Panorama Synergy Ltd
ACN 060 369 048

ASX Code: PSY **30 January 2015**

Panorama Synergy Update & Appendix 4C

December '14 Quarter Highlights:

- First product prototype completed with successful testing of hydrocarbon detector
- Dr Jason Chaffey appointed as Director of Manufacturing and Commercialisation
- Commercialisation plans for LumiMEMS™ Reader underway
- Strong financial position with over $6.5 million cash as at 31 December 2014

Panorama Synergy Limited [ASX: PSY] ("Panorama" or the "Company") made considerable progress during the three month period ending 31 December 2014, developing the first prototype of its LumiMEMS™ Reader optical readout system for MEMS sensors.

On 1 December, Panorama announced the successful testing of its hydrocarbon detector, which was independently verified by a senior representative of the Hydrocarbon Detection Team at the CSIRO.

During the period, Panorama commenced its commercialisation strategy for the LumiMEMS™ Reader with the appointment of Dr Jason Chaffey as Director of Manufacturing and Commercialisation. Dr Chaffey has considerable technical knowledge of MEMS and a strong track record in taking MEMS-based products from design phase through to commercial sales.

Dr Chaffey is leading the Company's commercialisation strategy across three main platforms:

- Licensing deals with third parties
- In-house product development
- Strategic partnerships focusing on joint commercial ventures for product development
- Outsourced manufacturing

Panorama also appointed its first specialist adviser to join the newly formed Advisory Board. In November, Dr Stewart Washer was appointed to assist Panorama in assessing new business development opportunities in healthcare and related fields to incorporate the LumiMEMS™ Reader. As the Company continues to engage with the market to explore further product opportunities, similar advisers will contribute to the Advisory Board to provide additional industry knowledge and contacts.

Currently the other members of the Advisory Board are Terry Walsh (Managing Director), Dr Gino Putrino (UWA lead scientist) and Dr Jason Chaffey (Director of Manufacturing and Commercialisation). Further appointees are planned.

Financial Update

The Company remains well funded with over $6.5 million of cash as at 31 December 2014.

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; Terry Walsh, Managing Director, formerly MD for Cisco Australia and New Zealand, and then CEO of Cisco Canada; and Dr Jason Chaffey, formerly Managing Director of Bluechiip, a MEMS manufacturer based in Australia.
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**

For further information contact:

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Rule 4.7B

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

ABN	Quarter ended ("current quarter")
84 060 369 048	31 December 2014

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from customers		-	-
1.2	Payments for	(a) staff costs	(72)	(72)
		(b)advertising and marketing	-	-
		(c)research and development	(156)	(236)
		(d) leased assets	-	-
		(e) other working capital	(494)	(827)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		6	15
1.5	Interest and other costs of finance paid		(23)	(37)
1.6	Income taxes paid			
1.7	Other – R&D Grant received		-	-
	Net operating cash flows		(739)	(1,157)

		Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)	(739)	(1,157)
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(9)	(9)
	(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 (provide details if material)	-	-
	Net investing cash flows	(9)	(9)
1.14	**Total operating and investing cash flows**	(748)	(1,166)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	7,043
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	-	6,694
	Net increase (decrease) in cash held	(748)	5,528
1.21	Cash at beginning of quarter/year to date	7,511	1,235
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	6,763	6,763

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	304
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 $85,5000

The Company does not have its own credit card, therefore directors pay appropriate expenses and are reimbursed.

Reimbursement of directors' travel expenses, outgoings, out of pocket expenses and other accrued expenses $218,547.

Research and Development costs are also embedded within other expenditure items including Working Capital and Staff costs.

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	6,763	7,511
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	6,763	7,511

Acquisitions and disposals of business entities

	Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
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: 30 January 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.