

Appendix 4D

Half year report

Half-Year ended 31 December 2005

Introduced 1/1/2003

Name of entity

RESONANCE HEALTH LIMITED

ABN or equivalent company
 reference

96 006 762 492

1. Half year ended (current period) Half year ended ('previous
 corresponding period')

31 DECEMBER 2005	31 DECEMBER 2004
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2. Results for announcement to the market

\$A'000

2.1	Revenues from ordinary activities	Up	308%	to 255
2.2	Profit (loss) from ordinary activities after tax attributable to members	down	154%	to (1,801)
2.3	Net profit (loss) for the period attributable to members	down	154%	to (1,801)
Dividends (distributions)				
		Amount per security		Franked amount per security
2.4	Final dividend (<i>Preliminary final report only</i>)	N/A¢		N/A¢
2.4	Interim dividend (<i>Half yearly report only</i>)	N/A¢		N/A¢
2.5	Record date for determining entitlements to the dividend	N/A		

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2.6 Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood. In the half year ended 31st December 2005, the Resonance Group continued the commercialisation of FerriScan[®], its world leading non invasive tool for measuring liver iron levels. FerriScan has received regulatory clearance to be marketed in the US, Australia, UK and Europe.

With rapid expansion during the period, FerriScan was available at 37 sites worldwide at 31 December 2005. FerriScan also gained international independent validation at the American Society of Hematology (ASH) conference held in Atlanta during December 2005 where a major pharmaceutical company released data favourably comparing FerriScan to the gold standard liver biopsy. In addition, a review was published in top peer reviewed medical journal 'Blood' highlighting the clinical utility of MRI based tools ,for the diagnosis and management of iron overload disorders.

Resonance Health also secured a Western Australian Government Health Supply Contract to provide FerriScan at every capable hospital in the State. This State-level reimbursement sets an important precedent for reimbursement in other states in Australia, as well as offshore.

Also during this period, the Resonance Group completed 'Proof of Concept' testing for the development of a second product for measuring liver fibrosis. This research program was supported via a grant provided by the Commonwealth Government's Biotechnology Innovation Fund program. The clinical development of the new test for Fibrosis will progress through 2006.

Whilst continuing to work closely with the pharmaceutical industry and partnering a major imaging chain in the US, Resonance also appointed Corporate Advisors, Montgomery Pacific in the US to assist with value creating initiatives in the US.

In October 2005 Resonance Health Limited undertook a placement of shares which raised 1.8 million and received a further \$0.4 million from the exercise of options.

3. NTA backing		Current period	Previous corresponding Period
	Net tangible assets per security	\$0.010	\$0.017

4. Control gained over entities having material effect

4.1 Name of entity (or group of entities)	N/A	
4.2 Date of gain of control		
4.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired		
4.3 Profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period		

Loss of control of entities having material effect

4.1 Name of entity (or group of entities)	N/A	
4.2 Date of loss of control	N/A	
4.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	\$ N/A	
4.3 Profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	\$ N/A	

5. Dividends / Distributions

Date the dividend (distribution) is payable	N/A
Amount per security of foreign source dividend	N/A¢

Total Dividends /Distributions

Ordinary securities

\$ N/A

Preference securities

\$ N/A

6. Dividend or distribution investment plans in operation:

N/A

The last date(s) for receipt of election notices for the dividend or distribution reinvestment plans

N/A

7. Details of aggregate share of profits (losses) of associates and joint venture entities

Name of associate/joint venture:	N/A		
Holding in entity	N/A %		
Group's share of associates' and joint venture entities':	Current period \$A'000	Previous corresponding period - \$A'000	
Profit (loss) from ordinary activities before tax	N/A	N/A	
Income tax on ordinary activities	N/A	N/A	
Profit (loss) from ordinary activities after tax	N/A	N/A	
Extraordinary items net of tax	N/A	N/A	
Net profit (loss)	N/A	N/A	
Adjustments	N/A	N/A	
Share of net profit (loss) of associates and joint venture entities	N/A	N/A	
	N/A	N/A	

8. Foreign Entities

Which set of accounting standards is used in compiling the report (e.g. International Accounting Standards)

N/A

9. All Entities

A description of Accounts subject to audit dispute or qualification:

N/A