



Manager of Company Announcements
ASX Limited
Level 6
20 Bridge Street
SYDNEY NSW 2000

7 September 2009
BY E-LODGEMENT

Dear Sir / Madam

Options – Exercise & Cancel

Please see the attached ASX Appendix 3B in relation to the exercise of Incentive Options and options granted under the Company's Employee Stock Option Plan.

The Company also confirms the cancellation of 22,801 options granted under the Company's Employee Stock Option Plan (ASX: HTWAI) and 3,214 restricted stock units granted under the Company's Restricted Stock Unit Plan (ASX:HINAK). These securities have lapsed and will be removed from the Company's register.

Yours faithfully

A handwritten signature in blue ink, appearing to read "D McIntyre".

David McIntyre
Chief Financial Officer &
Company Secretary

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

HeartWare International, Inc

ARBN

132 897 762

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 | Common stock (unquoted) |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 24,940 shares of common stock (being equivalent to 872,900 CHESSE Depository Interests (CDIs) on a conversion ratio of 35:1) |
| 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) | Fully paid common stock of HeartWare International, Inc |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment 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">• 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	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>22,000 shares of common stock were issued pursuant to the exercise of options granted under the Company's Employee Stock Option Plan with an exercise price of A\$7.00 per share for a total consideration of A\$154,000.00.</p> <p>2,940 shares of common stock were issued pursuant to the exercise of Incentive Options with an exercise price of A\$21.00 per share for a total consideration of A\$61,740.00.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Exercise of Incentive Options and options granted under the Company's Employee Stock Option Plan</p>
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>3 September 2009</p>

+ See chapter 19 for defined terms.

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Actual number of CDIs quoted is 236,991,895 as at 4 September 2009. 361,031,510 CDIs would be quoted if all common stock was held as CDIs.

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	3,543,989 shares of common stock 526,875 Options (over 526,875 shares of common stock or 18,440,625 CDIs). 119,993 Restricted Stock Units (over 119,993 shares of common stock or 4,199,755 CDIs). 48,510 Incentive Options (over 48,510 shares of common stock or 1,697,850 CDIs). 33,595 Options (over 33,595 shares of common stock or 1,175,825 CDIs).	Common stock on issue as at 4 September 2009 Options issued under the HeartWare International, Inc Employee Stock Option Plan (HIN:AI) Restricted Stock Units issued under the HeartWare International, Inc Restricted Stock Unit Plan (HIN:AK) Incentive Options (HIN:AI) Options issued under the HeartWare International, 2008 Stock Incentive Plan

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable.
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+ See chapter 19 for defined terms.

Part 2 - Bonus issue or 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 issue 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 |

+ See chapter 19 for defined terms.

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 prospectus or Product Disclosure Statement 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

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Appendix 3B
New issue announcement

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺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) 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)

<p>38 Number of securities for which +quotation is sought</p>	<p>Not Applicable</p>					
<p>39 Class of +securities for which quotation is sought</p>	<p>Not Applicable</p>					
<p>40 Do the +securities rank equally in all respects from the date of allotment 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"> • 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 	<p>Not Applicable</p>					
<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	<p>Not Applicable</p>					
<p>42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)</p>	<table border="1"> <thead> <tr> <th data-bbox="795 1379 1081 1413">Number</th> </tr> </thead> <tbody> <tr> <td data-bbox="795 1413 1081 1587">Not Applicable</td> </tr> </tbody> </table>	Number	Not Applicable	<table border="1"> <thead> <tr> <th data-bbox="1081 1379 1352 1413">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="1081 1413 1352 1587">Not Applicable</td> </tr> </tbody> </table>	+Class	Not Applicable
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