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MESOBLAST NATIONAL TELEVISION COVERAGE

Melbourne, Australia; 29 August 2007: Australian adult stem cell company, Mesoblast Limited (ASX:MSB;USOTC:MBLTY), today confirmed that national news items broadcast on Channel 9 and Channel 7 last night focused on its adult stem cell cardiovascular trial.

The coverage included an interview with a patient involved in the cardiac trial using Mesoblast's specialist mesenchymal precursor cells and Dr Suku Thambar, interventional cardiologist at John Hunter Hospital and medical researcher with the Hunter Medical Research Institute in NSW.

In line with clinical trial protocols and The Privacy Act, Mesoblast will not publish the patient's name.

In the interests of fair and full disclosure, transcripts of the Channel 7 and Channel 9 news items follow.

Transcript Channel 9 - 6pm News, 28 August 2007

Newsreader: In medical news, there's new hope for people with severe heart disease following the results of clinical trials involving stem cell technology. Six patients had their own stem cells implanted into their hearts and the results were astounding.

Reporter: Despite having a quadruple bypass in his 50s, it's remained a battle for 69-year-old (patient) to take a simple walk outside.

Patient: I had all the treatment I could have had and I'd sort of reached the end of the road as far as that went.

Reporter: But thanks to an Australian breakthrough, his heart condition has now improved. (The patient) is one of six patients who's had rare adult stem cells injected into his heart muscle. A team at John Hunter Hospital discovered they could take the stem cells from a person's own bone marrow and cultivate them

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into 100 million cells in just eight weeks. Inside the heart those cells help to grow new tissue without causing rejection problems.

Cardiologist, Dr Suku Thambar: We found that some of the patients improved in terms of their symptoms and some of them improved in terms of their heart function.

Reporter: And after just three months, (the patient) had no chest pain at all.

Patient: I feel like I'm probably going to live forever now.

Reporter: Doctors will now look at extracting stem cells from young and healthy donors as opposed to the sick patients themselves. If all goes to plan, they could have an off-the-shelf treatment for cardiac patients within three years.

Transcript Channel 7 – 6pm News, 28 August 2007

Newsreader: Australian doctors are giving new hope to people suffering heart disease with a world first treatment using their own stem cells. Patients in New South Wales have been the first to try it with remarkable results.

Reporter: He's had a heart attack, a stroke and four bypasses but today (the patient) feels 10 years younger.

Patient: It is a miracle, yes. It's wonderful too.

Reporter: He's one of six Australians who took part in a revolutionary treatment at John Hunter Hospital in Newcastle. Doctors took stem cells from his bone marrow, grew them in a lab, and injected them into his heart.

Patient: I had 22 injections into my heart, 54 million cells.

Reporter: They hoped it would help the heart to repair itself by growing new blood vessels.

Cardiologist, Dr Suku Thambar: I have to say we were surprised by the degree of improvement in the heart function.

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Reporter: All six patients in the trial grew new heart muscle within three months.

Dr Thambar: We had improvement in heart function in some of them, and improvements in symptoms in some of them.

Reporter: Five were able to reduce their medication.

The potential of this treatment is extraordinary when you consider that one Australian dies of cardiovascular disease every 10 minutes. There will be another trial in six months and doctors hope that within a few years it will be available around the world.

The technology could have other uses like growing new bones.

Future trials will also look at whether people can donate stem cells to help repair someone else's heart.

End of Segments

About Mesoblast Limited

Mesoblast Limited (ASX:MSB;USOTC:MBLTY) is an Australian biotechnology company committed to commercialisation of novel treatments for orthopaedic conditions, including a unique adult stem cell technology aimed at the regeneration and repair of bone and cartilage. Mesoblast has worldwide exclusive rights to a series of patents and technologies that have been developed over more than 10 years relating to the identification, extraction and culture of adult Mesenchymal Precursor Cells (MPCs). The company has also acquired a significant interest in Angioblast Systems Inc, an American company developing the platform MPC technology for the treatment of cardiovascular diseases, including repair and regeneration of blood vessels and heart muscle. Mesoblast's strategy is to maximise shareholder value through both corporate partnerships and rapid product commercialisation.

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