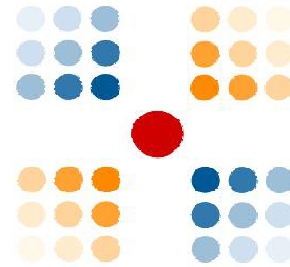


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Commercialising the FerriScan™ Technology

“The Future of Liver Diagnosis”

Investor Update
April 2005



Commercialising the FerriScan™ Technology

“The Future of Liver Diagnosis”



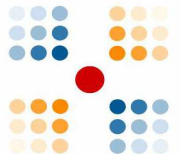
- Resonance Health Limited (ASX:RHT) – specialises in diagnostic imaging technology, focussing initially on the liver.
- The FerriScan™ Technology is a novel, non-invasive liver diagnostic with global applications developed by a multi-disciplinary team at The University of Western Australia.
- Resonance currently controls 51% of the voting rights of Inner Vision Biometrics Pty Ltd (“IVB”), which owns FerriScan™, and is providing capital and commercial expertise to roll out the technology on a global basis.
- Resonance has announced its intention to acquire 100% of IVB via a share swap, subject to shareholder approval expected early May 2005.



What is the FerriScan™ Technology



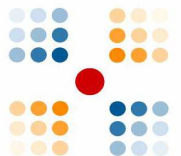
- A safe, non-invasive and accurate test to measure liver iron concentration
- Utilises existing MRI equipment, proprietary software and a patented iron “marker” known as “R2”
- Provides clinicians around the world with a new and safe diagnostic tool to track liver iron levels in their patients on a regular basis
- Eliminates the need for a liver needle biopsy in many cases; replacing a painful, invasive procedure that has many shortcomings.



Why Test for Iron Overload?



- Chronic disorders of iron metabolism are among the most common genetic diseases (1 in 200 for HHC)
- The result is too much iron is absorbed by the digestive system and accumulates in the body (and in its largest organ – the liver)
- Iron overload has previously been difficult to detect and manage
- If left untreated, iron toxicity is a major cause of organ damage:
 - Liver – fibrosis / cirrhosis
 - Heart – congestive heart failure and arrhythmia
 - Pancreas – diabetes, arthritis of the joints

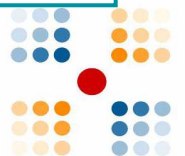
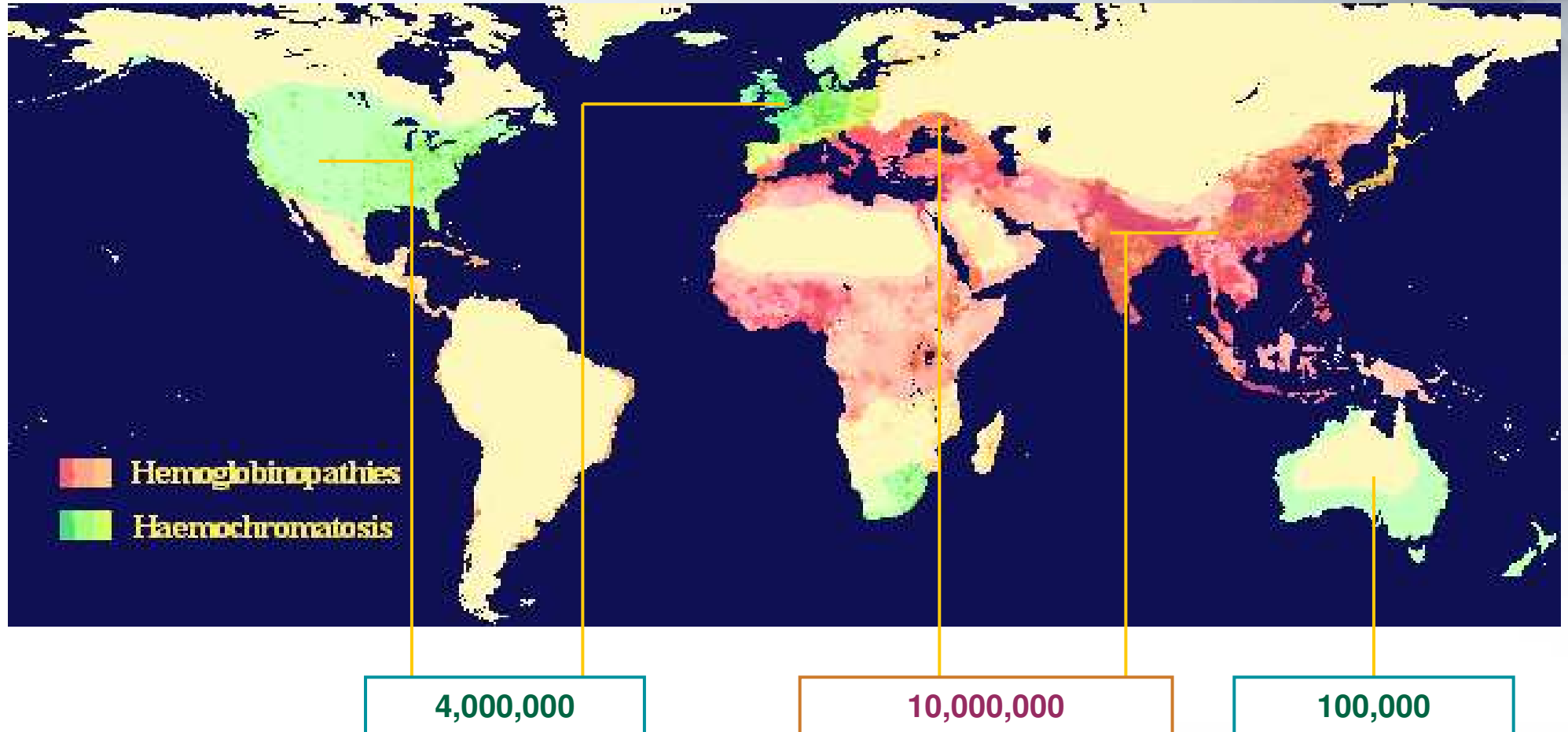


Diseases Associated With Iron Overload



- **Haemochromatosis**
 - A hereditary disease in which excessive amounts of iron are absorbed and stored in the body, particularly the liver. Treatment is typically blood removal every week over a two year period. Hereditary Haemochromatosis (HHC) is the most common genetic disorder in the USA.
- **Thalassaemia (minor & major)**
 - Hereditary conditions prevalent in people of Mediterranean descent and in parts of South East Asia. Thalassaemia (major) is a very severe and debilitating form of anemia (typically a terminal illness).
- **Adult Onset Diabetes**
 - Excess iron deposition in the pancreas has been implicated as a cause of adult onset diabetes (affecting an estimated 850,000 Australians or 7.5% of the Australian population).

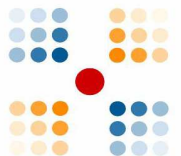
Distribution Map – Iron Overload Disorders



Other Direct Applications for the FerriScan™ Technology Platform



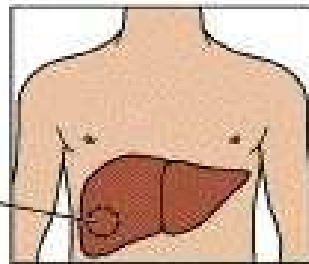
- **Hepatitis C**
 - Assessment of liver iron levels to ensure the efficacy of prescribed drug treatments (1 in 100 people in developed countries)
- **Adjunct to blood tests in the diagnosis of Hereditary Haemochromatosis (HHC) or to rule out iron overloading.**
 - In the USA it is estimated that 67% of HHC patients are misdiagnosed and see an average of three doctors before obtaining a successful diagnosis
- **Pharmaceutical industry**
 - by pharmaceutical companies in clinical studies (FerriScan™ is already being utilised in a multi-country clinical study)



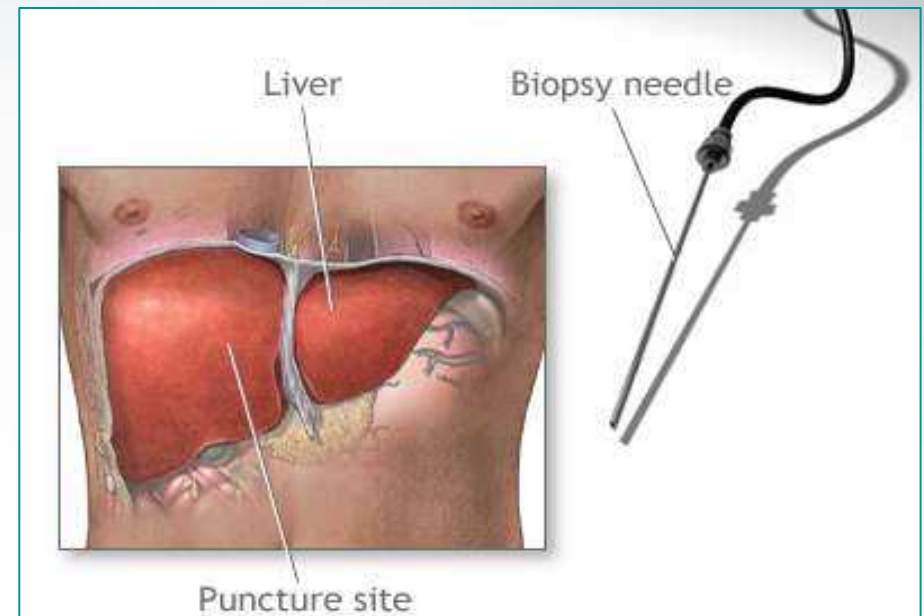
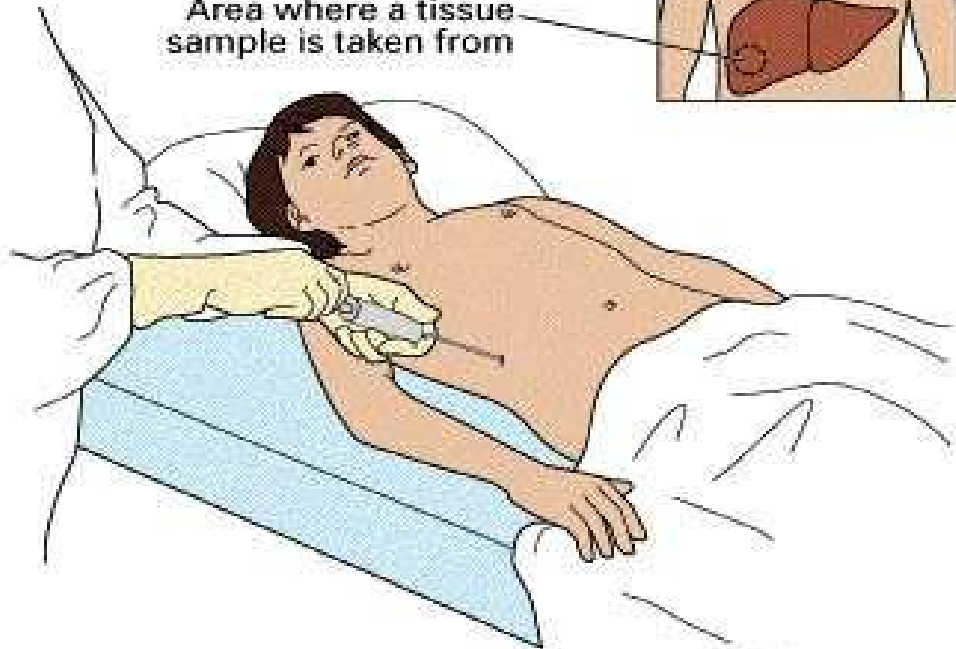
Liver Biopsy is the Current “Gold Standard” for Measuring Liver Iron



A tiny incision is made between the ribs and a needle is inserted in order to reach the area of the liver where a tissue sample is taken. The procedure requires a local anesthesia.

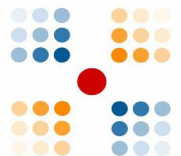


Area where a tissue sample is taken from

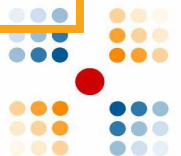
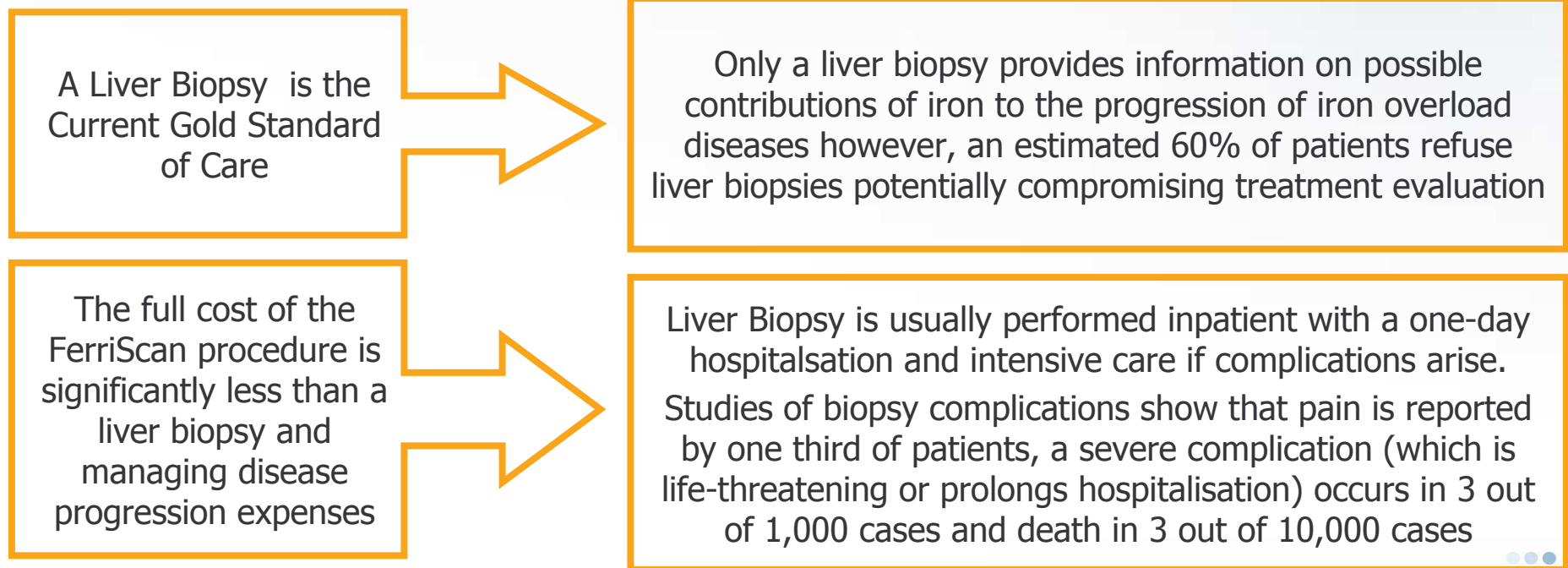
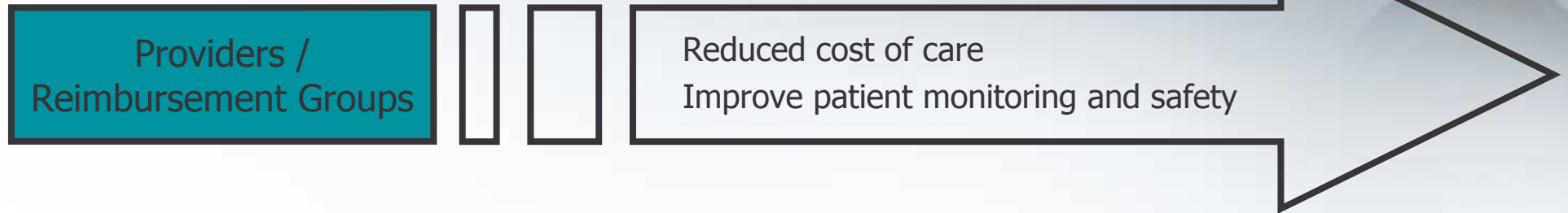


If an effective alternative were available, would patients choose needle biopsy?

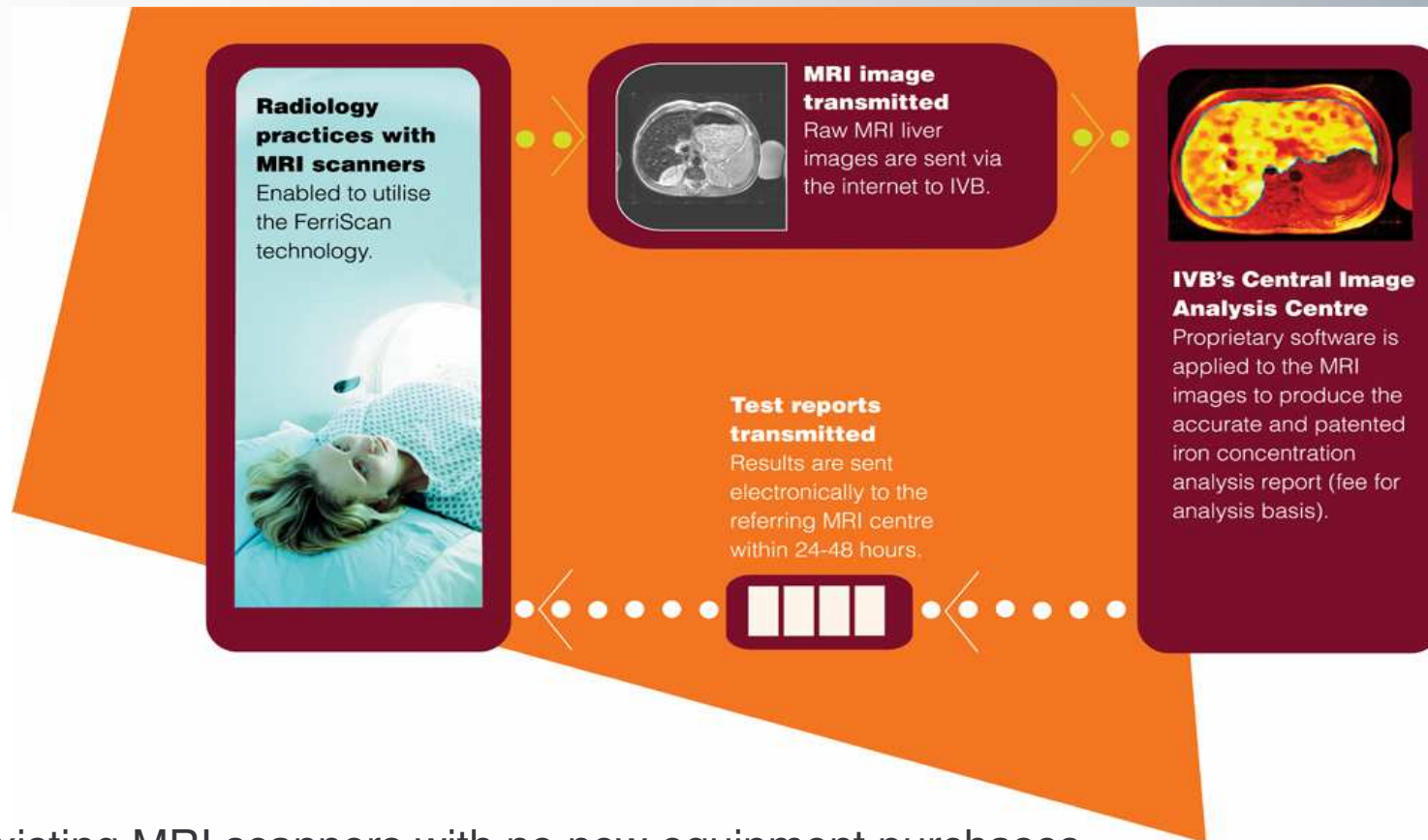
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FerriScan™ Has The Potential To Reduce Cost & Improve Patient Care

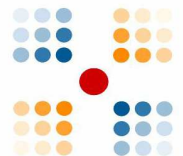


The FerriScan™ Test Process Leverages Existing MRI Infrastructure



- Utilizes existing MRI scanners with no new equipment purchases
- MRI Images processed off-line at a central centre, using IVB proprietary software, optimising quality control and security of the technology
- Provides a clear, unambiguous statement as to the iron loading of the liver, enabling clinicians to apply appropriate treatment

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FerriScan™ offers significant benefits over the “gold standard” alternative for iron level tests



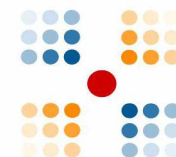
FerriScan™

1. Non-invasive and painless
2. Can be performed regularly if necessary
3. No hospital stay
4. Can be performed on infants and young children
5. Cheaper and more efficient to administer
6. Reduced liability to clinicians
7. Results assessed at a central location in 24 – 48 hours
8. Accurate measure of liver iron concentration

Liver Needle Biopsy

1. Invasive, painful and a potential health risk from bleeding
2. Can only be performed about every 18 months
3. Short hospital stay
4. Cannot be used on infants or young children
5. Expensive surgical procedure
6. Greater clinician liability risk
7. Results can take 7 to 14 days
8. Can be inaccurate due to uneven distribution of iron in the liver

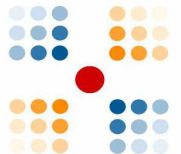
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Available Globally – Processed Locally



- MRI units can be enabled remotely to incorporate the IVB Technology and to perform the FerriScan™ Test
- Liver Scans from the MRI (off-line) are sent via the Internet to the FerriScan™ Analysis Service Centre in Perth, Western Australia
- FerriScan's proprietary software is applied to the MRI results to produce the iron concentration analysis (approx 30 minutes)
- Results are sent directly to the clinician (turn around time 24 to 48 hours)



FerriScan™ / Iron Overload Application USA & Australian Market Potential

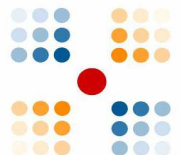


	Australia	USA
Total Market: genetic predisposition for iron overload	125,000	2,000,000
Addressable Market: Clinically significant iron overload	33,000	750,000
Potential FerriScan™ service fee (AUD)*	\$250 - \$350	\$250 - \$450
Addressable market potential AUD\$ (2 patient scans per year)	\$16,500,000	\$375,000,000

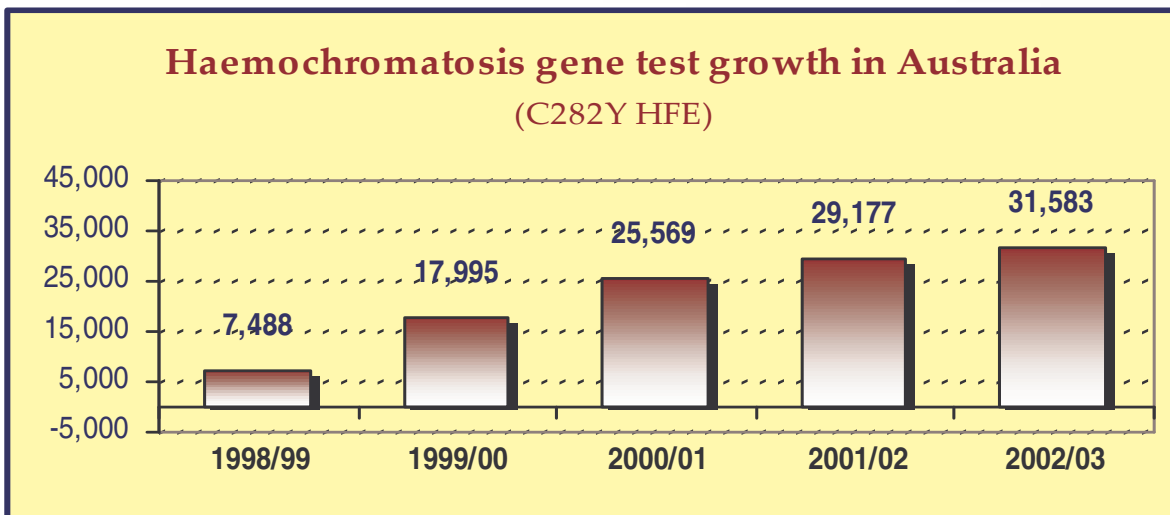
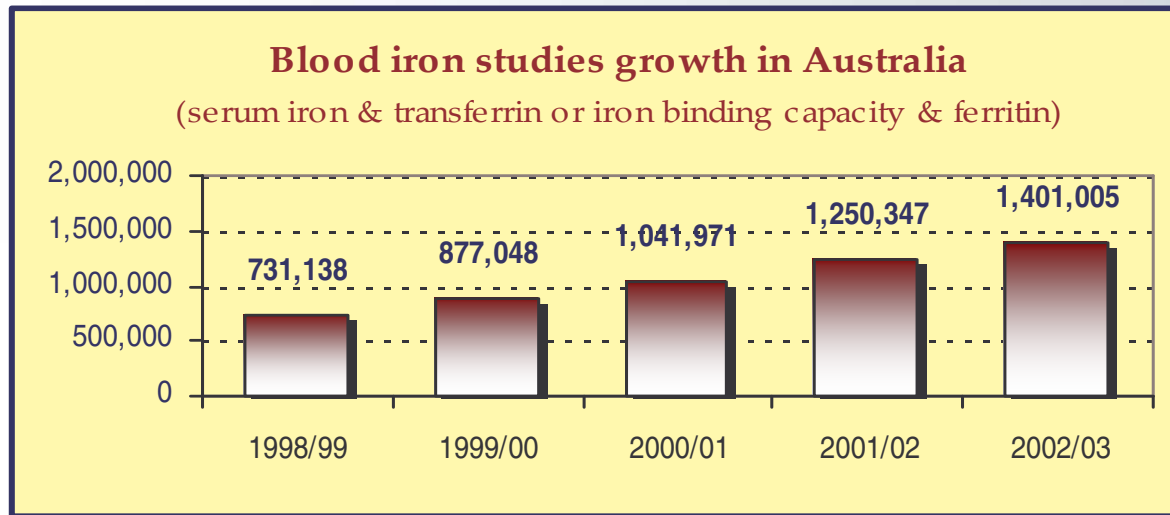
*Pricing is indicative only at this stage

European market potential based on incidence rates approximates to the USA market

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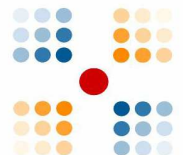


Growth in Current Diagnostic Tests for Iron Overload



Over a five year consecutive period (1999-2003) financial years), the volume of blood iron studies performed increased by 92%, gene tests specific for haemochromatosis increased by 31% and needle liver biopsies increased by 38%.

Source: Medicare statistics



FerriScan™ Indicative Model of Potential Gross Profit



<u>Based on Test Numbers</u>	<u>%US / Aus Addressable Market</u>	<u>Potential Revenue</u> ¹	<u>Potential Gross Profit @ 65% GM</u>
20,000	2.5%	\$6M	\$3.9M
40,000	5%	\$12M	\$7.8M
60,000	7.5%	\$18M	\$11.7M
100,000 ²	12.5%	\$30M	\$19.5M

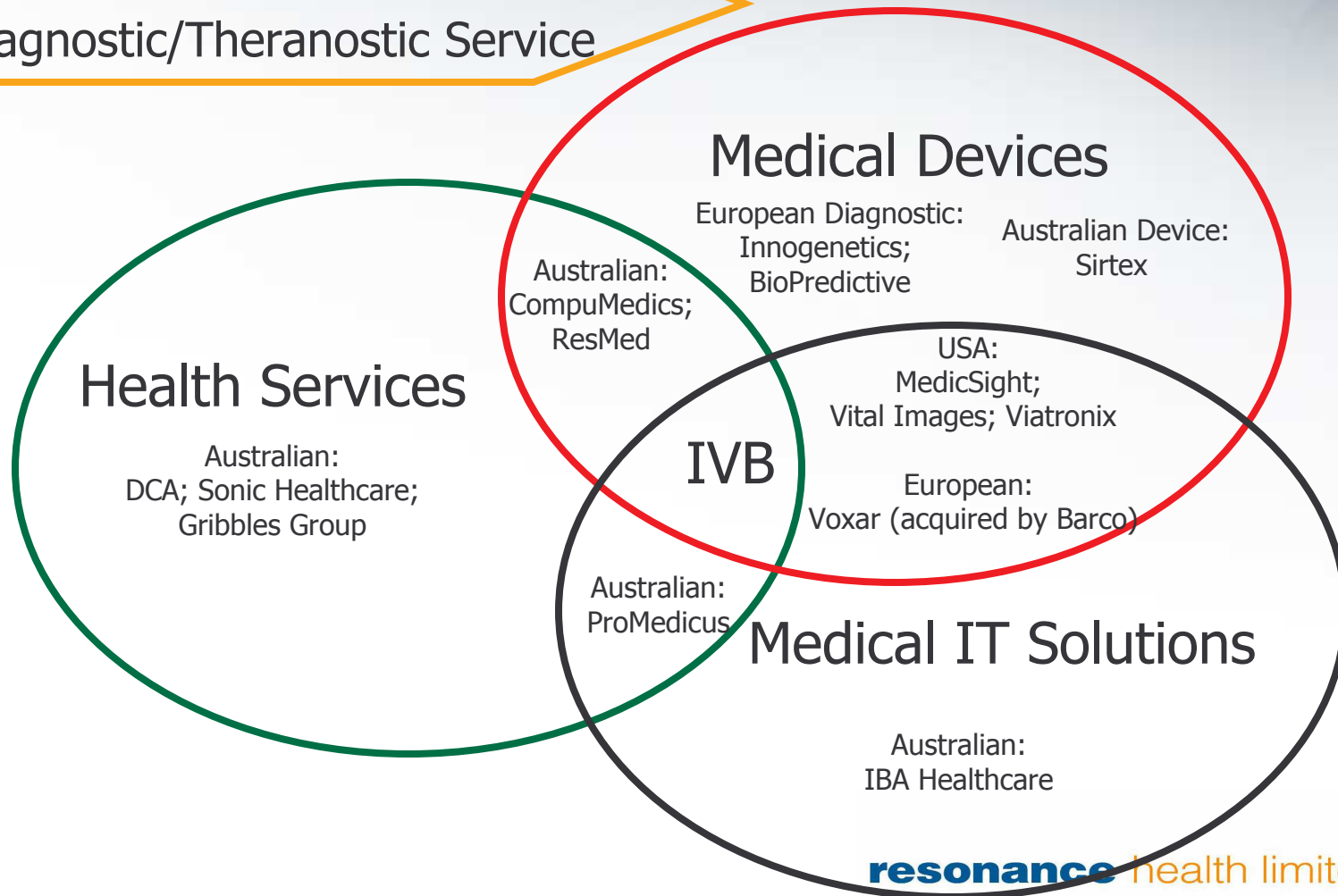
Note: ¹ At average revenue of AUD\$300 per test

² < 4 scans / week at 500 MRI sites

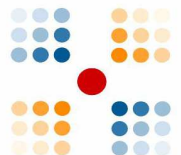
FerriScan unites strong margins, short-time to market and a novel diagnostic service



IVB is uniquely positioned as a Diagnostic/Theranostic Service



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Benchmark examples of Diagnostic Imaging companies



Medical Device



Medical IT Solution



Diagnostic Service

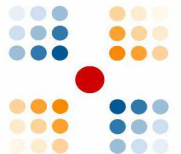
Company	Description	Mkt Cap: Cash:	Status
MedicSight (USA)	Medicsight is a medical imaging software company. Its core technology is focused on developing automatic detection and analytical tools in CT and MRI for clinicians to improve their ability to diagnose and treat diseases.	MC: US\$165m Cash: US\$8m	FDA approvals for three products Nov2003, July 2004, Nov 2004. No revenues. Recent distribution agreements.
Vital Images (USA)	Vital Images is a medical imaging software company that is integrating advanced 3D visualization and analysis technology into the everyday clinical environment. Vitrea® 2, rapidly creates interactive three-dimensional images from two-dimensional images generated by standard computed tomography (CT) and magnetic resonance (MR) scanners.	MC: US\$191m Cash: US\$30m	First profit 2002 US\$0.7m 2003 Revenue US\$26m NPAT \$1.4m
ProMedicus (Australia)	Digital radiology software solutions in addition to an e-health network. UK sales, recent Canadian sale, US distribution agreement with Agfa	MC: A\$123 m Cash: A\$10m	Revenues for the financial year ended 30 June 2003 were A\$9.6m; NPAT \$4.4m



Board of Directors – Resonance Health



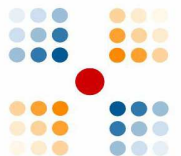
- Hon. Dr Michael Wooldridge (*Non-Executive Chairman*)
 - Former Australian Federal Minister for Health
- Mr Tony Fitzgerald (*Executive Director*)
 - Legal and healthcare licensing expertise, 18 years experience in commercialising healthcare and biotech projects
 - Chairman of ASX listed company Regenera Ltd, Director of Ritract Ltd
- Dr Christine Bennett (*Non-Executive Director*)
 - Paediatrician, former partner at KPMG in Health and Life Sciences, 20 years experience in healthcare industry, currently head of Research Australia
- Dr Andrew Walker (*Non-Executive Director*)
 - Successful commercialisation of a number of healthcare related businesses including the Australian Skin Cancer Clinics and Aspen Medical Group (services provider to Australian Defense Forces)
- **Advisory Committee**
 - Dr Christine Bennett
 - Dr Kris Kowdley



New Operational Management



- **Dr James Williams *BSc (Hons) PhD MBA*, CEO (appointed May 2004)**
 - Prior roles include CEO, implantable medical device product with regulatory approvals in Europe, US, Australia in under 2 years, successful surgeon accreditation program and reimbursement program.
 - Co-founder and non-exec Director of Tessitura Pty Ltd, specialist consultancy for Biotechnology commercialisation, co-founder of 2 additional biotechnology start-up companies (Dimerix Biosciences and iCeutica).
 - Awarded “40 under 40” award in 2005 as a Western Australian business leader under the age of 40
- **Glenn Smith, *BA/BEcon MBA*, Marketing Director**
 - Prior roles include CEO, Tri-Med responsible for rolling out multiple diagnostic product lines to over 30 countries
 - Marketing leader responsible for establishing an e-commerce, telemedicine project and service line generating over \$50 million in revenue
- **Dr Janet Preuss *BSc PhD MBA*, Regulatory & Reimbursement**
 - Extensive experience in the establishment and certification of quality management systems to International Standards for biotechnology companies
 - Successful in negotiating the regulatory pathways for marketing approval for a range of products in Australia, Europe, Canada and the US and obtaining product reimbursement from private and public health funds
- **Associate Professor, Tim St Pierre, CSO**
 - Associate Professor in Physics at The University of Western Australia and Leader of UWA Biomagnetics Research Team and co-inventor of FerriScan
 - Published over 90 research papers in the field of iron and biomedicine , awarded research grants from the National Health & Medical Research Council, the Australian Research Council, and the Wellcome Trust
 - Has extensive network of clinical research collaborators worldwide



RHT Pro-form capital structure

Assumes 100% ownership of IVB

(As at 31 March 2005)



Shares on issue:

Currently on issue and listed (RHT)	111,353,585
Proposed issue of ordinary shares to IVB shareholders	68,140,438
Outstanding performance shares	<u>13,000,000</u>
Total shares on issue – all classes	<u>192,494,023</u>
Market Capitalisation at 31 March 2005 closing (\$0.18)	\$34.6 million

Options on Issue:

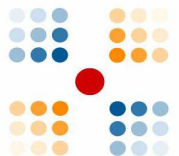
		Cash to RHT upon exercise
Listed RHTOA options – (\$0.15 ex to 15 Jan 07)	44,461,309	\$ 6.67 mill
Listed RHTOB options – (\$0.40 ex to 15 Jan 08)	20,605,194	\$ 8.24 mill
Unlisted options – (\$0.20 ex to 07/08)	14,000,000	\$ 2.80 mill
Unlisted options – (\$0.25 ex to 07)	500,000	\$ 0.12 mill
Unlisted options – (\$0.30 ex to 07/08)	12,600,000	\$ 3.78 mill
Unlisted options – (\$0.40 ex to 08/09)	2,800,000	\$ 1.12 mill
Unlisted options – (\$0.50 ex to 08/08)	<u>2,000,000</u>	<u>\$ 1.00 mill</u>
Total options on issue – all classes	<u>91,466,503</u>	<u>\$23.73 mill</u>



Major Progress Towards Commercialisation of FerriScan™



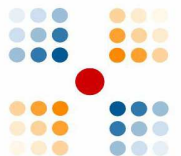
1. TGA listing achieved in Australia – December 2004
2. European marketing approval – CE Mark achieved, January 2005
3. US FDA 510(k) clearance received January 2005
4. DCA Group (Australia's largest diagnostic imaging group) confirmed as partner for initial Australian commercial roll-out, commencing 1st Half 2005
5. Major U.S. radiology partners identified and alliance discussions well advanced
6. First commercial sales achieved via Novartis contract



Forward looking statements and risks



This presentation contains forward-looking statements that are based on management's current expectations. These statements may differ materially from actual future events or results due to the range of risks and uncertainties associated with the healthcare technology product development process including manufacturing and licensing, risks inherent in the regulatory approval process applicable in the U.S. and Australia including potential delays in obtaining approvals, market acceptance of products, future financial requirements, general economic conditions, and other risks and uncertainties. There can also be no assurance that competitors will not independently develop similar products or processes that seek to circumvent patents owned or licensed by Resonance Health, or that patents owned or licensed by Resonance Health will provide adequate protection or competitive advantage.



Contact Details



Tony Fitzgerald, Executive Director

Resonance Health Ltd

ABN 96 006 762 492

Ground Floor, 117 Stirling Highway, NEDLANDS Western Australia 6009

Tel +61 8 9389 5933 Fax +61 8 9389 5944

www.resonancehealth.com

James Williams, CEO

Inner Vision Biometrics Pty Ltd

ABN 11 092 813 244

First Floor, 216 Stirling Highway, Claremont Western Australia 6010

Tel +61 8 9286 5300 Fax +61 8 9286 5399

www.ferriscan.com

resonance health limited

