



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

3 March 2010
BY E-LODGEMENT

Dear Sir / Madam

Options & RSU – Grant and Cancellation

Please see the attached ASX Appendix 3B in relation to the issue of equity as an inducement and incentive to new employees.

Please be advised that the Company has also cancelled 1,0000 restricted stock units granted under 2008 Stock Incentive Plan and 2,142 HeartWare International, Inc Employee Stock Options (HIN:AI) and these options will be removed from the 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 | 20,000 options issued under the 2008 Stock Incentive Plan

15,500 restricted stock units issued under the 2008 Stock Incentive Plan |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued | 20,000 options issued under the 2008 Stock Incentive Plan

15,500 restricted stock units issued under the 2008 Stock Incentive Plan |

+ See chapter 19 for defined terms.

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New issue announcement

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)

20,000 non-statutory (employee) stock options (unquoted). Each stock option is issued for no monetary consideration and on vesting entitles the holder to be issued one share of common stock for a strike price of US\$38.57 per share of common stock and otherwise each stock unit is issued in accordance with the Company's 2008 Stock Incentive Plan Rules. Vesting shall occur in four equal annual tranches commencing on the first anniversary of the grant date.

15,500 restricted stock units (unquoted). Each restricted stock unit is issued for no monetary consideration and on vesting entitles the holder to be issued one share of common stock for no monetary consideration and otherwise each restricted stock unit is issued in accordance with the Company's 2008 Stock Incentive Plan Rules. Vesting shall occur in four equal annual tranches commencing on the first anniversary of the grant date.

+ See chapter 19 for defined terms.

<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>Not applicable – the restricted stock units and employee stock options are not quoted.</p> <p>However, any common stock issued on vesting and exercise of the employee stock options and restricted stock units will rank equally on issue with all other shares of common stock.</p>
<p>5 Issue price or consideration</p>	<p>20,000 employee stock options (unquoted) issued for no monetary consideration and with an exercise price of US38.57 per employee stock option and in accordance with the Company's 2008 Stock Incentive Plan.</p> <p>15,500 restricted stock units (unquoted) issued for no monetary consideration and with an exercise price of \$0.00 per restricted stock unit and in accordance with the Company's 2008 Stock Incentive Plan.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Incentive and inducement for new employees.</p>
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>25 February 2010</p>

+ See chapter 19 for defined terms.

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	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 93,992,850 as at 1 March 2010. 476,933,205 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)	10,941,153 shares of common stock 447,928 Options (over 447,928 shares of common stock or 15,677,480 CDIs). 67,860 Restricted Stock Units (over 67,860 shares of common stock or 2,375,100 CDIs). 9,999 Incentive Options (over 9,999 shares of common stock or 349,965 CDIs). 69,850 options (over 69,850 shares of common stock or 2,444,750 CDIs). 292,643 restricted stock units (over 292,643 shares of common stock or 10,242,505 CDIs).

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

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7. | Not Applicable |
| 19 | Closing date for receipt of acceptances or renunciations | Not Applicable |

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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

- 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

⁺ See chapter 19 for defined terms.

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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	<p>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 	Not Applicable	
41	<p>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>	Not Applicable	
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.

