ASX | News Release

Avita Medical Data Demonstrating ReCell® Effectiveness in Skin Repigmentation Published in Journal of the American Academy of Dermatology

Demonstrates 78% Repigmentation compared to 0% in Control Groups

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Australia, 6 July 2015 — Avita Medical Ltd. (ASX: AVH), (OTCQX: AVMXY), a regenerative medicine company specializing in the treatment of wounds and skin defects, today announced that statistically significant data from a randomized controlled study demonstrated that its single-use autologous cell suspension technology ReCell® was safe and effective in skin repigmentation for patients suffering with depigmented skin lesions caused by vitiligo and piebaldism. Results of the study have been published online and in the July 2015 print issue of the *Journal of the American Academy of Dermatology*,[1] the official publication of the American Academy of Dermatology (AAD).

"The researchers found a 78 percent response rate amongst the active group versus zero percentage in the control groups, showing real statistical significance and further validating the science behind our lead product, ReCell®," commented Adam Kelliher, Chief Executive Officer of Avita Medical. "The application of the Regenerative Epithelial Suspension™ (RES™) created in the ReCell® device is again shown to be a safe and effective treatment for conditions linked to pigmentation."

The prospective, observer-blinded, randomized, within-patient controlled pilot study of 10 patients evaluated the treatment of ReCell® after CO_2 laser ablation compared to two control treatment groups, CO_2 laser ablation and no treatment, on three separate depigmented test lesions for each patient.

Specifically, the study, which took place at the Netherlands Institute for Pigment Disorders (Stichting Nederlands Instituut voor Pigmentstoornissen or SNIP) in the Academic Medical Center of the University of Amsterdam, demonstrated that the median repigmentation in 10 patients (mean age 34; 6 males, 4 females) was 78 percent for sites treated with ReCell® six months post-treatment, compared to 0 percent for each of the two control sites for the same timeframe (p=.001). Furthermore, 70 percent of the sites treated with ReCell® showed greater than 73 percent repigmentation of their depigmented test lesion. ReCell® was well-tolerated and patients did not experience any long term side effects, infections or treatment-area scars. Importantly, patients were satisfied with ReCell®, with 70 percent assessing ReCell® site repigmentation as good or excellent.

Andrew Quick, VP of Research & Technology at Avita Medical, said, "We continue to collaborate with prominent institutions to design and implement trials to high standards, and we are pleased to see results showing superior clinical outcomes with ReCell® in robust studies with rigorous designs. Publication of these statistically significant data in the prestigious *Journal of the American Academy of Dermatology* is an important milestone for Avita Medical and we are grateful to the team at the Netherlands Institute for Pigment Disorders for their thoroughness and objectivity in conducting the study at a level of paramount quality."

Albert Wolkerstorfer MD, PhD, of the Netherlands Institute for Pigment Disorders, and Principal Investigator, commented, "These results add to the growing evidence base demonstrating that the melanocytes, cells which are responsible for the skin's color, originating from the transplanted suspension directly enter the wound bed, proliferate, and successfully produce pigmentation in the depigmented area."

ABOUT RECELL® AND RES™

ReCell® is Avita Medical's unique proprietary technology that enables a clinician to rapidly create, at point of care in approximately 30 minutes, Regenerative Epithelial Suspension (RES™) using a small sample of the patient's skin. RES™ is an autologous suspension comprising the cells and wound healing factors necessary to regenerate natural, healthy skin. RES™ has a broad range of applications and can be used to restart healing in unresponsive wounds, to repair burns using less donor skin yet with improved functional and aesthetic outcomes, and to restore pigmentation and improve cosmesis of damaged skin.

ABOUT AVITA MEDICAL LIMITED

Avita Medical develops and distributes regenerative products for the treatment of a broad range of wounds, scars and skin defects. Avita's patented and proprietary collection and application technology provides innovative treatment solutions derived from a patient's own skin. The Company's lead product, ReCell®, is used in the treatment of a wide variety of burns, plastic, reconstructive and cosmetic procedures. ReCell® is patented, CE-marked for Europe, TGA-registered in Australia, and CFDA-cleared in China. In the United States, ReCell® is an investigational device limited by federal law to investigational use. A pivotal U.S. trial is underway, with patient enrollment completion anticipated by the end of 2015. To learn more, visit www.avitamedical.com.

REFERENCES

1. Komen L, Vrijman C, Tjin EPM, Krebbers G, de Rie MA, Luiten RM, van der Veen JPW, Wolkerstorfer A. Autologous cell suspension transplantation using a cell harvesting device in segmental vitiligo and piebaldism patients: a randomized controlled pilot study. J Am Acad Dermatol 2015; 73(1):170-172.

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