



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

10 October 2005

Dear Sir,

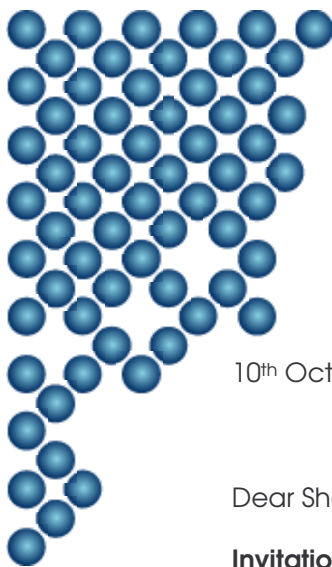
Resonance Health Share Purchase Plan

Please find attached offer documentation for the Resonance Health Share Purchase Plan that was mailed to shareholders today.

Regards

Dr James Williams

Managing Director



ResonanceHealth

10th October 2005

Dear Shareholder

Invitation to Participate in Shareholder Share Purchase Plan

The Board of Directors of Resonance Health Limited (**RHT** or **Company**) has approved the introduction of a Shareholder Share Purchase Plan (**Plan**). The Board is pleased to offer to all Eligible Shareholders in the Company, irrespective of the size of their shareholding, an opportunity to purchase up to **\$5,000** worth of fully paid ordinary shares in the Company (**Shares**) at 11.5 cents per Share under the Plan (**Offer**).

Details of the Offer are set out in this letter and the enclosed Terms and Conditions and Entitlement and Acceptance Form.

Shareholders Eligible to Participate in the Plan

The right to participate in the Offer under the Plan is available exclusively to shareholders who were registered as holders of Shares in the Company at 5pm (WST) on the record date of **29th September 2005** and whose registered address is in Australia (**Eligible Shareholders**).

The Offer is not renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan).

Price of Shares under the Offer

The price of 11.5 cents per Share is 88.5% of the average closing market price of the Company's shares on Australian Stock Exchange Limited (**ASX**), calculated over the last 5 days on which sales in the Shares were recorded before the day on which the Offer was announced, free of brokerage and commission. The average closing market price of Shares on ASX calculated over the last 5 days on which sales in the Shares were recorded before the day on which the Offer was announced was 13 cents.

The price of 11.5 cents per Share is the same as was offered to institutional and sophisticated investors in the placement announced on 29th September 2005.

The market price of the Shares in the Company may rise or fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of the Offer. This means that the subscription price you pay for the Shares may exceed the market price of the Shares at the date of allotment of Shares under the Offer. The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting the Offer.

Resonance Health Limited ABN: 96 006 762 492

Ground Floor, 117 Stirling Hwy, Nedlands, WA 6009, AUSTRALIA Postal: PO Box 1135, Nedlands, WA 6909, AUSTRALIA

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Use of Funds

Details of the Company's current activities are set out in the announcements made by RHT to ASX and are available from the ASX website at www.asx.com. A shareholder newsletter will also be circulated in the next 10 days.

The funds raised under the Plan will be used by the Company to increase working capital and to fund the Company's current activities.

Subscription and Application Procedure

If you would like to participate in the Offer, please return your completed Entitlement and Acceptance Form (enclosed), together with your cheque for the applicable subscription monies, on or before the **closing date of 5pm (WST) on 4th November, 2005**. No late applications will be accepted.

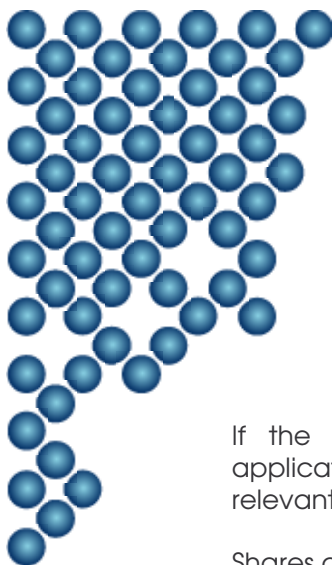
Under the Offer, an Eligible Shareholder may only elect to purchase Shares as follows:

Offer	Number of Shares (rounded down to the nearest whole number)	Subscription Amount
A	8,695	\$1,000
B	17,391	\$2,000
C	26,086	\$3,000
D	34,782	\$4,000
E	43,478	\$5,000

The maximum investment any Eligible Shareholder may apply for will remain \$5,000 even if an Eligible Shareholder receives more than one Offer (whether in respect of a joint holding or because the Eligible Shareholder has more than one holding under a separate account).

The offer under the plan will open on 10th October 2005 and close on 4th November 2005.

The maximum number of Shares that may be issued by the Company is approximately 58,256,902 Shares (being 30% of the number of Shares currently on issue). The Company has approximately 2,690 Eligible Shareholders and in the event all shareholders were to subscribe for the full \$5,000 amount, this would require the issue of approximately 117 million Shares. Accordingly, the Directors may, in their absolute discretion, scale back all applications on a pro rata basis to 58,256,902 Shares.



If the Company rejects or partially rejects an application or purported application, the Company will promptly return to the Eligible Shareholder the relevant application monies, without interest.

Shares allotted under the Plan will be issued no later than 3 business days after the closing date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

ASX Listing Rules

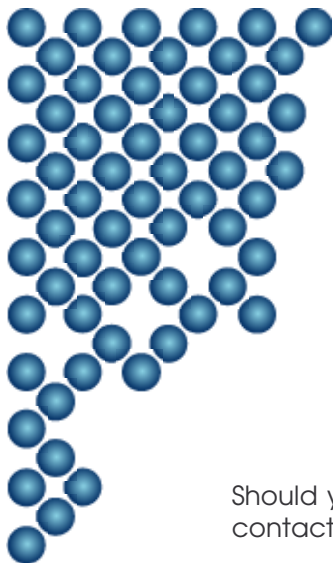
The ASX Listing Rules provide an exception to Listing Rule 7.1 which effectively permits the Company to issue to Eligible Shareholders the Shares under the Offer without shareholder approval. A similar exception from Listing Rule 10.11 permits the Company to issue the Shares under the Plan to the directors of the Company (and their controlled entities) in their capacity as Eligible Shareholders, without shareholder approval.

Indicative Timetable

Announcement of Plan	29 th September 2005
Record Date (5.00pm WST)	29 th September 2005
Dispatch of Offer Documentation	10 th October 2005
Opening date of Offer	10 th October 2005
Closing date of Offer (5.00pm WST)	4 th November 2005
Issue of Shares under the Plan	7 th November 2005
Dispatch Date for Holding Statements	9 th November 2005
Quotation of Shares on ASX	11 th November 2005

These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, Eligible Shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.

If you wish to participate in the Plan please ensure that you return the completed "Entitlement and Acceptance Form" prior to the closing date of the Offer.



Should you wish to discuss any information contained in this letter further, please contact Mr Stuart Usher on (08) 9389 5933.

Yours faithfully

Dr James Williams
Managing Director
Resonance Health Limited

Resonance Health Limited
ABN 96 006 762 492
Share Purchase Plan - Terms and Conditions

Purpose

The purpose of the Share Purchase Plan (**Plan**) is to offer shareholders of Resonance Health Limited (**RHT**) the opportunity to acquire additional fully paid ordinary shares in the Company (**RHT Shares**) up to a maximum of \$5,000 in any 12 month period at a discount to the market price of RHT Shares on the financial market operated by Australian Stock Exchange Limited (**ASX**) without the need to pay brokerage costs and without the need for RHT to issue a Prospectus upon such terms and conditions as the board of directors of RHT, in its absolute discretion, sees fit.

Shareholders eligible to participate

Eligible shareholders of RHT Shares that are registered with an Australian address at the relevant record date may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are not renounceable (ie eligible shareholders may not transfer their rights to any RHT Shares offered under the Plan).

An offer may, at the discretion of the directors of RHT, be made under the Plan once a year. The maximum amount which any shareholder may subscribe for in any consecutive 12 month period is \$5,000. The directors of RHT may also determine in their discretion the minimum amount for participation, the multiple of RHT Shares to be offered under the Plan and the period the offer is available to eligible shareholders.

Price of RHT Shares

The price of RHT Shares to be issued under the Plan will be determined by calculating a discount (of up to 20%) to the average closing market price of RHT Shares calculated over the last 5 days on which sales in RHT Shares are recorded, either before the day on which the offer is announced or before the day on which the issue is made.

Applications and Notices

At the discretion of the directors of RHT, RHT will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for RHT Shares under the Plan, and accompanied by the terms and conditions of the Plan and an entitlement & acceptance form. Applications will not be accepted after the closing date of an offer. Oversubscriptions to an offer may be refunded without interest.

Notices and statements made by RHT to participants may be given in any manner prescribed by its Constitution.

Underwriting

An offer may be underwritten and the underwriters

and/or sub-underwriters may be issued with RHT Shares pursuant to the Plan where one or more of the eligible shareholders fail to subscribe for the maximum number of shares available to them under the offer. The directors may pay a broker's fee to underwriters.

Issue of RHT Shares

RHT Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the directors of RHT in the relevant offer.

RHT Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in RHT from the date of issue.

Shareholding statements or CHES notification will be issued in respect of all RHT Shares issued under the Plan. RHT will, promptly after the issue of RHT Shares under the Plan, make application for those RHT Shares to be listed for quotation on the official list of ASX.

Modification and Termination of the Plan

RHT may modify or terminate the Plan at any time.

RHT will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, RHT may issue to any person fewer RHT Shares than the person applied for under the Plan if the issue of the RHT Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

RHT may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or RHT Shares. The decision of RHT in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

RHT reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of RHT under these conditions may be exercised by the directors of RHT or any delegate of the directors of RHT.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Mr Stuart Usher on (08) 9389 5933.

Shareholder Share Purchase Plan Entitlement and Acceptance Form
 Offer Closes 5.00pm (WST) on 4th November 2005

---- DPID ----

<Address Line 1>
 <Address Line 2>
 <Address Line 3>
 <Address Line 4>
 <Address Line 5>
 <Address Line 6>

< BARCODE OF SRN / HIN >

Record Date: 5pm (WST) on 29th September 2005
 Holder Identification Number (HIN): X0000000000

This is an offer to you to subscribe for additional shares in Resonance Health Limited (**RHT**) under the terms and conditions of RHT's Shareholder Share Purchase Plan (**Plan**) accompanying this form and the letter from the Managing Director.

- You may subscribe for **\$1,000, \$2,000, \$3,000, \$4,000** or **\$5,000** worth of shares.
- The number of RHT shares offered under the Plan is limited. Accordingly, the Directors may, in their absolute discretion, scale-back all applications on a pro-rata basis.

The price per share for each share is 11.5 cents, being equal to a 11.5% discount to the average closing market price of the Company's shares on ASX calculated over the last 5 days on which sales were recorded before the date the offer was announced (**Purchase Price**).

The market price of shares in RHT may rise or fall between the date of this offer and the date that the shares are allotted to you. This means that the Purchase Price may exceed the market price of the shares at the date of allotment of the shares under this offer. We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in RHT prior to accepting this offer.

The maximum subscription for each shareholder will apply **even if a shareholder received more than one offer** (whether in respect of a joint holding or because the shareholder has more than one holding under separate share accounts). RHT reserves the right to reject any application where this rule has not been complied with.

By accepting the Offer you agree to be bound by the Terms and Conditions of the Plan and RHT's Constitution.

APPLICATION FOR SHARES

I/we, being the above mentioned and being registered as ordinary shareholder(s) in RHT as at the record date of 5pm (WST) on 29th September 2005, do hereby apply for the number of ordinary shares in RHT as indicated below at the Purchase Price per share issued in accordance with the Terms and Conditions of the Plan. I/we confirm that the total cost of shares purchased by me/us (including through joint holding(s), multiple share accounts or any holding in which I/we have a beneficial interest(s) does not exceed \$5,000 in accordance with the Applicant's Certification and Confirmation.

To participate in the Plan shareholders must select **only one** of the following options. Please mark the selected box.

OPTION A



\$1,000
 (8,695 shares @
 11.5 cents each)

OPTION B



\$2,000
 (17,391 shares @ 11.5
 cents each)

OPTION C



\$3,000
 (26,086 shares @
 11.5 cents each)

OPTION D



\$4,000
 (34,782 shares @
 11.5 cents each)

OPTION E



\$5,000
 (43,478 shares @ 11.5
 cents each)

Please complete the following cheque payment details:

Drawer	Bank	Branch or BSB	Amount

Cheques should be made payable to "**Resonance Health Share Application Account**" and crossed "**Not Negotiable**".

Telephone number where we may contact you during business hours. (____) _____

Contact Name: _____

Offer Closes 5.00pm (WST) on 4th November 2005

Applicant's Certification and Confirmation

- 1 By lodging this Entitlement and Acceptance Form you certify that the aggregate of the application price for the following does not exceed \$5,000:
- (a) the RHT ordinary shares that are the subject of this application; and
 - (b) any other RHT ordinary shares applied for by you under the Plan (or any similar arrangement in the 12 months prior to the application), whether:

- (i) in your own right; or
- (ii) jointly with one or more persons; or
- (iii) in your capacity as a beneficiary (as defined below),

but not including in your capacity as a trustee or nominee where it is expressly noted on RHT's register of members that your shareholding is held on account of another person.

If 2 or more persons are recorded in the register of members as jointly holding the RHT shares to which this entitlement relates, they are taken to be a single registered holder and this certification and confirmation given by any of them is taken to be given by all of them.

If a trustee or nominee is expressly noted on RHT's register of members as holding the shares to which this entitlement relates on account of another person (the "beneficiary"), this certification is taken to be given by the beneficiary in respect of him/her/itself (and not the trustee or nominee).

2. By lodging this form with your cheque you confirm that you have read, understood and agreed to the terms and conditions of the Plan.

Notes

- The terms and conditions of the Plan accompanying the enclosed letter from the Managing Director should be read carefully.
- No priority will be afforded to applications on the basis of the date of receipt of such applications.
- Payments may only be made by cheque or bank draft in Australian dollars and drawn on an Australian branch of a financial institution.
- Cheques or bank drafts are to be made payable to: "**Resonance Health Share Application Account**" and crossed with "Not Negotiable".
- Cheques will be deposited on their day of receipt. Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured. Receipts for payment will not be issued.
- Cash payments will not be accepted via the mail.
- If you wish to accept this offer please return this Entitlement and Acceptance Form duly completed together with a cheque for the subscription amount, in the envelope provided, **by 5.00pm (WST) on 4th November 2005**.
- Resonance Health Limited may reject an acceptance of this offer, in its absolute discretion, if this form is not completed in accordance with this offer, is incomplete or if the exact amount payable is not tendered with this form.

Receipt by RHT of this form duly completed, together with the full subscription amount, will constitute acceptance in accordance with the terms and conditions of the Plan and the constitution of RHT by the shareholder named on this form. A signature on this form is not required.

Offers made under the Plan are not renounceable (ie eligible shareholders may not transfer their rights to any RHT shares offered under the Plan). Shares may only be transferred after they have been allotted.

QUESTIONS AND CONTACT DETAILS

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Mr Stuart Usher on (08) 9389 5933.

Return this form and cheque in the enclosed business reply paid envelope provided.

Offer Closes 5.00pm (WST) on 4th November 2005