

31 January 2019

Company Announcements Office
ASX Limited

By E-Lodgement

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

Serpentine Technologies Ltd (ASX: S3R) ("**Serpentine**" or the "**Company**") provides an update to shareholders on the Company's activities.

Company Update

As previously announced the Company is reviewing a number of acquisition opportunities across a range of industries, with a focus on new & emerging technology. The Company wishes to advise it is currently undertaking preliminary due diligence on several potential acquisition targets. The Board will provide an update to shareholders in due course.

The Company continues to minimise its expenditure while it reviews these opportunities.

PTF Transaction Update

As previously announced to the ASX, the Company shareholders approved the transaction with PTF on 16 October 2017 with completion occurring on 18 October 2017. PTF currently owes the Company approximately A\$4.4 million plus interest under convertible promissory notes issued by PTF in connection with the previous sale of the Kabuni technology assets.

Since completion of the transaction in October 2017, the Board has been in regular dialogue with PTF and entities associated with Neil Patel, regarding recovery of funds owing to S3R. We have been advised by Mr Patel that he continues to pursue a number of capital raising options and that these discussions are ongoing. The Board will continue to keep the market informed as PTF discussions and funding options progress.

Joint Company Secretary

The Company advises that Deborah Ho has been appointed as Joint Company Secretary. Miss Ho is a member of the Governance Institute of Australia and has acted as Company Secretary to a number of ASX listed companies.

Ends

For further information please contact:

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