



Friday 10 June 2005

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

Dear Sir,

\$960,000 Placement to Fund Australian FerriScan™ Rollout

Perth, Australia, Friday 10 June 2005: The Board of Resonance Health Limited (ASX:RHT) is pleased to confirm the placement of 6,000,000 Ordinary fully paid shares at 16 cents each and 6,000,000 RHTOA Options exercisable at \$0.15 each to professional investors in accordance with Section 708 of the Corporations Act.

The placement represents approximately 3.1% of the company's pre-existing Ordinary share capital to raise gross proceeds of \$960,000 (less 3.00% brokerage costs for those shares placed by licensed brokers) for the Company.

The proceeds of the placement will be utilised to support the expanded roll-out of the FerriScan test in Australia. Following the General Meeting of RHT Shareholders on the 31 May 2005, RHT now controls 100% of the FerriScan test and will therefore benefit from all of the proceeds of its commercialisation. Initial sales for FerriScan have been achieved through the DCA Group's i-Med/MIA Network in Australia and offshore, via a Service Contract with global pharmaceutical company Novartis.

In addition to the placement of the above Ordinary shares, the placement recipients, will receive a one for one free entitlement to a RHTOA Option. The terms of these Options are the same as the existing quoted RHTOA Options, being an exercise price of 15 cents per Ordinary share with an expiry date of 15 January 2007, and with a requirement of the terms of the placement that 50% of the RHTOA options must be exercised within 90 days of their issue. Under these terms, option conversion will raise an additional \$450,000 by the third quarter of 2005.

Following the placement and option associated conversion, the Company has sufficient cash to continue with the Australian roll-out of the FerriScan technology, and support continued research activities to develop a non-invasive test for Fibrosis. Development of the fibrosis test is also supported under the Biotechnology Innovation Fund grant provided by AusIndustry.

Yours Sincerely,

Dr James Williams

Managing Director

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