



ResonanceHealth

Resonance Health Limited

ACN 006 762 492

**Annual General Meeting
17 November 2006**



Agenda

- Management
- Strategy - FerriScan®
- Strategy - Pathology
- Financial Performance
- Conclusion

Management

Recently hired new management team

- Edward D. Dooling, President and CEO
 - 16 yrs pathology industry experience with several of the most respected companies in the U.S. including DIANON Systems and AmeriPath
- Paul Jobbins, CFO
 - Broad financial and commercial experience including serving with major banking institutions in Australia and the United Kingdom. Prior to joining Resonance Health was CFO for ASX listed company Reverse Corp Limited

Strategy - FerriScan®

Make FerriScan® product cash flow positive

- Obtain regulatory clearance in Canada and New Zealand (currently approved in Australia, USA and Europe)
- 65 MRI sites offering FerriScan® in Australia, NZ, Asia, USA, UK, Europe, Scandinavia and the Middle East; seeking further sites
- Right sized operating expenses
- Negotiating improved contracts with pharmaceutical companies continuing the re-pricing initiative announced in September

Strategy - Pathology

Acquisition of US-based anatomical pathology businesses

- Complementary to radiology based diagnostic tests
- Strengthens access to referral channels
- Provides access to US-based billing and operational infrastructure

Strategy - Pathology

- US based CEO & management team with extensive experience in the pathology industry
- Acquire a well positioned specialty pathology practice in each of the 30-50 key markets over a 10 year period
- Develop each practice into the leading regional provider using:
 - Proven sales and operations strategies
 - Innovative products and services
 - Attractive long term profit sharing to maintain pathologists as critical partners in practice

Strategy - Pathology

Key Pathology Market Characteristics:

- Large population centre
- Supports significant long term pathology growth
- Within 200 mile radius:
 - Population of 2,000,000
 - Approximately \$40,000,000 in total potential AP

Strategy - Pathology

Initial Pathology Practice Profile:

- \$1million - \$10 million in current revenues
- 2-6 pathologists
- Well regarded for quality and service
- Centrally located in key market
- Own outpatient lab
- Lead by entrepreneurial pathologist
- Desire to grow

Financial Performance

- FY06 Revenue up 118% (year on year)
- Re-pricing initiative for FerriScan® product undertaken since August 2006 resulting in improved contractual terms
- Revenue increased 133% from 4th quarter FY06 to 1st quarter FY07
- Further operational cost savings in May/June and October 2006
- Cash on hand at 31 October 2006: \$3.0 million

Conclusion

- Significant improvement in financial performance
- Re-pricing initiative continuing for FerriScan®
- Undertaking diversification strategy
- Company well positioned to execute growth strategies