

Avita Medical's ReCell technology demonstrated at Vitiligo Conferences in China

- More than 300 Chinese clinicians witness live demonstration of ReCell[®] technology
- Borun Group anticipates making ReCell® 'routine' treatment at its 23 hospitals
- China is home to an estimated 12 million vitiligo patients

Northridge, CA, USA, Perth, Australia and Cambridge, United Kingdom, 3 May 2016 — Avita Medical Limited (ASX:AVH; OTCQX:AVMXY), has further extended its push into lucrative global markets by demonstrating its ReCell[®] autologous cell harvesting technology at a series of conferences in China investigating treatments for the skin condition vitiligo.

Avita Medical, which is a regenerative medicine company specialising in the treatment of burns, wounds and skin defects, said more than 300 Chinese dermatology experts attended the presentations in the cities of Guangzhou, Chengdu and Giuyang aimed at explaining how the Company's ReCell® medical device can treat pigmentation disorders. Dr Fiona Wood, co-inventor of ReCell®, and Dr Albert Wolkerstorfer, from the Netherlands Institute for Pigment Disorders (SNIP) both explained their work, and a ReCell® clinical procedure was broadcast live to delegates to show its ease of use and its straightforward incorporation into routine clinical practice. The groups were also briefed by Dr Zhifei Liu and Dr Ang Zeng of Peking Union Medical College Hospital (PUMCH) and Dr Luo, of Air Force General Hospital, Beijing: Chinese doctors who are all experienced users of the device. The Company said the events were part of its strategy of increasing device usage in China, a target market in its international distribution activities. The conference follows the March announcement that Avita had signed a partnership with China's largest medical and healthcare group, Sinopharm.

"This is another important step in delivering our regenerative medicine to where it's needed,": said Avita CEO Adam Kelliher. "China has many vitiligo patients, and we know that particularly for acute cases, our approach can bring real benefit. We need the right partners to reach this patient group, and we believe we have such a partner in the Borun Group."

The Borun Group is one of China's leaders in vitiligo treatment, and it runs 23 hospitals and employs 138 clinicians specialising in the treatment of vitiligo. It began employing the ReCell® method in 2014 and now uses it in ten of its hospitals. The Borun Group expects more than 300,000 visits from vitiligo patients in China this year, and said it typically deploys ReCell® for acute cases.

"The excellent presentations about how ReCell can be wisely used for large-area vitiligo patients make us more confident to include ReCell surgical treatment as a routine therapy in all vitiligo hospitals of our group," said Borun Group Director Zhongping Meng. "Many thanks to ReCell for bringing benefit to more and more Chinese vitiligo patients." China has an estimated 12 million vitiligo sufferers, of which about 1.4 million¹ are regarded as acute, and appropriate for ReCell[®] treatment. Avita's approach works by delivering viable, pigment-producing cells harvested from a piece of the patient's own normally-pigmented skin and is administered by spraying the cells onto the affected area. During the conference series, entitled *China, Australia, the Netherlands ReCell[®] Cell Regeneration Vitiligo Clinical Academic Achievements Transformation Workshop*, Dr Wolkerstorfer reviewed results from a randomized clinical trial done at his institute, which showed a ReCell[®]-treated group achieved 78% repigmentation, compared with 0% in the Control.

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 LTD

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, pending completion of the FDA approval trial, ReCell® is an investigational device limited by federal law to investigational use. To learn more, visit <u>www.avitamedical.com</u>.

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^{1.} Alkhateeb A, Fain PR, Thody A, Bennett DC, Spritz RA. "Epidemiology of vitiligo and associated autoimmune diseases in Caucasian probands and their families." Pigment Cell Research 16, no. 3 (2003): 208-214