

ASX ANNOUNCEMENT

**AVITA RAISES USD\$722,000 AT \$0.12c; COMPLETES
UNMARKETABLE PARCEL ROUND UP**

- **USD\$722,000 Placement at \$0.12; with attaching 1:2 option \$0.20**
- **Participation of strategic US investment group**
- **Completes round up of Unmarketable Parcels, reducing registry by 3,312 holders.**

24 January 2011, Avita Medical Ltd (ASX: AVH): Avita Medical is pleased to announce completion of a USD\$722,000 Placement through a US investment group. The purpose of the Placement is to allow the Company to further develop its ReCell product, expand the Company's sales and marketing efforts and to partially cover costs related to the round-up of unmarketable parcel of shares announced 10 November 2010 and closed on 22 December 2010.

Avita will place 6,077,441 fully paid ordinary shares in the Company at an issue price of \$0.12 per share (a 15% premium to the 5 day VWAP at the closing of the Round-up, 22 Dec 2010), together with one (1) free attaching option for every two (2) shares subscribed, such options to be exercisable at a price of \$0.20 on or before 31 January 2014.

A total of 3,930,869 shares were transferred in the unmarketable parcel round up, representing a total of 3,312 shareholders. An Australian investor has purchased 2,000,000 of the transferred shares in an off-market transaction. The company will buyback the purchase of the remaining 1,930,869 shares.

Avita Medical CEO Dr William Dolphin said, "The Placement provides addition capital for the Company and the reduction of the Company's share registry will reduce administration and share registry costs; more importantly, Avita has added key strategic US and Australian investment groups. Their willingness to acquire shares at a premium to the ASX market price demonstrates their belief in the company and its long term prospects. "

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FOR FURTHER INFORMATION PLEASE CONTACT:

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ABOUT AVITA MEDICAL LIMITED

Avita Medical Limited (www.avitamedical.com) is a publicly listed medical technology company that develops and distributes regenerative and tissue-engineered products for the treatment of a wide range of wounds, scars and skin defects. Using proprietary tissue-culture/collection technology, the company is able to provide innovative treatment solutions derived from the patient's own skin to enhance healing rates, reduce scarring and reintroduce pigmentation into the skin.