



28 July 2006

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

Dear Sir/Madam,

### **RHT: Suspension of Entitlement Issue**

Resonance Health Limited (the "Company") advises that it has received an interim stop order from the Australian Securities and Investments Commission (ASIC) pursuant to Subsection 739(3) of the Corporations Act 2001 in relation to its 3 for 4 entitlements issue prospectus dated 7 July 2006.

The order states that no offers, issues, sales or transfers of shares may be made under the prospectus for 21 days after 27 July 2006 unless the order is revoked earlier.

ASIC has expressed concerns relating to:

1. the carrying value of certain research and development costs in the Company's balance sheet and pro forma balance sheet disclosed in the prospectus; and
2. the grounds and key assumptions underlying the estimates of likely future cash flows disclosed in the prospectus,

and has requested further information from the Company in relation to these matters.

The Company anticipates being able to address these concerns quickly and will make a further announcement in due course.

Yours faithfully



Eva Liu  
Company Secretary