

7 January 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 ACN 109 431 870 (Mesoblast) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act).

Mesoblast has issued 1,209,187 ordinary shares in Mesoblast (the Shares) to Maxim Group as consideration for advisory services in connection with the completion of the strategic partnership with Tasly Pharmaceutical Group.

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;
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Corporations Act; and
5. the Company remains in active discussions with a number of potential global commercialization partners and strategic financial institutions regarding potential transactions and access to non-dilutive capital. In addition, the Company has completed patient recruitment in the events-driven Phase 3 trial of its advanced chronic heart failure product candidate, as indicated in the ASX announcement filed concurrently with this notice.

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 | Ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,260,295 ordinary shares, 990,000 unquoted options to acquire 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) | 1,260,295 ordinary shares (fully paid) as per the company's constitution.

200,000 unquoted options to acquire ordinary shares at a price per share of A\$1.52, vesting in three equal tranches on 18 June 2019, 18 June 2020 and 18 June 2021 respectively, and expiring 17 June 2025.

200,000 unquoted options to acquire ordinary shares at a price per share of A\$1.56, vesting in three equal tranches on 11 July 2019, 11 July 2020 and 11 July 2021 respectively, and expiring 10 July 2025.

590,000 unquoted options to acquire ordinary shares at a price per share of A\$1.33, vesting in three equal tranches on 30 November 2019, 30 November 2020 and 30 November 2021 respectively, and expiring 29 November 2025. |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date 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 for the ordinary shares.</p> <p>Shares issued on the exercise of unquoted options will rank equally with quoted shares as from their date of issue.</p>
<p>5 Issue price or consideration</p>	<p>1,209,187 ordinary shares issued (fully paid) issued for consideration of US\$1,170,000 (A\$1.33 per share).</p> <p>51,108 ordinary shares issued upon the exercise of options in accordance with the Company's Employee Share Option Plan for consideration of A\$40,854.</p> <p>Each option was issued for no issue price.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1,209,187 ordinary shares issued to Maxim Group as consideration for advisory services in connection with the completion of the strategic partnership with Tasly Pharmaceutical Group</p> <p>51,108 ordinary shares (fully paid) issued upon the exercise of options in accordance with the Company's Employee Share Option Plan.</p> <p>990,000 unquoted options to acquire ordinary shares issued pursuant to the Company's Employee Share Option Plan.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Not applicable</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable</p>

+ See chapter 19 for defined terms.

Exhibit 99.1
New Issue Announcement

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	<p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Date Registered</th> <th style="text-align: right;">Number of ordinary shares issued</th> </tr> </thead> <tbody> <tr> <td>15 Oct 2018</td> <td style="text-align: right;">51,108</td> </tr> <tr> <td>4 Jan 2019</td> <td style="text-align: right;">1,209,187</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">1,260,295</td> </tr> </tbody> </table> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Date Registered</th> <th style="text-align: right;">Number of unquoted options to acquire shares issued</th> </tr> </thead> <tbody> <tr> <td>31 Dec 2018</td> <td style="text-align: right;">200,000</td> </tr> <tr> <td>31 Dec 2018</td> <td style="text-align: right;">200,000</td> </tr> <tr> <td>31 Dec 2018</td> <td style="text-align: right;">590,000</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">990,000</td> </tr> </tbody> </table>	Date Registered	Number of ordinary shares issued	15 Oct 2018	51,108	4 Jan 2019	1,209,187	Total	1,260,295	Date Registered	Number of unquoted options to acquire shares issued	31 Dec 2018	200,000	31 Dec 2018	200,000	31 Dec 2018	590,000	Total	990,000
Date Registered	Number of ordinary shares issued																			
15 Oct 2018	51,108																			
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31 Dec 2018	200,000																			
31 Dec 2018	200,000																			
31 Dec 2018	590,000																			
Total	990,000																			
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">498,626,208</td> <td style="text-align: center;">Ordinary shares</td> </tr> </tbody> </table>	Number	+Class	498,626,208	Ordinary shares														
Number	+Class																			
498,626,208	Ordinary shares																			
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">23,951,226 (16,666 options have been cancelled since last Appendix 3B)</td> <td style="text-align: center;">Unquoted options</td> </tr> <tr> <td style="text-align: center;">1,500,000</td> <td style="text-align: center;">Incentive rights</td> </tr> </tbody> </table>	Number	+Class	23,951,226 (16,666 options have been cancelled since last Appendix 3B)	Unquoted options	1,500,000	Incentive rights												
Number	+Class																			
23,951,226 (16,666 options have been cancelled since last Appendix 3B)	Unquoted options																			
1,500,000	Incentive rights																			

+ See chapter 19 for defined terms.

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 - Pro rata issue

11 Is security holder approval required?	Not applicable
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12 Is the issue renounceable or non-renounceable?	Not applicable
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13 Ratio in which the +securities will be offered	Not applicable
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14 +Class of +securities to which the offer relates	Not applicable
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15 +Record date to determine entitlements	Not applicable
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16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
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17 Policy for deciding entitlements in relation to fractions	Not applicable
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18 Names of countries in which the entity has security holders who will not be sent new offer documents	Not applicable
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Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations	Not applicable
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20 Names of any underwriters	Not applicable
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21 Amount of any underwriting fee or commission	Not applicable
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22 Names of any brokers to the issue	Not applicable
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23 Fee or commission payable to the broker to the issue	Not applicable
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24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
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25 If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
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+ See chapter 19 for defined terms.

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

+ See chapter 19 for defined terms.

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
- 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 Not applicable
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)

+ See chapter 19 for defined terms.

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 7 January 2019
Company secretary

Print name: Charlie Harrison

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	470,857,738
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>6 March 2018: 25,000 (exercise of options) 6 March 2018: 8,333 (exercise of options) 10 July 2018: 8,474,576 (ordinary shares issued to Novaquest) 20 July 2018: 50,000 (exercise of options) 28 September 2018: 212,000 (exercise of options) 12 October 2018: 14,464,259 (ordinary shares issued to Tasly) 15 October 2018: 51,108 (exercise of options)</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	494,143,014

Step 2: Calculate 15% of “A”	
“B”	0.15 [Note: this value cannot be changed]

+ See chapter 19 for defined terms.

Multiply “A” by 0.15	74,121,452
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>19 January 2018: 1,500,000 incentive rights 19 January 2018: 2,381,150 ordinary shares 15 May 2018: 892,857 ordinary shares 4 January 2019: 1,209,187 ordinary shares</p>
“C”	5,983,194
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	74,121,452
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	5,983,194
Total [“A” x 0.15] – “C”	68,138,258 [Note: this is the remaining placement capacity under rule 7.1]

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	Not applicable
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Not applicable
“E”	Not applicable

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A

<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>Not applicable</p>
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Not applicable</p>
<p>Total [“A” x 0.10] – “E”</p>	<p>Not applicable</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.