



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

29 September 2005

Dear Sir,

Resonance Health Announces \$1 million Placement and Share Purchase Plan

Thursday 29 September 2005: Resonance Health Ltd (ASX: RHT) today announced the \$1.0 million placement of 8,695,652 new fully paid ordinary shares with Australian institutional and sophisticated investors. The placement has been made at an issue price of AUD\$0.115 per share. The placement was managed by Tolhurst Noall.

The Board and Management are pleased to welcome several new institutions and sophisticated investors to the share register and see their participation in the placement as recognition of the significant growth potential of the company.

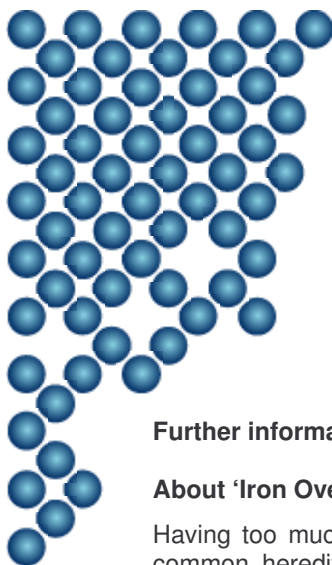
The Directors also announce that the Company has adopted a Share Purchase Plan (**SPP**) to offer all Resonance Health shareholders registered at 5pm WST on 29 September 2005 (**Record Date**) with a registered address in Australia (**Eligible Shareholders**) the opportunity to purchase ordinary shares (Shares) worth up to \$5,000 at the same preferential price as the placement, direct from the Company free of all brokerage or other associated costs.

A written offer document containing all relevant information will be mailed to Eligible Shareholders on or about 7 October 2005.

Resonance Health Managing Director Dr James Williams said funds raised would be used to accelerate the international roll-out of the world leading FerriScan test for the non-invasive measurement of liver iron levels.

"Over the past 18 months, the company has made significant commercial progress to put the platform in place to enable the global roll-out of FerriScan. Completion of this capital raising will provide operational funds necessary to move the company towards profitability."

"With significant partners in Australia and overseas, including the DCA Group, Novartis and a major US-based radiology chain, and all major regulatory approvals in place, it is now a case of increasing our market presence to secure wholesale adoption of our technology by the medical community," said Dr Williams.



Further information:

About 'Iron Overload' Conditions

Having too much iron in the body and being unable to get rid of this excess is one of the world's most common hereditary disorders. The disorders, often collectively termed as 'Iron Overload', are generally classified as primary (e.g. hereditary hemochromatosis – HHC) or secondary (e.g. acquired – transfusional iron overload such as thalassemia). Approximately 11 million people globally, who have 'clinically significant' iron loading would benefit from improved diagnosis and management of their condition.

Hemochromatosis is a genetic disorder that causes iron deposition in the liver and other organs of the body, resulting in iron overload. The condition frequently remains undiagnosed because of lack of awareness, its long latency period and its non-specific symptoms. Thalassemia, a genetic blood disorder and a very severe and debilitating form of anaemia, also results in iron overload due to the requirement for frequent blood transfusions.

About Resonance Health Ltd

Resonance Health (ASX: RHT) is an Australian Healthcare company specialising in the development and commercialisation of magnetic resonance imaging (MRI) related technology for the quantitative measurement of iron levels in the human body.

Our mission is to develop and market our technologies to assist in the diagnosis and management of patients suffering from iron-related conditions, whilst delivering significant added value for our MRI customers who deliver our service through their networks.

In 2005, RHT began the global commercial launch of FerriScan®, its world leading non-invasive tool for measuring liver iron levels.

The FerriScan service involves an MRI scan followed by off-site processing of the images by RHT using its patented methodology to generate the liver iron concentration result. MR data is transmitted electronically via a secure data process to the RHT analysis centre from anywhere in the world. The test requires no new equipment purchase at the MRI centre level.

FerriScan provides a significant improvement over current blood markers and invasive surgical procedures. This improvement leads to increased clinical efficiency and accuracy in diagnosis, in addition to allowing optimisation of treatment programs for iron-related disorders. FerriScan is now positioned to become a routine part of the clinical diagnosis and management of iron loading disorders as well as playing a major role in the testing and monitoring of drugs used to treat these conditions.

FerriScan has received regulatory clearance to be marketed in the USA, Australia, UK and Europe. Further information about Resonance Health and FerriScan® can be obtained from the following websites: www.resonancehealth.com and www.ferriscan.com.

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