

31 October 2014

## **Resonance Health Ltd (ASX:RHT) Appendix 4C – 1st Quarter Cash Flow Report**

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Resonance Health Limited today released its 1st quarter Cash Flow Report for the period ending 30 September 2014.

Cash on hand at 30 September 2014 was \$2,640,000 compared to cash on hand at 30 September 2013 of \$932,000 and \$2,097,000 as at 30 June 2014.

During the September Quarter, the Company raised \$650,000 (less costs) via the issue of 13million shares at 5 cents per share.

In the September quarter, net operating cash decreased by \$121,000. This included:

- \$43,000 associated with the due diligence of a potential acquisition target in the 2013-14 financial year
- \$69,000 in research and development activities
- \$45,000 in Director Fees attributable to the 2013-14 financial year

Operationally Resonance Health provided 1428 image analysis services in the September quarter, an increase of 17% over the same period in 2013.

During the quarter, Company delegates attended the BASL (British Association for the Study of Liver Disease) conference in the United Kingdom. HepaFat-Scan was presented to Hepatologists, Haematologists, Gastroenterologists and Cardiovascular specialists. HepaFat-Scan was well received at BASL generating engagement with clinicians from the UK and other parts of Europe. Next month Resonance Health will be launching HepaFat-Scan in the United States at the American Association for the Study of Liver Disease conference (AASLD) in Boston.

In the medium term we will continue to focus on:

- Introducing and piloting HepaFat-Scan to our existing network of Hospitals.
- Participating in the US based Forum on Drug Development and Diagnostics for the Treatment of Liver Disease.
- Commencing an independent validation study in the USA on HepaFat-Scan.
- Continuing with the development of an MRI based liver fibrosis test.
- Developing partnership opportunities with pharmaceutical companies in the treatment of iron overload and fatty liver disease.
- Servicing and growing our FerriScan customers.

For further information please contact:

**Resonance Health**

Liza Dunne  
Managing Director  
T: +61 8 9286 5300  
E: lizad@resonancehealth.com

Adrian Bowers  
Company Secretary  
T: +61 8 9286 5300  
E: adrianb@resonancehelath.com

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+ See chapter 19 for defined terms.

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Resonance Health Limited

ABN

96 006 762 492

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	490	490
1.2 Payments for		
(a) staff costs	(335)	(335)
(b) advertising and marketing	(47)	(47)
(c) research and development	(69)	(69)
(d) leased assets	-	-
(e) other working capital	(82)	(82)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	15	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid)/received	-	-
1.7 Other Receipts/Payments		
(a) consulting & professional services	-	-
(b) statutory & compliance	(50)	(50)
(c) grants	-	-
(d) Due diligence expense	(43)	(43)
<b>Net operating cash flows</b>	<b>(121)</b>	<b>(121)</b>

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**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitment**

		Current quarter	Year to date
		\$A'000	\$A'000
1.8	Net operating cash flows (carried forward)		
	<b>Cash flows related to investing activities</b>		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (Cash introduced on acquisition of controlled entity)	-	-
	<b>Net investing cash flows</b>	-	-
<b>1.14</b>	<b>Total operating and investing cash flows</b>	<b>(121)</b>	<b>(121)</b>
	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	650	650-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (costs of capital raising)	-	-
	<b>Net financing cash flows</b>	<b>650</b>	<b>650</b>
	<b>Net increase (decrease) in cash held</b>	<b>529</b>	<b>529</b>
1.21	Cash at beginning of quarter/year to date	2,097	2,097
1.22	Exchange rate adjustments to item 1.20	14	14
1.23	<b>Cash at end of quarter</b>	<b>2,640</b>	<b>2,640</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	\$82K
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

\$68K – Directors fees totalling \$45,000 for the FY13/14 were paid in the September 2014 Quarter.  
 \$14K – Consulting fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A.

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	440	497
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)		
- Term deposits	2,200	1,600
<b>Total: cash at end of quarter</b> (item 1.22)	2,640	2,097

### Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Adrian Bowers  
Company Secretary

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