

Investor Update

July 2005



Mission.

Our Mission

We develop and market systems to assist in the diagnosis and management of patient's suffering from "Iron Overload" conditions.

Our products and services deliver significant added value for our customers and tangible benefits to patients.



A leading global player.



Company Profile

- Resonance Health Limited is an Australian Stock Exchange listed healthcare company (ASX Code: RHT);
- RHT's wholly owned subsidiary, Resonance Health Analysis Services (RHAS), is the developer of FerriScan[®];
- RHT aims to be a global healthcare service provider.

Achievements.

Milestone timeline

- **Oct 04:** Peer Reviewed Clinical Publications;
- **Nov 04:** Australian Government Grant to develop fibrosis test;
- **Dec 04:** TGA listing achieved in Australia;
- **Jan 05:** US FDA 510(k) clearance received & European marketing approval – CE Mark achieved;
- **Feb 05:** DCA Group (Australia's largest diagnostic imaging group) confirmed as partner for initial Australian commercial roll-out (and U.K);
- **Apr – Jun 05:** Pilot marketing phase and initial sales;
- **May 05:** Acquisition of IVB and consolidation of structure.

Acquisition of IVB results in clear identity and structure.

Following recent acquisition of Inner Vision Biometrics:

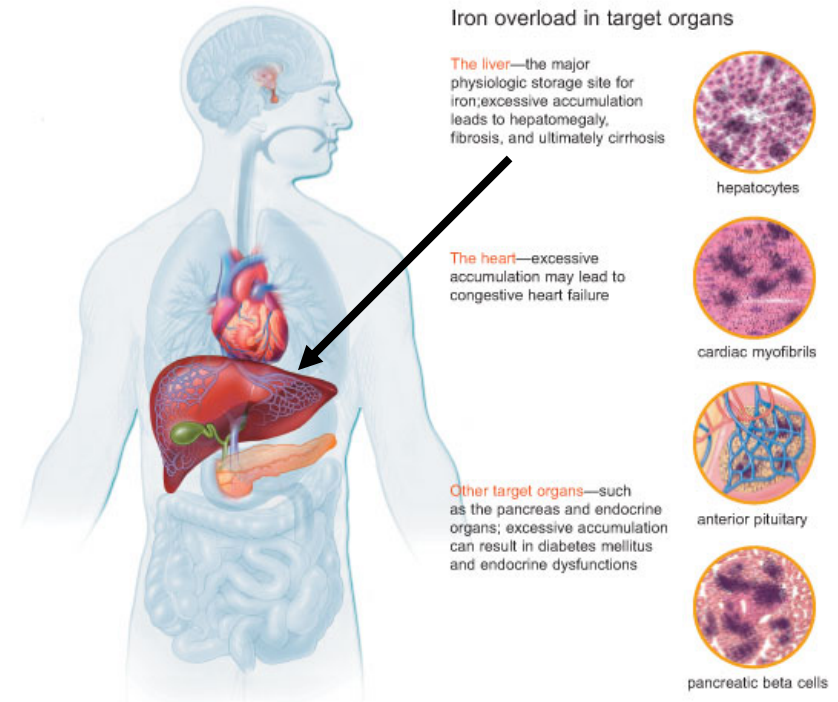
- **Single corporate entity focused on maximising value of FerriScan technology platform**
 - **100% ownership of FerriScan® technology platform by RHT**
 - **100% of returns to shareholders**
- **Inner Vision Biometrics management team (>1 year) continue to focus on timely achievement of commercial milestones**
 - **Dr James Williams assumes role as RHT Managing Director**
 - **Continued involvement of Tony Fitzgerald (former MD) at RHT board level**
- **Alignment of product and corporate branding**

Cash and Capital position following re-structure.

Cash on hand (including Sept option conversion from placement)		\$1.8 million
Consolidated burn rate:		\$270k month
FerriScan revenue since regulatory clearances (Jan 05):		\$80k
Ordinary Shares on Issue:		185,494,023
Market Cap (at 4 July closing):		\$26 million
Performance Share (Class F + G)		16,000,000
Options on Issue:		Cash on exercise
Listed RHTOA options – (\$0.15 ex to Sep 05)	3,000,000	\$0.4 mill
Listed RHTOA options – (\$0.15 ex to 15 Jan 07)	47,461,309	\$7.1 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>

Iron Overload Diseases

- Generally classified as primary (e.g. hereditary haemochromatosis - HHC) or secondary (e.g. acquired – transfusional iron overload);
- Iron toxicity is a major cause of organ damage:
 - Liver – fibrosis / cirrhosis
 - Heart – congestive heart failure and arrhythmia
 - Pancreas – diabetes, arthritis of the joints



An identified need globally.

Clinical & Patient Relevance

- “Iron overload” conditions are amongst the most common diseases in humans, with approximately 500 million people either carriers of the defective gene(s) or symptomatic.
- 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.
- Why? Because with current tests, iron overload conditions are difficult to detect and manage.



An innovative, high-tech service.

FerriScan:

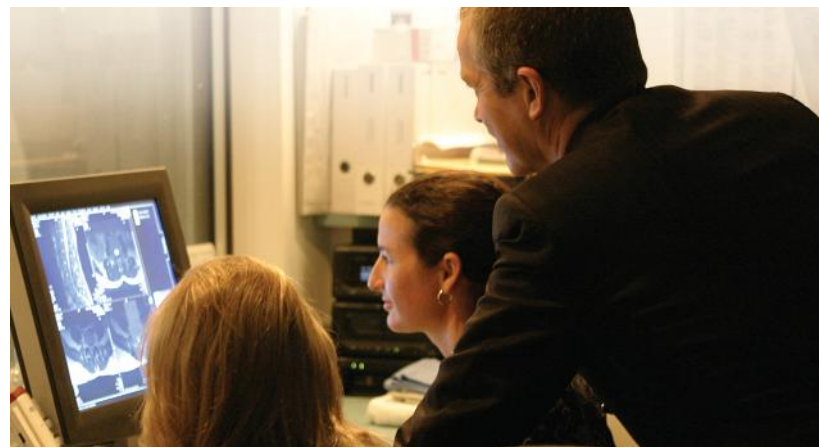
- A **safe**, **non-invasive** and **accurate** test to measure and monitor liver iron concentration;
- Uses Magnetic Resonance Imaging (MRI);
- Validated against current “gold standard” (Liver Biopsy);
- The **only** regulated MRI test for Liver Iron Concentration (LIC) measurement (regulatory clearances – USA, Europe, Australia).



In diagnostic services, speed, accuracy and cost matter.

Market Demands

- OEM's want increased equipment sales/servicing and value add product to increase margins;
- MRI chains want increase ROI on equipment and greater market share;
- Clinicians want more effective and lower medical (and legal) risk diagnostic techniques;
- Patients want and expect higher and higher levels of service/care;
- Pharma (and regulators) want better tools to monitor drug development and performance.

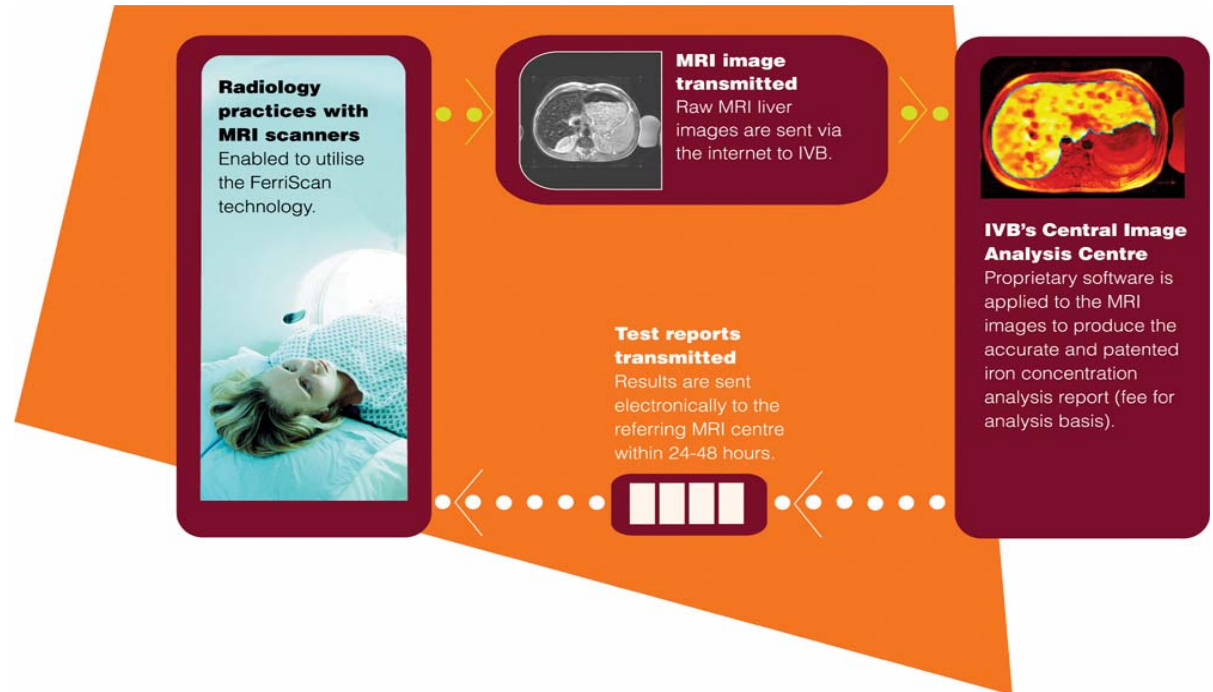


“With FerriScan, Resonance Health is meeting the needs of the market”

A low cost, high margin business model.

Value proposition:

“The FerriScan service provides customers with improved radiology content and service levels allowing for higher quality of care outcomes”.



Pipeline: new applications and new products.

Diversification and product improvements

Pharmaceutical industry: Use in clinical studies where iron levels may affect drug performance or is an appropriate endpoint (FerriScan is already being utilised in a multi-country clinical study)

Fibrosis: Australian government BIF project

Hepatitis C: Assessment of liver iron levels to ensure the efficacy of prescribed drug treatments (1 in 100 people in developed countries)

Diabetes: Potential association of iron levels with onset and management

Substantial “Value” creation for shareholders.

<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

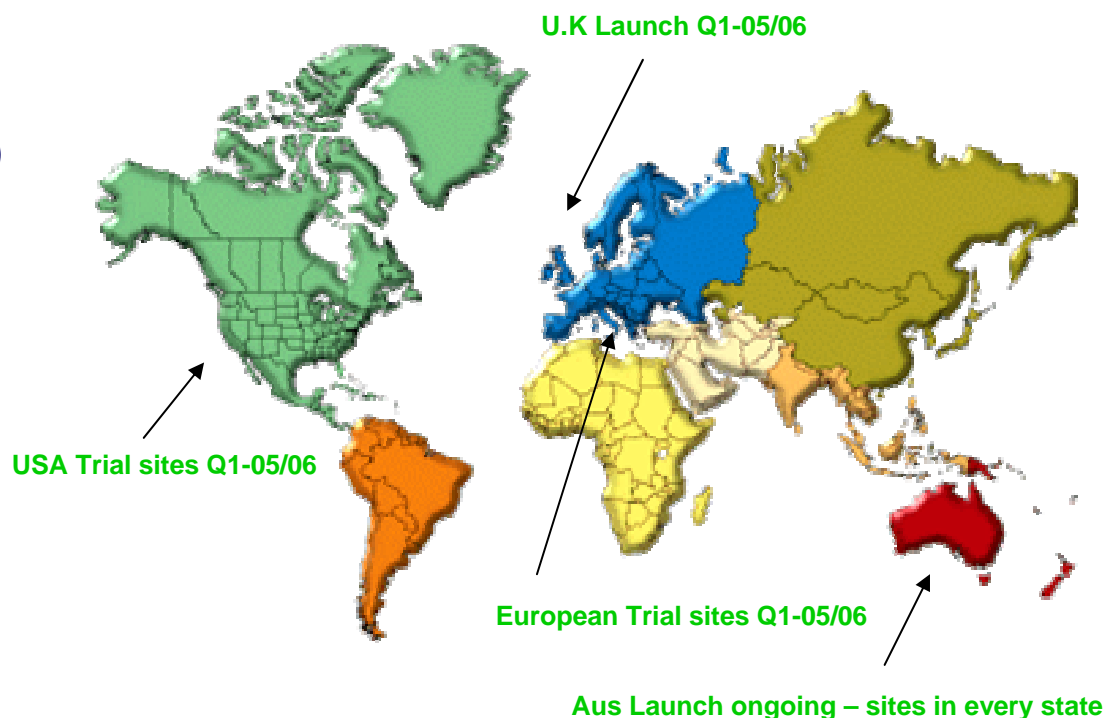
² < 4 scans / week at 500 MRI sites

Resonance Health – leading the market.



Our commercial progress

- Australia:
 - DCA (I-MED/MIA network)
 - Public Hospitals
- USA:
 - Partners identified
- U.K:
 - MedTel
 - MIA Lodestone (DCA)
 - Public Hospitals
- ROW:
 - Clinical research sites



Milestones

- Expand channel partner activation and leverage their marketing capability;
- Engage opinion leaders as ambassadors for FerriScan's benefits and insert into clinical guidelines;
- Inform patient (groups) about FerriScan;
- Foster expanded Pharma relationships;
- Engage OEMs;
- Reimbursement.



Our activities.

To Date	Q1-05/06	Q2-05/06
<ul style="list-style-type: none">•One-on-One's Sales calls;•Trial stage and site training;•Awareness campaign to early adopters;•Aus launch;•U.K pre-launch;•Disease Association engagement;•Re-branding – awareness building;•Medical Advisory board.	<ul style="list-style-type: none">•Further promotion to Specialists;•Engagement of GP's;•Initiatives with radiology partners (e.g. Partner promotions & conferences);•U.K launch;•US trail and awareness campaign (First US sales);•Disease Association partnerships;•Increase "MarComms"	<ul style="list-style-type: none">•Expansion into U.S., Europe;•Conferences:<ul style="list-style-type: none">–AASLD–ASH–RSNA–GESA•PR initiatives•Increase and adapt "MarComms"

We will succeed.

Summary

- FerriScan is **now available and being used** for commercial and trial purposes;
- Resonance Health is generating revenue from product sales and is positioned for growth;
- FerriScan will become the new gold standard for measurement of LIC.

**An experienced and
trusted team.**

Board

The Hon. Dr Michael Wooldridge: Chairman
Mr. Tony Fitzgerald: Executive Director
Dr Andrew Walker: Non Executive Director
Mr Ian Anderson: Non Executive Director
Dr Jay Ives: Non Executive Director
Dr Christine Bennett: Non Executive Director

Executive Management

Dr James Williams: MD
Mr. Glenn Smith: Marketing Director
A/Prof Tim St. Pierre: Chief Scientific Officer
Dr Janet Preuss: Quality & Reg Affairs Manager

Contacts

Dr James Williams – Managing Director
Email: jamesw@ferriscan.com
Ph: +61 8 9286 5300

Glenn Smith – Marketing Director
Email: glenns@ferriscan.com
Ph: +61 8 9286 5300



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.