

15 May 2018

The Manager  
Company Notices Section  
ASX Limited  
Level 4, North Tower, Rialto Towers  
525 Collins Street  
MELBOURNE VIC 3000

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Dear Sir/Madam

**Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth)**

This notice is given by Mesoblast Limited ACN 109 431 870 (Mesoblast) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act).

Mesoblast has today issued 892,857 fully paid ordinary shares in Mesoblast (the Shares) as consideration for the license of certain intellectual property assets from a third party.

Mesoblast advises that:

1. the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
2. this notice is being given under section 708A(5)(e) of the Corporations Act;
3. as at the date of this notice, Mesoblast has complied with:
  - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Mesoblast; and
  - (b) section 674 of the Corporations Act; and
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Corporations Act

Yours sincerely



Charlie Harrison  
Company Secretary  
**Mesoblast Limited**

# 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.
2 Number of +securities issued or to be issued (if known) or maximum number which may be issued	926,190 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)	926,190 ordinary shares (fully paid) as per the company's constitution.
4 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: <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>	Yes.

+ See chapter 19 for defined terms.

5 Issue price or consideration	<p>892,857 ordinary shares (fully paid) issued for consideration of US\$1,000,000 (A\$1.49 per share).</p> <p>33,333 ordinary shares (fully paid) issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of A\$43,666.</p>										
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>892,857 ordinary shares issued as consideration for the license of certain intellectual property assets from a third party.</p> <p>33,333 ordinary shares (fully paid) issued upon the exercise of options in accordance with the Company's Employee Share Option Plan.</p>										
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?  If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No										
6b The date the security holder resolution under rule 7.1A was passed	Not applicable										
6c Number of +securities issued without security holder approval under rule 7.1	Not applicable										
6d Number of +securities issued with security holder approval under rule 7.1A	Not applicable										
6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable										
6f Number of +securities issued under an exception in rule 7.2	Not applicable										
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.	Not applicable										
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	Not applicable										
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										
	<table border="1"> <thead> <tr> <th>Date Registered</th> <th>Number of ordinary shares issued</th> </tr> </thead> <tbody> <tr> <td>6 March 2018</td> <td>25,000</td> </tr> <tr> <td>6 March 2018</td> <td>8,333</td> </tr> <tr> <td>15 May 2018</td> <td>892,857</td> </tr> <tr> <td><b>Total</b></td> <td><b>926,190</b></td> </tr> </tbody> </table>	Date Registered	Number of ordinary shares issued	6 March 2018	25,000	6 March 2018	8,333	15 May 2018	892,857	<b>Total</b>	<b>926,190</b>
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6 March 2018	8,333										
15 May 2018	892,857										
<b>Total</b>	<b>926,190</b>										
	<table border="1"> <tr> <td>Number</td> <td>+Class</td> </tr> </table>	Number	+Class								
Number	+Class										

+ See chapter 19 for defined terms.

8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	474,165,078	Ordinary shares						
9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td>27,036,000 (1,061,667 options have been cancelled since last Appendix 3B)</td> <td>Unquoted options</td> </tr> <tr> <td>1,500,000</td> <td>Incentive rights</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	27,036,000 (1,061,667 options have been cancelled since last Appendix 3B)	Unquoted options	1,500,000	Incentive rights	
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27,036,000 (1,061,667 options have been cancelled since last Appendix 3B)	Unquoted options								
1,500,000	Incentive rights								
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 <sup>+</sup> securities will be offered	Not applicable	
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Not applicable	
15	<sup>+</sup> 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  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable	
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	
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	Not applicable	

<sup>+</sup> See chapter 19 for defined terms.

	documents will be sent to persons entitled	
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
----------------
- 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: 15 May 2018  
Company secretary

Print name: Charlie Harrison

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