Panorama Synergy Ltd
ABN 84 060 369 048
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26 February 2010

Manager Announcements
Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Please find attached our financial report for the half year ended 31 December 2009. This document replaces the financial report lodged earlier today. The previous report contained a description error in the Independent Review Report to the members by our auditors, PKF Chartered Accountants.

ABOUT PANORAMA SYNERGY LIMITED
Panorama Synergy Limited is listed on the Australian Securities Exchange (ASX:PSY) and is developing and commercialising its Magneto Photonic Crystal (MPC) technology. MPC is a breakthrough technology involving the integration of magneto-photonics and nanotechnology to produce a much better display technology than is currently available. The company currently has over 100 patents either issued or applied for in relation to the technology and has recently produced the first working prototype to showcase this unique display system.

Further information on Panorama Synergy Limited can be obtained from its web site at http://www.panoramasynergy.com

Media and Investor enquiries
Terry Walsh
info@panoramasynergy.com

Appendix 4D

Half Year Report to the Australian Stock Exchange

Name of Entity	Panorama Synergy Ltd
ABN	84 060 369 048
Half Year Ended	31 December 2009
Previous Corresponding Reporting Period	31 December 2008

Results for Announcement to the Market

	$'000	**Percentage increase /(decrease) over previous corresponding period**
Revenue from ordinary activities	2	(98%)
Profit / (loss) from ordinary activities after tax attributable to members	(377)	(55%)
Net profit / (loss) for the period attributable to members	(377)	(55%)

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	Nil	
Interim Dividend	Nil	

Record date for determining entitlements to the dividends (if any)	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	
Amount per security	
Total dividend	
Amount per security of foreign sourced dividend or distribution	
Details of any dividend reinvestment plans in operation	
The last date for receipt of an election notice for participation in any dividend reinvestment plans	

NTA Backing

	Current Period	**Previous corresponding period**
Net tangible asset backing per ordinary security	$0.003	$0.003

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control gained	
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control lost	
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	**Previous Period**	**Current Period**	**Previous Period**
Aggregate Share of Net Profits				

Foreign Entities Accounting Framework

For foreign entities provide details of which accounting standards have been adopted (e.g. International Accounting Standards)

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	√
If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification:			

Attachments Forming Part of Appendix 4D

Attachment #	**Details**
1	Half Year Financial Report
2	Review Report

Signed By (Director/Company Secretary)	
Print Name	John Richard Athans
Date	26 February 2010

Panorama Synergy Ltd
and its Controlled Entities

Half-Year Financial Report
31 December 2009

Table of Contents

DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2009.

DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr John Athans (Executive Chairman)
Mr Gurmit Singh (Director – Non-Executive)
Mr Leonard Taylor (Director – Non-Executive)
Mr Aidan Montague (Director – Non-Executive) - Appointed 10 December 2009

REVIEW OF OPERATIONS

During the six months to December 2009 there were continual developments in the evolution and development of the Company's magneto-optic based Panorama technology platform.

Continued innovative research resulted in the achievement of a significant technological milestone in September 2009 when the Company announced the as yet highest ever developed magneto-optic material, with an optical figure of merit of 48 at 633nm (red light). This high figure of merit is indicative of both high Faraday polarization rotation and low optical absorption per unit length.

In achieving this milestone, the Company's researchers developed a world first deposition process. This process together with a new annealing methodology resulted in a reduction of the optical absorption across the visible and near infra-red wavelengths.

Further development work is being undertaken by the Company's research team to further enhance the Company's photonic crystal structures. These crystal structures, aimed at the commercialisation of very high electronic light switches, are targeted for use in display, projection and Telecom products.

In November 2009, the Company's UK subsidiary, Panorama Synergy (Europe) Ltd, achieved another noteworthy technology boost when it successfully attracted funding support from the UK's Technology Strategy Board (TSB). This funding program was extremely competitive with over 700 proposals submitted. Panorama Synergy's proposal was one of only 69 that attracted successful funding. This achievement showcases the UK government's recognition of both Panorama Synergy's highly innovative technology and its potential.

The TSB funding covers a three-month timeframe with a presentation of project outcomes to be provided by the Company's researchers in London in March 2010. The successful demonstration of a working device in March 2010 and its technological recognition will further enhance the Company's journey towards ultimate commercialisation.

New additions to the Panorama Synergy Team

The year also welcomed to your Company's board of management and executive the appointments of two respected industry stalwarts.

On 19 November 2009, Mr Terry Walsh was appointed CEO. Terry had been employed by Cisco Systems Inc ("Cisco") since 1995 and has more than 28 years experience in the technology industry.

During his time at Cisco, he led their Australia / New Zealand's Telecommunications business, serving as Managing Director. He was later promoted to CEO for Cisco Canada's operations.

As Cisco Canada's CEO he more than tripled Cisco Canada's revenues and raised Cisco Canada to one of Cisco's Top 5 performing countries in the world. Terry also served on The Hon Senator Richard Alston's Broadband Advisory Group in 2004/05 and was Co-Chair of the Canadian e-Business Initiative, providing recommendations to the Canadian Government. Mr Walsh also serves as a member of the Board of Governors of The Smith Family, an Australian organisation dedicated to the improvement of the quality of life and education of our disadvantaged youth.

The Board was also delighted with the appointment of Mr Aidan Montague as director. Aidan has more than 25 year's cutting edge experience driving sales and marketing operations, along with a strong technology and internet background. He has held a number of senior roles with Internet/Communications giant, Cisco Systems, both locally and overseas.

In his role as Director of Strategic Alliances for Cisco, Aidan negotiated alliance agreements with many of the major Telcos throughout China, Korea, Singapore, Australia and elsewhere. More recently his focus has been in the areas of Internet Marketing, New Media Applications and in particular, assisting businesses market their products and services over the internet.

The Board believes that the broad range of technical, sales and marketing skills brought to the Company by Terry and Aidan will add immeasurable value to the commercialisation of the Company's Magneto Photonic Crystal (MPC) technology.

RESULTS OF OPERATIONS

For the six months to 31 December 2009 the revenue of the consolidated entity was $2,449 (2008 $14,531). The loss after providing for income tax amounted to $377,146 (2008 $838,361).

AUDITOR'S INDEPENDENCE DECLARATION

We have obtained an independence declaration from our auditor's, PKF Chartered Accountants, which is included on page 6.

Signed in accordance with a resolution of the directors

John Athans
Director
Dated: 26 February 2010

Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Panorama Synergy Limited for the half year ended 31 December 2009, I declare that to the best of my knowledge and belief there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

PKF

PKF
Chartered Accountants

C Manifis

Conley Manifis
Partner

Dated at Perth, Western Australia this 26th day of February 2010

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	CONSOLIDATED	
	31 December 2009 $	31 December 2008 $
Continuing Operations		
Interest revenue	2,080	14,531
Sundry income	369	-
Total revenue	**2,449**	**14,531**
Employee benefits expense	(70,145)	(49,050)
Other expenses	(341,173)	(698,342)
Loss before tax	**(408,869)**	**(732,861)**
Income tax benefit	31,723	184,800
Loss from continuing operations after tax	(377,146)	(548,061)
Discontinued operations:		
Loss from discontinued operations after tax	-	(290,300)
Loss attributable to members of the parent	**(377,146)**	**(838,361)**
Continued operations:		
Basic and diluted earnings per share (cents)	(0.39)	(0.60)
Consolidated operations:		
Basic and diluted earnings per share (cents)	(0.39)	(0.92)

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Note	CONSOLIDATED 31 December 2009 $	30 June 2009 $
ASSETS			
Current Assets			
Cash and cash equivalents		209,298	323,689
Trade and other receivables		8,542	16,844
Current tax asset		255,172	223,449
Prepayments		22,275	40,322
Total Current Assets		**495,287**	**604,304**
Non-Current Assets			
Plant and equipment		1,434	1,917
Total Non-Current assets		**1,434**	**1,917**
TOTAL ASSETS		**496,721**	**606,221**
LIABILITIES			
Current liabilities			
Trade and other payables		156,790	132,076
Interest bearing liabilities		3,529	59,702
Other liabilities		36,056	293,100
Total Current Liabilities		**196,375**	**484,878**
TOTAL LIABILITIES		**196,375**	**484,878**
NET ASSETS		**300,346**	**121,343**
EQUITY			
Issued capital	4	55,100,991	54,229,842
Equity portion of convertible notes		-	315,000
Accumulated losses		(54,800,645)	(54,423,499)
TOTAL EQUITY		**300,346**	**121,343**

CONDENSED CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	CONSOLIDATED	
	31 December 2009 $	31 December 2008 $
Cash flows from operating activities		
Receipts from customers	2,227	160,232
Payments to suppliers and employees	(324,981)	(878,236)
Interest received	2,080	14,531
Receipt of government grants	-	197,451
Net cash used in operating activities	**(320,674)**	**(506,022)**
Cash flows from investing activities		
Purchase of plant and equipment	-	(5,828)
Payment for capitalised development costs	-	(82,815)
Net cash used in investing activities	**-**	**(88,643)**
Cash flows from financing activities		
Proceeds from issue of shares	480,000	-
Proceeds from issue of options	4,500	-
Proceeds from issue of convertible notes	-	350,000
Refund of deposits on shares not issued	(257,044)	-
Share issue costs	-	(31,138)
Payments on borrowings	(21,173)	-
Net cash flows from financing activities	**206,283**	**318,862**
Net decrease in cash and cash equivalents	(114,391)	(275,803)
Cash and cash equivalents at beginning of period	323,689	720,189
Cash and cash equivalents at end of period	**209,298**	**444,386**

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

CONSOLIDATED	Issued capital $	Equity portion of convertible notes $	Accumulated losses $	Total $
Balance at 1 July 2008	52,129,072	1,396,717	(52,618,837)	906,952
Conversion of convertible notes to shares	1,396,717	(1,396,717)	-	-
Settlement of interest liability through equity upon conversion	155,191	-	-	155,191
Convertible notes issued	-	315,000	-	315,000
Costs directly associated with issue of equity instruments	(31,138)	-	-	(31,138)
Loss for half year ended 31 December 2008	-	-	(838,361)	(838,361)
As at 31 December 2008	53,649,842	315,000	(53,457,198)	507,644
Balance at 1 July 2009	54,229,842	315,000	(54,423,499)	121,343
Conversion of convertible notes to shares	315,000	(315,000)	-	-
Settlement of interest liability through equity upon conversion	71,649	-	-	71,649
Issue of shares	4,800,000	-	-	4,800,000
Issue of options	11,590,000	-	-	11,590,000
Costs associated with issue of equity instruments	(15,905,500)	-	-	(15,905,500)
Loss for half year ended 31 December 2009	-	-	(377,146)	(377,146)
As at 31 December 2009	55,100,991	-	(54,800,645)	300,346

1. CORPORATE INFORMATION

The financial report of Panorama Synergy Ltd (the Company) for the half-year ended 31 December 2009 was authorised for issue in accordance with a resolution of the directors on 26 February 2009. Panorama Synergy Ltd is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described in note 3.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of Panorama Synergy Ltd as at 30 June 2009.

It is also recommended that the half-year financial report be considered together with any public announcements made by Panorama Synergy Ltd and its controlled Entity during the half-year ended 31 December 2009 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

(a) Basis of Preparation

The half-year consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001, applicable Accounting Standards, including AASB 134 “Interim Financial Reporting” and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis, except where stated.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Going Concern

The consolidated entity incurred a loss of $377,146 for the half year ended 31 December 2009; and had net current assets of $298,912 as at that date. These conditions indicate a material uncertainty that may cast significant doubt about the consolidated entity’s ability to continue as a going concern.

The ability of the consolidated entity to continue as going concerns is principally dependent upon:

1. Successful development and commercial utilisation of the entity’s research programme; and
2. Ability to raise adequate capital (through debt or equity) to finance the research and development and other administrative expenses.

The directors have forecasted the cash flow requirements of the consolidated entity for the period of 12 months from the date of this report, which includes the exercise of options which are significantly in the money.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Going Concern (continued)

Based on the assumption of exercise of those options, the directors are satisfied that the going concern basis of preparation is appropriate. The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Should the entity be unable to continue as a going concern, it may be required to realise the assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the entity be unable to continue as a going concern.

(c) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2009.

(d) Basis of consolidation

The half-year consolidated financial statements comprise the financial statements of Panorama Synergy Ltd and its controlled subsidiaries ('the Group').

The group comprised of the following entities:

		Extent of Parent's interest		
Legal entity	**Country of incorporation**	**31/12/2009**	**30/06/2009**	**31/12/2008**
Panorama Synergy Limited (Parent)	Australia	-	-	-
Digital Nervous Systems Pty Ltd	Australia	100%	100%	100%
Panorama Synergy (Europe) Ltd	United Kingdom	100%	100%	100%

3. SEGMENT INFORMATION

During the half-year ended 31 December 2009 the consolidated entity operated in the micro photonic technology sector in Australia (the group is in research phase).

4. CONTRIBUTED EQUITY

	CONSOLIDATED	
	31 December 2009	30 June 2009
Issued capital	$	$
Ordinary shares	28,499,449	27,632,800
Options	26,601,542	26,597,042
	55,100,991	**54,229,842**

Movement in ordinary shares on issue:

	Number	*$*
Balance at 30 June 2009	95,767,039	27,632,800
Shares issued on 24 August 2009	3,333,333	1,000,000
Shares issued on 4 December 2009 pursuant to conversion of convertible notes	5,523,565	386,649
Shares issued on 23 December 2009	12,666,667	3,800,000
Share issue costs	-	(4,320,000)
Balance at 31 December 2009	**117,290,604**	**28,499,449**

Movement in options on issue:

	Number	*$*
Balance at 30 June 2009	11,200,000	26,597,042
Options issued on 24 August 2009	11,000,000	2,750,000
Options issued on 23 December 2009	34,000,000	8,840,000
Option issue costs	-	(11,585,500)
Balance at 31 December 2009	**56,200,000**	**26,601,542**

5. COMMITMENTS AND CONTINGENCIES

Project commitment

The Company, in collaboration with the University of Western Australia, was successful in being awarded a grant for $450,000 over three years for the Company's "novel magneto-optic materials exhibiting high Faraday figure of merit" project. The Company's contribution to the project is $50,000 payable in this year and a further $50,000 payable in the following year.

Since the last annual reporting date, there have been no other material changes to any contingent liabilities or contingent assets.

6. EVENTS AFTER THE BALANCE SHEET DATE

Exercise of options

On 25 February 2010, the Company received $150,000 pursuant to the exercise of 3,000,000 5c options, resulting in the issue of 3,000,000 ordinary fully paid shares.

There have been no other matters or circumstances that have arisen since the end of the half year which have significantly affected or may significantly affect the operations or the state of affairs of the consolidated entity in the future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Panorama Synergy Ltd, I state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

  i. give a true and fair view of the financial position as at the 31 December 2009 and the performance for the half-year ended on that date of the consolidated entity; and

  ii. comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

John Richard Athans
Director

Balcatta, 26 February 2010

Chartered Accountants
& Business Advisers

TO THE MEMBERS OF PANORAMA SYNERGY LIMITED

REPORT ON THE HALF-YEAR FINANCIAL REPORT

We have reviewed the accompanying half-year financial report of Panorama Synergy Limited, which comprises the Statement of Financial Position as at 31 December 2009, and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the half-year ended on that date, a description of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2009 or from time to time during the half year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Panorama Synergy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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Chartered Accountants
& Business Advisers

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Panorama Synergy Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and *Corporations Regulations 2001*.

Material Uncertainty Regarding Going Concern Status

Without qualifying our conclusion expressed above, we draw attention to Note 2(b) in the financial report. The consolidated entity incurred a loss of $377,146 for the half year ended 31 December 2009; and had net current assets of $298,912 as at that date. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the consolidated entity to continue as a going concern.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and extinguish their liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

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PKF
Chartered Accountants

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Conley Manifis
Partner

Dated at Perth, Western Australia this 26th day of February 2010