

8 October 2019

The Manager
Company Notices Section
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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 (ABN 68 109 431 870) (Mesoblast) under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (Corporations Act).

Mesoblast today issued 37,500,000 fully paid ordinary shares (Shares) at an issue price of A\$2.00 per Share to sophisticated and professional investors under the institutional placement announced on 3 October 2019.

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 information that is “excluded information” within the meaning of 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 LTD

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	Fully paid ordinary shares.
2	Number of ⁺ securities issued or to be issued (if known) or maximum number which may be issued	38,019,892 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)	37,500,000 fully paid ordinary shares as per the Company's constitution for consideration of A\$75,000,000. 200,000 ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of A\$238,000. 319,892 ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of US\$108,763.

⁺ See chapter 19 for defined terms.

Appendix 3B
New Issue Announcement

- 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:

- 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

Yes. Shares issued will rank equally in all respects from the date of issue with existing shares on issue.

- 5 Issue price or consideration

37,500,000 fully paid ordinary shares as per the Company's constitution for consideration of A\$75,000,000.

200,000 ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of A\$238,000.

319,892 ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of US\$108,763.

- 6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

37,500,000 ordinary shares have been issued pursuant to the Company's institutional placement, as announced on 3 October 2019. The net proceeds from the placement will principally be used to build product inventory and a targeted United States sales force in preparation for the potential United States commercial launch of remestemcel-L in the treatment of pediatric steroid-refractory acute graft versus host disease. Proceeds will also be used to complete Phase 3 trials for chronic low back pain and advanced heart failure, and for working capital and general corporate purposes.

200,000 ordinary shares (fully paid) issued upon the exercise of options in accordance with the Company's Employee Share Option Plan.

319,892 ordinary shares (fully paid) issued upon the exercise of options in accordance with the Company's Employee Share Option Plan.

- 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

+ See chapter 19 for defined terms.

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											
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.	<table><tr><th>Date Registered</th><th>Number of ordinary Shares issued</th></tr><tr><td>8 October 2019</td><td>37,500,000</td></tr><tr><td>12 September 2019</td><td>200,000</td></tr><tr><td>20 September 2019</td><td>319,892</td></tr><tr><td>Total</td><td>38,019,892</td></tr></table>		Date Registered	Number of ordinary Shares issued	8 October 2019	37,500,000	12 September 2019	200,000	20 September 2019	319,892	Total	38,019,892
Date Registered	Number of ordinary Shares issued												
8 October 2019	37,500,000												
12 September 2019	200,000												
20 September 2019	319,892												
Total	38,019,892												
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>536,679,434</td><td>Ordinary shares</td></tr></table>	Number	+Class	536,679,434	Ordinary shares							
Number	+Class												
536,679,434	Ordinary shares												
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>25,363,001 (146,666 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></table>	Number	+Class	25,363,001 (146,666 options have been cancelled since last Appendix 3B)	Unquoted options	1,500,000	Incentive rights					
Number	+Class												
25,363,001 (146,666 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.											

+ See chapter 19 for defined terms.

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 Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	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 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

⁺ See chapter 19 for defined terms.

- | | |
|--|----------------|
| 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

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

⁺ See chapter 19 for defined terms.

Appendix 3B
New Issue Announcement

- 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: 8 October 2019
Company secretary

Print name: Charlie Harrison

+ See chapter 19 for defined terms.