

## asx announcement

### MESOBLAST RAISES CAPITAL FOR NEW CLINICAL PROGRAMS

**Melbourne, Australia; 30 March 2009:** Australia's regenerative medicine company, Mesoblast Limited (ASX: MSB), today announced that it has successfully completed a private placement to existing, as well as new, institutional and sophisticated investors, raising \$10.81 million.

The new funds will be used in conjunction with Mesoblast's existing working capital, reported at 31 December to be \$9.6 million, to expand the company's clinical trial programs focussing on bone and cartilage regenerative products for spinal vertebral disc disease. These programs will be pursued in parallel to the Company's ongoing Phase 2 clinical trial in knee osteoarthritis.

Mesoblast's Executive Director, Professor Silviu Itescu, said he welcomed the ongoing strong support from the Company's institutional and major shareholders.

"We are very pleased with the continued confidence displayed by our shareholders in the value of Mesoblast's adult stem cell platform technology, and in the ability of the Company's management to achieve timely technical milestones and deliver commercial outcomes".

The placement of 15.02 million shares was oversubscribed and was made at a 10% discount to the closing price of the Company's shares on 25 March 2009.

#### About Mesoblast

Mesoblast Limited (ASX:MSB; PINK:MBLTY) is committed to the development of novel treatments for orthopaedic conditions, including the rapid commercialisation of a unique adult stem cell technology aimed at the regeneration and repair of bone and cartilage. Our focus is to progress through clinical trials and international regulatory processes necessary to commercialise the technology in as short a timeframe as possible. Mesoblast has the worldwide exclusive rights for a series of patents and technologies developed over more than 10 years relating to the identification, extraction and culture of adult Mesenchymal Precursor Cells (MPCs). The Company has acquired 38.4% of Angioblast Systems Inc., an American company developing the platform MPC technology for the treatment of cardiac, vascular and eye diseases including repair and regeneration of blood vessels and heart muscle. Mesoblast and Angioblast are jointly funding and progressing the core technology. Mesoblast's strategy is to maximise shareholder value through both corporate partnerships and the rapid and successful completion of clinical milestones. [www.mesoblast.com](http://www.mesoblast.com)

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