



Notice of Annual General Meeting 2007

Notice of Meeting and Information for Shareholders

HeartWare Limited

Annual General Meeting information:

Date: 23 May 2007
Time: 10am AEST
Location: Grant Thornton
Level 17
383 Kent Street
Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING

The 2nd Annual General Meeting of shareholders of HeartWare Limited (the **Company** or **HeartWare**) will be held at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney, NSW on **23 May 2007** commencing at **10 a.m** AEST. The purpose of the meeting is to transact the business referred to in this Notice of Annual General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting provides information in relation to each of the matters to be considered and contains a glossary of defined terms.

This Notice of Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The Annual General Meeting will be webcast and may be accessed via the homepage of the Company's website (www.heartware.com.au) on the day of the Annual General Meeting.

The business of the Annual General Meeting is as follows:

Ordinary Business

Receipt of Annual Report, Financial Statements, Directors' and Audit Reports

"To receive and consider the Annual Report, Financial Statements of the Company and its controlled entities, together with the Directors' Report and the Audit Report for the year ended 31 December 2006."

Note: This item of business is for discussion and is not for resolution.

Resolution 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the Remuneration Report (which forms part of the Directors' Report) for the year ended 31 December 2006 be adopted."

Note: In accordance with section 250R of the Corporations Act, the vote on Resolution 1 will be advisory only and will not bind the Directors or the Company.

Resolution 2 – Re-Election of Dr Denis Wade AM as a Non-Executive Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Dr Denis Wade AM, who retires by rotation in accordance with the Company's Constitution, and being eligible offers himself for re-election as a Director, be re-elected as a Non-Executive Director."

Resolution 3 – Re-Election of Dr Seth Harrison as a Non-Executive Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Dr Seth Harrison, who retires by rotation in accordance with the Company’s Constitution, and being eligible offers himself for re-election as a Director, be re-elected as a Non-Executive Director.”

Resolution 4 – Re-Election and Confirmation of Mr Robert Stockman as a Non-Executive Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Robert Stockman, who was appointed as a Director by the Board of the Company in accordance with the Company’s Constitution with effect from 11 December 2006, and being eligible offers himself for re-election as a Director, be re-elected and confirmed as a Non-Executive Director.”

Resolution 5 – Confirmation of Mr Douglas Godshall as Managing Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That the appointment of Mr Douglas Godshall, who was appointed as Managing Director by the Board of the Company in accordance with the Company’s Constitution with effect from 28 October 2006, be confirmed for the purposes of the Company’s Constitution.”

Voting Entitlement

For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 7.00 p.m. (AEST) on Monday, 21 May 2007 (the **Entitlement Time**). Accordingly, only those persons registered as holders of Shares at the Entitlement Time will be entitled to attend and vote at the Annual General Meeting.

Proxy Instructions

1. The Proxy Form is enclosed with this Notice of Meeting. Replacement Proxy Forms may be obtained by shareholders from the Company’s share registry, whose contact details are:

Registries Limited

Office Address: Level 2, 28 Margaret Street, Sydney NSW, Australia

Telephone: +61 2 9290 9600

2. A shareholder entitled to attend and vote at a general meeting may appoint not more than two proxies to attend such meeting and vote on behalf of the shareholder. A proxy need not be a shareholder. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion or number of the shareholder's votes. If no such proportion is specified, each proxy may exercise half of the shareholder's votes. Fractions of votes will be disregarded.
3. A proxy form must be signed by a shareholder (or its attorney) and does not need to be witnessed. If the shareholder is a corporation, the proxy form must be executed in accordance with that corporation's constitution or by a duly authorised attorney. If a Share is held jointly a proxy form should be signed by all of the joint holders.
4. The proxy form and any power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company's share registrar, Registries Limited, by **10am AEST on Monday, 21 May 2007** (being the last day which is at least 48 hours before the time for holding the meeting), at:

Hand deliveries: Level 2
28 Margaret Street
Sydney NSW 2000

Postal address: PO Box R67
Royal Exchange
Sydney NSW 1223

Fax number: +61 2-9279-0664

Proxies received after that time will not be effective for the scheduled meeting.

5. A proxy may decide whether to vote on a Resolution, except where the proxy is required by law or the Company's Constitution to vote or abstain from voting, in their capacity as a proxy. If a proxy is directed how to vote on a Resolution, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote as he or she thinks fit. If a shareholder appoints two proxies and the appointments specify different ways to vote on a Resolution, neither may vote on a show of hands.
6. The Chairman of the Meeting intends to vote all valid undirected proxies which he receives in favour of all Resolutions at the Meeting.

By Order of the Board



David McIntyre
Company Secretary
20 April 2007

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders in connection with the second Annual General Meeting of shareholders of the Company to be held at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney, NSW on **23 May 2007** commencing at **10 a.m AEST**.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. A glossary of defined terms is contained at the end of this Explanatory Memorandum.

The Directors unanimously recommend that shareholders vote in favour of Resolution 1.

All Directors, other than Dr Denis Wade, recommend that shareholders vote in favour of Resolution 2. Dr Wade abstains from making a recommendation due to his personal interest in Resolution 2.

All Directors, other than Dr Seth Harrison, recommend that shareholders vote in favour of Resolution 3. Mr Harrison abstains from making a recommendation due to his personal interest in Resolution 3.

All Directors, other than Mr Robert Stockman, recommend that shareholders vote in favour of Resolution 4. Mr Stockman abstains from making a recommendation due to his personal interest in Resolution 4.

All Directors, other than Mr Douglas Godshall, recommend that shareholders vote in favour of Resolution 5. Mr Godshall abstains from making a recommendation due to his personal interest in Resolution 5.

Ordinary Business

Receipt of Annual Report, Financial Statements, Directors' and Audit Reports

HeartWare's Constitution and the *Corporations Act* require the Financial Report, the Directors' Report, the Directors' Declaration and the Audit Report to be received and considered at the meeting. Each of the reports and the declaration are contained in the 2006 Annual Report which accompanies this Notice of Meeting.

During this item of business, the shareholders as a whole at the meeting will be given reasonable opportunity to ask questions about, and make comments on, those reports and the business and management of HeartWare.

Shareholders will also be given a reasonable opportunity to ask a representative of HeartWare's auditor questions relevant to the conduct of the audit, the preparation and content of the Audit Report, the accounting policies adopted by HeartWare in relation to the preparation of the financial statements or the independence of the auditor in relation to the conduct of the audit.

Resolution 1 – Adoption of the Remuneration Report

The *Corporations Act* requires the Company to include in the Directors' Report a detailed Remuneration Report setting out certain prescribed information relating to directors' and executives' remuneration, and submit this for adoption by resolution of the shareholders at the Meeting. The Remuneration Report is set out in the 2006 Annual Report which accompanies this Notice of Meeting and discusses matters including (but not limited to):

- Board policies for determining the remuneration of Directors and executives; and
- certain remuneration details of the Directors and executives of the Company.

Shareholders are asked to adopt the Remuneration Report. The shareholder vote is for advisory purposes only and does not bind the Directors or the Company.

Resolution 2 – Re-Election of Dr Denis Wade AM as a Non-Executive Director

Under clause 26.6 of HeartWare's Constitution, at each Annual General Meeting of the Company one-third of the Directors are subject to retirement by rotation (or, if the number of Directors is not a multiple of three then the number nearest to but not exceeding one-third of the Directors must retire from office as Directors), and such Directors, being eligible, are entitled to offer themselves for re-election as a Director at the Annual General Meeting which coincides with his or her retirement.

At this meeting, Dr Denis Wade AM automatically retires and, being eligible, offers himself for re-election. Dr Wade has been a director since December 2004 and is a member of the Company's Nomination & Remuneration Committee as well as the Audit & Compliance Committee. Details of Dr Wade's professional qualifications are set out below and are also included in the Annual Report.

Dr Wade has extensive experience in international health care markets, with a particular emphasis on the development of research based health care products in Australia and their commercialisation in the global market. From 1998 until his retirement in 2003, Dr. Wade was Managing Director of Johnson & Johnson Research Pty Ltd, a research arm of Johnson & Johnson. Dr. Wade is the former Foundation Professor of Clinical Pharmacology at the University of New South Wales in Australia. Dr. Wade also serves on industry bodies in Australia, is a former President of the Australian Society of Clinical and Experimental Pharmacology and has held senior positions in the International Union of Pharmacology, serving as Chairman of the Clinical Pharmacology Section. Dr. Wade holds a Bachelor degree in Medicine and Surgery from the University of New South Wales (Australia) and a Doctorate in Philosophy from Oxford (in the United Kingdom). He was awarded an Honorary Doctorate in Science from the University of New South Wales. He is a Fellow of the Royal Australasian College of Physicians, the Australian Institute of Company Directors and the Australian Academy of Technological Sciences and Engineering.

If re-elected, Dr Wade will be re-appointed to both the Nomination & Remuneration Committee as well as the Audit & Compliance Committee.

Resolution 3 – Re-Election of Mr Seth Harrison as a Non-Executive Director

As outlined in respect of Resolution 2, clause 26.6 of HeartWare's Constitution requires one-third of the Company's Directors to retire by rotation.

At this meeting, Dr Seth Harrison automatically retires and, being eligible, offers himself for re-election. Details of Dr Harrison's professional qualifications are set out below and are also included in the Annual Report.

Dr Harrison has been a director and deputy chairman and non-executive director since November 2004 and was Chief Executive Officer of HeartWare, Inc. from July 2003 through November 2004. Since September 1999, Dr Harrison has been Managing General Partner of Apple Tree Partners I, L.P., an early stage life sciences venture capital firm, which is the Company's major shareholder. Prior to September 1999, he held senior executive positions with Oak Investment Partners, Sevin Rosen Funds and Nazem & Company. Dr Harrison received a Bachelor of Arts from Princeton University. He received his medical degree and a Masters of Business Administration from

Columbia University and completed a surgery internship at Columbia Presbyterian Hospital in New York. He serves on the board of and chairs the Finance Committee of the International Partnership for Microbicides, a Rockefeller Foundation/Gates Foundation-sponsored public-private partnership engaged in the development of anti-HIV microbicides. Dr Harrison is also Vice Chairman of the Board of Trustees of the New York Studio School for Drawing, Painting and Sculpture.

Dr Harrison is a member of the Company's Nomination & Remuneration Committee and will, if re-elected, be re-appointed as both a member of the Nomination & Remuneration Committee and as Deputy Chairman of the Board.

Resolution 4 – Re-Election and Confirmation of Mr Robert Stockman as a Non-Executive Director

Mr Robert Stockman was appointed as a Director of the Company by the Board in accordance with HeartWare's Constitution with effect from 11 December 2006.

Under clause 26.3 of HeartWare's Constitution, the appointment of a Director made by the Board is subject to confirmation at the next annual general meeting of the Company which occurs after that appointment. In addition, Listing Rule 14.4 requires that a Director appointed by the Board must be re-elected as a Director at the next annual general meeting if he wishes to hold office as a Director past that meeting.

Accordingly, at this meeting, Mr Stockman's appointment as a Director is proposed to be confirmed as required by HeartWare's Constitution and, for the purposes of Listing Rule 14.4, Mr Stockman, being eligible, offers himself for re-election. Details of Mr Stockman's professional qualifications are set out below and are also included in the Annual Report.

As noted above, Mr. Stockman has been a director since December 2006. Since 1999, Mr. Stockman has been the President and CEO of Group Outcome LLC, a U.S.-based merchant banking firm which deploys its capital and that of its financial partners in private equity and venture capital investments in medical technology companies. He is also the co-founder and Chairman of REVA Medical, Inc, an interventional coronary medical device company. Prior to establishing Group Outcome LLC, Mr. Stockman spent eighteen years with Johnston Associates and Narragansett Capital Corporation, where he focused on venture capital investments in healthcare. Mr. Stockman holds a Bachelors Degree from Harvard College and a Master in Business Administration from The Tuck School at Dartmouth College.

Resolution 5 – Confirmation of Mr Douglas Godshall as Managing Director

As outlined in respect of Resolution 4, clause 26.3 of HeartWare's Constitution requires that a person who is appointed as a Director by the Board must have that appointment confirmed at the next annual general meeting if the person wishes to hold office as a Director past that meeting. The purpose of this resolution is to confirm Mr Godshall's appointment as Managing Director of the Company. Details of Mr Godshall's professional qualifications are set out below and are also included in the Annual Report.

Mr. Godshall has been Chief Executive Officer since September 2006 and became a director in October 2006. Prior to joining HeartWare, Mr. Godshall served in various executive and managerial positions at Boston Scientific Corporation, where he had been employed since 1990, including as a member of Boston Scientific's Operating Committee and since January 2005, as President, Vascular Surgery. Prior thereto, Mr. Godshall spent five years as Vice President, Business Development, at Boston Scientific, where he was focused on acquisition strategies for the cardiology, electrophysiology, neuroradiology and vascular surgery divisions. Mr. Godshall has

a Bachelor of Arts in Business from Lafayette College and Masters of Business Administration from Northeastern University in Boston, Massachusetts

Glossary

AEST	Australian Eastern Standard Time
Annual Report	means the Company's Annual Report for the reporting period ended 31 December 2006, as released to the ASX on 20 April 2007
Board	means the board of directors of the Company from time to time
Company or HeartWare	means HeartWare Limited (ACN 111 970 257)
Corporations Act	means the <i>Corporations Act 2001 (Cth)</i>
Directors	means the directors of the Company from time to time
Listing Rules	means the Australian Stock Exchange Listing Rules
Shares	means fully paid ordinary shares in the capital of the Company



PROXY FORM

HeartWare Limited ABN 34 111 970 257
Annual General Meeting 2007
Proxy Form

All correspondence to:
Registries Limited
P O Box R67
Royal Exchange, Sydney NSW 1223
Enquiries: 61 2 9290 9600
Facsimile: 61 2 9279 0664
www.registriesltd.com.au
registries@registriesltd.com.au

- «NameAddress_1»
- «NameAddress_2»
- «NameAddress_3»
- «NameAddress_4»
- «NameAddress_5»
- «NameAddress_6»

Appointment of Proxy

If appointing a proxy to attend the Annual General Meeting on your behalf, please complete the form and submit it in accordance with the directions set out in this form.

I/We being a shareholder/shareholders of HeartWare Limited pursuant to my/our right to appoint not more than two proxies, appoint

The Chairman of the Meeting (mark with an "X") **OR**
or failing him/her

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting.

Write here the name of the other person you are appointing.

or failing him/her (or if no proxy is specified above), the Chairman of the meeting, as my/our proxy to act generally at the Annual General Meeting on my/our behalf and to vote for me/us and on my/our behalf in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting to be held at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney NSW 2000 on **23 May 2007** at **10:00 am** and at any adjournment of that meeting.

This proxy is to be used in respect of _____ % of the ordinary shares I/we hold.

The Chairman of the Meeting intends to vote all valid undirected proxies in favour of each item of business.

Voting directions to your proxy – please mark to indicate your directions

RESOLUTION	For	Against	Abstain*
1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of Dr Denis Wade AM as a Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-Election of Dr Seth Harrison as a Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-Election and Confirmation of Mr Robert Stockman as a Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Confirmation of Mr Douglas Godshall as Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.
Executed in accordance with section 127 of the Corporations Act:

Individual or Shareholder 1	Joint Shareholder 2	Joint Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director & Sole Company Secretary	Director	Director / Company Secretary

Dated this _____ day of _____ 2007

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. **Your pre-printed name and address is as it appears on the share register of HeartWare Limited. If you are Issuer Sponsored and this information is incorrect or incomplete (i.e. J Jones, ABC Company etc), please make the correction on the form and return it to Registries Limited at the address shown below duly signed.** Security holders sponsored by a broker on the CHESS subregister should advise their broker of any changes. Please note that you cannot change ownership of your securities using this form.
2. Completion of a proxy form will not prevent individual shareholders from attending the Annual General Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Annual General Meeting.
3. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointments do not specify this proportion, each proxy may exercise half of the votes. Fractions of votes will be disregarded.
4. A proxy need not be a shareholder of the Company.
5. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
6. If a representative of a company shareholder is to attend the Annual General Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the Meeting. Previously lodged "Certificates of Appointment of Corporate Representative" will be disregarded by the Company.
7. If a representative as Power of Attorney of a shareholder is to attend the Annual General Meeting, a properly executed original (or certified copy) of the appropriate Power of Attorney should be produced for admission to the Annual General Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

8. **Signing Instructions**

You must sign this form as follows in the spaces provided:

- Individual:** Where the holding is in one name, the holder must sign.
- Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.
- Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.
- Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person.
- If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.
- Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

9. **Lodgement of a Proxy**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later than **10.00am** on **Monday 21 May 2007** (48 hours before the commencement of the meeting). Any Proxy Form received after that time will not be valid for the scheduled meeting.

Hand deliveries: **Registries Limited**
Level 2
28 Margaret Street
Sydney NSW 2000

Postal address: **Registries Limited**
PO Box R67
Royal Exchange NSW 1223

Fax number: **+ (61 2) 9279 0664**