

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MESOBLAST LIMITED (Mesoblast)

ABN

68 109 431 870

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1 +Class of +securities issued or to be issued	Ordinary shares (fully paid) and unquoted options to acquire ordinary shares.
2 Number of +securities issued or to be issued (if known) or maximum number which may be issued	158,901 fully paid ordinary shares and 400,000 unquoted options to acquire ordinary shares.
3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<p>158,901 fully paid ordinary shares as per the Company's constitution. The full amount of shares are to be held in voluntary escrow until 6 October 2018.</p> <p>300,000 unquoted options to acquire ordinary shares at a price per share of A\$2.23, vesting in three equal tranches on 28 June 2018, 28 June 2019 and 28 June 2020 respectively, and expiring 27 June 2024.</p> <p>100,000 unquoted options to acquire ordinary shares at a price per share of A\$1.54, vesting in three equal tranches on 16 September 2018, 16 September 2019 and 16 September 2020 respectively, and expiring 15 September 2024.</p>

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes for the ordinary shares.</p> <p>Shares issued on the exercise of the unquoted options will rank equally with quoted shares as from their date of issue.</p>
<p>5 Issue price or consideration</p>	<p>For the ordinary shares, US\$240,000</p> <p>Each option was issued for no issue price.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>158,901 ordinary shares as consideration for services in connection with the license of intellectual property relating to cell targeting technology (ex vivo fucosylation) from a third party.</p> <p>400,000 unquoted options to acquire ordinary shares issued pursuant to the Company's Employee Share Option Plan.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Not applicable</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Not applicable</p>
<p>6f Number of +securities issued under an exception in rule 7.2</p>	<p>Not applicable</p>
<p>6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.</p>	<p>Not applicable</p>
<p>6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements</p>	<p>Not applicable</p>

+ See chapter 19 for defined terms.

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

Not applicable

7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

	<b>Date Registered</b>	<b>Number of unquoted options to acquire shares issued</b>
	06/10/2017	400,000
	<b>Total</b>	<b>400,000</b>
	<b>Date Registered</b>	<b>Number of fully paid ordinary shares issued</b>
	06/10/2017	158,901
	<b>Total</b>	<b>158,901</b>

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
470,601,826	Ordinary shares

9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
22,443,577 (156,669 options have been cancelled since last Appendix 3B)	Unquoted options

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

All ordinary shares rank equally and participate in the right to dividends equally.

## Part 2 - Pro rata issue

11 Is security holder approval required?

Not applicable

12 Is the issue renounceable or non-renounceable?

Not applicable

13 Ratio in which the +securities will be offered

Not applicable

14 +Class of +securities to which the offer relates

Not applicable

15 +Record date to determine entitlements

Not applicable

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

Not applicable

17 Policy for deciding entitlements in relation to fractions

Not applicable

18 Names of countries in which the entity has security holders who will not be sent new offer documents

Not applicable

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

Not applicable

20 Names of any underwriters

Not applicable

21 Amount of any underwriting fee or commission

Not applicable

+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	+Issue date	Not applicable

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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+ See chapter 19 for defined terms.

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000  
 10,001 - 100,000  
 100,001 and over
- 37  A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought 

Not applicable
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- 39 +Class of +securities for which quotation is sought 

Not applicable
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- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?  
  
 If the additional +securities do not rank equally, please state:  
 • the date from which they do  
 • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment  
 • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- |                |
|----------------|
| Not applicable |
|----------------|
- 41 Reason for request for quotation now  
 Example: In the case of restricted securities, end of restriction period  
  
 (if issued upon conversion of another +security, clearly identify that other +security)
- |                |
|----------------|
| Not applicable |
|----------------|
- 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)
- | Number         | +Class         |
|----------------|----------------|
| Not applicable | Not applicable |

+ See chapter 19 for defined terms.

## Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 6 October 2017

Company secretary

Print name: Charlie Harrison

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