notice of Stock Option Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) an option to purchase up to the number of shares of Common Stock set forth below (this “*Option*” or “*Grant*”).

Grantee Name: Louis Drapeau

Date of Grant: December 22, 2021

Exercise Price per Share: \$12.18

Number of Shares: 2,550

Type of Option: Nonstatutory Stock Option

Country at Grant: U.S.

Expiration Date: December 22, 2031

Vesting Schedule: The Options shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Stock Option Grant (this “*Notice*”) have the meanings specified in the attached Option Terms and Conditions (including any appendices and exhibits). The Notice and the Option Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to this Option.

By accepting this Option (whether electronically or otherwise), Grantee acknowledges and agrees to the following:

1. This Option is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to this Option.
3. Vesting of this Option is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to

influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Grant before taking any action related to this Grant Agreement.*

5. This Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Option within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Option on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of this Option and this Grant Agreement. If Grantee wishes to decline this Option, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Option, this Option will be cancelled and no benefits from this Option nor any compensation or benefits in lieu of this Option will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____ Signature: _____
Title: _____ Date: _____

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Option Terms and Conditions

1. **Grant of Option.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 23. Grantee has been granted an Option to purchase up to the number of Shares set forth in the Notice at the Exercise Price set forth in the Notice. The Exercise Price will be such price as is determined by the Committee and set forth in the Notice; provided that the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of the Grant. Dividend Equivalent Rights shall not be granted in connection with this Option.

2. **Exercise of Option.** This Option is exercisable during its term in accordance with the Vesting Schedule contained in the Notice and the applicable provisions of the Grant Agreement and subject to compliance with all Applicable Laws. Grantee may exercise the vested portion of this Option only by following the option exercise procedures established by the Administrator and payment of the aggregate Exercise Price for the Shares to be purchased, together with any applicable Tax-Related Items. This Option will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option; (b) full payment of the applicable Exercise Price in accordance with this Grant Agreement, and (c) payment of applicable Tax-Related Items, as determined by the Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Shares acquired pursuant to this Option may be issued as CDIs (except where a cashless exercise program is implemented in respect of the Option, in which case only Common Stock may be issued).

This Option may be exercised only with respect to whole Shares. The Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of the Option, provided that such minimum number will not prevent Grantee from exercising the Option for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Administrator to, prohibit the exercise of the Option during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or their Fair Market Value, for reasons of administrative convenience.

3. **Method of Payment.** Grantee may always pay the Exercise Price by personal check (or readily available funds), wire transfer, cashier's check or, where the Grantee is issued Shares (and not CDIs), by consideration received by the Company pursuant to a broker-assisted cashless exercise program implemented by the Administrator in connection with this Grant whereby the amount of Shares equal to the sum of the applicable taxes and the aggregate Exercise Price in connection with the Option exercise is sold to pay those costs and the Grantee retains the net Shares. The Administrator may also allow any other method

of payment permitted by this Grant Agreement in its discretion at the time of exercise, and any restrictions deemed necessary or appropriate to facilitate compliance with Applicable Law or administration of this Grant Agreement (including to avoid the recognition of additional compensation expenses for financial reporting purposes).

4. **Option Term.**

- a. **Maximum Term.** This Option will in all events expire at the close of business at Company headquarters on the Expiration Date specified in the Notice, unless it terminates earlier in connection with the termination of Grantee's Continuous Service Status (as provided below) or a Change in Control (as provided below).
- b. **Post-Termination Exercise Period.** If Grantee's Continuous Service Status terminates prior to the Expiration Date of this Option other than for Cause, the unvested portion of this Option will automatically expire on Grantee's date of termination, and the vested portion of this Option will remain outstanding and exercisable for the following periods, unless otherwise determined by the Committee:
 - i. three (3) months following a termination for any reason other than Cause, Disability, or death;
 - ii. six (6) months following a termination due to Disability; and
 - iii. twelve (12) months following the date of Grantee's death, if Grantee dies while in Continuous Service Status, or during the period provided in clauses (i) or (ii) above.
- c. **Termination for Cause.** If Grantee's Continuous Service Status is terminated for Cause, this Option will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and Grantee will be prohibited from exercising any portion (including any vested portion) of this Option on or after the date of such termination of Continuous Service Status. If Grantee's Continuous Service Status is suspended pending an investigation of whether Grantee's Continuous Service Status will be terminated for Cause, all of Grantee's rights under this Option, including the right to exercise such Grants, shall be suspended during the investigation period.
- d. **Determination of Termination Date.** For the purposes of this Option, Grantee's Continuous Service Status will be considered terminated as of the date Grantee is no longer actively providing services to the Company or one of its Parents, Subsidiaries, or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Option (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee's Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

- e. **No Notice of Option Expiration.** Grantee is responsible for keeping track of the Expiration Date and the post-termination exercise periods following Grantee's termination of Continuous Service Status for any reason. The Company is not obligated to provide further notice of such periods. In no event will this Option be exercised later than the Expiration Date set forth in the Notice.
5. **Non-Transferability of Option.** This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Grantee only by Grantee and after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The terms this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
6. **New Issues of Shares.** While the Company is subject to the ASX Listing Rules, Grantee shall not have the right to participate in new issues of Shares to existing holders of Shares (e.g. a "rights offering") with respect to Shares subject to his or her Option, unless Grantee has exercised the Option and is registered as the holder of the underlying Shares prior to the record date for the determination of entitlements to participate in the new issue.
7. **Amendment or Cancellation of Option.** While the Company is subject to the ASX Listing Rules:
 - a. Under no circumstances may the terms of this Option be amended or modified so as to have any of the following effects unless the amendment or modification is made to comply with the ASX Listing Rules or unless otherwise permitted by the ASX Listing Rules or by a waiver granted by the ASX: (1) reducing the Exercise Price of this Option, (2) increasing the period for exercise of this Option, or (3) increasing the number of Shares received on exercise of this Option. Further, any other amendment or modification to the terms of this Option (i.e. any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7a) can only be made with stockholder approval or on the provision of a waiver granted by ASX from the ASX Listing Rules.
 - b. Under no circumstances may any amendment or modification be made to the terms of this Option which has the effect of cancelling the Option unless (1) stockholder approval has been obtained for the cancellation of the Option, (2) no consideration is provided to Grantee in connection with the cancellation of the Option, or (3) the amendment or modification is made to comply with the ASX Listing Rules.
 - c. The Exercise Price for the Shares to be issued pursuant to the exercise of this Option and / or the number of Shares over which this Option can be exercised may be changed in accordance with rule 6.22.2, 6.22.2A and 6.22.3 of the ASX Listing Rules.
8. **Taxes.**
 - a. **Responsibility for Taxes.** By accepting this Option, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary,

or Affiliate that employs Grantee (the “**Employer**”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting, or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Option that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.

- b. **Withholding**. Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon exercise of this Option, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;
 - iv. Grantee’s payment of a cash amount (including by check representing readily available funds or a wire transfer); or
 - v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in

compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

9. **Nature of Grant.** In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
10. **Code Section 409A.** It is intended that the terms of this Option will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.
11. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled,*

exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

12. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or the federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
13. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of

Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.

14. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
15. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.
17. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
18. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through

electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.

19. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
20. **Consent to Electronic Delivery and Participation.** By accepting this Option, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to this Option. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.
21. **Adjustment of Shares.** If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a "*Capitalization Adjustment*"), then the maximum number and class of Shares or type of security reserved for issuance and the Exercise Price and number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant or the Exercise Price of the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.
22. **Change in Control.** In the event that the Company is subject to a Change in Control, any unvested portion of the Option outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
23. **Definitions.** As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“**Administrator**” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“**Affiliate**” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“**Applicable Law**” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“**ASX**” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“**ASX Listing Rules**” means the official listing rules of the ASX.

“**Board**” means the Board of Directors of the Company.

“**Cause**” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“**CDI**” means a CHESS Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“**Change in Control**” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;

- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Disability**” means that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. The Committee may rely on any determination that a Grantee is disabled

for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

“Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Grant Agreement, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

“Effective Date” means the date the Grant is approved by the stockholders of the Company.

“Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“Entity” means a corporation, partnership, limited liability company or other entity.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Act Person” or **“Person”** means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option.

“Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

- a. If such Common Stock is publicly traded and is then listed on a national securities exchange in the United States, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the

Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).

- b. If such Common Stock is publicly traded and is only listed on the official list of the ASX in the form of CDIs, the closing price of a CDI as reported on the ASX on such date, adjusted as necessary to reflect the CDI / per Share of Common Stock ratio, or if CDIs are not traded on the ASX on such date, then on the next preceding day that CDIs are traded on the ASX, as reported on the ASX on such date unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- c. If such Common Stock is publicly traded but neither listed nor admitted to trading on a national securities exchange in the United States or the ASX, the average of the closing bid and asked prices on the date of determination as reported in The Wall Street Journal or such other source as the Administrator deems reliable.
- d. If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

“Nonstatutory Stock Option” means any Option that does not qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

“Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“Option” means a contract right to purchase Shares at a fixed Exercise Price per Share, subject to certain conditions, if applicable, granted pursuant to this Grant Agreement.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Shares” means shares of Common Stock.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Tax-Related Items” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Options and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT**

Notice of Stock Option Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) an option to purchase up to the number of shares of Common Stock set forth below (this “*Option*” or “*Grant*”).

| | |
|----------------------------------|--|
| Grantee Name: | Louis Panaccio |
| Date of Grant: | December 22, 2021 |
| Exercise Price per Share: | \$12.18 |
| Number of Shares: | 2,550 |
| Type of Option: | Nonstatutory Stock Option |
| Country at Grant: | U.S. |
| Expiration Date: | December 22, 2031 |
| Vesting Schedule: | The Options shall vest in full on the one year anniversary of the Date of Grant. |

Capitalized terms used but not defined in this Notice of Stock Option Grant (this “*Notice*”) have the meanings specified in the attached Option Terms and Conditions (including any appendices and exhibits). The Notice and the Option Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to this Option.

By accepting this Option (whether electronically or otherwise), Grantee acknowledges and agrees to the following:

1. This Option is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to this Option.
3. Vesting of this Option is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee’s acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal,*

and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Grant before taking any action related to this Grant Agreement.

5. This Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Option within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Option on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of this Option and this Grant Agreement. If Grantee wishes to decline this Option, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Option, this Option will be cancelled and no benefits from this Option nor any compensation or benefits in lieu of this Option will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____
Title: _____

Signature: _____
Date: _____

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Option Terms and Conditions

1. **Grant of Option.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 23. Grantee has been granted an Option to purchase up to the number of Shares set forth in the Notice at the Exercise Price set forth in the Notice. The Exercise Price will be such price as is determined by the Committee and set forth in the Notice; provided that the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of the Grant. Dividend Equivalent Rights shall not be granted in connection with this Option.

2. **Exercise of Option.** This Option is exercisable during its term in accordance with the Vesting Schedule contained in the Notice and the applicable provisions of the Grant Agreement and subject to compliance with all Applicable Laws. Grantee may exercise the vested portion of this Option only by following the option exercise procedures established by the Administrator and payment of the aggregate Exercise Price for the Shares to be purchased, together with any applicable Tax-Related Items. This Option will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option; (b) full payment of the applicable Exercise Price in accordance with this Grant Agreement, and (c) payment of applicable Tax-Related Items, as determined by the Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Shares acquired pursuant to this Option may be issued as CDIs (except where a cashless exercise program is implemented in respect of the Option, in which case only Common Stock may be issued).

This Option may be exercised only with respect to whole Shares. The Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of the Option, provided that such minimum number will not prevent Grantee from exercising the Option for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Administrator to, prohibit the exercise of the Option during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or their Fair Market Value, for reasons of administrative convenience.

3. **Method of Payment.** Grantee may always pay the Exercise Price by personal check (or readily available funds), wire transfer, cashier's check or, where the Grantee is issued Shares (and not CDIs), by consideration received by the Company pursuant to a broker-assisted cashless exercise program implemented by the Administrator in connection with this Grant whereby the amount of Shares equal to the sum of the applicable taxes and the aggregate Exercise Price in connection with the Option exercise is sold to pay those costs and the Grantee retains the net Shares. The Administrator may also allow any other method

of payment permitted by this Grant Agreement in its discretion at the time of exercise, and any restrictions deemed necessary or appropriate to facilitate compliance with Applicable Law or administration of this Grant Agreement (including to avoid the recognition of additional compensation expenses for financial reporting purposes).

4. **Option Term.**

- a. **Maximum Term.** This Option will in all events expire at the close of business at Company headquarters on the Expiration Date specified in the Notice, unless it terminates earlier in connection with the termination of Grantee's Continuous Service Status (as provided below) or a Change in Control (as provided below).
- b. **Post-Termination Exercise Period.** If Grantee's Continuous Service Status terminates prior to the Expiration Date of this Option other than for Cause, the unvested portion of this Option will automatically expire on Grantee's date of termination, and the vested portion of this Option will remain outstanding and exercisable for the following periods, unless otherwise determined by the Committee:
 - i. three (3) months following a termination for any reason other than Cause, Disability, or death;
 - ii. six (6) months following a termination due to Disability; and
 - iii. twelve (12) months following the date of Grantee's death, if Grantee dies while in Continuous Service Status, or during the period provided in clauses (i) or (ii) above.
- c. **Termination for Cause.** If Grantee's Continuous Service Status is terminated for Cause, this Option will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and Grantee will be prohibited from exercising any portion (including any vested portion) of this Option on or after the date of such termination of Continuous Service Status. If Grantee's Continuous Service Status is suspended pending an investigation of whether Grantee's Continuous Service Status will be terminated for Cause, all of Grantee's rights under this Option, including the right to exercise such Grants, shall be suspended during the investigation period.
- d. **Determination of Termination Date.** For the purposes of this Option, Grantee's Continuous Service Status will be considered terminated as of the date Grantee is no longer actively providing services to the Company or one of its Parents, Subsidiaries, or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Option (including whether Grantee may still be considered to be providing services

while on a leave of absence, provided that the Grantee's Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

- e. **No Notice of Option Expiration.** Grantee is responsible for keeping track of the Expiration Date and the post-termination exercise periods following Grantee's termination of Continuous Service Status for any reason. The Company is not obligated to provide further notice of such periods. In no event will this Option be exercised later than the Expiration Date set forth in the Notice.
5. **Non-Transferability of Option.** This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Grantee only by Grantee and after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The terms this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
6. **New Issues of Shares.** While the Company is subject to the ASX Listing Rules, Grantee shall not have the right to participate in new issues of Shares to existing holders of Shares (e.g. a "rights offering") with respect to Shares subject to his or her Option, unless Grantee has exercised the Option and is registered as the holder of the underlying Shares prior to the record date for the determination of entitlements to participate in the new issue.
7. **Amendment or Cancellation of Option.** While the Company is subject to the ASX Listing Rules:
 - a. Under no circumstances may the terms of this Option be amended or modified so as to have any of the following effects unless the amendment or modification is made to comply with the ASX Listing Rules or unless otherwise permitted by the ASX Listing Rules or by a waiver granted by the ASX: (1) reducing the Exercise Price of this Option, (2) increasing the period for exercise of this Option, or (3) increasing the number of Shares received on exercise of this Option. Further, any other amendment or modification to the terms of this Option (i.e. any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7a) can only be made with stockholder approval or on the provision of a waiver granted by ASX from the ASX Listing Rules.
 - b. Under no circumstances may any amendment or modification be made to the terms of this Option which has the effect of cancelling the Option unless (1) stockholder approval has been obtained for the cancellation of the Option, (2) no consideration is provided to Grantee in connection with the cancellation of the Option, or (3) the amendment or modification is made to comply with the ASX Listing Rules.
 - c. The Exercise Price for the Shares to be issued pursuant to the exercise of this Option and / or the number of Shares over which this Option can be exercised may be changed in accordance with rule 6.22.2, 6.22.2A and 6.22.3 of the ASX Listing Rules.

8. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Option, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “*Employer*”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting, or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Option that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.

- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
 - i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon exercise of this Option, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

9. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
10. **Code Section 409A**. It is intended that the terms of this Option will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

11. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.*
12. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or the federal

courts located in such State, and no other courts, where this Grant is made and/or to be performed.

13. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
14. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
15. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
16. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.
17. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited

in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.

18. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
19. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
20. **Consent to Electronic Delivery and Participation.** By accepting this Option, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to this Option. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.
21. **Adjustment of Shares.** If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a "***Capitalization Adjustment***"), then the maximum number and class of Shares or type of security reserved for issuance and the Exercise Price and number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant or the Exercise Price of the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance

with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

22. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Option outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
23. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“***Administrator***” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“***Affiliate***” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“***Applicable Law***” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“***ASX***” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“***ASX Listing Rules***” means the official listing rules of the ASX.

“***Board***” means the Board of Directors of the Company.

“***Cause***” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“***CDI***” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“Code” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“Committee” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“Common Stock” means the common stock of the Company, and the common stock of any successor entity.

“Company” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“Continuous Service Status” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“Corporations Act” means the Australian *Corporations Act 2001* (Cth).

“Director” means a member of the Board.

“Disability” means that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. The Committee may rely on any determination that a Grantee is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

“Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Grant Agreement, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

“Effective Date” means the date the Grant is approved by the stockholders of the Company.

“Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“Entity” means a corporation, partnership, limited liability company or other entity.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Act Person” or **“Person”** means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option.

“Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

- a. If such Common Stock is publicly traded and is then listed on a national securities exchange in the United States, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- b. If such Common Stock is publicly traded and is only listed on the official list of the ASX in the form of CDIs, the closing price of a CDI as reported on the ASX on such date, adjusted as necessary to reflect the CDI / per Share of Common Stock ratio, or if CDIs are not traded on the ASX on such date, then on the next preceding day that CDIs are traded on the ASX, as reported on the ASX on such date unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- c. If such Common Stock is publicly traded but neither listed nor admitted to trading on a national securities exchange in the United States or the ASX, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable.
- d. If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

“Nonstatutory Stock Option” means any Option that does not qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

“Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“Option” means a contract right to purchase Shares at a fixed Exercise Price per Share, subject to certain conditions, if applicable, granted pursuant to this Grant Agreement.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Shares” means shares of Common Stock.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last

corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Tax-Related Items” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Options and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT
Notice of Stock Option Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) an option to purchase up to the number of shares of Common Stock set forth below (this “*Option*” or “*Grant*”).

Grantee Name: Suzanne Crowe

Date of Grant: December 22, 2021

Exercise Price per Share: \$12.18

Number of Shares: 2,550

Type of Option: Nonstatutory Stock Option

Country at Grant: U.S.

Expiration Date: December 22, 2031

Vesting Schedule: The Options shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Stock Option Grant (this “*Notice*”) have the meanings specified in the attached Option Terms and Conditions (including any appendices and exhibits). The Notice and the Option Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to this Option.

By accepting this Option (whether electronically or otherwise), Grantee acknowledges and agrees to the following:

1. This Option is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to this Option.
3. Vesting of this Option is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to

influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Grant before taking any action related to this Grant Agreement.*

5. This Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Option within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Option on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of this Option and this Grant Agreement. If Grantee wishes to decline this Option, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Option, this Option will be cancelled and no benefits from this Option nor any compensation or benefits in lieu of this Option will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By:
Title:

Signature:
Date:

AVITA MEDICAL, INC.
STOCK OPTION GRANT AGREEMENT

Option Terms and Conditions

1. **Grant of Option.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 23. Grantee has been granted an Option to purchase up to the number of Shares set forth in the Notice at the Exercise Price set forth in the Notice. The Exercise Price will be such price as is determined by the Committee and set forth in the Notice; provided that the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of the Grant. Dividend Equivalent Rights shall not be granted in connection with this Option.

2. **Exercise of Option.** This Option is exercisable during its term in accordance with the Vesting Schedule contained in the Notice and the applicable provisions of the Grant Agreement and subject to compliance with all Applicable Laws. Grantee may exercise the vested portion of this Option only by following the option exercise procedures established by the Administrator and payment of the aggregate Exercise Price for the Shares to be purchased, together with any applicable Tax-Related Items. This Option will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option; (b) full payment of the applicable Exercise Price in accordance with this Grant Agreement, and (c) payment of applicable Tax-Related Items, as determined by the Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Shares acquired pursuant to this Option may be issued as CDIs (except where a cashless exercise program is implemented in respect of the Option, in which case only Common Stock may be issued).

This Option may be exercised only with respect to whole Shares. The Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of the Option, provided that such minimum number will not prevent Grantee from exercising the Option for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Administrator to, prohibit the exercise of the Option during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or their Fair Market Value, for reasons of administrative convenience.

3. **Method of Payment.** Grantee may always pay the Exercise Price by personal check (or readily available funds), wire transfer, cashier's check or, where the Grantee is issued Shares (and not CDIs), by consideration received by the Company pursuant to a broker-assisted cashless exercise program implemented by the Administrator in connection with this Grant whereby the amount of Shares equal to the sum of the applicable taxes and the aggregate Exercise Price in connection with the Option exercise is sold to pay those costs and the Grantee retains the net Shares. The Administrator may also allow any other method

of payment permitted by this Grant Agreement in its discretion at the time of exercise, and any restrictions deemed necessary or appropriate to facilitate compliance with Applicable Law or administration of this Grant Agreement (including to avoid the recognition of additional compensation expenses for financial reporting purposes).

4. **Option Term.**

- a. **Maximum Term.** This Option will in all events expire at the close of business at Company headquarters on the Expiration Date specified in the Notice, unless it terminates earlier in connection with the termination of Grantee's Continuous Service Status (as provided below) or a Change in Control (as provided below).
- b. **Post-Termination Exercise Period.** If Grantee's Continuous Service Status terminates prior to the Expiration Date of this Option other than for Cause, the unvested portion of this Option will automatically expire on Grantee's date of termination, and the vested portion of this Option will remain outstanding and exercisable for the following periods, unless otherwise determined by the Committee:
 - i. three (3) months following a termination for any reason other than Cause, Disability, or death;
 - ii. six (6) months following a termination due to Disability; and
 - iii. twelve (12) months following the date of Grantee's death, if Grantee dies while in Continuous Service Status, or during the period provided in clauses (i) or (ii) above.
- c. **Termination for Cause.** If Grantee's Continuous Service Status is terminated for Cause, this Option will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and Grantee will be prohibited from exercising any portion (including any vested portion) of this Option on or after the date of such termination of Continuous Service Status. If Grantee's Continuous Service Status is suspended pending an investigation of whether Grantee's Continuous Service Status will be terminated for Cause, all of Grantee's rights under this Option, including the right to exercise such Grants, shall be suspended during the investigation period.
- d. **Determination of Termination Date.** For the purposes of this Option, Grantee's Continuous Service Status will be considered terminated as of the date Grantee is no longer actively providing services to the Company or one of its Parents, Subsidiaries, or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Grantee is employed or the terms of Grantee's employment agreement, if any). The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Option (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee's Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

- e. **No Notice of Option Expiration.** Grantee is responsible for keeping track of the Expiration Date and the post-termination exercise periods following Grantee's termination of Continuous Service Status for any reason. The Company is not obligated to provide further notice of such periods. In no event will this Option be exercised later than the Expiration Date set forth in the Notice.
5. **Non-Transferability of Option.** This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Grantee only by Grantee and after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The terms this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
6. **New Issues of Shares.** While the Company is subject to the ASX Listing Rules, Grantee shall not have the right to participate in new issues of Shares to existing holders of Shares (e.g. a "rights offering") with respect to Shares subject to his or her Option, unless Grantee has exercised the Option and is registered as the holder of the underlying Shares prior to the record date for the determination of entitlements to participate in the new issue.
7. **Amendment or Cancellation of Option.** While the Company is subject to the ASX Listing Rules:
 - a. Under no circumstances may the terms of this Option be amended or modified so as to have any of the following effects unless the amendment or modification is made to comply with the ASX Listing Rules or unless otherwise permitted by the ASX Listing Rules or by a waiver granted by the ASX: (1) reducing the Exercise Price of this Option, (2) increasing the period for exercise of this Option, or (3) increasing the number of Shares received on exercise of this Option. Further, any other amendment or modification to the terms of this Option (i.e. any amendment or modification that is not prohibited pursuant to the first sentence of this Section 7a) can only be made with stockholder approval or on the provision of a waiver granted by ASX from the ASX Listing Rules.
 - b. Under no circumstances may any amendment or modification be made to the terms of this Option which has the effect of cancelling the Option unless (1) stockholder approval has been obtained for the cancellation of the Option, (2) no consideration is provided to Grantee in connection with the cancellation of the Option, or (3) the amendment or modification is made to comply with the ASX Listing Rules.
 - c. The Exercise Price for the Shares to be issued pursuant to the exercise of this Option and / or the number of Shares over which this Option can be exercised may be changed in accordance with rule 6.22.2, 6.22.2A and 6.22.3 of the ASX Listing Rules.
8. **Taxes.**
 - a. **Responsibility for Taxes.** By accepting this Option, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary,

or Affiliate that employs Grantee (the “**Employer**”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting, or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Option that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.

- b. **Withholding**. Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon exercise of this Option, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;
 - iv. Grantee’s payment of a cash amount (including by check representing readily available funds or a wire transfer); or
 - v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the

Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

9. **Nature of Grant.** In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
10. **Code Section 409A.** It is intended that the terms of this Option will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.
11. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose*

of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

12. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or the federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
13. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall

not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.

14. **Severability**. If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
15. **Language**. If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
16. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on this Option and on any Shares purchased upon exercise of this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.
17. **Notices**. Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
18. **Counterparts**. This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through

electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.

19. **Successors and Assigns**. The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
20. **Consent to Electronic Delivery and Participation**. By accepting this Option, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to this Option. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.
21. **Adjustment of Shares**. If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a "*Capitalization Adjustment*"), then the maximum number and class of Shares or type of security reserved for issuance and the Exercise Price and number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant or the Exercise Price of the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.
22. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Option outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
23. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“**Administrator**” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“**Affiliate**” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“**Applicable Law**” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“**ASX**” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“**ASX Listing Rules**” means the official listing rules of the ASX.

“**Board**” means the Board of Directors of the Company.

“**Cause**” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“**CDI**” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“**Change in Control**” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;

- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Disability**” means that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established

by the Committee. The Committee may rely on any determination that a Grantee is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

“Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Grant Agreement, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

“Effective Date” means the date the Grant is approved by the stockholders of the Company.

“Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“Entity” means a corporation, partnership, limited liability company or other entity.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Act Person” or **“Person”** means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option.

“Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

- a. If such Common Stock is publicly traded and is then listed on a national securities exchange in the United States, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as

the Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).

- b. If such Common Stock is publicly traded and is only listed on the official list of the ASX in the form of CDIs, the closing price of a CDI as reported on the ASX on such date, adjusted as necessary to reflect the CDI / per Share of Common Stock ratio, or if CDIs are not traded on the ASX on such date, then on the next preceding day that CDIs are traded on the ASX, as reported on the ASX on such date unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).
- c. If such Common Stock is publicly traded but neither listed nor admitted to trading on a national securities exchange in the United States or the ASX, the average of the closing bid and asked prices on the date of determination as reported in The Wall Street Journal or such other source as the Administrator deems reliable.
- d. If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

“Nonstatutory Stock Option” means any Option that does not qualify as an “incentive stock option” within the meaning of Section 422 of the Code.

“Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“Option” means a contract right to purchase Shares at a fixed Exercise Price per Share, subject to certain conditions, if applicable, granted pursuant to this Grant Agreement.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Shares” means shares of Common Stock.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Tax-Related Items” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Options and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT**

Notice of Restricted Stock Unit Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) restricted stock units (“*Restricted Stock Units*”) covering the number of shares of Common Stock set forth below (the “*Restricted Stock Unit Grant*” or “*Grant*”).

Grantee Name: Jan Stern Reed

Date of Grant: December 22, 2021

Number of Restricted Stock Units: 13,025 Restricted Stock Units, of which 8,675 Restricted Stock Units are granted in connection with the Grantee’s initial appointment as a Director (“*Initial Grant*”) and 4,350 Restricted Stock Units are granted in recognition of Grantee’s service as a Director in 2021 (“*Service Grant*”).

Country at Grant: U.S.

Vesting Schedule: The Restricted Stock Units granted pursuant to the Initial Grant shall vest (i) one third (1/3) on the first anniversary of the Date of Grant, (ii) one-third (1/3) on the second anniversary of the Date of Grant, and (iii) one-third (1/3) on the third anniversary of the Date of Grant.

The Restricted Stock Units granted pursuant to the Service Grant shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Restricted Stock Unit Grant (this “*Notice*”) have the meanings specified in the attached Restricted Stock Unit Terms and Conditions (including any appendices and exhibits attached thereto). The Notice and the Restricted Stock Unit Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to the Restricted Stock Units.

By accepting (whether electronically or otherwise) the Restricted Stock Unit Grant, Grantee acknowledges and agrees to the following:

1. The Restricted Stock Unit Grant is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to the Restricted Stock Unit Grant.

3. Vesting of the Restricted Stock Units is subject to Grantee's Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Restricted Stock Unit Grant before taking any action related to this Grant Agreement.*
5. This Restricted Stock Unit Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Restricted Stock Unit Grant within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Restricted Stock Unit Grant on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of the Restricted Stock Units set forth in this Grant Agreement. If Grantee wishes to decline this Restricted Stock Unit Grant, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Restricted Stock Unit Grant, the Restricted Stock Units will be cancelled and no benefits from the Restricted Stock Units nor any compensation or benefits in lieu of the Restricted Stock Units will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____ Signature: _____
 Title: _____ Date: _____

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Restricted Stock Unit Terms and Conditions

1. **Grant of Restricted Stock Units.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 21. A Restricted Stock Unit is a non-voting unit of measurement which is deemed solely for bookkeeping purposes to be equivalent to one outstanding share of Common Stock (a “*Share*”). The Restricted Stock Units are used solely as a device to determine the number of Shares to eventually be issued to Grantee if such Restricted Stock Units vest. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.
2. **Settlement.** Subject compliance by the Company and Grantee with all Applicable Laws, on or as soon as administratively practical (and within 20 business days) following the applicable date of vesting under the Vesting Schedule set forth in the Notice (a “*Vesting Date*”), the Company will deliver to Grantee a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its discretion) equal to the number of Restricted Stock Units subject to the Restricted Stock Unit Grant that vest on the applicable Vesting Date, subject to the satisfaction of any applicable withholding obligations for Tax-Related Items. No fractional Restricted Stock Units or rights for fractional Shares shall be created pursuant to this Grant Agreement. Shares acquired pursuant to this Grant may be issued as CDIs.
3. **Dividend and Voting Rights.** Unless and until such time as Shares are issued in settlement of vested Restricted Stock Units, Grantee will have no ownership of the Shares allocated to the Restricted Stock Units, and will have no rights to vote such Shares and no rights to dividends.
4. **Non-Transferability of Restricted Stock Units.** The Restricted Stock Units and any interest therein must not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order. The terms of this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
5. **Termination.** If Grantee’s Continuous Service Status terminates for any reason, all unvested Restricted Stock Units will be forfeited to the Company, and all rights of Grantee to such Restricted Stock Units will immediately terminate without payment of any consideration to Grantee. The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Restricted Stock Unit Grant (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee’s Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

6. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Restricted Stock Unit Grant, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “***Employer***”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Unit Grant, including, but not limited to, the grant, vesting, or settlement of the Restricted Stock Unit Grant, the subsequent sale of Shares acquired pursuant to such settlement, and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Unit Grant to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Grant that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares, or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired on settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon settlement of the Restricted Stock Units, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

7. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
8. **Code Section 409A**. It is intended that the terms of the Restricted Stock Unit Grant will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become payable under this Grant Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the

ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If the Restricted Stock Unit Grant constitutes deferred compensation under Section 409A of the Code and the Grantee is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under this Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

9. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or*

retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

10. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
11. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
12. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
13. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
14. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Unit Grant and on any Shares acquired under this

Grant Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

15. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
16. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
17. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
18. **Consent to Electronic Delivery and Participation.** By accepting the Restricted Stock Units, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to the Restricted Stock Units. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service or electronic mail to Stock Administration.
19. **Adjustment of Shares.** If the number of the Company's outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination,

consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), the number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

20. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Restricted Stock Units outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
21. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“*Administrator*” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“*Affiliate*” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“*Applicable Law*” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“*ASX*” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“*ASX Listing Rules*” means the official listing rules of the ASX.

“*Board*” means the Board of Directors of the Company.

“business day” means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Valencia, California.

“Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in

effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Effective Date**” means the date the Grant is approved by the stockholders of the Company.

“**Employee**” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“**Entity**” means a corporation, partnership, limited liability company or other entity.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Act Person**” or “**Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly,

by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Tax-Related Items**” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Restricted Stock Units and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“**Trading Policy**” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT**

Notice of Restricted Stock Unit Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) restricted stock units (“*Restricted Stock Units*”) covering the number of shares of Common Stock set forth below (the “*Restricted Stock Unit Grant*” or “*Grant*”).

Grantee Name: Jeremy Curnock Cook

Date of Grant: December 22, 2021

**Number of Restricted
Stock Units:** 4,350

Country at Grant: U.S.

Vesting Schedule: The Restricted Stock Units shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Restricted Stock Unit Grant (this “*Notice*”) have the meanings specified in the attached Restricted Stock Unit Terms and Conditions (including any appendices and exhibits attached thereto). The Notice and the Restricted Stock Unit Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to the Restricted Stock Units.

By accepting (whether electronically or otherwise) the Restricted Stock Unit Grant, Grantee acknowledges and agrees to the following:

1. The Restricted Stock Unit Grant is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to the Restricted Stock Unit Grant.
3. Vesting of the Restricted Stock Units is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee’s acceptance of this Grant

Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Restricted Stock Unit Grant before taking any action related to this Grant Agreement.*

5. This Restricted Stock Unit Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Restricted Stock Unit Grant within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Restricted Stock Unit Grant on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of the Restricted Stock Units set forth in this Grant Agreement. If Grantee wishes to decline this Restricted Stock Unit Grant, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Restricted Stock Unit Grant, the Restricted Stock Units will be cancelled and no benefits from the Restricted Stock Units nor any compensation or benefits in lieu of the Restricted Stock Units will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____
Title: _____

Signature: _____
Date: _____

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Restricted Stock Unit Terms and Conditions

1. **Grant of Restricted Stock Units.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 21. A Restricted Stock Unit is a non-voting unit of measurement which is deemed solely for bookkeeping purposes to be equivalent to one outstanding share of Common Stock (a “*Share*”). The Restricted Stock Units are used solely as a device to determine the number of Shares to eventually be issued to Grantee if such Restricted Stock Units vest. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.
2. **Settlement.** Subject compliance by the Company and Grantee with all Applicable Laws, on or as soon as administratively practical (and within 20 business days) following the applicable date of vesting under the Vesting Schedule set forth in the Notice (a “*Vesting Date*”), the Company will deliver to Grantee a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its discretion) equal to the number of Restricted Stock Units subject to the Restricted Stock Unit Grant that vest on the applicable Vesting Date, subject to the satisfaction of any applicable withholding obligations for Tax-Related Items. No fractional Restricted Stock Units or rights for fractional Shares shall be created pursuant to this Grant Agreement. Shares acquired pursuant to this Grant may be issued as CDIs.
3. **Dividend and Voting Rights.** Unless and until such time as Shares are issued in settlement of vested Restricted Stock Units, Grantee will have no ownership of the Shares allocated to the Restricted Stock Units, and will have no rights to vote such Shares and no rights to dividends.
4. **Non-Transferability of Restricted Stock Units.** The Restricted Stock Units and any interest therein must not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order. The terms of this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
5. **Termination.** If Grantee’s Continuous Service Status terminates for any reason, all unvested Restricted Stock Units will be forfeited to the Company, and all rights of Grantee to such Restricted Stock Units will immediately terminate without payment of any consideration to Grantee. The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Restricted Stock Unit Grant (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee’s Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

6. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Restricted Stock Unit Grant, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “***Employer***”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Unit Grant, including, but not limited to, the grant, vesting, or settlement of the Restricted Stock Unit Grant, the subsequent sale of Shares acquired pursuant to such settlement, and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Unit Grant to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Grant that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares, or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired on settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon settlement of the Restricted Stock Units, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

- 7. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
- 8. **Code Section 409A**. It is intended that the terms of the Restricted Stock Unit Grant will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become payable under this Grant Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the

ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If the Restricted Stock Unit Grant constitutes deferred compensation under Section 409A of the Code and the Grantee is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under this Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

9. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or*

retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

10. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
11. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
12. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
13. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
14. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Unit Grant and on any Shares acquired under this

Grant Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

15. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
16. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
17. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
18. **Consent to Electronic Delivery and Participation.** By accepting the Restricted Stock Units, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to the Restricted Stock Units. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service or electronic mail to Stock Administration.
19. **Adjustment of Shares.** If the number of the Company's outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination,

consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), the number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

20. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Restricted Stock Units outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
21. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“*Administrator*” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“*Affiliate*” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“*Applicable Law*” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“*ASX*” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“*ASX Listing Rules*” means the official listing rules of the ASX.

“*Board*” means the Board of Directors of the Company.

“business day” means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Valencia, California.

“Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in

effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Effective Date**” means the date the Grant is approved by the stockholders of the Company.

“**Employee**” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“**Entity**” means a corporation, partnership, limited liability company or other entity.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Act Person**” or “**Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly,

by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Tax-Related Items**” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Restricted Stock Units and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“**Trading Policy**” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Notice of Restricted Stock Unit Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) restricted stock units (“*Restricted Stock Units*”) covering the number of shares of Common Stock set forth below (the “*Restricted Stock Unit Grant*” or “*Grant*”).

Grantee Name: Louis Drapeau

Date of Grant: December 22, 2021

**Number of
Restricted
Stock Units:** 4,350

**Country at
Grant:** U.S.

**Vesting
Schedule:** The Restricted Stock Units shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Restricted Stock Unit Grant (this “*Notice*”) have the meanings specified in the attached Restricted Stock Unit Terms and Conditions (including any appendices and exhibits attached thereto). The Notice and the Restricted Stock Unit Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to the Restricted Stock Units.

By accepting (whether electronically or otherwise) the Restricted Stock Unit Grant, Grantee acknowledges and agrees to the following:

1. The Restricted Stock Unit Grant is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to the Restricted Stock Unit Grant.
3. Vesting of the Restricted Stock Units is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to

influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Restricted Stock Unit Grant before taking any action related to this Grant Agreement.*

5. This Restricted Stock Unit Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Restricted Stock Unit Grant within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Restricted Stock Unit Grant on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of the Restricted Stock Units set forth in this Grant Agreement. If Grantee wishes to decline this Restricted Stock Unit Grant, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Restricted Stock Unit Grant, the Restricted Stock Units will be cancelled and no benefits from the Restricted Stock Units nor any compensation or benefits in lieu of the Restricted Stock Units will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____ Signature: _____
Title: _____ Date: _____

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Restricted Stock Unit Terms and Conditions

1. **Grant of Restricted Stock Units.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 21. A Restricted Stock Unit is a non-voting unit of measurement which is deemed solely for bookkeeping purposes to be equivalent to one outstanding share of Common Stock (a “*Share*”). The Restricted Stock Units are used solely as a device to determine the number of Shares to eventually be issued to Grantee if such Restricted Stock Units vest. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.
2. **Settlement.** Subject compliance by the Company and Grantee with all Applicable Laws, on or as soon as administratively practical (and within 20 business days) following the applicable date of vesting under the Vesting Schedule set forth in the Notice (a “*Vesting Date*”), the Company will deliver to Grantee a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its discretion) equal to the number of Restricted Stock Units subject to the Restricted Stock Unit Grant that vest on the applicable Vesting Date, subject to the satisfaction of any applicable withholding obligations for Tax-Related Items. No fractional Restricted Stock Units or rights for fractional Shares shall be created pursuant to this Grant Agreement. Shares acquired pursuant to this Grant may be issued as CDIs.
3. **Dividend and Voting Rights.** Unless and until such time as Shares are issued in settlement of vested Restricted Stock Units, Grantee will have no ownership of the Shares allocated to the Restricted Stock Units, and will have no rights to vote such Shares and no rights to dividends.
4. **Non-Transferability of Restricted Stock Units.** The Restricted Stock Units and any interest therein must not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order. The terms of this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
5. **Termination.** If Grantee’s Continuous Service Status terminates for any reason, all unvested Restricted Stock Units will be forfeited to the Company, and all rights of Grantee to such Restricted Stock Units will immediately terminate without payment of any consideration to Grantee. The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Restricted Stock Unit Grant (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee’s Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

6. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Restricted Stock Unit Grant, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “***Employer***”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Unit Grant, including, but not limited to, the grant, vesting, or settlement of the Restricted Stock Unit Grant, the subsequent sale of Shares acquired pursuant to such settlement, and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Unit Grant to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Grant that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares, or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired on settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon settlement of the Restricted Stock Units, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

- 7. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
- 8. **Code Section 409A**. It is intended that the terms of the Restricted Stock Unit Grant will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become payable under this Grant Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the

ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If the Restricted Stock Unit Grant constitutes deferred compensation under Section 409A of the Code and the Grantee is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under this Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

9. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or*

retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

10. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
11. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
12. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
13. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
14. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Unit Grant and on any Shares acquired under this

Grant Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

15. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
16. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
17. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
18. **Consent to Electronic Delivery and Participation.** By accepting the Restricted Stock Units, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to the Restricted Stock Units. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service or electronic mail to Stock Administration.
19. **Adjustment of Shares.** If the number of the Company's outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination,

consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), the number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

20. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Restricted Stock Units outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
21. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“*Administrator*” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“*Affiliate*” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“*Applicable Law*” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“*ASX*” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“*ASX Listing Rules*” means the official listing rules of the ASX.

“*Board*” means the Board of Directors of the Company.

“business day” means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Valencia, California.

“Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in

effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Effective Date**” means the date the Grant is approved by the stockholders of the Company.

“**Employee**” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“**Entity**” means a corporation, partnership, limited liability company or other entity.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Act Person**” or “**Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly,

by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Tax-Related Items**” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Restricted Stock Units and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“**Trading Policy**” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT**

Notice of Restricted Stock Unit Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) restricted stock units (“*Restricted Stock Units*”) covering the number of shares of Common Stock set forth below (the “*Restricted Stock Unit Grant*” or “*Grant*”).

Grantee Name: Louis Panaccio

Date of Grant: December 22, 2021

Number of Restricted Stock Units: 4,350

Country at Grant: U.S.

Vesting Schedule: The Restricted Stock Units shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Restricted Stock Unit Grant (this “*Notice*”) have the meanings specified in the attached Restricted Stock Unit Terms and Conditions (including any appendices and exhibits attached thereto). The Notice and the Restricted Stock Unit Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to the Restricted Stock Units.

By accepting (whether electronically or otherwise) the Restricted Stock Unit Grant, Grantee acknowledges and agrees to the following:

1. The Restricted Stock Unit Grant is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to the Restricted Stock Unit Grant.
3. Vesting of the Restricted Stock Units is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to influence Grantee in making a decision regarding Grantee’s acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal,*

and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Restricted Stock Unit Grant before taking any action related to this Grant Agreement.

5. This Restricted Stock Unit Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Restricted Stock Unit Grant within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Restricted Stock Unit Grant on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of the Restricted Stock Units set forth in this Grant Agreement. If Grantee wishes to decline this Restricted Stock Unit Grant, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Restricted Stock Unit Grant, the Restricted Stock Units will be cancelled and no benefits from the Restricted Stock Units nor any compensation or benefits in lieu of the Restricted Stock Units will be provided to Grantee.**

AVITA Medical, Inc.

By:

Title:

Grantee

Signature:

Date:

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Restricted Stock Unit Terms and Conditions

1. **Grant of Restricted Stock Units.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 21. A Restricted Stock Unit is a non-voting unit of measurement which is deemed solely for bookkeeping purposes to be equivalent to one outstanding share of Common Stock (a “*Share*”). The Restricted Stock Units are used solely as a device to determine the number of Shares to eventually be issued to Grantee if such Restricted Stock Units vest. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.
2. **Settlement.** Subject compliance by the Company and Grantee with all Applicable Laws, on or as soon as administratively practical (and within 20 business days) following the applicable date of vesting under the Vesting Schedule set forth in the Notice (a “*Vesting Date*”), the Company will deliver to Grantee a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its discretion) equal to the number of Restricted Stock Units subject to the Restricted Stock Unit Grant that vest on the applicable Vesting Date, subject to the satisfaction of any applicable withholding obligations for Tax-Related Items. No fractional Restricted Stock Units or rights for fractional Shares shall be created pursuant to this Grant Agreement. Shares acquired pursuant to this Grant may be issued as CDIs.
3. **Dividend and Voting Rights.** Unless and until such time as Shares are issued in settlement of vested Restricted Stock Units, Grantee will have no ownership of the Shares allocated to the Restricted Stock Units, and will have no rights to vote such Shares and no rights to dividends.
4. **Non-Transferability of Restricted Stock Units.** The Restricted Stock Units and any interest therein must not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order. The terms of this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
5. **Termination.** If Grantee’s Continuous Service Status terminates for any reason, all unvested Restricted Stock Units will be forfeited to the Company, and all rights of Grantee to such Restricted Stock Units will immediately terminate without payment of any consideration to Grantee. The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Restricted Stock Unit Grant (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee’s Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

6. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Restricted Stock Unit Grant, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “***Employer***”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Unit Grant, including, but not limited to, the grant, vesting, or settlement of the Restricted Stock Unit Grant, the subsequent sale of Shares acquired pursuant to such settlement, and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Unit Grant to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Grant that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares, or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired on settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon settlement of the Restricted Stock Units, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

- 7. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
- 8. **Code Section 409A**. It is intended that the terms of the Restricted Stock Unit Grant will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become payable under this Grant Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the

ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If the Restricted Stock Unit Grant constitutes deferred compensation under Section 409A of the Code and the Grantee is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under this Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

9. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or*

retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

10. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
11. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
12. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
13. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
14. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Unit Grant and on any Shares acquired under this

Grant Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

15. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
16. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
17. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
18. **Consent to Electronic Delivery and Participation.** By accepting the Restricted Stock Units, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to the Restricted Stock Units. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service or electronic mail to Stock Administration.
19. **Adjustment of Shares.** If the number of the Company's outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination,

consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), the number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

20. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Restricted Stock Units outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
21. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“*Administrator*” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“*Affiliate*” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“*Applicable Law*” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“*ASX*” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“*ASX Listing Rules*” means the official listing rules of the ASX.

“*Board*” means the Board of Directors of the Company.

“business day” means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Valencia, California.

“Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in

effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Effective Date**” means the date the Grant is approved by the stockholders of the Company.

“**Employee**” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“**Entity**” means a corporation, partnership, limited liability company or other entity.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Act Person**” or “**Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly,

by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Tax-Related Items**” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Restricted Stock Units and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“**Trading Policy**” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT**

Notice of Restricted Stock Unit Grant

AVITA Medical, Inc. (formerly, AVITA Therapeutics, Inc.) (the “*Company*”) has awarded to you (“*Grantee*”) restricted stock units (“*Restricted Stock Units*”) covering the number of shares of Common Stock set forth below (the “*Restricted Stock Unit Grant*” or “*Grant*”).

Grantee Name: Suzanne Crowe

Date of Grant: December 22, 2021

**Number of
Restricted
Stock Units:** 4,350

**Country at
Grant:** U.S.

**Vesting
Schedule:** The Restricted Stock Units shall vest in full on the one year anniversary of the Date of Grant.

Capitalized terms used but not defined in this Notice of Restricted Stock Unit Grant (this “*Notice*”) have the meanings specified in the attached Restricted Stock Unit Terms and Conditions (including any appendices and exhibits attached thereto). The Notice and the Restricted Stock Unit Terms and Conditions are collectively referred to as the “*Grant Agreement*” applicable to the Restricted Stock Units.

By accepting (whether electronically or otherwise) the Restricted Stock Unit Grant, Grantee acknowledges and agrees to the following:

1. The Restricted Stock Unit Grant is governed by the terms and conditions of this Grant Agreement.
2. Grantee has received a copy of this Grant Agreement, the prospectus (if required under Applicable Law), and the Trading Policy, and represents that he or she has read these documents and is familiar with their terms. Grantee further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Committee regarding any questions relating to the Restricted Stock Unit Grant.
3. Vesting of the Restricted Stock Units is subject to Grantee’s Continuous Service Status as a Director, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in this Grant Agreement changes the nature of that relationship.
4. The Company is not providing any tax, legal, financial or financial product advice, nor is the Company making any recommendations or statements of opinion that are intended to

influence Grantee in making a decision regarding Grantee's acceptance of this Grant Agreement. *Grantee should consult with his or her own personal independent tax, legal, and financial advisors regarding this Grant Agreement who are appropriately licensed to give advice as to whether participation in the Grant is appropriate in light of his or her circumstances and to clarify his or her taxation position in relation to participation in this Restricted Stock Unit Grant before taking any action related to this Grant Agreement.*

5. This Restricted Stock Unit Grant, if received in Australia, is made without disclosure to investors in reliance on an applicable exemption under the Corporations Act.
6. Grantee consents to electronic delivery and participation as set forth in this Grant Agreement.
7. **If Grantee does not accept or decline this Restricted Stock Unit Grant within 30 days of the Date of Grant or by such other date that may be communicated to Grantee by the Company, the Company will accept this Restricted Stock Unit Grant on Grantee's behalf and Grantee will be deemed to have accepted the terms and conditions of the Restricted Stock Units set forth in this Grant Agreement. If Grantee wishes to decline this Restricted Stock Unit Grant, Grantee should promptly notify Donna Shiroma at dshiroma@avitamedical.com. If Grantee declines this Restricted Stock Unit Grant, the Restricted Stock Units will be cancelled and no benefits from the Restricted Stock Units nor any compensation or benefits in lieu of the Restricted Stock Units will be provided to Grantee.**

AVITA Medical, Inc.

Grantee

By: _____ Signature: _____
Title: _____ Date: _____

AVITA MEDICAL, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT

Restricted Stock Unit Terms and Conditions

1. **Grant of Restricted Stock Units.** Capitalized terms used in the Grant Agreement but not otherwise defined therein will have the meanings specified in Section 21. A Restricted Stock Unit is a non-voting unit of measurement which is deemed solely for bookkeeping purposes to be equivalent to one outstanding share of Common Stock (a “*Share*”). The Restricted Stock Units are used solely as a device to determine the number of Shares to eventually be issued to Grantee if such Restricted Stock Units vest. The Restricted Stock Units shall not be treated as property or as a trust fund of any kind.
2. **Settlement.** Subject compliance by the Company and Grantee with all Applicable Laws, on or as soon as administratively practical (and within 20 business days) following the applicable date of vesting under the Vesting Schedule set forth in the Notice (a “*Vesting Date*”), the Company will deliver to Grantee a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its discretion) equal to the number of Restricted Stock Units subject to the Restricted Stock Unit Grant that vest on the applicable Vesting Date, subject to the satisfaction of any applicable withholding obligations for Tax-Related Items. No fractional Restricted Stock Units or rights for fractional Shares shall be created pursuant to this Grant Agreement. Shares acquired pursuant to this Grant may be issued as CDIs.
3. **Dividend and Voting Rights.** Unless and until such time as Shares are issued in settlement of vested Restricted Stock Units, Grantee will have no ownership of the Shares allocated to the Restricted Stock Units, and will have no rights to vote such Shares and no rights to dividends.
4. **Non-Transferability of Restricted Stock Units.** The Restricted Stock Units and any interest therein must not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will or by the laws of descent or distribution or court order. The terms of this Grant Agreement will be binding upon the executors, administrators, heirs, successors, and assigns of Grantee.
5. **Termination.** If Grantee’s Continuous Service Status terminates for any reason, all unvested Restricted Stock Units will be forfeited to the Company, and all rights of Grantee to such Restricted Stock Units will immediately terminate without payment of any consideration to Grantee. The Committee shall have the exclusive discretion to determine when Grantee is no longer actively providing services for the purposes of this Restricted Stock Unit Grant (including whether Grantee may still be considered to be providing services while on a leave of absence, provided that the Grantee’s Continuous Service Status will not be considered terminated in the case of leave taken in accordance with Applicable Law).

6. **Taxes.**

- a. **Responsibility for Taxes.** By accepting this Restricted Stock Unit Grant, Grantee acknowledges that, regardless of any action taken by the Company or, if different, any Parent, Subsidiary, or Affiliate that employs Grantee (the “***Employer***”), the ultimate liability for all Tax-Related Items is and remains Grantee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Unit Grant, including, but not limited to, the grant, vesting, or settlement of the Restricted Stock Unit Grant, the subsequent sale of Shares acquired pursuant to such settlement, and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Unit Grant to reduce or eliminate Grantee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee is subject to Tax-Related Items in more than one jurisdiction, as applicable, Grantee acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee’s acceptance of this Grant that cannot be satisfied by the means described in this Section. The Company may refuse to issue or deliver the Shares, or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee’s obligations in connection with the Tax-Related Items.
- b. **Withholding.** Prior to the relevant taxable or tax withholding event, as applicable, Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee authorizes the Company or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:
- i. withholding from Grantee’s wages or other cash compensation paid to Grantee by the Company and/or the Employer or any Parent, Subsidiary, or Affiliate;
 - ii. withholding from proceeds of the sale of Shares acquired on settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee’s behalf pursuant to this authorization and without further consent);
 - iii. withholding Shares to be issued upon settlement of the Restricted Stock Units, provided the Company only withholds a number of Shares necessary to satisfy no more than the withholding amounts determined based on the maximum permitted statutory rate applicable in Grantee’s jurisdiction;

- iv. Grantee's payment of a cash amount (including by check representing readily available funds or a wire transfer); or
- v. any other arrangement approved by the Committee and permitted under Applicable Law.

Withholding for Tax-Related Items will be made in accordance with this Grant Agreement and such rules and procedures as may be established by the Administrator, and in compliance with the Trading Policy, if applicable. In the event the Company or the Employer withholds more than the Tax-Related Items using one of the methods described above, Grantee may receive a refund of any over-withheld amount in cash but will have no entitlement to the Shares sold or withheld.

- 7. **Nature of Grant**. In accepting this Grant, Grantee acknowledges, understands and agrees that: (a) this Grant Agreement is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by this Grant Agreement; (b) the grant of this Grant is voluntary and occasional and does not create any contractual or other right to receive future grants, or benefits in lieu of grants, even if grants have been made in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) Grantee is voluntarily accepting this Grant Agreement; (e) this Grant and the Shares allocated to this Grant are not intended to replace any pension rights or compensation and are outside the scope of Grantee's employment contract, if any; (f) this Grant and the Shares allocated to this Grant, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; (g) unless otherwise provided in this Grant Agreement or by the Company in its discretion, this Grant and the benefits evidenced by this Grant Agreement do not create any entitlement to have this Grant or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and (h) neither the Company nor any of its Affiliates shall be liable for any foreign exchange rate fluctuation between Grantee's local currency and the United States Dollar or the selection by the Company or any one of its Affiliates in its sole discretion of an applicable foreign exchange rate that may affect the value of this Grant (or the calculation of income or Tax-Related Items thereunder) or of any amounts due to Grantee pursuant to the settlement of this Grant or the subsequent sale of the Shares allocated to this Grant.
- 8. **Code Section 409A**. It is intended that the terms of the Restricted Stock Unit Grant will not result in the imposition of any tax liability pursuant to Section 409A of the Code, and this Grant Agreement shall be construed and interpreted consistent with that intent. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become payable under this Grant Agreement by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the

ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If the Restricted Stock Unit Grant constitutes deferred compensation under Section 409A of the Code and the Grantee is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under this Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will the Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

9. **Data Privacy.** *Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Grantee's personal data as described in this Grant Agreement and any other grant materials by and among the Company and its Affiliates for the purpose of implementing, administering and managing Grantee's Grant. Grantee understands that the Company and its Affiliates may hold certain personal information about Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all grants, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Grantee's favor ("Data"), for the purpose of implementing, administering and managing this Grant Agreement. Grantee understands that Data will be transferred to such stock plan service provider as may be selected by the Company, presently or in the future, which may be assisting the Company with the implementation, administration and management of this Grant Agreement. Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than Grantee's country. Grantee authorizes the Company, the stock plan service provider as may be selected by the Company, and any other possible recipients which may assist the Company, presently or in the future, with implementing, administering and managing this Grant Agreement to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Grantee's Grant. Further, Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If Grantee does not consent, or if Grantee later seeks to revoke his or her consent, or instructs the Company to cease the processing of the Data, his or her Continuous Service Status will not be adversely affected; the only adverse consequence of refusing or withdrawing Grantee's consent or instructing the Company to cease processing, is that the Company would not be able to grant Grantee Grants, Awards or any other equity awards or administer or maintain such awards. Therefore, Grantee understands that refusing or withdrawing his or her consent may affect Grantee's ability to receive or*

retain this Grant. For more information on the consequences of Grantee's refusal to consent or withdrawal of consent, Grantee understands that he or she may contact his or her local human resources representative. Further, Grantee consents to disclosure of Data to the Australian Tax Office, where required in accordance with the Company's or relevant Affiliate's reporting obligations under Australian tax legislation. Grantee acknowledges that he or she can access further information regarding data privacy in the Company's Privacy Policy (which is available on the Company's website), including about how Grantee can access and seek correction of his or her personal information and make a complaint if he or she has any concerns regarding the treatment of Data.

10. **Governing Law and Venue.** This Grant Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law. For the purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Grant or this Grant Agreement, the parties hereby submit to the exclusive jurisdiction of the State of Delaware and agree that such litigation shall be conducted only in the state or federal courts located in such State, and no other courts, where this Grant is made and/or to be performed.
11. **Entire Agreement; Enforcement of Rights; Amendment.** This Grant Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, agreements, commitments, negotiations and arrangements between them. Except as contemplated by this Grant Agreement, no modification of or amendment to this Grant Agreement, nor any waiver of any rights under this Grant Agreement, shall be effective unless in writing signed by the parties to this Grant Agreement to the extent it would materially impair the rights of Grantee. The failure by either party to enforce any rights under this Grant Agreement shall not be construed as a waiver of any rights of such party. Notwithstanding anything to the contrary in this Grant Agreement but subject to Applicable Law, the Company reserves the right to revise this Grant Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Grantee, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition or costs under Section 409A of the Code in connection with this Grant.
12. **Severability.** If one or more provisions of this Grant Agreement are held to be unenforceable under Applicable Laws, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Grant Agreement, (b) the balance of this Grant Agreement shall be interpreted as if such provision were so excluded, and (c) the balance of this Grant Agreement shall be enforceable in accordance with its terms.
13. **Language.** If Grantee has received this Grant Agreement or any other document related to this Grant translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
14. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Restricted Stock Unit Grant and on any Shares acquired under this

Grant Agreement, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing. This Grant will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee in compliance with Applicable Law or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

15. **Notices.** Any notice, demand or request required or permitted to be given under this Grant Agreement shall be in writing and shall be deemed sufficient when delivered personally or by overnight courier or sent by email or fax, or forty-eight (48) hours after being deposited in the U.S. mail or a comparable foreign mail service, as certified or registered mail with postage or shipping charges prepaid, addressed to the party to be notified at such party's address as set forth on the signature page, as subsequently modified by written notice, or if no address is specified on the signature page, at the most recent address, email or fax number set forth in the Company's books and records.
16. **Counterparts.** This Grant Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Facsimile, email or other electronic execution and delivery of this Grant Agreement (including but not limited to execution by electronic signature or click-through electronic acceptance) shall constitute valid and binding execution and delivery for all purposes and shall be deemed to be, and have the effect of, an original signature.
17. **Successors and Assigns.** The rights and benefits of this Grant Agreement shall inure to the benefit of, and be enforceable by, the Company's successors and assigns.
18. **Consent to Electronic Delivery and Participation.** By accepting the Restricted Stock Units, Grantee agrees to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Grant Agreement, account statements, prospectuses (if any), and all other documents, communications, or information related to the Restricted Stock Units. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Grant, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company by telephone, through a postal service or electronic mail to Stock Administration.
19. **Adjustment of Shares.** If the number of the Company's outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend), recapitalization, stock split, reverse stock split, subdivision, combination,

consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), the number and class of Shares or type of security subject to this Grant, will, subject to any required action by the Board or the stockholders of the Company and subject to compliance with, and to the extent permitted by, all Applicable Laws be proportionately adjusted or adjusted in such other manner as the Committee determines to be equitably required; provided that fractions of a Share will not be issued. In this respect, where the ASX Listing Rules apply, the Committee shall make such adjustments as are necessary and in accordance with the ASX Listing Rules to the number, class or type of Shares or securities that are subject to the Grant and such other adjustments as are appropriate in the discretion of the Committee and in accordance with the ASX Listing Rules. Such adjustments may provide for the elimination of fractional Shares that may otherwise be subject to Grants without any payment therefor.

20. **Change in Control**. In the event that the Company is subject to a Change in Control, any unvested portion of the Restricted Stock Units outstanding as of immediately prior to the Change in Control shall vest in full as of the Change in Control.
21. **Definitions**. As used in this Grant Agreement, the following definitions will apply to the capitalized terms indicated below:

“*Administrator*” means one or more Officers or Employees designated by the Committee to administer this Grant Agreement and the Company’s other equity incentive programs.

“*Affiliate*” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

“*Applicable Law*” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, the ASX, Nasdaq Stock Market and the Financial Industry Regulatory Authority). For clarity, at all times while the Company’s securities are admitted to the official list of the ASX, this definition includes the ASX Listing Rules.

“*ASX*” means ASX Limited (ABN 98 008 624 691), or the securities market which it operates, as the context requires.

“*ASX Listing Rules*” means the official listing rules of the ASX.

“*Board*” means the Board of Directors of the Company.

“business day” means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Valencia, California.

“Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For the purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

“CDI” means a CHESSE Depository Interest, being a unit of beneficial ownership in 1/5 of a share of Common Stock in the Company or such other ratio as may be adopted by the Company from time to time.

“Change in Control” means:

- a. the consummation of any consolidation or merger of the Company with any other entity, other than a transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;
- b. any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for the purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
- c. the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or
- d. a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any Person is considered to be in

effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

“**Committee**” means the Compensation Committee of the Board or the Board acting as the Compensation Committee.

“**Common Stock**” means the common stock of the Company, and the common stock of any successor entity.

“**Company**” means AVITA Medical, Inc., a Delaware corporation, or any successor corporation.

“**Continuous Service Status**” means continued service as a Director. The Committee or the Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

“**Corporations Act**” means the Australian *Corporations Act 2001* (Cth).

“**Director**” means a member of the Board.

“**Effective Date**” means the date the Grant is approved by the stockholders of the Company.

“**Employee**” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

“**Entity**” means a corporation, partnership, limited liability company or other entity.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Act Person**” or “**Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly,

by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

“**Officer**” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Tax-Related Items**” means all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Restricted Stock Units and legally applicable to the Grantee, including any employer liability for which the Grantee is liable.

“**Trading Policy**” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

**AVITA THERAPEUTICS, INC.
2020 OMNIBUS INCENTIVE PLAN**

1. General.

1.1 Purpose. The purposes of this Plan are to attract and retain the best available personnel for the Company and its Affiliates, to provide additional incentives to such personnel and to promote the success of the business of the Company and its Affiliates. Capitalized terms not defined in the text are defined in Section 16.

1.2 Available Grants. The Plan provides for the grant of the following Grants: (a) Incentive Stock Options, (b) Nonstatutory Stock Options, (c) Stock Appreciation Rights, (d) Restricted Stock Grants, (e) Restricted Stock Unit Grants, (f) Performance Grants, and (g) Other Grants.

2. Shares Subject to the Plan.

2.1 Number of Shares Available. Subject to any Capitalization Adjustment and any other applicable provisions in the Plan, the total number of Shares reserved and available for grant and issuance pursuant to this Plan will not exceed 1,750,000 Shares (the “*Share Reserve*”).

2.2 Share Recycling. Following the Effective Date, any Shares subject to an outstanding Grant will be returned to the Share Reserve and will be available for issuance in connection with subsequent Grants under this Plan to the extent such Shares: (a) are cancelled, forfeited, or settled in cash; (b) are used to pay the Exercise Price of such Grant or any Tax-Related Items arising in connection with vesting, exercise or settlement of such Grant; (c) are surrendered pursuant to an Exchange Program; (d) expire by their terms at any time; or (e) are reacquired by the Company pursuant to a forfeiture provision or repurchase right by the Company (“*Returning Shares*”). Accordingly, the Share Reserve is a limitation on the number of Shares that may be issued pursuant to the Plan and does not limit the granting of Grants, since Returning Shares can be granted subject to Grants more than once. To the extent permitted by Applicable Law, Shares subject to Substitute Grants (as defined in Section 13.2) will not be deducted from the Share Reserve; provided that (i) Substitute Grants issued in connection with the assumption of, or in substitution for, outstanding options intended to qualify as Incentive Stock Options shall be counted against the Incentive Stock Option Limit, and (ii) Shares subject to any Substitute Grant may not be returned to the Share Reserve as Returning Shares.

2.3 Incentive Stock Option Limit. Subject to the provisions relating to Capitalization Adjustments, the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options is the Share Reserve set forth in Section 2.1 (the “*Incentive Stock Option Limit*”).

2.4 Adjustment of Shares. If the number of outstanding Shares is changed or the value of the Shares is otherwise affected by a stock dividend, extraordinary dividend or distribution (whether in cash, shares or other property, other than a regular cash dividend) recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company or any similar equity restructuring

transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), without consideration (a “*Capitalization Adjustment*”), then (a) the maximum number and class of Shares or type of security reserved for issuance and future grant from the Share Reserve set forth in Section 2.1, (b) the Exercise Price, Purchase Price, and number and class of Shares or type of security subject to outstanding Grants, and (c) the number and class of Shares subject to the Incentive Stock Option Limit set forth in Section 2.3, will be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with Applicable Laws; provided that fractions of a Share will not be issued.

2.5 Source of Shares; Use of Proceeds. The Shares issuable under the Plan will be authorized but unissued or forfeited shares, treasury shares or shares reacquired by the Company in any manner. At all times the Company will reserve and keep available a sufficient number of Shares as are reasonably required to satisfy the requirements of all Grants granted and outstanding under this Plan. Proceeds from the sale of Shares pursuant to Grants will constitute general funds of the Company.

3. Eligibility.

3.1 General. Incentive Stock Options may be granted only to Employees of the Company, its Parent and any Subsidiary. All other Grants may be granted to Employees, Consultants and Directors, provided such Consultants and Directors render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction.

3.2 Limitation on Grants to Non-Employee Directors. The maximum number of Shares subject to Grants (and of cash subject to cash-settled Grants) granted under the Plan or otherwise during any one calendar year to any Non-Employee Director for service on the Board, taken together with any cash fees paid by the Company to such Non-Employee Director during such calendar year for service on the Board, will not exceed \$150,000 in total value (calculating the value of any such Grants based on the grant date fair value of such Grants for financial reporting purposes).

4. Options and Stock Appreciation Rights.

Each Option or Stock Appreciation Right will be in such form and will contain such terms and conditions as the Committee deems appropriate. Each Stock Appreciation Right will be denominated in Share equivalents. The provisions of separate Options or Stock Appreciation Rights need not be identical; provided, however, that each Grant Agreement will conform (through incorporation of provisions hereof by reference in the applicable Grant Agreement or otherwise) to the substance of each of the following provisions. Dividend Equivalent Rights shall not be granted in connection with an Option or Stock Appreciation Right.

4.1 Type of Option Grant. All Options will be separately designated as Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for Shares purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive

Stock Option under Applicable Law, then the Option (or portion thereof) will be an Nonstatutory Stock Option.

4.2 Exercise Period; Term. Options and Stock Appreciation Rights may be exercisable within the times or upon the events determined by the Committee and as set forth in the Grant Agreement governing such Grant. No Option or Stock Appreciation Right will be exercisable after the expiration of ten (10) years from the date the Option or Stock Appreciation Right is granted, or such shorter period specified in the Grant Agreement. In addition, in the case of an Incentive Stock Option granted to a person who, at the time the Incentive Stock Option is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary ("**Ten Percent Holder**"), such Option may not be exercisable after the expiration of five (5) years from the date the Incentive Stock Option is granted. The Committee also may provide for Options or Stock Appreciation Rights to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

4.3 Exercise Price. The Exercise Price of an Option or Stock Appreciation Right will be such price as is determined by the Committee and set forth in the Grant Agreement; provided that (a) in the case of an Incentive Stock Option (i) granted to a Ten Percent Holder, the Exercise Price will be no less than one hundred ten percent (110%) of the Fair Market Value on the date of grant and (ii) granted to any other Employee, the Exercise Price will be no less than one hundred percent (100%) of the Fair Market Value on the date of grant, and (b) in the case of a Nonstatutory Stock Option or Stock Appreciation Right, the Exercise Price will be such price as is determined by the Committee, provided that, if the Exercise Price is less than one hundred percent (100%) of the Fair Market Value on the date of grant, it will otherwise comply with all Applicable Laws, including Section 409A of the Code. Notwithstanding the foregoing, an Option or Stock Appreciation Right may be granted with an Exercise Price lower than one hundred percent (100%) of the Fair Market Value in connection with an assumption of or substitution for another award as provided in Section 13.2 of the Plan.

4.4 Method of Exercise. An Option or Stock Appreciation Right will be deemed exercised only when the Company receives: (a) notice of exercise (in such form as the Plan Administrator may specify from time to time, including via electronic execution through an authorized third-party administrator) from the person entitled to exercise the Option or Stock Appreciation Right; (b) in the case of an Option, full payment of the applicable Exercise Price in accordance with Section 9 of the Plan and the applicable Grant Agreement, and (c) payment of applicable Tax Related Items, as determined by the Plan Administrator. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except in connection with a Capitalization Adjustment. Subject to Section 2.2., exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

4.5 Settlement of a Stock Appreciation Right. Upon exercise of a Stock Appreciation Right, a Grantee will be entitled to receive payment from the Company in an amount determined by multiplying (a) the difference between the Fair Market Value of a Share on the date of exercise over the Exercise Price, by (b) the number of Shares with respect to which the Stock Appreciation

Right is exercised. At the discretion of the Committee, the payment from the Company for the Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

4.6 Post-Termination Exercise Period. Unless explicitly provided otherwise in a Grantee's Grant Agreement, if a Grantee's Continuous Service Status is terminated, the Grantee (or his or her legal representative, in the case of death) may exercise his or her Option or Stock Appreciation Right (to the extent such Grant was exercisable on the termination date) within the following period of time following the termination of the Grantee's Continuous Service Status:

- (a) three (3) months following a termination of a Grantee's Continuous Service Status by the Company without Cause or by the Grantee for any reason (other than due to death or Disability);
- (b) six (6) months following a termination due to the Grantee's Disability;
- (c) twelve (12) months following a termination due to the Grantee's death; and
- (d) twelve (12) months following the Grantee's death, if such death occurs following the date of such termination but during the period such Grant is otherwise exercisable (as provided in clauses (a) or (b) above).

Following the termination date, to the extent the Grantee does not exercise such Grant within the applicable post-termination exercise period (or, if earlier, prior to the expiration of the maximum term of such Grant), such unexercised portion of the Grant will terminate, and the Grantee will have no further right, title or interest in the terminated Grant.

4.7 Termination for Cause. If a Grantee's Continuous Service Status is terminated for Cause, the Grantee's Options or Stock Appreciation Rights will terminate and be forfeited immediately upon such Grantee's termination of Continuous Service Status, and the Grantee will be prohibited from exercising any portion (including any vested portion) of such Grants on and after the date of such termination of Continuous Service Status. If a Grantee's Continuous Service Status is suspended pending an investigation of whether the Grantee's Continuous Service Status will be terminated for Cause, all of the Grantee's rights under any Option or Stock Appreciation Right, including the right to exercise such Grants, shall be suspended during the investigation period.

4.8 Automatic Extension of Termination Date. Except as otherwise provided in the Grant Agreement, if a Grantee's Continuous Service Status terminates for any reason other than for Cause and, at any time during the last thirty (30) days of the applicable post-termination exercise period: (i) the exercise of the Grantee's Option or Stock Appreciation Right would be prohibited solely because the issuance of Shares upon such exercise would violate Applicable Law, or (ii) the immediate sale of any Shares issued upon such exercise would violate the Trading Policy, then the applicable post-termination exercise period will be extended to the last day of the calendar month that commences following the date the Grant would otherwise expire, with an additional extension of the exercise period to the last day of the next calendar month to apply if any of the foregoing restrictions apply at any time during such extended exercise period, generally

without limitation as to the maximum permitted number of extensions; provided, however, that in no event may such Grant be exercised after the expiration of its maximum term.

4.9 Non-Exempt Employees. If an Option or Stock Appreciation Right is granted to an Employee who is a non-exempt employee for purposes of the U.S. Fair Labor Standards Act of 1938, as amended, the Option or Stock Appreciation Right will not be first exercisable for any Shares until at least six months following the date of grant of the Option or Stock Appreciation Right (although the Grant may vest prior to such date). Notwithstanding the foregoing, in accordance with the provisions of the U.S. Worker Economic Opportunity Act, any vested portion of such Grant may be exercised earlier than six months following the date of grant of such Grant in the event of (i) such Grantee's death or Disability, (ii) a Change in Control in which such Grant is not assumed, continued or substituted, or (iii) such Grantee's retirement (as such term may be defined in the Grant Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or Stock Appreciation Right will be exempt from his or her regular rate of pay.

4.10 Limitations on Exercise. Options and Stock Appreciation Rights may be exercised only with respect to whole Shares. The Plan Administrator may also specify a reasonable minimum number of Shares that may be purchased on any exercise of an Option or Stock Appreciation Right, provided that such minimum number will not prevent Grantee from exercising the Option or Stock Appreciation Right for the full number of Shares for which it is then exercisable. The Committee may, or may authorize the Plan Administrator to, prohibit the exercise of any Option or Stock Appreciation Right during a period of up to thirty (30) days prior to the consummation of any pending Capitalization Adjustment or Change in Control, or any other change affecting the Shares or the Fair Market Value, for reasons of administrative convenience.

4.11 Limitations on Incentive Stock Options. To the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Grantee during any calendar year (under all plans of the Company or any Parent or Subsidiary of the Company) exceeds One Hundred Thousand Dollars (\$100,000), such excess Options will be treated as Nonstatutory Stock Options. For this purpose, Incentive Stock Options will be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an Incentive Stock Option will be determined as of the date of the grant of such Option.

4.12 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options or Stock Appreciation Rights, and authorize the grant of new Options or Stock Appreciation Rights in substitution therefor, including in connection with an Exchange Program, in all cases subject to Section 11.4. Any such action may not, without the written consent of a Grantee, materially impair any of such Grantee's rights under any Grant previously granted, except that the Committee may reduce the Exercise Price of an outstanding Option or Stock Appreciation Right without the consent of a Grantee by a written notice (notwithstanding any adverse tax consequences to the Grantee arising from the repricing); provided, however, that the Exercise Price may not be reduced below the Fair Market Value on the date the action is taken to reduce the

Exercise Price. Any outstanding Incentive Stock Option that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code.

5. Restricted Stock Grants.

A Restricted Stock Grant is an offer by the Company to sell or issue (with no payment required, unless explicitly provided otherwise in a Grantee's Grant Agreement) Shares to a Grantee that are subject to certain specified restrictions ("**Restricted Stock**"). Each Restricted Stock Grant will be in such form and will contain such terms and conditions as the Committee will deem appropriate. The terms and conditions of Restricted Stock Grants may change from time to time, and the terms and conditions of separate Grant Agreements need not be identical, but each Grant Agreement will conform to (through incorporation of the provisions hereof by reference in the applicable Grant Agreement or otherwise) the substance of each of the following provisions.

5.1 Acceptance Procedures. Except as otherwise provided in a Grant Agreement, a Restricted Stock Grant will be accepted by the Grantee's execution and delivery of the Grant Agreement and full payment of the Purchase Price for the Shares to the Company (if applicable) within thirty (30) days from the date the Grant Agreement is delivered to the Grantee. If the Grantee does not execute and deliver the Grant Agreement along with full payment for the Shares (if applicable) to the Company within such thirty (30) days, then the offer will terminate, unless otherwise determined by the Committee.

5.2 Purchase Price. The Purchase Price for Shares issued pursuant to a Restricted Stock Grant, if any, will be determined by the Committee on the date the Restricted Stock Grant is granted and, if permitted by Applicable Law, no cash consideration will be required in connection with the payment for the Purchase Price where the Committee provides that payment shall be in the form of services previously rendered. Payment of the Purchase Price shall be made in accordance with Section 9 of the Plan and the applicable Grant Agreement.

5.3 Dividends and Other Distributions. Grantees holding Restricted Stock Grants will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Committee provides otherwise at the time the Grant is granted. Any such dividends or distributions will be subject to the same restrictions on transferability and forfeitability as the Restricted Stock Grants with respect to which they were paid.

6. Restricted Stock Unit Grants.

An RSU Grant is a Grant covering a number of Shares that may be settled in cash, or by issuance of those Shares at a date in the future. Each RSU Grant will be in such form and will contain such terms and conditions as the Committee will deem appropriate. The terms and conditions of RSU Grants may change from time to time, and the terms and conditions of separate Grant Agreements need not be identical, but each RSU Grant will conform to (through incorporation of the provisions hereof by reference in the Grant Agreement or otherwise) the substance of each of the following provisions.

6.1 Purchase Price. Unless otherwise determined by the Committee, no Purchase Price shall apply to an RSU settled in Shares. Payment of a Purchase Price, if any, shall be made in accordance with Section 9 of the Plan and the applicable Grant Agreement.

6.2 Form and Timing of Settlement. Payment of vested RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Grant Agreement. The Committee, in its sole discretion, may settle vested RSUs in cash, Shares, or a combination of both.

6.3 Dividend Equivalent Rights. The Committee may permit Grantees holding RSUs to receive Dividend Equivalent Rights on outstanding RSUs if and when dividends are paid to stockholders on Shares. Any such Dividend Equivalent Rights shall be subject to the same vesting or performance requirements as the RSUs. If the Committee permits Dividend Equivalent Rights to be made on RSUs, the terms and conditions for such Dividend Equivalent Rights will be set forth in the applicable Grant Agreement.

7. Performance Grants.

7.1 Types of Performance Grants. A Performance Grant is a Grant that may be granted, may vest or may become eligible to vest contingent upon the attainment during a Performance Period of certain Performance Goals. Performance Grants may be granted as Options, Stock Appreciation Rights, Restricted Stock, RSUs or Other Grants, including cash-based Grants.

7.2 Terms of Performance Grants. Performance Grants will be based on the attainment of Performance Goals that are established by the Committee for the relevant Performance Period. Prior to the grant of any Performance Grant, the Committee will determine and each Grant Agreement shall set forth the terms of each Performance Grant, including, without limitation: (a) the nature, length and starting date of any Performance Period; (b) the Performance Criteria and Performance Goals that shall be used to determine the time and extent to which a Performance Grant has been earned; (c) amount of any cash bonus, or the number of Shares deemed subject to a Performance Grant, and (d) the effect of a termination of Grantee's Continuous Service Status on a Performance Grant. Grantees may participate simultaneously with respect to Performance Grants that are subject to different Performance Periods and Performance Goals. A Performance Grant may but need not require the Grantee's completion of a specified period of service.

7.3 Determination of Achievement. The Committee shall determine the extent to which a Performance Grant has been earned in its sole discretion, including the manner of calculating the Performance Criteria and the measure of whether and to what degree such Performance Goals have been attained. The Committee may reduce or waive any criteria with respect to a Performance Goal, or adjust a Performance Goal (or method of calculating the attainment of a Performance Goal) to take into account unanticipated events, including changes in law and accounting or tax rules, as the Committee deems necessary or appropriate, or to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships. The Committee may also adjust or eliminate the compensation or economic benefit due upon attainment of Performance Goals in its sole discretion, subject to any limitations contained in the Grant Agreement and compliance with Applicable Law.

8. Other Grants.

Other forms of Grants valued in whole or in part by reference to, or otherwise based on, Shares, including the appreciation in value thereof (e.g., options or stock rights with an Exercise Price or strike price less than 100% of the Fair Market Value of the Shares at the time of grant) may be granted either alone or in addition to other Grants provided for in the Plan. Subject to the provisions of the Plan and Applicable Law, the Committee may determine the persons to whom and the time or times at which such Other Grants will be granted, the number of Shares (or the cash equivalent thereof) to be granted pursuant to such Other Grants and all other terms and conditions of such Other Grants.

9. Payment for Purchases and Exercises.

Payment from a Grantee for Shares acquired pursuant to this Plan may be made in cash or cash equivalents or, where approved for the Grantee by the Committee and where permitted by Applicable Law (and set forth in the applicable Grant Agreement):

- (a) by cancellation of indebtedness of the Company owed to the Grantee;
- (b) by surrender of Shares held by the Grantee that are clear of all liens, claims, encumbrances or security interests and that have a Fair Market Value on the date of surrender equal to the aggregate payment required;
- (c) by waiver of compensation due or accrued to the Grantee for services rendered or to be rendered to the Company or an Affiliate;
- (d) by consideration received by the Company pursuant to a broker-assisted or other form of cashless exercise program implemented by the Plan Administrator in connection with the Plan;
- (e) by any combination of the foregoing; or
- (f) by any other method of payment as is permitted by Applicable Law.

The Committee or the Plan Administrator may limit the availability of any method of payment, to the extent the Committee or the Plan Administrator determines, in its discretion, that such limitation is necessary or advisable to comply with Applicable Law or facilitate the administration of the Plan. Payment of any Purchase Price or Exercise Price shall be made in accordance with any procedures established by the Plan Administrator.

10. Taxes.

10.1 Responsibility for Taxes. Regardless of any action taken by the Company or any Affiliate, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee, including any employer liability for which the Grantee is liable (the "***Tax-Related Items***") is the Grantee's responsibility and may exceed the amount, if any, withheld by the Company or an Affiliate. If the Grantee is subject to

Tax-Related Items in more than one jurisdiction, the Company or an Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

10.2 Withholding Methods. Unless otherwise provided in the Grantee's Grant Agreement, the Committee, or its delegate(s), as permitted by Applicable Law, in its sole discretion and pursuant to such procedures as it may specify from time to time and subject to limitations of Applicable Law, may require or permit a Grantee to satisfy any applicable withholding obligations for Tax-Related Items, in whole or in part by (without limitation) (a) requiring the Grantee to make a cash payment, (b) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company or any Affiliate; (c) withholding from the Shares otherwise issuable pursuant to a Grant; (d) permitting the Grantee to deliver to the Company already-owned Shares or (e) withholding from the proceeds of the sale of otherwise deliverable Shares acquired pursuant to a Grant either through a voluntary sale or through a mandatory sale arranged by the Company. By adoption of the Plan, the Committee delegates to the Plan Administrator the authority to adopt policies and procedures, in consultation with the Company's tax accountants and legal advisors, to determine the Fair Market Value of the Shares solely for purposes of withholding and reporting Tax-Related Items related to Grants granted under the Plan.

10.3 Withholding Tax Rates. The Company or an Affiliate may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including up to the maximum applicable rate in the Grantee's jurisdiction. If the obligation for Tax-Related Items is satisfied by withholding a number of Shares, for tax purposes, a Grantee is deemed to have been issued the full number of Shares, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items. In the event the Company withholds less than it is obligated to withhold in connection with a Grant, the Grantee will indemnify and hold the Company harmless from any liability for Tax-Related Items.

11. Restrictions on Grants and Shares.

11.1 Transferability of Grants. Except as expressly provided in the Plan or an applicable Grant Agreement, or otherwise determined by the Committee or the Plan Administrator, Grants granted under the Plan will not be transferable or assignable by the Grantee, other than by will or by the laws of descent and distribution. Any Options, Stock Appreciation Rights or Other Grants that are exercisable may only be exercised: (a) during the Grantee's lifetime only by (i) the Grantee, or (ii) the Grantee's guardian or legal representative; (b) after the Grantee's death, by the legal representative of the Grantee's heirs or legatees. The Committee or the Plan Administrator may permit transfer of Grants in a manner that is not prohibited by Applicable Law.

11.2 Stockholder Rights. No Grantee will have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Grantee, except for any Dividend Equivalent Rights permitted by an applicable Grant Agreement. After Shares are issued to the Grantee, the Grantee will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares, subject to any repurchase or forfeiture provisions in any Restricted Stock Grant, the terms of the Trading Policy, and Applicable Law.

11.3 Escrow; Pledge of Shares. To enforce any restrictions on a Grantee's Shares, the Committee may require the Grantee to deposit all written or electronic certificate(s) representing Shares, together with stock powers or other instruments of transfer approved by the Plan Administrator, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated, and the Plan Administrator may cause a legend or legends referencing such restrictions to be placed on the certificate(s). Any Grantee who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan may be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of Grantee's obligation to the Company under the promissory note.

11.4 Exchange and Buyout of Grants. Subject to the next sentence, the Committee may conduct an Exchange Program, subject to consent of an affected Grantee (unless not required in connection with a repricing pursuant to Section 4.12 of the Plan, or under the terms of a Grant Agreement) and compliance with Applicable Law. Notwithstanding the foregoing or any other provision of the Plan or otherwise, except pursuant to the provisions relating to Capitalization Adjustments and Substitute Awards, in no event shall the Committee take any of the following actions without stockholder approval: (A) lowering or reducing the Exercise Price of an outstanding Option and/or outstanding Stock Appreciation Right, (B) cancelling, exchanging or surrendering any outstanding Option and/or outstanding Stock Appreciation Right in exchange for cash or another award for the purpose of lowering or reducing the Exercise Price of the outstanding Option and/or outstanding Stock Appreciation Right; (C) cancelling, exchanging or surrendering any outstanding Option and/or outstanding Stock Appreciation Right in exchange for an Option or Stock Appreciation Right with an Exercise Price that is less than the Exercise Price of the original Option or Stock Appreciation Right; and (D) any other action that is treated as a repricing under U.S. generally accepted accounting principles. This Section 11.4 may not be amended without stockholder approval.

11.5 Conditions Upon Issuance of Shares; Securities Matters. The Company will be under no obligation to affect the registration pursuant to the Securities Act of any Shares to be issued hereunder or to effect similar compliance under any state, local or non-U.S. laws. Notwithstanding any other provision of the Plan or any Grant Agreement, the Company will not be obligated, and will have no liability for failure, to issue or deliver any Shares under the Plan unless such issuance or delivery would comply with Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. The Plan Administrator may require, as a condition to the issuance of Shares pursuant to the terms hereof, that the recipient of such Shares make such covenants, agreements and representations, and that any related certificates representing such Shares bear such legends, as the Plan Administrator, in its sole discretion, deems necessary or desirable. The exercise or settlement of any Grant granted hereunder will only be effective at such time as counsel to the Company shall have determined that the issuance and delivery of Shares pursuant to such exercise or settlement is in compliance with all Applicable Laws. The Company may, in its sole discretion, defer the effectiveness of any exercise or settlement of a Grant granted hereunder in order to allow the issuance of Shares pursuant thereto to be made pursuant to registration or an exemption from registration or other methods for compliance available under U.S. federal, state, local or non-U.S. securities laws. The Company will inform the Grantee in writing of its decision to defer the effectiveness of the exercise or settlement of a Grant granted hereunder. During the period that the effectiveness of the exercise of

a Grant has been deferred, the Grantee may, by written notice, withdraw such exercise and obtain the refund of any amount paid with respect thereto.

11.6 Clawback/Recovery Policy. All Grants granted under the Plan will be subject to clawback or recoupment under any clawback or recoupment policy adopted by the Board or the Committee or required by Applicable Law during the term of Grantee's employment or other service with the Company that is applicable to Officers, Employees, Directors or other service providers of the Company. In addition, the Committee may impose such other clawback, recovery or recoupment provisions in a Grant Agreement as the Committee determines necessary or appropriate. No recovery of compensation under such a clawback or recoupment policy will be an event giving rise to a right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan or agreement with the Company.

12. General Provisions Applicable to Grants.

12.1 Vesting. The total number of Shares subject to a Grant may vest in periodic installments that may or may not be equal. The Committee may impose such restrictions on or conditions to the vesting and/or exercisability of a Grant as determined by the Committee, and which may vary.

12.2 Termination of Continuous Service Status. Except as otherwise provided in the applicable Grant Agreement or as determined by the Committee, if a Grantee's Continuous Service Status terminates for any reason, vesting of a Grant will cease and such portion of a Grant that has not vested will be forfeited, and the Grantee will have no further right, title or interest in any then-unvested portion of the Grant. In addition, the Company may receive through a forfeiture condition or a repurchase right any or all of the Shares held by the Grantee under a Restricted Stock Grant that have not vested as of the date of such termination, subject to the terms of the applicable Grant Agreement.

12.3 No Employment or Other Service Rights. Nothing in this Plan or any Grant granted under this Plan will confer or be deemed to confer on any Grantee any right to continue in the employ of, or to continue any other relationship with, the Company or an Affiliate or limit in any way the right of the Company or an Affiliate to terminate Grantee's employment or other relationship at any time. Furthermore, to the extent the Company is not the employer of a Grantee, the grant of a Grant will not establish or amend an employment or other service relationship between the Company and the Grantee. Nothing in the Plan or any Grant will constitute any promise or commitment by the Company or an Affiliate regarding future work assignments, future compensation or any other term or condition of employment or service.

12.4 Effect on Other Employee Benefit Plans. The value of and income from any Grant granted under the Plan, as determined upon grant, vesting or settlement, shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Grantee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

12.5 Leaves of Absence. To the extent permitted by Applicable Law, the Committee or the Plan Administrator, in that party's sole discretion, may determine whether Continuous Service Status will be considered interrupted in the case of any leave of absence. Continuous Service Status as an Employee for purposes of Incentive Stock Options shall not be considered interrupted or terminated in the case of: (a) Company approved sick leave; (b) military leave; (c) any other bona fide leave of absence approved by the Company, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written Company policy. In the case of an approved leave of absence, the Plan Administrator may make such provisions respecting suspension of vesting and crediting of service (including pursuant to a formal policy adopted from time to time by the Company) as it may deem appropriate, except that in no event may an Option or Stock Appreciation Right be exercised after the expiration of the term set forth in the Grant Agreement.

12.6 Change in Time Commitment. In the event a Grantee's regular level of time commitment in the performance of his or her services for the Company or any Affiliates is reduced (for example, and without limitation, if the Grantee is an Employee of the Company and the Employee has a change in status from full-time to part-time or takes an extended leave of absence) after the date of grant of any Grant, the Committee or the Plan Administrator, in that party's sole discretion, may (x) make a corresponding reduction in the number of Shares or cash amount subject to any portion of such Grant that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting schedule applicable to such Grant (in accordance with Section 409A of the Code, as applicable). In the event of any such reduction, the Grantee will have no right with respect to any portion of the Grant that is so amended.

12.7 Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Grantee has access).

12.8 Deferrals. To the extent permitted by Applicable Law, the Committee, in its sole discretion, may determine that the delivery of Shares or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Grant may be deferred and may establish programs and procedures for deferral elections to be made by Grantees. Deferrals by Grantees will be made in accordance with Section 409A of the Code, if applicable, and any other Applicable Law.

12.9 Compliance with Section 409A of the Code. Unless otherwise expressly provided in a Grant Agreement, the Plan and Grant Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Grants granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Committee determines that any Grant granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Grant Agreement evidencing such Grant will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent a Grant Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Grant Agreement. To the extent that any amount constituting deferred compensation under Section 409A of the Code would become

payable under this Plan by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also qualify as a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A. If a Grantee holding a Grant that constitutes deferred compensation under Section 409A of the Code is a specified employee within the meaning of Section 409A of the Code, no distribution or payment of any amount that is payable because of a separation from service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Grantee's separation from service or, if earlier, the date of the Grantee's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule. Each payment payable under a Grant Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). In no event will any Grantee have a right to payment or reimbursement or otherwise from the Company or its Affiliates, or their successors or assigns, for any taxes imposed or other costs incurred as a result of Section 409A of the Code.

12.10 Execution of Additional Documents. The Company may require a Grantee to execute any additional documents or instruments necessary or desirable, as determined by the Plan Administrator, to carry out the purposes or intent of the Grant, or facilitate compliance with securities, tax and/or other regulatory requirements, at the Plan Administrator's request.

13. Other Corporate Events.

13.1 Change in Control. In the event that the Company is subject to a Change in Control, outstanding Grants acquired under the Plan shall be subject to the agreement evidencing the Change in Control, which need not treat all outstanding Grants in an identical manner. Such agreement, without the Grantee's consent, shall provide for one or more of the following with respect to all outstanding Grants as of the effective date of such Change in Control:

(a) The continuation of an outstanding Grant by the Company (if the Company is the successor entity).

(b) The assumption of an outstanding Grant by the successor or acquiring entity (if any) of such Change in Control (or by its parents, if any), which assumption, will be binding on all selected Grantees; provided that the Exercise Price and the number and nature of shares issuable upon exercise of any Option or Stock Appreciation Right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code and/or Section 409A of the Code, as applicable.

(c) The substitution by the successor or acquiring entity in such Change in Control (or by its parents, if any) of equivalent awards with substantially the same terms for such outstanding Grants (except that the Exercise Price and the number and nature of shares issuable upon exercise of any Option or Stock Appreciation Right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code and/or Section 409A of the Code, as applicable).

(d) The full or partial acceleration of exercisability or vesting and accelerated expiration of an outstanding Grant and lapse of the Company's right to repurchase or re-acquire shares acquired under a Grant or lapse of forfeiture rights with respect to shares acquired under a Grant.

(e) The settlement of such outstanding Grant (whether or not then vested or exercisable) in cash, cash equivalents, or securities of the successor entity (or its parent, if any) with a Fair Market Value equal to the required amount provided in the definitive agreement evidencing the Change in Control, followed by the cancellation of such Grants; provided however, that such Grant may be cancelled without consideration if such Grant has no value, as determined by the Committee in its sole discretion. Subject to compliance with Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates the Grant would have become exercisable or vested. Such payment may be subject to vesting based on the Grantee's Continuous Service Status, provided that the vesting schedule shall not be less favorable to the Grantee than the schedule under which the Grant would have become vested or exercisable. For purposes of this paragraph, the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

(f) The cancellation of outstanding Grants in exchange for no consideration.

The Board shall have full power and authority to assign the Company's right to repurchase or re-acquire or forfeiture rights to such successor or acquiring corporation. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Grants, as provided above, pursuant to a Change in Control, the Committee will notify the Grantee in writing or electronically that such Grant will be exercisable (to the extent vested and exercisable pursuant to its terms) for a period of time determined by the Committee in its sole discretion, and such Grant will terminate upon the expiration of such period.

13.2 Assumption of Grants by the Company. The Company, from time to time, may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either (a) granting a Grant under this Plan in substitution of such other company's award; or (b) assuming such award as if it had been granted under this Plan if the terms of such assumed award could be applied to a Grant granted under this Plan (a "**Substitute Grant**"). Such substitution or assumption will be permissible if the holder of the Substitute Grant would have been eligible to be granted a Grant under this Plan if the other company had applied the rules of this Plan to such grant. The Exercise Price and the number and nature of Shares issuable upon exercise or settlement of any such Substitute Grant will be adjusted appropriately pursuant to Section 424(a) of the Code and/or Section 409A of the Code, as applicable.

14. Administration.

14.1 Committee Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and any charter adopted by the Board governing the actions of the Committee, the Committee will

have full power to implement and carry out this Plan. Without limitation, the Committee will have the authority to, subject to the preceding sentence:

- (a) construe and interpret this Plan, any Grant Agreement and any other agreement or document executed pursuant to this Plan;
- (b) prescribe, amend, expand, modify and rescind or terminate rules and regulations relating to this Plan or any Grant (including the terms or conditions of any Grant);
- (c) approve persons to receive Grants;
- (d) determine the form, terms and conditions of Grants;
- (e) determine the number of Shares or other consideration subject to Grants;
- (f) determine the Fair Market Value in good faith and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;
- (g) determine whether Grants will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Grants under this Plan or awards under any other incentive or compensation plan of the Company or any Affiliate;
- (h) grant waivers of any conditions of this Plan or any Grant;
- (i) determine the vesting, exercisability and payment of Grants;
- (j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Grant or any Grant Agreement;
- (k) determine whether a Grant has been earned or has vested;
- (l) determine the terms and conditions of any, and to institute any Exchange Program;
- (m) adopt or revise rules and/or procedures (including the adoption or revision of any subplan under this Plan) relating to the operation and administration of the Plan to facilitate compliance with requirements of local law and procedures outside the United States, (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Grant Agreement made to ensure or facilitate compliance with the laws or regulations of the relevant foreign jurisdiction);
- (n) delegate any of the foregoing to one or more Officers pursuant to a specific delegation as permitted by the terms of the Plan and Applicable Law, including Section 157(c) of the Delaware General Corporation Law; and
- (o) make all other determinations necessary or advisable in connection with the administration of this Plan.

14.2 Indemnification. To the maximum extent permitted by Applicable Laws, each member of the Committee (including officers of the Company or an Affiliate of the Company, if applicable), or of the Board, as applicable, shall be indemnified and held harmless by the Company

against and from (i) any loss, cost, liability or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or pursuant to the terms and conditions of any Grant except for actions taken in bad faith or failures to act in good faith, and (ii) any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit or proceeding against him or her; provided that such member shall give the Company an opportunity, at its own expense, to handle and defend any such claim, action, suit or proceeding before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation, Certificate of Incorporation or Bylaws, by contract, as a matter of law or otherwise, or under any other power that the Company may have to indemnify or hold harmless each such person.

14.3 Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Grant shall be made in its sole discretion at the time of grant of the Grant or, unless in contravention of any express term of the Plan or Grant, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Grant under the Plan. Any dispute regarding the interpretation of the Plan or any Grant Agreement shall be submitted by the Grantee or Company to the Committee for review. The resolution of such a dispute by the Committee shall be final and binding on the Company and the Grantee. The Committee may delegate to the Plan Administrator or one or more Officers the authority to review and resolve disputes with respect to Grants held by Grantees who are not Insiders, and such resolution shall be final and binding on the Company and the Grantee.

14.4 Section 16 of the Exchange Act. Grants granted to Grantees who are subject to Section 16 of the Exchange Act must be approved by a committee of the Board that at all times consists solely of two or more Non-Employee Directors. Nothing herein shall create an inference that a Grant is not validly granted under the Plan in the event Grants are not granted under the Plan by a committee of the Board that does not at all times consist solely of two or more Non-Employee Directors.

14.5 Plan Administrator. The Committee may appoint a Plan Administrator, who will have the authority to administer the day-to-day operations of the Plan and to make certain ministerial decisions without Committee approval as provided in the Plan or pursuant to resolutions adopted by the Committee. The Plan Administrator may not grant Grants.

14.6 Failure to Comply. In addition to the remedies of the Company elsewhere provided for herein, failure by a Grantee to comply with any of the terms and conditions of the Plan or any Grant Agreement, unless such failure is remedied by such Grantee within ten (10) days after having been notified of such failure by the Plan Administrator, shall be grounds for the cancellation and forfeiture of such Grant, in whole or in part, as the Committee, in its sole discretion, may determine.

14.7 Foreign Grant Recipients. Notwithstanding any provision of the Plan to the contrary, in order to facilitate compliance with the Applicable Laws and practices in other

countries in which the Company and its Affiliates operate or have Employees or other persons eligible for Grants, the Committee, in its sole discretion, will have the power and authority to: (a) determine which Affiliates will be covered by the Plan; (b) determine which individuals outside the United States are eligible to participate in the Plan, which may include individuals who provide services to the Company or an Affiliate under an agreement with a foreign nation or agency; (c) modify the terms and conditions of any Grant granted to individuals outside the United States or foreign nationals to comply with Applicable Laws or foreign policies, customs and practices; (d) establish sub-plans, modify exercise procedures and adopt other rules and/or procedures relating to the operation and administration of the Plan in jurisdictions other than the United States (including to qualify Grants for special tax treatment under laws of jurisdictions other than the United States); provided, however, that no such sub-plans and/or modifications will increase the share limitations contained in Section 2.1; and (e) take any action, before or after a Grant is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Grants will be granted, that would violate any Applicable Law in the United States.

14.8 Non-Exclusivity of the Plan. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock options and other equity awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

14.9 Severability. If all or any part of this Plan or a Grant Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not serve to invalidate any portion of this Plan not declared to be unlawful or invalid. Any Section or part of a Section so declared to be unlawful or invalid will, if possible, be construed in a manner that will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

14.10 Corporate Action Constituting Grant of Grants. Corporate action constituting a grant by the Company of a Grant to any Grantee will be deemed completed as of the date of such corporate action, unless otherwise determined by the Plan Administrator, regardless of when the instrument, certificate, or letter evidencing the Grant is communicated to, or actually received or accepted by, the Grantee. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the Grant contain terms (e.g., Exercise Price, Purchase Price, vesting schedule or number of Shares) are inconsistent with those in the Grant Agreement or related grant documents as a result of a clerical error in the preparation of the Grant Agreement or related grant documentation, the corporate records will control, and the Grantee will have no legally binding right to the incorrect term in the Grant Agreement or related grant documentation.

14.11 Expenses and Receipts. The expenses of the Plan will be paid by the Company. Any proceeds received by the Company in connection with any Grant will be used for general corporate purposes.

14.12 Governing Law. This Plan and all Grants granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware unless provided otherwise in a Grant Agreement, without giving effect to that body of laws pertaining to conflict of laws.

14.13 Headings. The headings in this Plan are included solely for convenience of reference and if there is any conflict between such headings and the text of this Plan, the text shall control.

15. Effectiveness, Amendment and Termination of the Plan.

15.1 Adoption and Stockholder Approval. The Plan will come into existence on the date the Plan is approved by the stockholders of the Company (the “*Effective Date*”). No Grant may be granted prior to the Effective Date.

15.2 Amendment of the Plan. The Committee may amend the Plan or any Grant in any respect the Committee deems necessary or advisable, subject to the limitations of Applicable Law and this section and Section 15.4. If required by Applicable Law, the Company will seek stockholder approval of any amendment of the Plan that (a) materially increases the number of Shares available for issuance under the Plan (excluding any Capitalization Adjustment), (b) materially expands the class of individuals eligible to receive Grants under the Plan, (c) materially increases the benefits accruing to Grantees under the Plan, (d) materially reduces the price at which Shares may be issued or purchased under the Plan, (e) materially extends the term of the Plan, (f) materially expands the types of Grants available for issuance under the Plan, or (g) as otherwise required by Applicable Law.

15.3 Suspension or Termination of the Plan. The Plan shall terminate automatically on the tenth (10th) anniversary of the Effective Date. No Grant will be granted pursuant to the Plan after such date, but Grants previously granted may extend beyond that date. The Committee may suspend or terminate the Plan at any earlier date at any time. No Grants may be granted under the Plan while the Plan is suspended or after it is terminated.

15.4 No Impairment. No amendment, suspension or termination of the Plan or any Grant may materially impair a Grantee’s rights under any outstanding Grant, except with the written consent of the affected Grantee or as otherwise expressly permitted in the Plan. Subject to the limitations of Applicable Law, if any, the Committee may amend the terms of any one or more Grants without the affected Grantee’s consent (a) to maintain the qualified status of the Grant as an Incentive Stock Option under Section 422 of the Code; (b) to change the terms of an Incentive Stock Option, if such change results in impairment of the Grant solely because it impairs the qualified status of the Grant as an Incentive Stock Option; (c) to clarify the manner of exemption from, or to bring the Grant into compliance with, Section 409A of the Code; or (d) to facilitate compliance with other Applicable Laws.

16. Definitions. As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

16.1 “Affiliate” means a Parent, a Subsidiary or any corporation or other Entity that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Company.

16.2 “Applicable Law” means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental or regulatory body or self-regulatory organization (including the New York Stock Exchange, Nasdaq Stock Market and the Financial Industry Regulatory Authority).

16.3 “Board” means the Board of Directors of the Company.

16.4 “Cause” will have the meaning ascribed to such term in any written agreement between the Grantee and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Grantee, the occurrence of any of the following events: (a) Grantee’s unauthorized misuse of the Company’s trade secrets or proprietary information; (b) Grantee’s conviction of or plea of *nolo contendere* to a felony or a crime involving moral turpitude; (c) Grantee’s committing an act of fraud against the Company; or (d) Grantee’s gross negligence or willful misconduct in the performance of his or her duties that has had or is likely to have a material adverse effect on the Company. For purposes of this definition, the term “Company” will be interpreted to include any Subsidiary, Parent or Affiliate of the Company, as appropriate.

16.5 “Change in Control” means:

(a) the consummation of any consolidation or merger of the Company with any other entity, other than transaction which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such consolidation or merger;

(b) any Exchange Act Person becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company’s then-outstanding voting securities; provided, however, that for purposes of this subclause (b) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;

(c) the consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets, except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company; or

(d) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (d), if any

Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of an Entity that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

16.6 “Code” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

16.7 “Committee” means the Compensation Committee of the Board, or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by Applicable Law and in accordance with the Plan.

16.8 “Common Stock” means the common stock of the Company, and the common stock of any successor entity.

16.9 “Company” means AVITA Therapeutics, Inc., a Delaware corporation, or any successor corporation.

16.10 “Consultant” means any natural person, including an advisor or independent contractor, that is engaged to render services to the Company or an Affiliate.

16.11 “Continuous Service Status” means continued service as an Employee, Director or Consultant. Continuous Service Status shall not be considered interrupted or terminated in the case of a transfer between locations of the Company or between the Company, its Affiliates, or their respective successors, or a change in status (for example, from an Employee to a Consultant). The Committee or the Plan Administrator, in that party’s sole discretion, shall determine whether a Grantee’s Continuous Service Status has ceased and the effective date of such termination.

16.12 “Director” means a member of the Board.

16.13 “Disability” means (a) in the case of Incentive Stock Options, total and permanent disability as defined in Section 22(e)(3) of the Code, and (b) in the case of other Grants, unless the applicable Grant Agreement provides otherwise, that the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment. The determination of whether an individual has a Disability shall be determined under procedures established by the Committee. Except in situations where the Committee is determining Disability for purposes of the term of an Incentive Stock Option, the Committee may rely on any determination that a Grantee is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Grantee participates.

16.14 “Dividend Equivalent Right” means the right of a Grantee, granted at the discretion of the Committee or as otherwise provided by the Plan, to receive a credit for the account of such Grantee in an amount equal to the cash, stock or other property dividends in amounts equal equivalent to cash, stock or other property dividends for each Share represented by a Grant held by such Grantee.

16.15 “Effective Date” means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

16.16 “Employee” means any person employed by the Company, or any Affiliate, with the status of employment determined pursuant to such factors as are deemed appropriate by the Plan Administrator in its sole discretion, subject to any requirements of Applicable Law, including the Code. Service as a Director or payment by the Company or an Affiliate of a director’s fee shall not be sufficient to constitute “employment” of such Director by the Company or any Affiliate.

16.17 “Entity” means a corporation, partnership, limited liability company or other entity.

16.18 “Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

16.19 “Exchange Act Person” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company’s then outstanding securities.

16.20 “Exchange Program” means a program pursuant to which (a) outstanding Grants are surrendered, cancelled or exchanged for cash, the same type of Grant or a different Grant (or combination thereof) or (b) the Exercise Price of an outstanding Grant is increased or reduced.

16.21 “Exercise Price” means, with respect to an Option, the price per Share at which a holder may purchase the Shares issuable upon exercise of an Option, and with respect to a Stock Appreciation Right, the price per share at which the Stock Appreciation Right is granted to the holder thereof.

16.22 “Fair Market Value” means, as of any date, the per Share value of the Common Stock determined as follows:

(a) If such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal* or such other source as the Plan Administrator deems reliable, unless another method is approved by the Committee and subject to compliance with Applicable Law (including Section 409A of the Code).

(b) If such Common Stock is publicly traded but is neither listed nor admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported in The Wall Street Journal or such other source as the Plan Administrator deems reliable.

(c) If none of the foregoing is applicable, by the Board or the Committee in good faith (and in accordance with Section 409A of the Code, as applicable).

16.23 “Grant” means any award granted under the Plan, including any Option, Restricted Stock Grant, Restricted Stock Unit Grant, Stock Appreciation Right, Performance Grant or Other Grant.

16.24 “Grant Agreement” means a written or electronic agreement between the Company and a Grantee documenting the terms and conditions of a Grant. The term “Grant Agreement” will also include any other written agreement between the Company or an Affiliate and a Grantee containing additional terms and conditions of, or amendments to, a Grant.

16.25 “Grantee” means a person to whom a Grant is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Grant.

16.26 “Incentive Stock Option” means an Option granted pursuant to the Plan that is intended to be, and qualifies as, an “incentive stock option” within the meaning of Section 422 of the Code.

16.27 “Insider” means an officer or Director of the Company or any other person whose transactions in the Common Stock are subject to Section 16 of the Exchange Act.

16.28 “Non-Employee Director” means a Director who is not an Employee of the Company or any Affiliate, and who satisfies the requirements of a “non-employee director” within the meaning of Section 16 of the Exchange Act.

16.29 “Nonstatutory Stock Option” means any Option granted pursuant to the Plan that does not qualify as an Incentive Stock Option.

16.30 “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

16.31 “Option” means a contract right to purchase Shares at a fixed Exercise Price per share, subject to certain conditions, if applicable, granted pursuant to the Plan.

16.32 “Other Grant” means a Grant based in whole or in part by reference to Shares that is granted pursuant to the terms and conditions of the Plan.

16.33 “Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

16.34 “Performance Grant” means an award that may vest or may be earned or exercised, in whole or in part, contingent upon the attainment during a Performance Period of one or more Performance Goals and which is granted pursuant to the terms and conditions of the Plan.

16.35 “Performance Criteria” means one or more objective or subjective criteria either individually, alternatively or in any combination applied to the Grantee, the Company, any business unit or Subsidiary, that the Committee selects for purposes of establishing the Performance Goals for a Performance Period.

16.36 “Performance Goals” means, for a Performance Period, the one or more goals established by the Committee for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices.

16.37 “Performance Period” means the period of time selected by the Committee over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Grantee’s right to vesting, exercise and/or settlement of a Grant. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Committee.

16.38 “Plan” means this Company 2020 Omnibus Incentive Plan, as it may be amended from time to time.

16.39 “Plan Administrator” means one or more Officers or Employees designated by the Committee to administer the day-to-day operations of the Plan and the Company’s other equity incentive programs.

16.40 “Purchase Price” means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or Stock Appreciation Right.

16.41 “Restricted Stock Grant” means an award of Shares that is granted pursuant to the terms and conditions of the Plan.

16.42 “Restricted Stock Unit Grant” or **“RSU Grant”** means a right to receive Shares that is granted pursuant to the terms and conditions of the Plan.

16.43 “Securities Act” means the U.S. Securities Act of 1933, as amended.

16.44 “Shares” means shares of Common Stock.

16.45 “Stock Appreciation Right” means a right to receive the appreciation value on the Shares subject to the Grant that is granted pursuant to the terms and conditions of the Plan.

16.46 “Subsidiary” means any corporation (other than the Company) in an unbroken chain of Entities beginning with the Company if each of the corporation other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporation in such chain.

16.47 “Trading Policy” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window“ periods and/or otherwise restricts the ability of certain individuals to transfer or encumber shares of the Company’s capital stock, as in effect from time to time.

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE AGREEMENT (the “**Amendment**”) is entered into as of the 25th day of August, 2021, by and between RIF III – Avenue Stanford, LLC, a California limited liability company (“**Landlord**”) and Avita Medical Americas, LLC, a Delaware limited liability company (“**Tenant**”).

WITNESSETH:

WHEREAS, Landlord and Tenant have entered into a Lease dated October 3, 2016, as amended by that certain First Amendment to Lease, dated as of December 14, 2016, as amended by that certain Second Amendment to Lease, dated as of December 4, 2017 and as amended by that certain Third Amendment to Lease, dated as of November 17, 2020 (the “**Third Amendment**”) (as amended, the “**Existing Lease**”) pursuant to which Landlord leased to Tenant certain premises consisting of approximately 17,465 square feet located at 28159 Avenue Stanford, Suites 200 and 220, Valencia, California, 91355 (the “**Premises**”), such Existing Lease, as heretofore modified, being herein referred to as the “**Lease**”.

WHEREAS, the current Expiration Date of the Lease is July 31, 2022. Landlord and Tenant desire to modify the Lease to, among other things, extend the term of the Lease, on the terms and conditions set forth below.

A G R E E M E N T:

NOW THEREFORE, in consideration of the Premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

1. The Lease Term is extended such that the Lease shall terminate on July 31, 2023 (the “**Fourth Extension Term**”). The monthly Base Rent during the Fourth Extension Term shall be as follows:

| Period | Monthly Base Rent |
|--------------------------------|--------------------------|
| August 1, 2022 – July 31, 2023 | \$35,204.38 |

2. Except as otherwise expressly provided herein, all defined terms used in this Amendment shall have the same respective meanings as are provided for such defined terms in the Lease. Tenant shall accept the Premises in its “as is” condition, without any representations or warranties, and shall pay all increases in Common Area Operating Expenses, over the Base Year as provided in the Lease during the Fourth Extension Term.
3. Notwithstanding anything to the contrary in the Lease, Tenant, at its expense, shall maintain during the Lease Term, at Tenant’s sole cost and expense, commercial general liability insurance (and, if necessary, commercial excess liability insurance) applicable to the Premises and its appurtenances providing a minimum combined single limit of not less than \$2,000,000 per occurrence with an annual aggregate of not less than \$2,000,000; and if Tenant stores property of others for a fee, Tenant shall maintain warehouse operator’s legal liability insurance for the full value of the property of such customers as determined by the warehouse contract between Tenant and its customer.

4. In addition to Tenant's insurance requirements under Section 8 of the Existing Lease, Tenant shall be required to maintain the following insurance: (i) employers liability insurance of at least \$1,000,000; and (ii) business automobile liability insurance (and, if necessary, commercial excess liability insurance) having a combined single limit of not less than \$2,000,000 per accident insuring Tenant against liability arising out of the ownership maintenance or use of any owned, hired or non-owned automobiles
5. Section 8.3(a) of the Existing Lease shall be amended such that Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including, but not limited to earthquake insurance. All such insurance costs shall be included as part of the Common Area Operating Expenses charged to Tenant.
6. As of the date hereof, Addendum Two of the Third Amendment is hereby deleted in its entirety and of no further force and effect. Tenant shall have no further options to extend the term of the Lease.
7. Except as otherwise provided in this Lease, Tenant shall, at Tenant's sole expense and regardless of the cost therefor or the time remaining on the Lease Term, fully, diligently and in a timely manner, materially comply with all Legal Requirements, which shall include without limitation all South Coast Air Quality Management District rules and more specifically SCAQMD Rule 2305. Under SCAQMD Rule 2305, Tenant is and shall be deemed to be the "warehouse operator" of the Premises and shall be solely responsible for compliance with such rule and any and all fees assessed thereunder.
8. Tenant warrants, represents and certifies to Landlord that as of the date of this Amendment, (i) Landlord is not in default under the Lease, (ii) Tenant does not have any defenses or offsets to payment of rent and performance of its obligations under the Lease as and when the same become due; and (iii) Tenant has no remaining renewal, extension or termination options or rights of first offer or first refusal.
9. Tenant represents and warrants that it has dealt with no broker, agent or other person in connection with this transaction and that no broker, agent or other person brought about this transaction, other than CBRE, Inc., and Tenant agrees to indemnify and hold Landlord harmless from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with Tenant with regard to this leasing transaction.
10. Insofar as the specific terms and provisions of this Amendment purport to amend or modify or are in conflict with the specific terms, provisions and exhibits of the Lease, the terms and provisions of this Amendment shall govern and control; in all other respects, the terms, provisions and exhibits of the Lease shall remain unmodified and in full force and effect.
11. Landlord and Tenant hereby agree that (i) this Amendment is incorporated into and made a part of the Lease, (ii) any and all references to the Lease hereinafter shall include this Amendment, and (iii) the Lease and all terms, conditions and provisions of the Lease are in full force and effect as of the date hereof, except as expressly modified and amended hereinabove.
12. Tenant agrees and understands that Landlord shall have the right (provided that the exercise of Landlord's rights does not materially and adversely affect Tenant's use and occupancy of the Premises or subject Tenant to additional costs), without Tenant's consent, to place a solar electric generating system on the roof of the Building or enter into a lease for the roof of the Building whereby such roof tenant shall have the right to install a solar electric generating system on the roof of the Building, and Landlord and its agents shall have access to the roof to accomplish the foregoing.
13. For so long as Landlord maintains the contract for electricity at the Project, Landlord shall have access to the Energy Data (defined below) and shall collect Energy Data on Tenant's behalf annually. In the

event Landlord is not the intermediary for electricity at the Project and Tenant obtains its own electricity contract, annually Tenant, at Tenant's sole cost and expense, shall deliver to Landlord data regarding the electricity consumed in the operation of the Premises (the "**Energy Data**") for purposes of regulatory compliance, manual and automated benchmarking, energy management, building environmental performance labeling and other related purposes, including but not limited, to the Environmental Protection Agency's Energy Star rating system and other energy benchmarking systems. Tenant agrees to update such benchmarking information for Tenant's operations conducted during the year. Landlord shall use commercially reasonable efforts to utilize automated data transmittal services offered by utility companies to access the Energy Data. Additionally, Tenant shall be responsible, at Tenant's sole cost and expense, upon Landlord's request, to provide any required information necessary for Landlord to comply with South Coast Air Quality Management District rules related to Tenant's use of the Premises.


14. Each party hereto, and their respective successors and assigns shall be authorized to rely upon the signatures of all of the parties hereto on this Amendment which are delivered by facsimile or PDF as constituting a duly authorized, irrevocable, actual, current delivery of this Amendment with original ink signatures of each person and entity. Further, the parties hereto expressly consent and agree that this Amendment may be electronically signed and that electronic signatures appearing on this Amendment shall be treated, for purposes of validity, enforceability and admissibility, the same as hand-written signatures. This Amendment may be executed in counterparts, each of which shall be deemed an original part and all of which together shall constitute a single agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have signed this Amendment as of the day and year first above written.

TENANT:

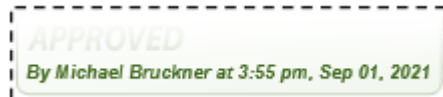
AVITA MEDICAL AMERICAS, LLC,
a Delaware limited liability company

By: 

Name: Michael Holder

Title: CFO

Date: Aug 27, 2021 | 5:49 PM PDT



LANDLORD:

RIF III – AVENUE STANFORD, LLC,
a California limited liability company

By: Rexford Industrial Realty, L.P.,
a Maryland limited partnership,
Its Managing Member

By: Rexford Industrial Realty, Inc.,
a Maryland corporation,
Its General Partner

By: 

Name Printed: Howard Schwimmer

Title: Co-Chief Executive Officer

Date: Aug 31, 2021 | 9:12 AM PDT

CODE OF CONDUCT AVITA MEDICAL, INC. (“COMPANY”)

This Code of Conduct sets out the principles and standards which the Board, management and employees of the Company are encouraged to strive towards when dealing with each other, shareholders and the broad community.

1. **RESPONSIBILITY TO SHAREHOLDERS** The Company aims: a) to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company’s shareholders and the financial community; and b) to comply with systems of control and accountability which the Company has in place as part of its corporate governance with openness and integrity.
2. **INTEGRITY AND HONESTY** Directors, management and staff shall deal with the Company’s customers, suppliers, competitors and each other with the highest level of honesty, fairness and integrity and observe the rule and spirit of the legal and regulatory environment in which the Company operates.
3. **RESPECT FOR THE LAW** The Company is to comply with all legislative and common law requirements which affect its business, in particular those in respect of occupational health and safety, the environment, native title and cultural heritage. Any transgression from the applicable legal rules is to be reported to the managing director as soon as a person becomes aware of such a transgression.
4. **CONFLICTS OF INTEREST** Directors, management and staff must not involve themselves in situations where there is a real or apparent conflict of interest between them as individuals and the interest of the Company. Where a real or apparent conflict of interest arises, the matter should be brought to the attention of: a) the chairperson in the case of a Board member; b) the managing director in the case of a member of management; and c) a supervisor in the case of an employee, so that it may be considered and dealt with in an appropriate manner for all concerned.
5. **Protection of Assets** Directors, management and staff must protect the assets of the Company to ensure availability for legitimate business purposes and ensure all corporate opportunities are enjoyed by the Company and that no property, information or position belonging to the Company or opportunity arising from these are used for personal gain or to compete with the Company.
6. **CONFIDENTIAL INFORMATION** Directors, management and staff must respect confidentiality of all information of a confidential nature which is acquired in the course of the Company’s business and not disclose or make improper use of such confidential information to any person unless specific authorization is given for disclosure or disclosure is legally mandated.
7. **EMPLOYMENT PRACTICES** The Company will employ the best available staff with skills required to carry out vacant positions. The Company will ensure a safe work place and maintain proper occupational health and safety practices commensurate with the nature of the Company’s business and activities.
8. **RESPONSIBILITY TO THE COMMUNITY** The Company will recognize, consider and respect environmental issues which arise in relation to the Company’s activities and comply with all applicable legal requirements.
9. **RESPONSIBILITY TO THE INDIVIDUAL** The Company recognizes and respects the rights of individuals and to the best of its ability will comply with the applicable legal rules regarding privacy, privileges, private and confidential information.
10. **OBLIGATIONS RELATIVE TO FAIR TRADING AND DEALING** The Company will deal with others in a way that is fair and will not engage in deceptive practices.
11. **COMPLIANCE WITH THE CODE OF CONDUCT** Any breach of compliance with this Code of Conduct is to be reported directly to the managing director or chairperson, as appropriate.
12. **PERIODIC REVIEW OF CODE** The Company will monitor compliance with this Code of Conduct periodically by liaising with the Board, management and staff especially in relation to any areas of difficulty which arise from this Code of Conduct and any other ideas or suggestions for improvement of it. Suggestions for improvements or amendments to this Code of Conduct can be made at any time by providing a written note to the managing director.

Exhibit 21.1

List of Subsidiaries

| Subsidiary Name | Place of Incorporation | % Held | Business Purpose |
|-----------------------------------|-------------------------------|---------------|-------------------------|
| AVITA Medical Pty Limited | Australia | 100 | Operating Company |
| AVITA Medical Americas, LLC | Delaware | 100 | U.S. operations |
| AVITA Medical Europe Limited..... | United Kingdom | 100 | EMEA operations |
| Visiomed Group Pty Ltd | Australia | 100 | Asia Pacific Operations |
| C3 Operations Pty Ltd | Australia | 100 | Holding company |
| Infamed Pty Ltd | Australia | 100 | Inactive |

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated February 28, 2022 with respect to the consolidated financial statements included in the Transition Report of Avita Medical, Inc. on Form 10-K for the six-month period ended December 31, 2021. We consent to the incorporation by reference of the said report in the Registration Statements of Avita Medical, Inc. on Form S-3 (File No. 333-249419) and on Forms S-8 (File No. 333-248446 and File No. 333-250924).

/s/ GRANT THORNTON LLP

Los Angeles, California

February 28, 2022

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Perry, certify that:

1. I have reviewed this transition report on Form 10-KT of Avita Medical, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15I and 15d-15I) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 28, 2022

/s/ Michael Perry

Name: Michael Perry

Title: President and Chief Executive Officer

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael Holder, certify that:

1. I have reviewed this transition report on Form 10-KT of Avita Medical, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15I and 15d-15I) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 28, 2022

/s/ Michael Holder

Name: Michael Holder

Title: Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of Avita Medical, Inc. (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Transition Report on Form 10-KT for the transition period ended December 31, 2021 of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-KT fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 28, 2022

/s/ Michael Perry

Name: Michael Perry

Title: President and Chief Executive Officer

Dated: February 28, 2022

/s/ Michael Holder

Name: Michael Holder

Title: Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 10-KT or as a separate disclosure document.