

PANORAMA COMPLETES HYDRIX ACQUISITION

Panorama Synergy Limited (ASX: **PSY**) (**PSY** or the **Company**) is pleased to announce that it has completed the acquisition of the Hydrix Group. The business is now held by Hydrix Pty Ltd (**Hydrix**), a wholly owned subsidiary of PSY.

Hydrix is a Melbourne-based product engineering consultancy which designs, develops and prototypes for clients from around the world. Hydrix creates “Internet of Things” (IoT) products that change people’s lives and accelerate business success. The company’s client list includes Siemens, HP, GE and Philips, as well as many large Australian SMEs and start-ups.

Key highlights:

- By combining PSY and Hydrix, the Company is positioned to deliver comprehensive IoT solutions and in doing so, accelerating growth and revenue.
- PSY is now relocating to the Hydrix facilities, which are based in Melbourne’s technology corridor and Adelaide’s innovation precinct.
- Since the acquisition was announced to the market, Hydrix has secured new projects worth more than \$4M in aggregate. Clients include:
 - The Department of Defence
 - Bivacor - a world-leading US/Australian creator of a unique artificial human heart
 - Cook Medical - the world’s largest privately owned medical company
 - The University of Queensland’s Queensland Brain Institute – working on a highly innovative treatment for Alzheimer’s disease
 - and number of other well-known companies and start-ups

New projects include development work for:

- A vehicle collision avoidance system
- Robotic wharf inspection system
- Automated ticketing system
- Sophisticated posture measurement and support systems
- and many others

These projects are in addition to Hydrix’s current project roster across medical technology, defence and other industries.

- Hydrix Group clients, projects, staff and suppliers have assigned their relevant contracts to PSY’s new subsidiary Hydrix Pty Ltd; the transition process has been smooth, with minimal interruption to continuity of the Hydrix business;

PSY’s CEO Peter Lewis said: “The acquisition of Hydrix provides the Company with an unparalleled development capability. The Hydrix engineering team has demonstrated ability to design world-first products across multiple sectors including medical and defence. I am excited by the prospect of them joining PSY to accelerate the development of innovative IoT solutions. This means we will be able to directly meet the product needs of our customers in Agriculture, Medtech and related sectors. It also means we can introduce our unique sensor technology to Hydrix’s existing customer base.”

Compelling strategic rationale

The acquisition is underpinned by strategic and commercial rationale:

- Provides PSY with access to some of the most brilliant and accomplished product development engineers in the region to support taking PSY products to market
- Enables cross-pollination of each organisation's new and existing clients, contacts and opportunities
- Reduces product development costs
- Delivers increased control over proprietary technologies with the in-sourcing of critical design and engineering functions
- Creates a broad product platform across Sensors, IoT and product development
- Enables the combined organisation to target Agricultural Technology, Medical Technology, Defence and Process sectors
- Immediately earnings accretive and cashflow positive to PSY

PSY was advised by Pitcher Partners and Holding Redlich.

Issue of 50 million consideration shares

As part consideration for the Hydrix acquisition, the Company has today issued 50 million new ordinary shares to the nominee of the Hydrix vendors. 25 million shares will be subject to voluntary escrow restrictions for 12 months from their date of issue, and the remaining 25 million shares will be subject to voluntary escrow restrictions for 24 months from their date of issue.

Withdrawal of Resolution 4B at PSY's 2017 AGM

Following the issue of the 50 million consideration shares today under PSY's available placement capacity pursuant to ASX Listing Rule 7.1, the Company confirms the withdrawal of Resolution 4B from its 2017 Notice of Annual General Meeting. Resolution 4B sought approval for a future issue of the Hydrix consideration shares under Listing Rule 7.1 where completion of the acquisition did not occur prior to the 2017 Annual General Meeting.

The withdrawal of Resolution 4B will not affect the validity of the proxy form attached to the 2017 Notice of Annual General Meeting (which has been despatched to all shareholders), or any proxy votes already submitted.

-ENDS

Panorama Synergy Limited

E: info@panoramasynergy.com

About Panorama Synergy Limited

Panorama Synergy (ASX: PSY) is a technology company focused on the commercialisation of microelectromechanical systems (MEMS) sensor technologies. The Company's proprietary technology provides for vast opportunities in the growing multi-billion-dollar MEMS, spectroscopy, sensors and Internet of Things (IoT) markets. Learn more at <http://www.panoramasynergy.com/>