

*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# 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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

MESOBLAST LIMITED

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).*

- |                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 +Class of +securities issued or to be issued</p>                                                                                                                                                                                                 | <p>1. Ordinary shares (fully paid); and<br/>2. Unlisted options to ordinary shares</p>                                                                                                                                                                                                                                                                                                                   |
| <p>2 Number of +securities issued or to be issued (if known) or maximum number which may be issued</p>                                                                                                                                                | <p>1. 1,863,103 Fully Paid Ordinary Shares; and<br/>2. 2,948,700 Unlisted options to ordinary shares</p>                                                                                                                                                                                                                                                                                                 |
| <p>3 Principal terms of the +securities (eg, 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> | <p>1,863,103 Fully Paid Ordinary Shares as per the company's constitution;<br/>2,850,000 Unlisted options to acquire ordinary shares at a price per share of \$7.99, vesting over three years, and expiring 30 June 2016; and<br/>98,700 Unlisted options to acquire ordinary shares at a price per share of \$3.48, approved by the Board 30 November 2010, and an expiry date of 29 November 2015.</p> |

+ See chapter 19 for defined terms.

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- 4 Do the +securities rank equally in all respects from the date of allotment 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 for Ordinary Shares;

- 5 Issue price or consideration

Ordinary Shares Issued Upon The Exercise of Share Options Raising \$3m:

Price per Share	Shares Issued	Funds Received by the Company
\$1.00	450,000	\$450,000
\$1.20	277,389	\$332,867
\$1.58	280,000	\$442,400
\$2.13	300,000	\$639,000
\$2.00	3,000	\$6,000
\$0.005	159,822	\$-
\$0.44	30,000	13,317
\$3.48	323,000	1,124,040
\$0.42	39,892	16,895
<b>TOTAL</b>	<b>1,863,103</b>	<b>\$3,024,519</b>

2,948,700 Unlisted Options to Acquire Shares Issued for No Consideration.

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<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1,863,103 Ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Ownership Plan;</p> <p>2,948,000 Unlisted Options to Acquire Ordinary Shares as part of the Company's Employee Share Ownership Plan;</p>
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<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Date Registered</b></th> <th style="text-align: right;"><b>Number of Shares</b></th> </tr> </thead> <tbody> <tr><td>8/07/2011</td><td style="text-align: right;">30,000</td></tr> <tr><td>9/08/2011</td><td style="text-align: right;">64,000</td></tr> <tr><td>28/09/2011</td><td style="text-align: right;">3,000</td></tr> <tr><td>29/09/2011</td><td style="text-align: right;">80,000</td></tr> <tr><td>7/10/2011</td><td style="text-align: right;">120,000</td></tr> <tr><td>18/10/2011</td><td style="text-align: right;">219,822</td></tr> <tr><td>19/10/2011</td><td style="text-align: right;">30,000</td></tr> <tr><td>11/11/2011</td><td style="text-align: right;">39,892</td></tr> <tr><td>22/11/2011</td><td style="text-align: right;">66,000</td></tr> <tr><td>30/11/2011</td><td style="text-align: right;">73,400</td></tr> <tr><td>01/12/2011</td><td style="text-align: right;">80,000</td></tr> <tr><td>21/11/2011</td><td style="text-align: right;">277,389</td></tr> <tr><td>14/12/2011</td><td style="text-align: right;">212,800</td></tr> <tr><td>16/12/2011</td><td style="text-align: right;">78,400</td></tr> <tr><td>19/12/2011</td><td style="text-align: right;">54,930</td></tr> <tr><td>20/12/2011</td><td style="text-align: right;">153,470</td></tr> <tr><td>22/12/2011</td><td style="text-align: right;">200,000</td></tr> <tr><td>05/01/12</td><td style="text-align: right;">80,000</td></tr> <tr><td style="text-align: right;">Total</td><td style="text-align: right;">1,863,103</td></tr> </tbody> </table> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Date Registered</b></th> <th style="text-align: right;"><b>Number of Unlisted Options to Acquire Shares</b></th> </tr> </thead> <tbody> <tr><td>14/09/2011</td><td style="text-align: right;">98,700</td></tr> <tr><td>22/12/2011</td><td style="text-align: right;">2,850,000</td></tr> </tbody> </table>	<b>Date Registered</b>	<b>Number of Shares</b>	8/07/2011	30,000	9/08/2011	64,000	28/09/2011	3,000	29/09/2011	80,000	7/10/2011	120,000	18/10/2011	219,822	19/10/2011	30,000	11/11/2011	39,892	22/11/2011	66,000	30/11/2011	73,400	01/12/2011	80,000	21/11/2011	277,389	14/12/2011	212,800	16/12/2011	78,400	19/12/2011	54,930	20/12/2011	153,470	22/12/2011	200,000	05/01/12	80,000	Total	1,863,103	<b>Date Registered</b>	<b>Number of Unlisted Options to Acquire Shares</b>	14/09/2011	98,700	22/12/2011	2,850,000
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	Number	+Class
8 Number and +class of all +securities <u>quoted</u> on ASX (including the securities in clause 2 if applicable)	280,238,361	Ordinary Shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	11,806,136	Unlisted Options (27,000 options have lapsed since last App 3B filing)

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
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**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A

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+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A

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- 29 Date rights trading will end (if applicable)
- 30 How do <sup>+</sup>security holders sell their entitlements *in full* through a broker?
- 31 How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Despatch date

### 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)  Ordinary Shares Only as 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*

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+ See chapter 19 for defined terms.

- 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
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment 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
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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)

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42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 38)

Number	<sup>+</sup> Class

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+ 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 not available now, 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: 12<sup>th</sup> January 2012  
**Company Secretary**

Print name: **Jenni Pilcher**

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