

19 July 2019

## **Resonance Health to provide services to NASDAQ-listed pharmaceutical company for Clinical Trial.**

Resonance Health Limited (ASX: RHT) ("Resonance Health" or the "Company") is pleased to announce that it has executed a Master Services Agreement ("MSA") and an associated initial Scope of Work with a US NASDAQ-listed pharmaceutical company (the "Client") for the use of Resonance Health products and services in their clinical trial.

The clinical trial covered under the initial Scope of Work will commence in July 2019 and continue for a period of 48 months. This period may be extended, for example if the clinical trial takes longer than expected. As consideration for satisfactorily performing the services in the initial Scope of Work, the Company will be paid approximately US \$1 million over the duration of the trial.

The MSA can be terminated by the Client at any time, for example in the event it becomes clear that the clinical trial is unlikely to be successful for the Client. If the trial is discontinued then the Company will be paid for services provided up to the date of termination.

Further details about the MSA and the initial Statement of Work are as follows:

### **1. Consideration**

Monthly payments to Resonance Health will commence from August 2019 and comprise of two components:

- a) Fixed Costs: Comprised of Data Management Setup charges, and monthly Project and Data Management fees; and
- b) Variable Costs: For the use of Resonance Health products and services (including Liver Volume, Spleen Iron, Spleen Volume, Spleen Phantom Pack supply and analysis, Bone Marrow R2, FerriScan®, and FerriScan® Phantom Pack supply and analysis) for the duration of the trial. There is also provision for ad hoc consulting services to be provided by the Company, to be charged if and when incurred.

### **2. Right to Inspect and Audit**

The Client or its designee will have a right to inspect the Company's facilities, records and documentation and standard operating procedures, upon 10 days written notice to the Company. Resonance Health will provide reasonable assistance to the Client to facilitate any such inspections and audits.

### **3. Term and Termination**

The term of the MSA is three years, unless a Scope of Work is incomplete at such date, in which case the term is automatically extended until the date that all Scopes of Work are completed or terminated. Given the initial Scope of Work is for a period of 48 months the effective term of the MSA is four years.

The MSA can be terminated by the Client at any time upon providing 30 days written notice to the Company. The MSA may be terminated by either party if the other party commits a breach and fails to cure the breach within 10 days after receiving written notice of the breach from the non-breaching party.

- a) Upon termination or expiration of the MSA, neither the Client nor Resonance Health will have any further obligations under the MSA, or in the case of termination or expiration of a Statement of Work, under that Statement of Work, except that;
- b) The Company will deliver all documents, information, data, and materials prepared or generated up through the expiration or earlier termination date, including without limitation, all deliverables;
- c) The Company will return to Client or its designee all materials provided by Client to Company, as directed by Client;
- d) The Client will pay Resonance Health any monies due and owing to it, up to the time of termination or expiration, for Services performed up to that point;
- e) Resonance Health will promptly refund any advance fees that are attributable to services that have not been performed as of the termination date.

#### **4. Warranty and Indemnification**

The MSA includes standard warranties and indemnifications. The Company warrants that it will perform the services in a professional manner and in accordance with applicable laws and regulations. The Company will indemnify the Client for losses resulting from the Company's intentional misconduct, negligence or breach of the MSA.

#### **5. Confidentiality**

The Company and the Client are bound by stringent confidentiality obligations, including with respect to the name of the Client and the nature of the clinical trial. This is standard procedure for service providers providing services in connection with pharmaceutical clinical trial.

Alison Laws

Chief Executive Officer

#### **For further information please contact:**

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