

Appendix 3B and Secondary Trading Notice

**Secondary Trading Notice (the “Notice”) Pursuant to Paragraph 708A(5)(e)
of the Corporations Act 2001 (the “Act”)**

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act.

By giving this notice, a sale of the Collateral Shares noted above will fall within exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) The Company has issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at the date of this Notice, the Company has complied with provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and;
- (c) as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8) of the Corporations Act.

Yours faithfully,

Agha Shahzad Pervez
Company Secretary, Resonance Health

E: aghas@resonancehealth.com P: +61 (0)8 9286 5300

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Resonance Health Ltd

ABN

96 006 762 492

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

| | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | (1) Ordinary Fully Paid Shares (on conversion of incentive options) (2) Ordinary Fully Paid Shares (issued per employee share scheme "ESS") (3) Unlisted Employee Incentive Options which upon exercising will convert into ordinary fully paid shares (new issue of incentive options) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (1) 4,500,000 Fully Paid Shares (2) 136,365 Fully Paid Shares (3) 3,000,000 Incentive Options |

+ See chapter 19 for defined terms.

| | |
|---|---|
| <p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>(1) Ordinary shares will rank pari passu with existing ordinary shares</p> <p>(2) Ordinary shares will rank pari passu with existing ordinary shares</p> <p>(3) Unlisted Incentive Options will expire on 13 June 2022 on the following terms and conditions: - 1,000,000 Options are immediately exercisable at \$0.10 - 1,000,000 Options will vest on 13 June 2021 subject to satisfaction of vesting conditions exercisable at \$0.10 - 1,000,000 Options will vest on 13 June 2022 subject to satisfaction of vesting conditions exercisable at \$0.10</p> |
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>(1) Yes</p> <p>(2) Yes</p> <p>(3) Yes, all shares issued on conversion of the unlisted options will rank pari-passu with existing fully-paid ordinary shares.</p> |
| <p>5 Issue price or consideration</p> | <p>(1) \$250,000 1,250,000 Incentive Options Exercised at 0.03 1,250,000 Incentive Options Exercised at 0.05 2,000,000 Incentive Options Exercised at 0.075</p> <p>(2) Nil</p> <p>(3) Nil</p> |

| | | |
|----|---|--|
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | (1) Exercise of Incentive Options (2) Issue of \$ 136,365 shares under the Resonance Health Ltd – Employee Share Plan (“ESS”) (3) Issue of Incentive Options pursuant to the Resonance Health Ltd – Incentive Option Plan. |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i | (1) Yes (2) No (3) Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 8 November 2018 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | (2) 136,365 Fully Paid Shares |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil |
| 6f | Number of +securities issued under an exception in rule 7.2 | Nil |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | Not Applicable |

+ See chapter 19 for defined terms.

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

Not Applicable

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

See Annexure 1

7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

16 July 2019

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

| Number | +Class |
|------------------|---------------------------------|
| 402,497,568 | Ordinary Shares |
| + 20,000,000 | Acuity Capital Shares |
| + 4,500,000 | Shares upon exercise of options |
| <u>+ 136,365</u> | Shares issued on ESS |
| 427,133,933 | Total Number of Ordinary Shares |

| | Number | +Class | |
|---|---|-----------|---|
| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | 5,750,000 | Options exercisable at 0.03 on or before 9 March 2021 |
| | | 3,500,000 | Options exercisable at 0.05 on or before 9 March 2021 |
| | | 4,500,000 | Options exercisable at 0.075 on or before 9 March 2021 |
| | | 4,750,000 | Options exercisable at 0.10 on or before 9 March 2021 |
| | | 250,000 | Options exercisable at 0.05 on or before 13 September 2021 |
| | | 250,000 | Options exercisable at 0.075 on or before 13 September 2021 |
| | | 1,000,000 | Options exercisable at 0.075 on or before 1 January 2022 |
| | | 3,000,000 | Options exercisable at 0.10 on or before 1 January 2022 |
| | | 3,000,000 | Options exercisable at 0.125 on or before 1 January 2022 |
| | | 3,000,000 | Options exercisable at 0.10 on or before 13 June 2022 |

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| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | None |
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Part 2 - Pro rata issue

+ See chapter 19 for defined terms.

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|----|--|----------------|
| 11 | Is security holder approval required? | Not Applicable |
| 12 | Is the issue renounceable or non-renounceable? | Not Applicable |
| 13 | Ratio in which the +securities will be offered | Not Applicable |
| 14 | +Class of +securities to which the offer relates | Not Applicable |
| 15 | +Record date to determine entitlements | Not Applicable |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not Applicable |
| 17 | Policy for deciding entitlements in relation to fractions | Not Applicable |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | Not Applicable |
| 19 | Closing date for receipt of acceptances or renunciations | Not Applicable |

| | | |
|----|---|----------------|
| 20 | Names of any underwriters | Not Applicable |
| 21 | Amount of any underwriting fee or commission | Not Applicable |
| 22 | Names of any brokers to the issue | Not Applicable |
| 23 | Fee or commission payable to the broker to the issue | Not Applicable |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | Not Applicable |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | Not Applicable |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | Not Applicable |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | Not Applicable |
| 28 | Date rights trading will begin (if applicable) | Not Applicable |
| 29 | Date rights trading will end (if applicable) | Not Applicable |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | Not Applicable |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not Applicable |

+ See chapter 19 for defined terms.

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

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39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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| | Number | +Class |
|--|--------|--------|
| 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38) | | |

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.


Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


(Company secretary)

Date: 16 July 2019

Print name: Agha Shahzad

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+ See chapter 19 for defined terms.

| | |
|---|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 60,374,635 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>20,000,000</p> <p>9,000,000</p> <p>136,365</p> |
| “C” | 29,136,365 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| “A” x 0.15 <i>Note: number must be same as shown in Step 2</i> | 60,374,635 |
| Subtract “C” <i>Note: number must be same as shown in Step 3</i> | 29,136,365 |
| Total [“A” x 0.15] – “C” | 31,238,270 <i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

+ See chapter 19 for defined terms.

Resonance Health Limited is not an eligible entity under Listing Rule 7.1A and as such has not completed the Annexure.

+ See chapter 19 for defined terms.