

### Market Update

Resonance Health Ltd (ASX: RHT) (“Resonance Health” or “Company”) provides the following market update in relation to Coronavirus and COVID-19.

Through a tightly-controlled approach to spending, a strong focus on generating ongoing cashflow streams from varied jurisdictions and workflows, and judicious capital management, Resonance Health has entered the COVID-19 crisis in a strong position.

The Company has a strong balance sheet, excellent cash reserves of AU \$6.8 million (as of 27 March 2020) and zero debt. Approximately 95% of the Company’s revenue is received in foreign currencies, and the Company has recently made foreign currency gains.

Resonance Health has a global client base with varied workstreams: These workstreams include the provision of products and services for the routine clinical management of diseases, and project management and other products and services in connection with a number of multi-year pharmaceutical and therapeutic trials.

To date, there has been no indication that the pharmaceutical and therapeutic trial work, which accounts for approximately 40% of revenue, has materially slowed, and additionally, new site-setup work for several clinical trials has escalated.

Very recently, the Company has experienced a variable reduction in requests for its routine clinical use services from Europe (including the UK) and the USA. It is too early to assess whether it is a definite trend for this workstream, however, to be prudent the Company has assumed that it is.

Clinician decision-making on the risk of patient exposure to the coronavirus versus the need for their patients to be managed through utilization of the Company’s services appears ad hoc at present. Additionally, in the UK, the following recommendation related to one of the Company’s areas of disease focus has recently been provided by the National Haemoglobinopathies Panel (UK) in response to the COVID-19 situation, which states:

“Iron chelation: Routine monitoring for iron overload and for the effects of iron chelation should be continued. For patients on regular transfusions, outpatient review should be co-ordinated to take place at the same time as transfusion. Clinicians should consider if routine MRI monitoring for iron overload can be postponed (e.g. in stable patients, on long term chelation). If a fever develops, all chelation agents should be stopped.” (National Haemoglobinopathy Panel, Haemoglobinopathy Coordinating Centre’s Response to COVID-19 V6, 21 March 2020).

The Company’s business continuity plans and processes are well in hand. Resonance Health has a long history of remote service delivery due to its global customer base, and Company personnel are transitioning to working remotely from home consistent with Federal or State Government recommendations. The Company has enacted cost management plans for this evolving situation.

Resonance Health intends to continue on its current strategic path during the COVID-19 crisis, to further diversify and enhance the Company's product portfolio and distribution channels whilst carefully managing the Company's resources.

The Company is pleased to advise that it is on track to submit its dossier for HepaFat-AI to the FDA shortly and a further announcement will be made at that time.

**Authorised by:**

This announcement has been authorised for release in accordance with the delegated authority of the Board of Directors of Resonance Health Limited.

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