

Panorama Synergy

December Shareholder Update



Dear Panorama Shareholder

I am delighted to announce that just before Christmas, a consortium of PSY, the University of Western Australia (UWA) and Scientific Aerospace of Perth was awarded a \$2.9m grant by the Department of Defence (DoD) to develop an unmanned, bomb detecting drone, as part of the DoD's Defence Grand Challenges programme

Led by UWA, the four year project will kick off in early 2018 and will leverage PSY's know-how to develop novel miniature sensor devices to be mounted on unmanned wirelessly-controlled drones. With PSY MEMS spectrometers on-board, such a drone might be used to remotely examine suspicious packages or terrorist bombs, or fly ahead of convoys to detect improvised explosive devices (IEDs) without putting lives at risk, etc.

Drone mounted spectrometry solutions will likely be of interest to any organisation around the world that is tasked with the detection and analysis of IEDs and other threats

Our full ASX-release can be read here (<https://www.asx.com.au/asxpdf/20171221/pdf/43qc654sj2jknq.pdf>).

The success of the project submission comes after a rigorous assessment by Department of Defence experts and is a clear validation of the Company's cutting-edge MEMS sensor technology.

The grant will allow PSY to accelerate our development of drone-based sensors - leading to the development and commercial sales of defence industry products, as well as the creation of drone based solutions for other industries such as agriculture where unmanned aerial devices are increasingly being used to monitor broad acre crops, livestock etc. All of these emerging product paths form a sound basis for financial return on the Company's ongoing MEMS R&D investment.

2018 promises to be an exciting year!

My best wishes to you and your family for the new year.

Regards
Peter Lewis CEO
28 December 2018