

ASX Code: PSY

31 July 2015

Panorama Synergy June 2015 Quarterly Report & Appendix 4C

A Strong Quarter of Commercial Validation for its Technology

Highlights:

- Significant traction gained in commercialisation of Panorama's unique technology, with the Company securing its first two commercial agreements
- Following technological validation by CSIRO in December, the Company has focussed on accelerating its commercialisation strategy including strengthening its team with further industry experts
- Research grant awarded for Panorama and University of New South Wales (UNSW) to develop hydrogen sensors for industrial applications, which will expand the application of Panorama's technology
- Panorama also entered into further agreement with the University of Western Australia that transferred title to the core technology to Panorama
- The Company is in a well-funded position, having raised \$1.8m in the quarter, with cash at the end of the quarter of \$6.6m
- Solid capital position for the next 18-24 months allowing a strong focus on accelerating its strategic path to market

Panorama Synergy Limited ("Panorama" or the "Company") provides an update on the quarter ended 30 June 2015. Achievements over this past quarter position the Company to accelerate the capabilities and applications of the LumiMEMS™ Reader technology.

Operational

Since announcing at the end of last year that Panorama had successfully built and tested the first prototype of its LumiMEMS™ Reader utilising its sensors to detect toluene, the Company has further progressed towards the commercialisation and application of its products.

During the quarter, Panorama entered into two key agreements, marking an important commercial validation of its technology. Furthermore, the agreements position the Company well to leverage additional commercial agreements.

The first agreement is with Enerji Limited (ASX:ERJ, "Enerji"), a company whose products harness waste heat from power generation and industrial processes to generate electricity. The agreement represents a collaboration to develop hydrocarbon monitoring systems using MEMS technology to increase ERJ's electricity output and decrease energy waste.

The second agreement represents a commercial partnership with Quantify Technology ("Quantify") for the supply of sensors into their intelligent building developments.

Quantify is an Australian-based, soon to be listed company that promotes advanced technology for smart buildings, including real-time air quality and environmental monitors and pathogen and virus detectors that will use Panorama's LumiMEMS™ technology. As previously announced in May, Quantify already has orders of approximately \$2million and Panorama's sensors will be an important part of the package installed. As Quantify seeks to expand into the US, then further market opportunities will arise.

The Company together with the University of New South Wales (UNSW) was awarded a grant of \$50,000 from the Entrepreneurs' Infrastructure Programme – Research Connections Grant (Infrastructure Programme Grant). The project provides an entrée to informing external stakeholders about how our sensing platform can be extended to other fields of use such as hydrogen detectors for fuel cells and condition monitoring of electrical transformers.

Importantly Panorama received the patent assignments from The University of Western Australia for the LumiMEMS™ Reader optical detection and cantilever sensing technology.

The real value for all parties is that the agreement signifies and highlights the strong and trusting continued relationship between The University of Western Australia and Panorama Synergy in the development and commercialisation of this technology.

Professor Lorenzo Faraone, Head of the Microelectronics Research Group at the University noted: "The University will only consider a patent ownership transfer to commercial partners where we see this as being in the best interests of The University of Western Australia, where all stakeholders are committed to the development of the technology and there is a clear strategy of the company to commercialise the technology."

And added, "Panorama have demonstrated through the relationships that they have been forming, their resourcing of the project and key hiring decisions, together with their solid plan and commitment that they will bring this technology to commercialisation in this growing market."

Corporate

The commercialisation of the Company's LumiMEMS™ Reader technology remains the major focus of the Company as it continues to build its expert team in this area, with two new MEMS specialists joining the technology team in the quarter.

During the quarter the Company raised an additional \$1.8m.

In addition, the appointment of a Head of the Commercialisation is well underway with the focus on high calibre candidates based in priority markets of North America or Europe and have proven industry experience in advanced technology. An appointment is expected to be finalised in 2H15.

Cash Position

The Company enters 3Q15 with a strong balance sheet and cash at bank of \$6.6m.

Outlook

The Company is well funded and strategically focussed on accelerating its key product, the LumiMEMS™ Reader to market. Panorama continues to review the role of global partnerships to enable accelerate the commercialisation of its technology.

The technology developed by Panorama can be used across multiple sectors and applications including large near-term market opportunities such as resources, medical, regulation and environmental detection of hazardous waste.

The Company's initial target markets are the US and Europe, representing large established and fastest growing MEMs markets. In conjunction, Panorama is pursuing partnerships with manufacturers in Asia.

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About Panorama Synergy

Panorama Synergy is a Perth-based technology company focused on the commercial and technological advancement of its optical readout system for MEMS, the LumiMEMS™ Reader.

This unique technology has been developed by the Microelectronics Research Group (MRG) team at UWA, in partnership with Panorama Synergy. MRG took the far sighted decision to be a global Centre of Excellence in MEMS over a decade ago, creating the opportunity for this breakthrough. UWA and Panorama Synergy have been partnering for much of this time.

Panorama Synergy's Board includes Aidan Montague, Chairman, whose background includes senior roles with Cisco Systems in Europe, South Africa and Asia and Terry Walsh, Managing Director, formerly MD for Cisco Australia and New Zealand, and then CEO of Cisco Canada.

Website: www.panoramasynergy.com.au

About MEMS

MicroElectroMechanical Systems (MEMS) are microscopic, highly sensitive systems able to detect and measure chemical and biologic substances, movement and acceleration, gravity and a wide range of other applications. They represent a \$14 billion to \$20 billion industry with significant growth rates. All devices which incorporate MEMS sensors require a readout system to assess and communicate the data that is measured. The LumiMEMS™ sensor is the next evolution of that readout system, as it takes MEMS readouts from primarily being electrically based, into the world of optical. **MEMS Flipboard:** <https://flipboard.com/section/mems-bQUuFm>

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

PANORAMA SYNERGY LTD

Quarter ended ("current quarter")

ABN

84 060 369 048

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	(193)	(683)
(b) advertising and marketing	-	-
(c) research and development	(646)	(965)
(d) leased assets	-	-
(e) other working capital	(276)	(1,509)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	22	148
1.5 Interest and other costs of finance paid	(1)	(38)
1.6 Income taxes paid	(8)	(8)
1.7 Other – R&D Grant received	104	104
Net operating cash flows	(998)	(2,951)

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

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(998)	(2,951)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	(50)	(50)
(c) intellectual property	-	-
(d) physical non-current assets	(3)	(18)
(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 – Security Deposits	-	(17)
Net investing cash flows	(53)	(85)
1.14 Total operating and investing cash flows	(1,051)	(3,036)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	1,790	8,834
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 – Share application funds received in advance	-	-
Other – Share issue costs	-	(349)
Net financing cash flows	1,790	8,485
Net increase (decrease) in cash held	739	5,449
1.21 Cash at beginning of quarter/year to date	5,945	1,235
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	6,684	6,684

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	278
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Consultancy fees to directors \$78,000 Salaries, Superannuation \$141,936.

The Company acquired it's own credit card for operating costs midway through the March 2015 quarter, from time to time directors will also pay appropriate expenses and be reimbursed.

Reimbursement of working capital expenditure paid for by the directors', which includes travel expenses, outgoings, out of pocket expenses and other accrued expenses \$58,430.

Significant Research and Development costs are also embedded within other expenditure items including Working Capital and Staff costs. The Company is and intends to employ significant research staff and while these will show up in staff costs they are Research and Development based.

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.

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

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	6,684	5,945
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	6,684	5,945

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	-	-
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.



Sign here: Date: 31 July 2015

(Company secretary)

Print name: Anthony Karam

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.