



2 December 2004

The Manager  
Company Announcements  
Australian Stock Exchange  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir,

### **Company Letter to Shareholders and Optionholders**

Please find attached a company letter for Resonance Health Limited (ASX:RHT) which was distributed to shareholders and holders of RHTOA options today.

Yours sincerely,

Stuart Usher  
**Joint Company Secretary**



2 December 2004

Dear Shareholders and holders of RHTOA Options,

### **Amendment to Note 16(b) of the 2004 Annual Report**

Please note that two amendments need to be made to Note 16 (b) on page 34 of the Resonance Health Limited 2004 Annual Report.

- 1) The following sentence has been amended:

*The options are listed on the ASX and have an exercise price of \$0.15. ~~if exercised prior to 8 December 2004.~~*

- 2) The following sentence does not apply and is deleted in full:

*For the period 9 December 2004 to the expiry date of the Options (15 January 2008), the exercise price will increase to \$0.40 cents per Share.*

We can advise that these errors have not been repeated elsewhere and all holders of RHTOA options have been provided with the correct information previously through exercise of option forms and letters mailed to them on 28 October 2004 and 25 November 2004.

Attached is an amended copy of page 34 of the printed version of the Annual Report. The amended page will be inserted into all future copies of the 2004 Annual Report.

Yours faithfully,

**STUART USHER**  
**Joint Company Secretary**



## Notes To The Financial Statements

For the Year ended 30 June 2004

### NOTE 16: CONTRIBUTED EQUITY

(a) Issued and paid up capital

	2004		2003	
	Number of Shares	\$	Number of Shares	\$
<b>Issued and paid up capital</b>				
60,603,543 ordinary shares (2003: 271,393,005)	60,603,543	49,447,853	271,393,005	45,857,640

#### Movements during the period

##### Ordinary shares

	Number of Shares	Issue price	\$
Balance at the beginning of the financial year	271,393,005		45,857,640
Consolidation of shares on a 10 for 1 basis	27,141,476	-	
Shares issued:			
Shares placement	13,000,000	\$0.10	1,300,000
Shares issued on acquisition of IVB Holdings PL	13,000,000	\$0.10	1,300,000
Exercise of options	1,346,152	\$0.15	201,924
Exercise of advisor options	1,509,000	\$0.10	150,900
Shares issued pursuant to share purchase plan	4,606,915	\$0.187	861,496
Share issue expenses	-	-	(224,147)
Balance at end of financial year	60,603,543		49,447,812

##### Incentive shares

Issue of Class A incentive shares	9,000,000	\$0.0001	9
Issue of Class C-F incentive shares	32,000,000	\$0.0001	32
Balance at end of financial year	41,000,000		41
<b>Total</b>	101,603,543		49,447,853

#### (b) Share Options

Options over ordinary shares issued during the year and outstanding at balance date:

49,006,016 Listed Options Expiring 15 January 2007 (ASX Code: RHTOA)

On 8 December 2003, 50,346,503 options were issued over ordinary shares, exercisable any time prior to their expiry date being 15 January 2007. These options were issued pursuant to the GEO2 Limited prospectus dated 6 October 2003. The options are listed on the ASX and have an exercise price of \$0.15. If a shareholder exercises an Option on or before 8 December 2004 they will receive (for free) one new Option for each Option exercised on the same terms and conditions as the existing options.