



ActivEX Limited.
A.C.N. 113 452 896

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ASX ANNOUNCEMENT

28 October 2009

ANNUAL REPORT - 2009

Attached is the Annual Report of the Company for the year ended 30 June 2009.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read "Paul Crawford".

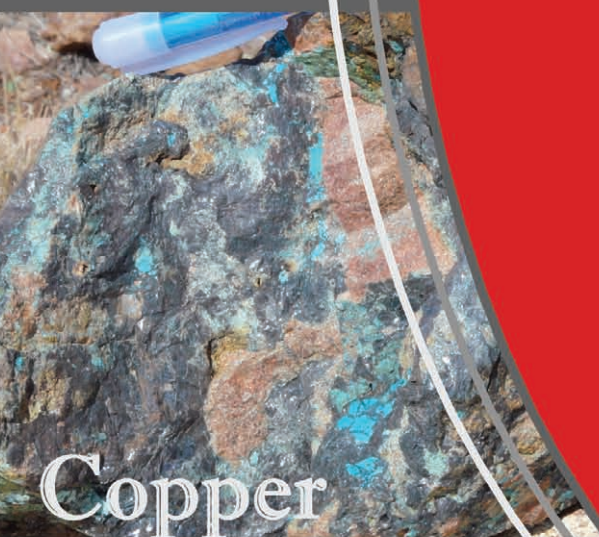
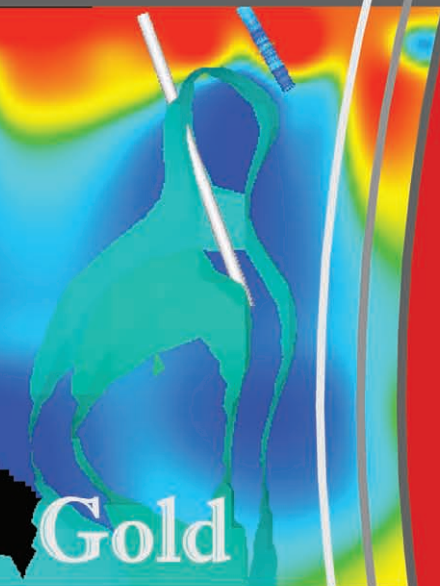
Paul Crawford
Company Secretary

For further information contact:

Mr Doug Young, Managing Director
or

Mr Paul Crawford, Company Secretary

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Active Explorers
...
Moving Towards Development

ActivEX Limited ABN 11 113 452 896

ANNUAL REPORT 2009

CORPORATE DIRECTORY

DIRECTORS

Ian Daymond (Non-Executive Chairman)
Douglas Young (Managing Director)
Paul Crawford (Non-Executive Director)

COMPANY SECRETARY

Paul Crawford

REGISTERED AND PRINCIPAL OFFICE

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SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 19, 307 Queen Street
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Queensland 4000

ASX CODE

AIV Shares
AIVO Options

AUDITORS

Hayes Knight Audit (Qld) Pty Ltd
Level 19, 127 Creek Street
BRISBANE
Queensland 4000

SOLICITORS

Carter Newell Lawyers
Level 13, 215 Adelaide Street
BRISBANE
Queensland 4000



For Tenement Schedule see inside back cover

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CORPORATE PROFILE

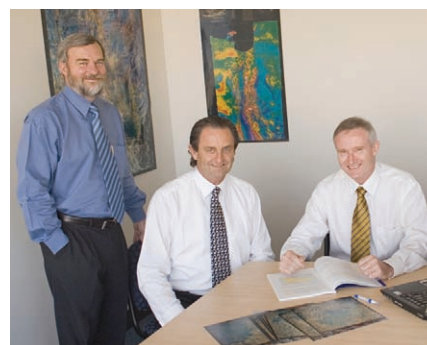
ActivEX Limited (ASX Code: AIV) is an Australian listed mineral exploration company committed to the acquisition, identification and delineation of quality resource projects that can create shareholder wealth. The Company has positioned itself to take advantage of the growth opportunities in the mining industry through the acquisition of highly prospective exploration targets and development opportunities, mostly through in-house project generation but also through review of external opportunities.

The Company's key strengths are:

- Technically capable and experienced staff
- Strong board skills in the areas of accounting, law and business
- Landmark joint venture partners with significant synergies
- Balanced exposure of risk and reward
- Principal focus areas

Current exploration and development activities include:

- Scoping study, Lake Chandler potash deposit, Western Australia
- Follow-up exploration and drill targeting Cloncurry, NW Queensland
- Drilling copper–gold targets at Boobyjan, SE Queensland
- Pentland drill program funding



ActivEX Board

*ActivEX is progressing
towards development*

HIGHLIGHTS

- Sept 2008 Capital Raising—15% placement to sophisticated investors raises \$270,000
- Sept 2008 Drilling results at Native Dog—molybdenum mineralisation intersected over wide zones appears sub-economic
- Sept 2008 Gravity and magnetic surveys highlight priority anomalies at Florence Creek
- Oct 2008 Option to Purchase—six month option to purchase secured to evaluate the Lake Chandler potash deposit, extended further six months in April
- Jan 2009 Maiden resource at Lake Chandler Potash Project announced—production rates of 150,000 to 300,000 tonnes per annum under consideration would give a mine life of 20 to 30 years, bench scale leach tests commence
- Mar 2009 Capital Raising—placement to sophisticated investors of 5.1 million fully paid shares at 5 cents raises \$255,000
- April 2009 Government Funding for drilling at Pentland Project awarded—program of deep drilling totalling \$136,000
- June 2009 First test-work at Lake Chandler Potash Project completed with encouraging results, second round of tests commissioned
- June 2009 Copper mineralisation/workings found coincident with gravity and magnetic anomaly at Green Valley, Florence Creek area
- June 2009 Anomalous molybdenum values identified in Florence Creek area, Anomaly #2
- June 2009 Non-renounceable fully underwritten Entitlements Offer to shareholders raises \$1.025M—20,494,361 new shares issued
- Aug 2009 Deep drilling program at Boobyjan completed—program fully funded by JV partners



CHAIRMAN'S LETTER

... well advanced in a scoping study for the Lake Chandler Potash Project



...sound foundation for growth



2010 could see ActivEX move to developer status—a breakthrough year for the Company

Dear Shareholders,

On behalf of the Board of Directors I am pleased to present to you the Annual Report for the 2009 financial year, and highlight that your company, ActivEX Limited, continues to progress towards a sustainable future.

ActivEX has acquired an advanced project with development potential and has made significant advances investigating the viability of this potash project at Lake Chandler in Western Australia. By the time this report reaches you, the Company will be well advanced in its scoping study of the deposit and processing options to produce high quality fertiliser products.

The Company moved quickly to establish a maiden JORC Resource at Lake Chandler which identified sufficient resources for a mine life of 20–30 years. We have progressed metallurgical test-work with encouraging results and have commenced initial environmental surveys, stakeholder liaison and the search for water in the area with a view to fast tracking the project through the feasibility stage. We have set an ambitious 12 month development target for the project subject to the outcome of the scoping study. If successful it will make ActivEX the only potash producer in Australia.

Worldwide food security and the associated demand for fertilisers has given us confidence that the future for potash is good despite some volatility in the prices over the last year. We expect the Lake Chandler fertiliser products will have a ready domestic market with substantial cost advantages gained through transportation savings. At higher throughput, the export of products could also be considered.

The Company's other key activity has been on its exploration projects where the prime objective is the discovery and development of economically attractive mineral deposits. Our copper–gold focussed exploration has progressed significantly in both eastern Queensland and in the Cloncurry district. We have overseen active drilling programs at Boobyjan, we are developing significant drill targets at Florence Creek and we have secured additional drill funding at Pentland under the Queensland Government's Smart Mining Initiatives.

The Directors are convinced that patience, persistence and some strategic risk-taking coupled with some luck, are the key ingredients to discovery. The Company has a sound foundation for growth with its significant exploration land position together with technical know-how and the drive to succeed.

The year has been a particularly difficult one for most companies. ActivEX has responded to these tough times by adopting cost saving measures, including salary cuts and a reduction in the size of the Board of Directors, and critically reviewing all aspects of our expenditure and portfolio, whilst managing to retain all key project areas and staff.

The Company has successfully raised cash during the year in a period when global financial markets were extremely tight. These raisings have ensured the survival of the Company and have placed us on a firm financial footing with an outlook improving into 2010. We have been very mindful in our capital raising of protecting shareholders from excessive dilution and have also continued to seek out new opportunities under our clear strategy to enhance shareholder value.

In closing, I wish to thank our loyal management and technical team who have worked tirelessly under these difficult conditions and appreciate their personal sacrifices. Thanks also go to my fellow Directors for all their efforts during the year, and to our shareholders for their patience and support.

Looking to 2010, the year ahead is shaping to be a bountiful year for the Company. With a positive outcome of the Lake Chandler scoping study we will accelerate towards development of this deposit and continue our exploration focus on high quality targets, in particular progressing our prospective Cloncurry ground to drilling stage.

Yours faithfully



Ian Daymond
Chairman

REVIEW OF ACTIVITIES

Discovery leading to development is our prime purpose.

Over the past year the Company has achieved several significant milestones:

- we acquired an advanced project with development potential
- we upgraded that project to a maiden JORC Resource status and pursued an aggressive testing program
- we have established a significant holding in the exciting Cloncurry district of north-west Queensland and defined several new high quality targets in the Florence Creek area
- we have completed an extensive deep drilling program at Boobyjan
- we have raised additional capital during this difficult period
- we have continued to seek new advanced exploration and development opportunities.

Each of these milestones reflects our clear strategy to enhance shareholder value through organic growth, active exploration and the identification and acquisition of quality advanced projects.

The Company believes the Lake Chandler Project offers ActivEX the chance to move into mine development in a short time-frame leading to a sustainable long term cash flow. The Company believes the project is of a size which suits its risk profile enabling it to build a sustainable asset in a rapidly growing market driven by the demand for food security.

While our focus has been principally copper and gold, our move into potash is based on sound market analysis and exposure to an opportunity that is incontrovertible.

The Company has moved quickly to confirm the potash resources at Lake Chandler and is now focussed on a comprehensive testing program that will lead to a scoping study to be completed by year end.

In the lead up to the scoping study, ActivEX has embarked on several studies designed to fast

track future feasibility and permitting processes as much as possible to cut the timeframe to development to a minimum.

Our strong focus on growth in the Cloncurry district has been supported by recent discoveries in the area including the spectacular Merlin deposit by Ivanhoe Australia Ltd and at Rocklands by Cudoco Limited. The Company now has a substantial foothold in the Mt Isa region and in particular the eastern fold belt of Cloncurry where these recent discoveries have been made. Our focus in this region of high mineral endowment and large sized ore bodies gives ActivEX the highest potential to deliver maximum value to shareholders.

The Company's exploration program continues to highlight zones of potential mineralisation within our granted EPM at Florence Creek with steady progress being made towards refining drill targets in the area. Progress is being made towards grant of our EPM applications in the region however the speed of this progress is frustratingly slow.

We continue to foster relations with strategic partners and during the year have completed a substantial deep drilling program at our Boobyjan joint venture with Minotaur Exploration. This program is fully funded by Mitsubishi Corporation and Mitsubishi Materials Corporation under an option to farm in. These joint venture activities reduce the Company's risk profile whilst bringing significant funding to our projects. They also establish a good working relationship with partners who have exploration and development skills, significant funding capacity and are potentially a purchaser of metal products.

The Company has successfully raised additional capital during the year, making placements to sophisticated investors and a fully underwritten shareholder entitlements issue. These funds have enabled the Company to survive a period where capital was scarce and were complemented in that period by cost saving measures across the board.

Despite the difficult financial circumstances, the Company has made significant progress towards its goals during the year.



Soil sampling at Cloncurry

A clear strategy to enhance shareholder value through organic growth, active exploration and acquisition of quality projects



Drilling at Boobyjan

ADVANCED PROJECTS



Lake Chandler Potash Project

The Lake Chandler Potash Project consists of a granted Mining Lease (M77/22) and a Prospecting Licence application located 48km north of the Western Australian wheat-belt town of Merredin, 300km east of Perth.

It is a salt lake with accumulations of alunitic clay which the Company is investigating with a view to proving the commercial extraction of potash and other fertiliser products with possible alumina by-products.

Potash was produced from the deposit in the post war period from 1943 to 1947 but the operations have been idle since.

Since acquisition, ActivEX has quickly confirmed the size of the resource base and has embarked on market studies and a review of likely processing options. We are now focussed on

a testing program that will lead to completion of a scoping study by year end.

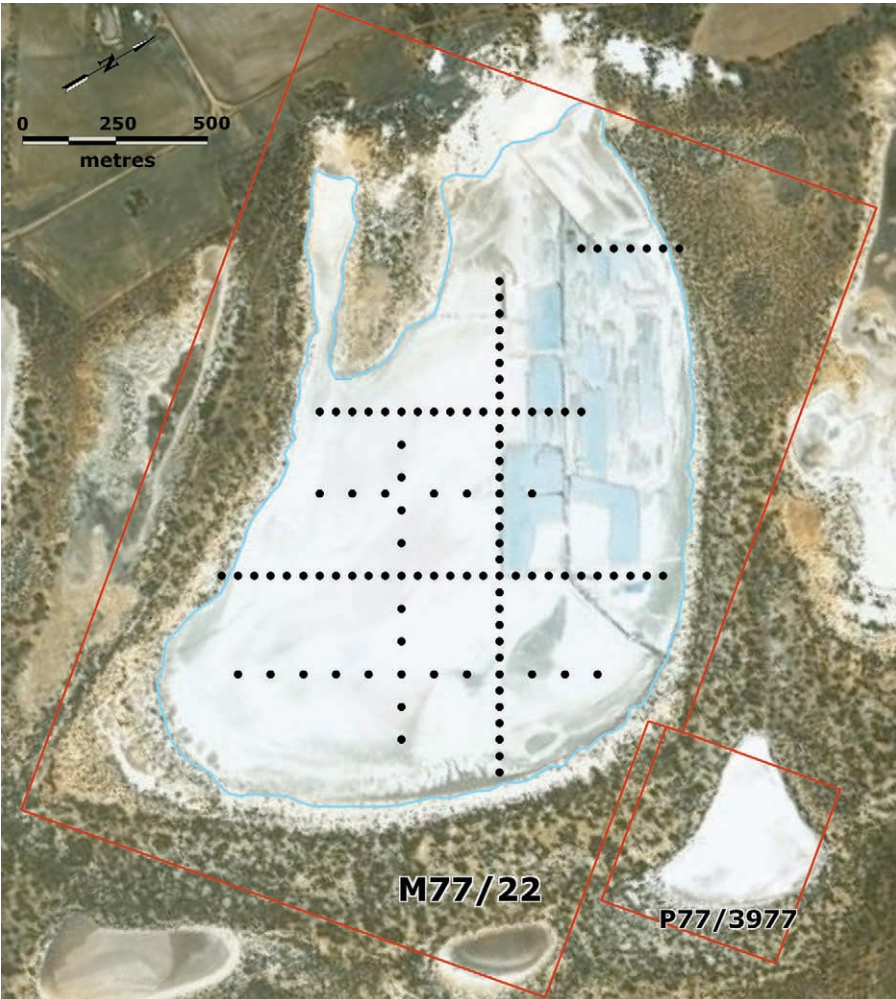
An initial market review of the fertiliser industry in Australia shows that the likely products from the Lake Chandler Plant should be acceptable and highly desired by the Australian market which currently relies completely on imports of potash, principally from Canada, Taiwan and Germany. The review also shows that potassium sulphate (SOP), the likely product from the project, demands a significant premium to the more readily available potassium chloride (MOP). SOP should be better suited to Australian soil conditions (where high salinities prevail) and the Company believes that as a reliable local producer it can substitute SOP into the chloride market.

The lack of domestic production means that potash prices in Australia are determined by the world market which is tightly held by a handful of companies from Canada, Russia, Belarus and Germany.

Lake Chandler presents the chance to move to mine development in a short time frame



Lake Chandler—view from the causeway (access for mining)

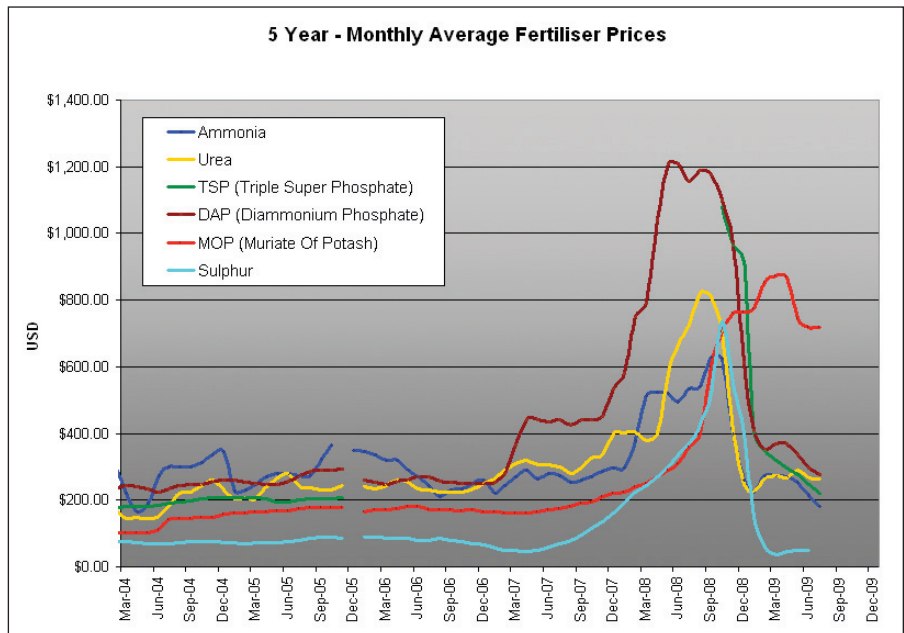


Google map of Lake Chandler showing leases and previous drill locations

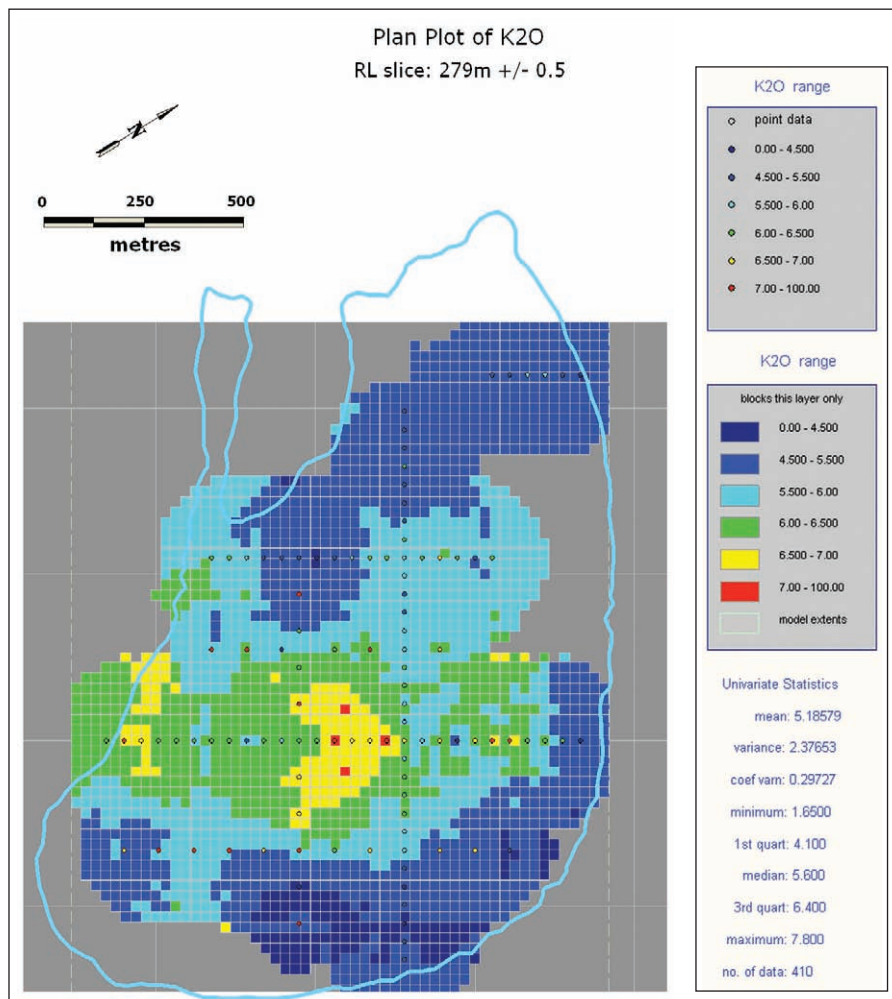
Potash is a vital fertiliser as it improves water retention, yield, nutrient value, taste, colour, texture and disease resistance of a variety of food crops. It has wide application, to fruit and vegetables, rice, wheat and other grains, sugar, corn, soybeans, palm oil and cotton, all of which benefit from the nutrient's quality enhancing properties. It is generally blended with phosphatic and nitrogenous fertilisers to suit local conditions but cannot be substituted by these other fertilisers which fulfil different requirements in plant development.

ActivEX believes the future markets for potash will stabilise after a period of uncertainty and extreme price fluctuation experienced in 2007–2008.

Like other fertilisers, potash prices have peaked and retracted due to buyer resistance to the high prices. However the supply and demand fundamentals of potash suggest that potash prices will stabilise at a new bench mark significantly above the traditional price curve.



World potash price (red) in relation to other fertiliser prices 2004–2009 showing price volatility during 2007–2008



Example of potash grade distribution at Lake Chandler

The potash at Lake Chandler occurs as alunite—hydrated potassium aluminium sulphate ($\text{KAl}_3(\text{SO}_4)(\text{OH})_6$) mineralisation hosted in a flat lying evaporitic sequence of clays (playa lake). ActivEX is reviewing options to mine the potash rich clays using a simple open pit operation. In January 2009 the Company announced its maiden resource for the Lake Chandler potash project. The reporting of these new resources is in accordance with the 2004 JORC Code.

Lake Chandler Potash Project Inferred Resources

Volume (m ³)	Tonnes	K ₂ O %
3,600,000	5,800,000	5.7

(no cut off grade used; default bulk density of 1.6 t/m³)

Limited infill drilling is required to upgrade the Inferred Resource to Indicated and Measured Resource categories.

To secure additional resources in the area, ActivEX has applied for a Prospecting Licence (P77/3977) over Reward Lake which lies immediately east of Lake Chandler. It is a smaller lake known to contain potash of similar grades but no testing has been carried out in recent times.



Lake Chandler—previous mining areas

Resources sufficient for 20–30 year mine life



Old machinery site—1940s equipment

Leach tests show 90% potash recoveries under mild leach conditions

ActivEX is reviewing mining and treatment options for the deposit and production rates of 150,000 to 300,000 tonnes per annum are being considered. At these rates the defined resource at Lake Chandler is sufficient for a mine life of between 20 and 30 years.

Several processing options have been considered and the Company is actively progressing research on the project utilising an ammonia pressure leach process. Important factors which have influenced this direction are the improvement in leach technology, the excellent marketability of the products and the likely lower capital and operating costs.

Test work researching this process from the last 15 years has been collated and a series of staged tests to optimise the ammonia leach process have been carried out. In addition, tests to determine pre-washing, sedimentation characteristics, pre-concentration routes and post leaching crystallisation parameters have also been undertaken.

A series of preliminary washing/settling tests has been undertaken to confirm that soluble salts (sodium chloride and magnesium sulphate) in the Lake Chandler alunite can be efficiently scrubbed from the ore prior to its being fed as a slurry to the leach circuit. If the ore is not pre-washed these salts contaminate the final products.

The tests indicate that slurries of Lake Chandler ore flocculate and settle well in a two stage CCD circuit with commercially available flocculants, thereby allowing removal of the soluble salts with a reasonable water consumption. This is of particular importance to the Lake Chandler process flow sheet as fresh water is scarce in that location.

Initial leach tests conducted on alunite samples from Lake Chandler indicate that approximately 90% of the potash in Lake Chandler can be successfully dissolved under relatively mild conditions (approximately 60 minutes leach time at 160°C and 1000–2000kPa) using ammonia as the leachant in a standard autoclave system.

In addition, an unexpected favourable outcome of the test-work was that under these controlled conditions over 90% of the potassium leached from the ore will report to the insoluble leach residue and can thereby be readily separated from the ammonium sulphate (SOA) component which remains in the leach liquor. The precipitated potassium sulphate (SOP) is easily dissolved away from the residue insolubles (alumina, etc) with hot water and can be crystallised as pure potassium sulphate by cooling.

The process is elegant in that the soluble components resulting from the leach process are potassium sulphate (SOP) and ammonium sulphate (SOA), both of which are valuable fertiliser components. These products can then be sold separately or a fertiliser blend of the two (SOP + SOA) can be simply prepared and could be marketed directly by the Company.

The alumina values in the ore remain in the leach residue (45–50% Al_2O_3) and hence are effectively separated from the potash component of the ore. The alumina precipitate appears to have been activated in the leaching process and the Company believes this can be readily treated to produce high grade alumina or aluminium salts for subsequent sale.

Further washing/settling and leach tests utilising larger scale equipment have been completed to fine tune the leach parameters, to investigate recycling of reagents and to establish the most effective solid–liquid separation techniques. Completion of these tests in September has given the Company sufficient information on the process and likely flow sheet design to proceed with a scoping study.

The Company expects the scoping study to be completed before the end of the year.

Other studies which are in progress and give input to, or run parallel with the scoping study include water resource investigations, energy requirements, and the identification of environmental and cultural heritage issues. These studies are designed to shorten the feasibility and permitting process and to ensure no significant impediments to rapid development are present.

Water supplies have been identified as critical to the project and research is being carried out to identify potential sources of underground water. Allowance has been made for treatment of this water (likely to be saline) through a reverse osmosis (RO) plant to upgrade it to process quality requirements. Other sources of water from the district and from the Goldfields pipeline are also being considered.



Lake Chandler—bulk sample site

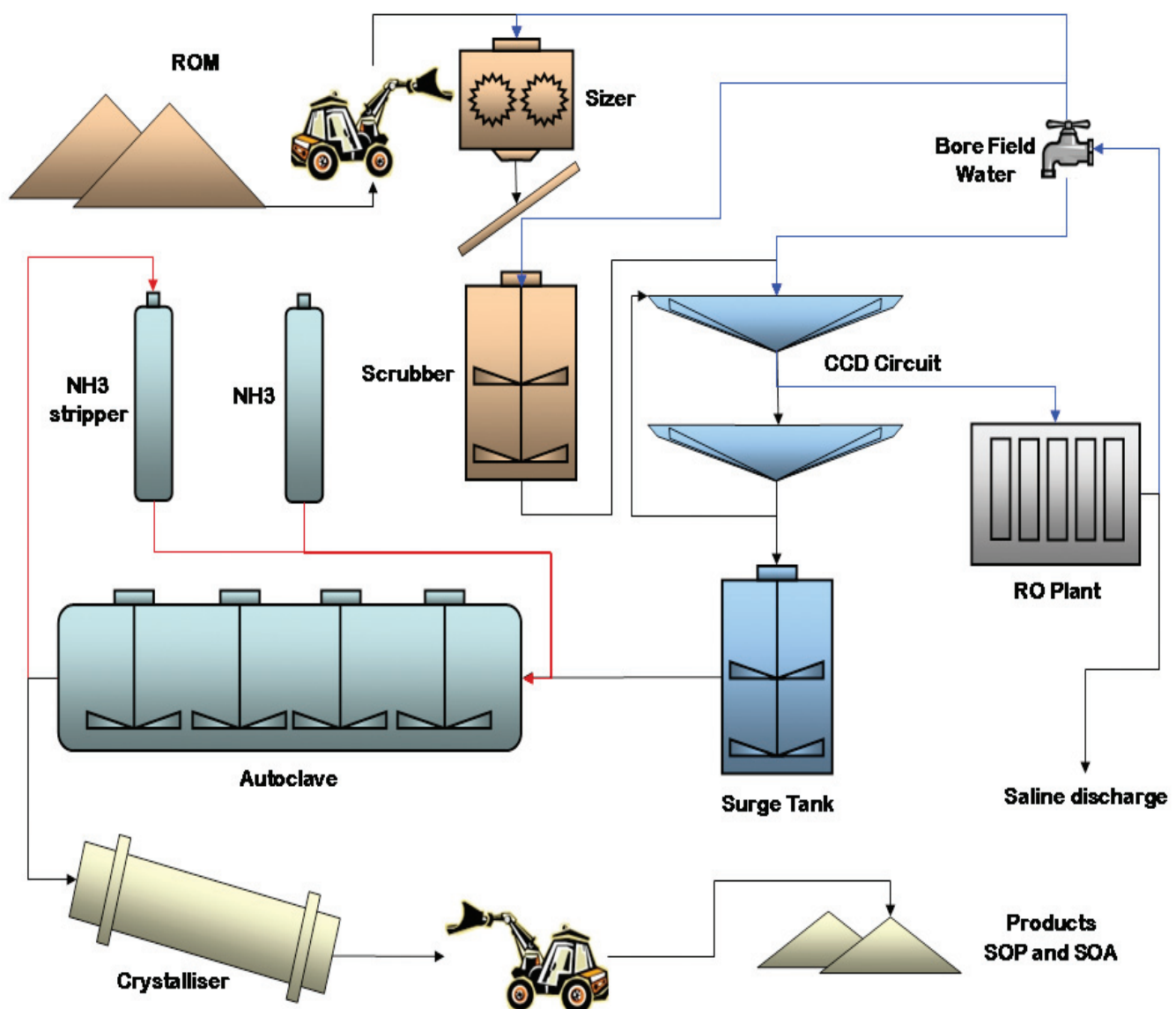
Previous cultural heritage studies have identified no cultural heritage issues within the mining lease. Environmental studies of invertebrate and vegetation communities have been carried out this winter and spring. While final reports have not been received, no obvious impediments have been noted. Initial discussions with the WA environmental authorities have commenced and a program of consultation put in place.

Stakeholder liaison has commenced in the Merredin area with strong support for potential development coming from local government and business operators.

The Company's market studies show that approximately 40% of Australia's imports of SOP are landed in Western Australia. Therefore a significant portion of the project's products could be consumed by cropping in the wheatbelt and diversified farmers within the south west of Western Australia. The eastern states fertiliser market is also seeking a locally based, reliable supply of quality product of both SOP and SOA. ActivEX believes the project will have a significant competitive advantage through its transportation cost savings and the ability to avoid international currency fluctuations.



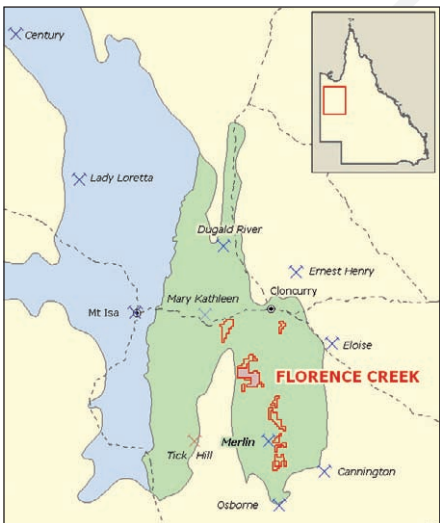
Lake Chandler wheat fields—examples of local consumers



Simplified process flow sheet – ammonia pressure leach process

The data in this report which relates to Mineral Resources for the Lake Chandler Deposit is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Tear is a full-time employee of Hellman & Schofield Pty Ltd and he consents to the inclusion in the report of the Mineral Resource in the form and context in which it appears.

EXPLORATION PROJECTS



Cloncurry Project

ActivEX continues to acquire ground in the highly prospective Cloncurry copper-gold-uranium district of North West Queensland.

The Company is concentrating on the area south of Cloncurry in the belt where recent discoveries have been made at Rocklands (Cudeco Limited) and Swan/Merlin (Ivanhoe Australia).

ActivEX has secured applications covering 442km² in this area in support of its granted Florence Creek exploration permit (163km²). The applications are focussed in the area immediately east of the Swan–Merlin–Starra belt where recent high grade molybdenum-rhenium results have been announced and in the Rocklands–Kalman area. Some of these applications (cross hatched)

are competing with other exploration companies and may not be granted to ActivEX.

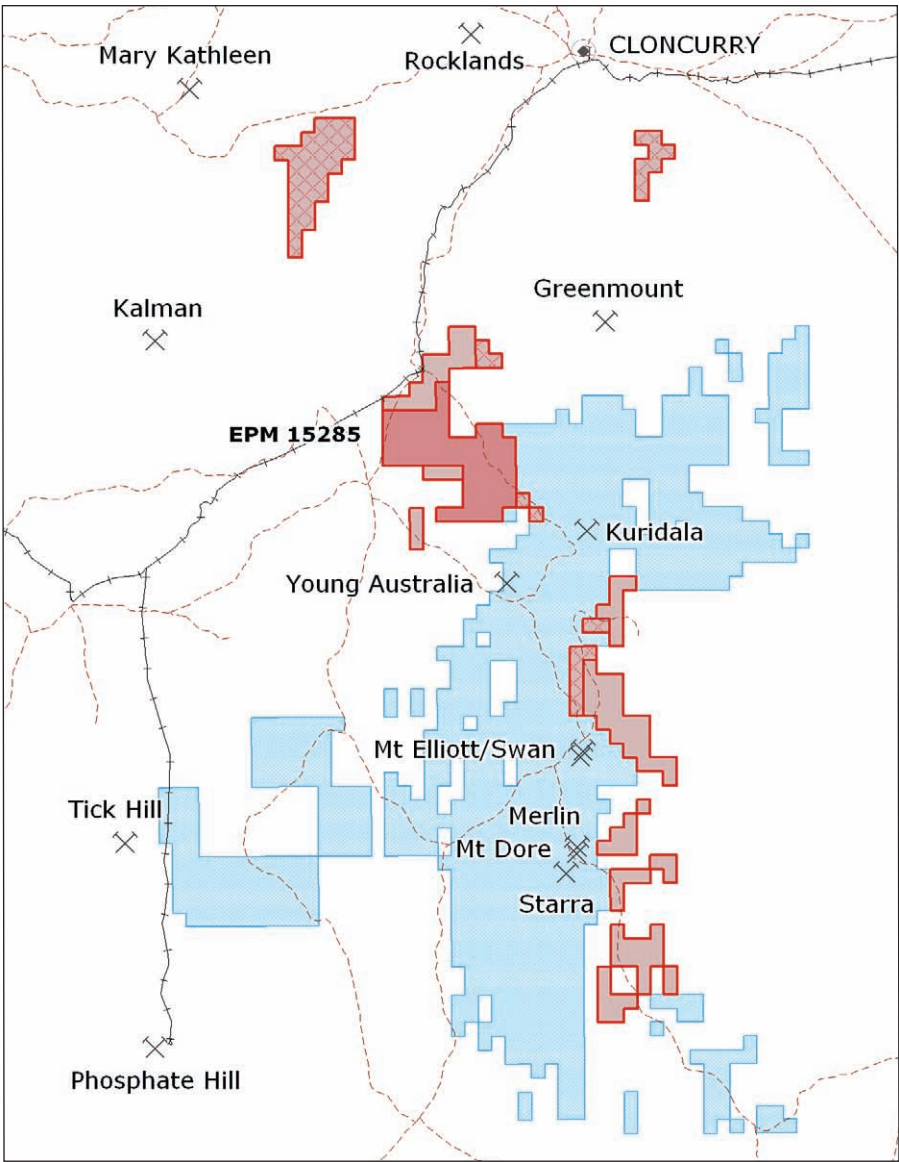
ActivEX has been actively exploring its granted permit (EPM 15285) at Florence Creek. The Company has identified iron oxide copper gold (IOCG) targets and skarn style targets and has prioritised magnetic and gravity anomalies by field inspection and sampling. Eleven high priority targets have been identified based on coincident gravity and magnetic anomalies with visible copper mineralisation or historic workings, associated with high gold and or molybdenum values identified during sampling. Only four of these targets have been drilled by previous explorers but this drilling has only been shallow. Most are outcropping or with thin alluvial cover.

Highly prospective ground close to recent major discoveries

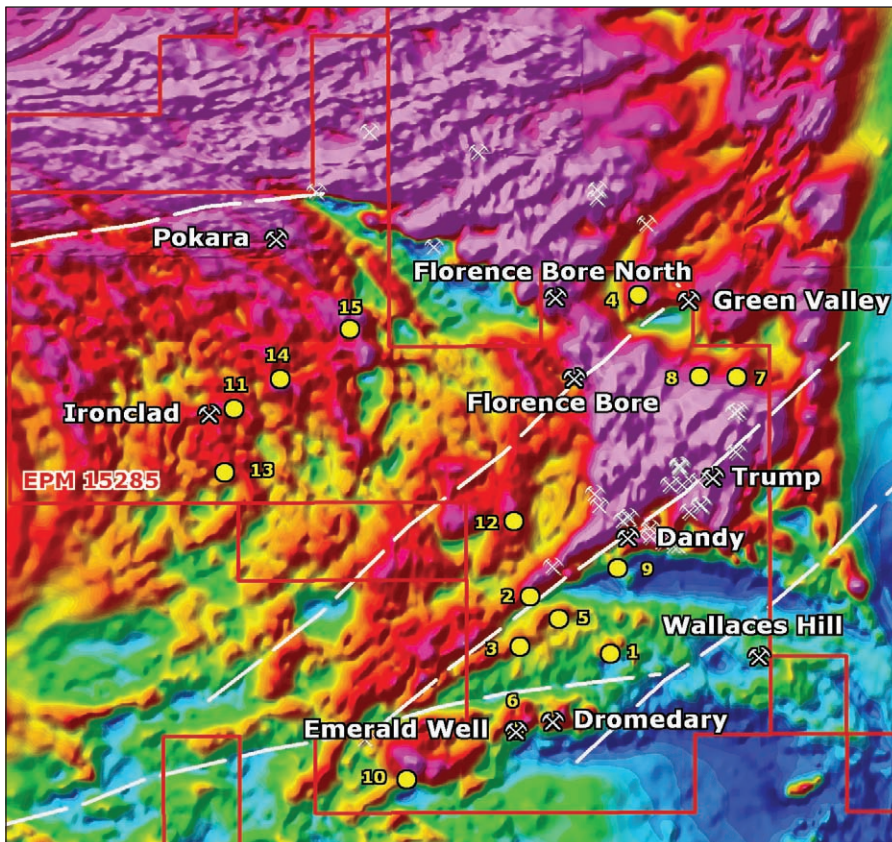


Dromedary, Florence Creek

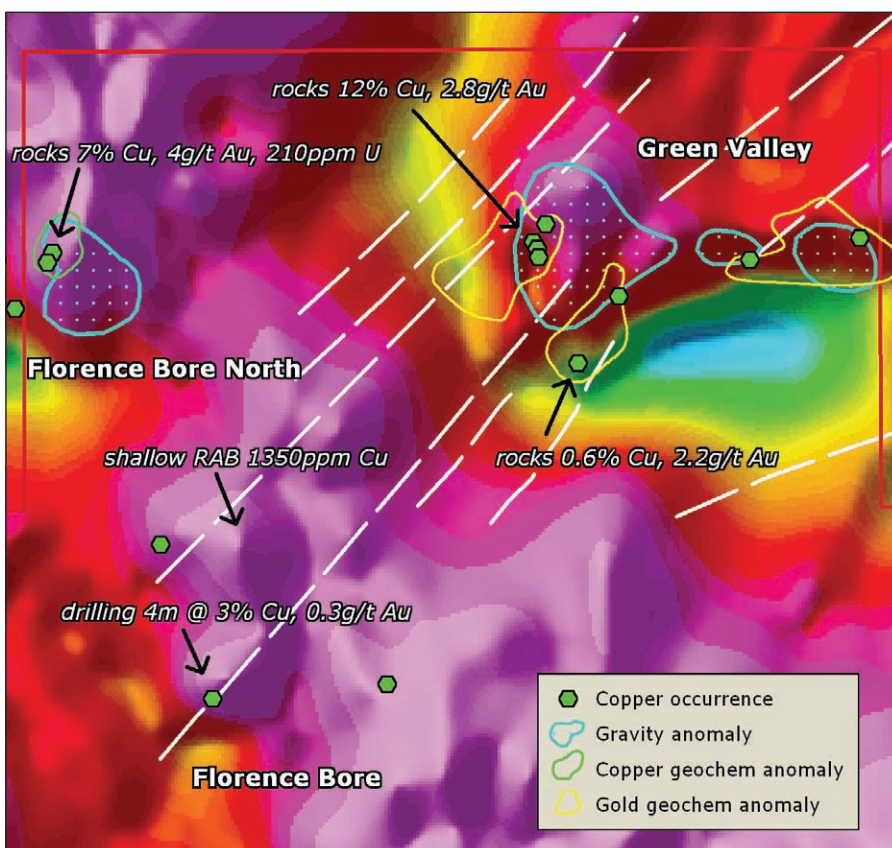
Eleven high priority target areas defined by field activities



ActivEX EPM holdings (red) in the Cloncurry district showing ground held by Ivanhoe (blue) and other development projects in the area



Florence Creek EPM showing high priority targets (over aeromagnetic image)



Florence Bore—Green Valley area showing gold anomalies and gravity anomalies (over aeromagnetic image)

Significant field follow up has occurred at Emerald Well, Ironclad and Pokara and more recently in the Green Valley—Florence Bore area and in the Anomaly 2/Dandy Extended area.

At Green Valley, copper–gold (in soil) anomalous zones between 500 and 700 metres long have been defined around historic copper workings and are associated with coincident magnetic and gravity anomalies. The gold geochemistry outlines three anomalies associated with the nose of a folded jaspilite unit where structural dislocation has occurred. This setting is similar to that at Starra which is known for its high gold content.

Structural mapping also shows links between this area and the Florence Bore prospect where previous shallow drilling (the only holes drilled in the area) has intersected significant mineralisation including 4m @ 3% Cu and 0.3g/t Au. Drilling was restricted to the Florence Bore magnetic anomaly despite other magnetic anomalies with associated copper being identified. Much of this area is masked by transported soils and the alluvial flats of Florence Creek.



Copper mineralised granite breccia—Florence Creek area

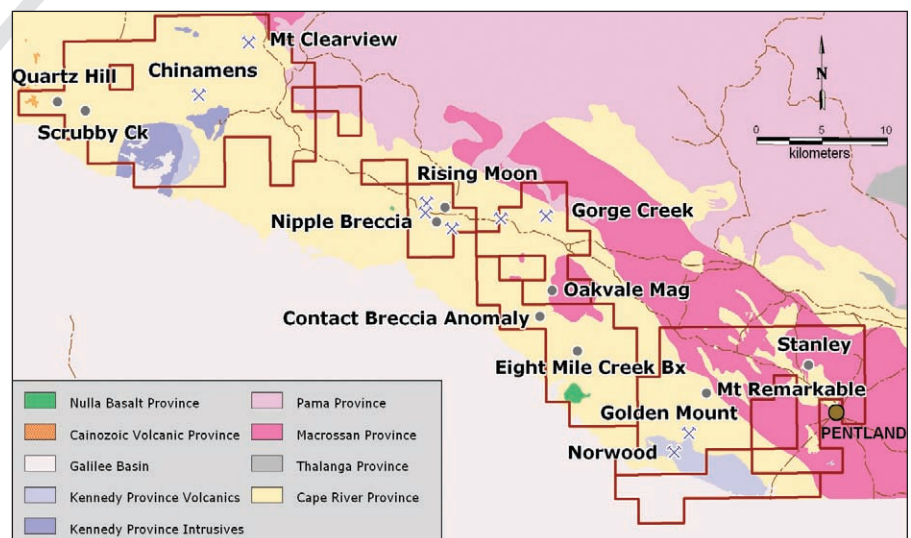
At Florence Bore North, rock samples have returned up to 7% copper, 4g/t gold and 210ppm uranium. This prospect has a copper anomaly 270 metres long surrounded by transported soils. The copper anomaly is closely associated with gravity and magnetic anomalies.

At Anomaly 2/Dandy Extended, high values of molybdenum up to 0.4% Mo have defined a previously unknown, mineralised feeder structure close to copper anomalous skarns identified by previous work. Further soil sampling is being undertaken for molybdenum to define the zone in detail.

ActivEX continues to develop these attractive targets in the field with a view to drill testing several anomalies after the close of the wet season.

Pentland Project

North Queensland region — highly prospective for high tonnage gold deposits

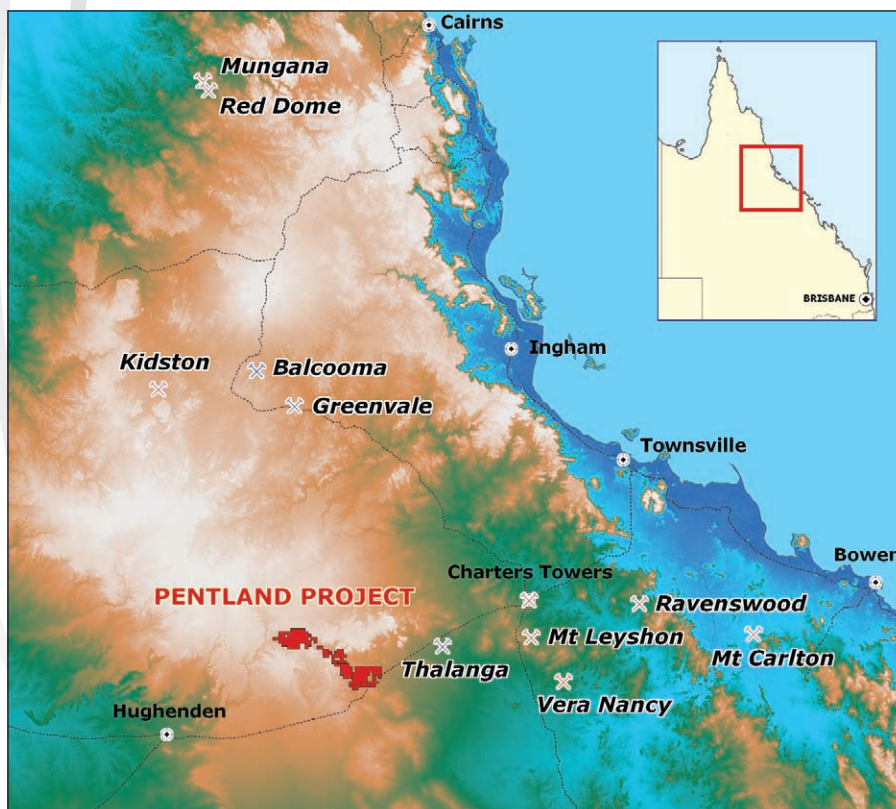


Pentland prospects, tenements and Permian intrusives (purple)

Grant from Queensland Government to fund drilling

ActivEX's Pentland Project is located in the highly prospective North Queensland region, well known for high tonnage gold deposits and recent discoveries (Charters Towers 7 million ounces, Ravenswood, Kidston, Mt Leyshon all +3 million ounces) and recent discoveries (Mungana and Mt Carlton +1 million ounces).

The Company has been successful in securing a \$136,000 drilling grant for the project from the Queensland Government as part of the 2009 Smart Mining—Future Prosperity Program, Collaborative Drilling Initiative Grants. The grants provide funding to assist in drill testing of potentially mineralised, innovative exploration targets. The grant is allocated to the drilling of one deep hole at the Mt Remarkable prospect and two holes at the Norwood prospect.

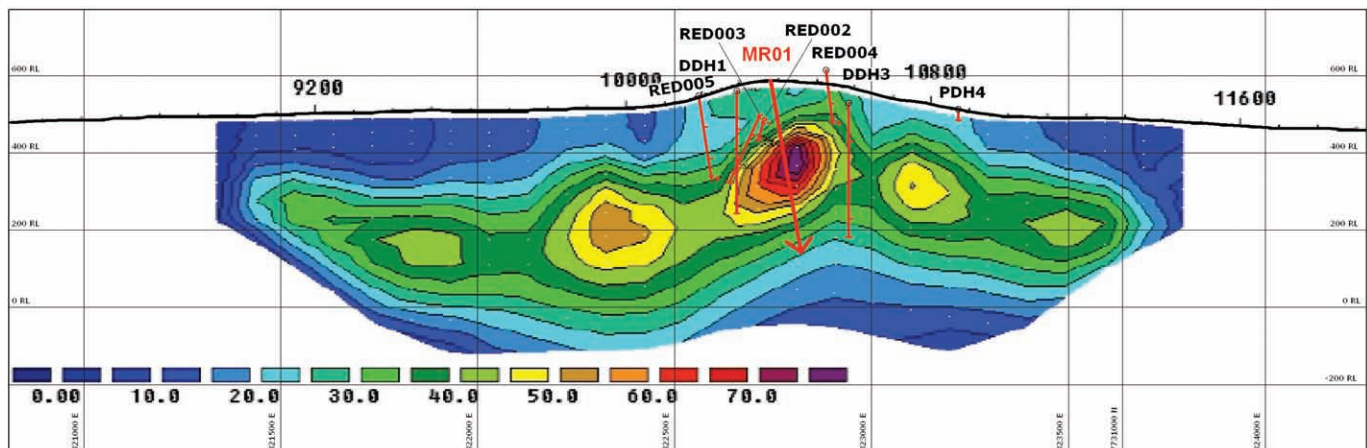


Pentland Project location — North Queensland region

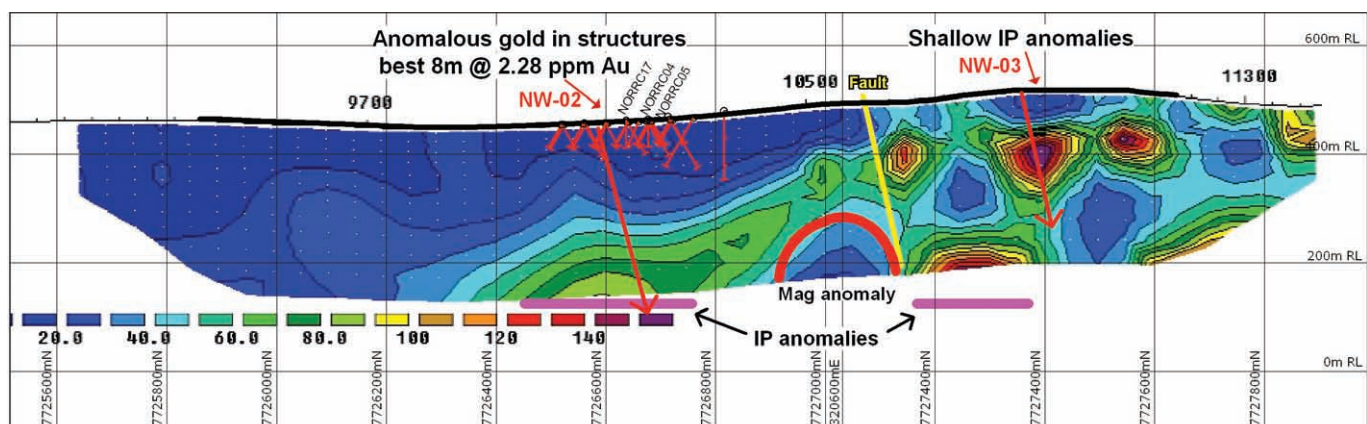
At **Mt Remarkable**, shallow drilling by previous explorers has encountered gold–copper–molybdenum mineralisation of porphyry style. Work by ActivEX has identified a strong Induced Polarisation (electrical geophysics) anomaly close to the previously identified mineralisation but at a deeper level. The closest drill hole to the anomaly (DDH1) has intersected 47 metres of 0.92g/t Au to 306m. The target anomaly for drilling is 800 metres long and 400 metres wide and is strengthening at depth. It is interpreted to be a substantial increase in sulphide content associated with increased vein density as the zone also shows increased resistivity.

Other holes which intersect around the anomaly (DDH3 and RED004) have shown scattered intersections of encouraging gold–copper–molybdenum mineralised stockwork veins.

At **Norwood**, gold workings occur at surface, which were historically worked by the Chinese. Shallow drilling by previous explorers looking for oxide gold, intersected scattered gold mineralisation with better intersections of 18 metres of 0.98g/t Au and 8 metres of 2.28g/t Au. Work by ActivEX in the



Mt Remarkable IP section showing anomaly, previous drilling and proposed hole



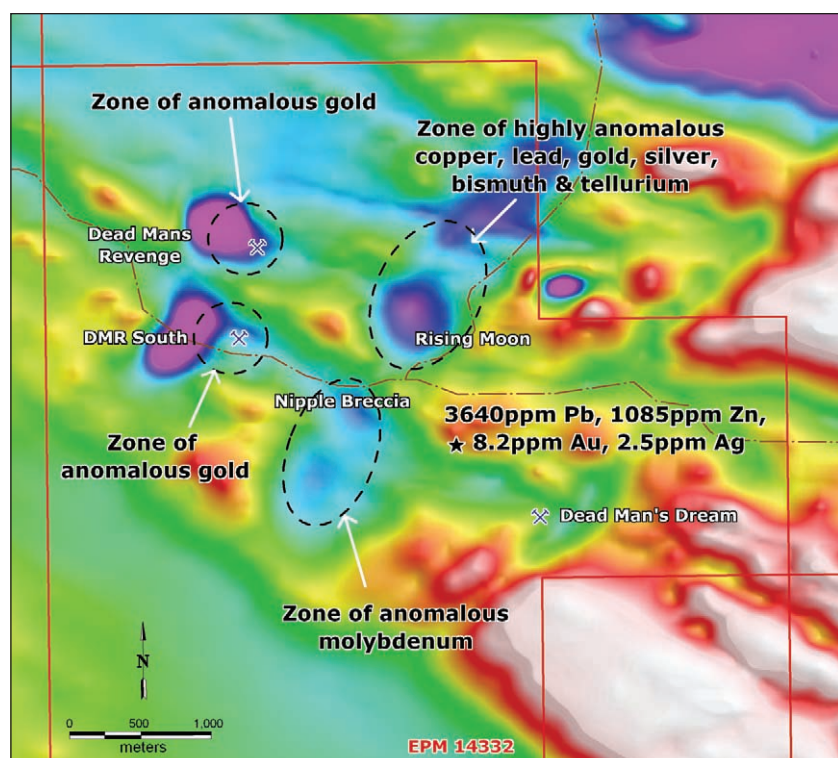
Norwood IP section showing targets and proposed holes

area has identified IP anomalies surrounding a magnetic intrusive diorite (porphyry) which has low grade gold associated.

The IP anomalies targeted by the two funded drill holes at Norwood are structurally controlled and occur over at least 800 metres of strike length. The southern targets are shallow dipping and appear to be stratabound within the Permian Volcanics. These anomalies could reflect a volcanogenic massive sulphide zone or a high sulphidation epithermal replacement zone. The targets have broad similarities in age and style to the recent Mt Carlton epithermal discovery by Conquest Mining Limited.

The Company has been carrying out further target development, particularly in the Nipple Breccia area where high molybdenum values have been found and at Rising Moon where high base metal, bismuth and tellurium values were returned. Historic gold workings at Dead Mans Revenge are close by with evidence of de-magnetised zones being closely related to the mineralisation.

Further mapping and sampling is in progress to advance the prospect to drill target status.



Nipple Breccia area showing anomalous zones over aeromagnetic image



Core farm at Boobyjan

Boobyjan Project

During the year ActivEX has continued its joint venture program at Boobyjan. Drilling activity in the 2008 year allowed our joint venture partner, Minotaur Exploration to achieve 51% equity by completing a total of \$1million of exploration expenditure since commencement. These activities, managed by ActivEX staff, are fully funded by Mitsubishi Corporation and Mitsubishi Materials Corporation which hold an option to join the joint venture and earn a 24% interest. The work has highlighted broad zones of anomalous copper–gold mineralisation down to 200m below surface, the best zone being:

ABJ012 — 109m @ 0.15% Cu and 0.02g/t Au

The mineralisation and alteration minerals recognised in the holes in the Kiwi–White Horse–Bath area have been interpreted to be too high in the porphyry system, representing relatively cool fluid temperatures.

As a result, the 2009 work program was directed at drill testing the central Boobyjan alteration system to a significantly greater depth than previously attempted. Targets are within the core of the porphyry system and to test along strike from previous good intersections at Kakapo.

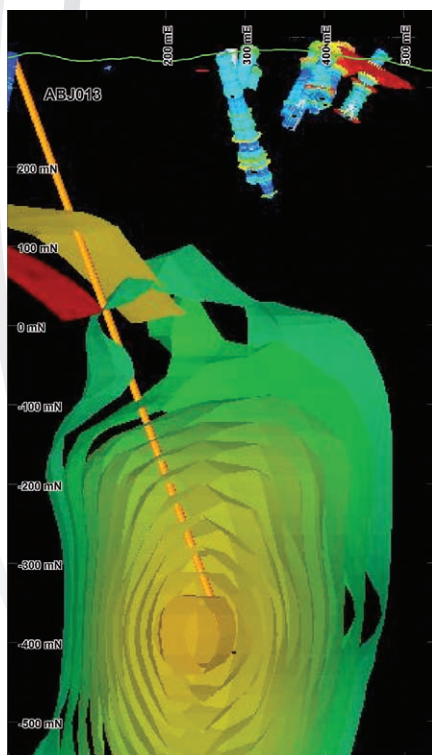
The drill targets are magnetic pipe-like bodies interpreted to be related to zones of potassic alteration (magnetite rich) which would host porphyry style copper gold mineralisation.

Drilling intersected broad zones of magnetite as expected however much of the magnetite appeared to be primary, not associated with potassic alteration and without associated copper mineralisation. As a result the program was amended with the last hole being a deep test of non-magnetic parts of the centre of the interpreted porphyry system.

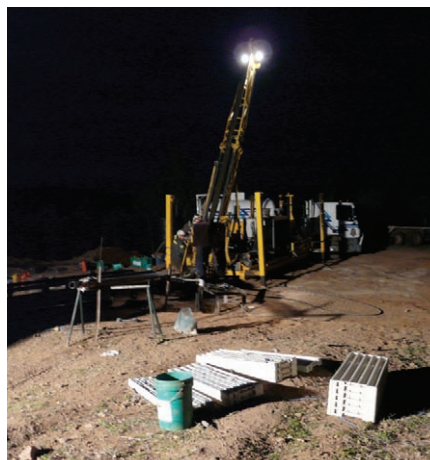
Five holes were completed for a total of 2681 metres of core. All holes have intersected weak chalcopyrite (copper) mineralisation over intervals of up to 30 metres with grades similar to previous drilling. Of note is the occurrence of multiple quartz vein systems, brecciated quartz veins, and crackle and milled breccias at White Horse which indicate significant fluid and gas flow occurs in the area.

Initial interpretation is that the drilling has still not intersected the hotter parts of the system. Work is progressing on building a 3D geological model to aid in understanding the system and to better direct future drilling.

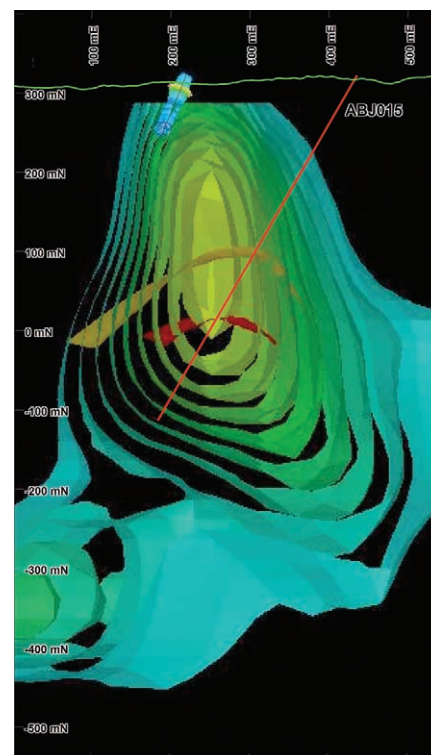
2009 drilling program was directed at testing the core of the porphyry system to a significantly greater depth



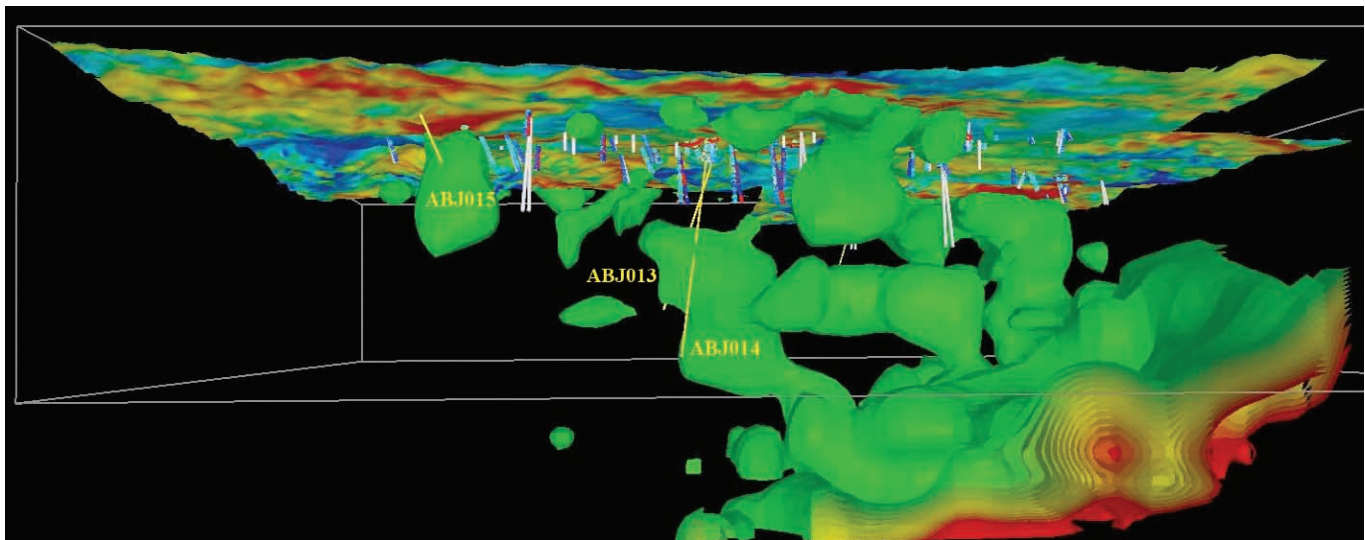
Magnetic drill target ABJ013



Night shift drilling at Boobyjan



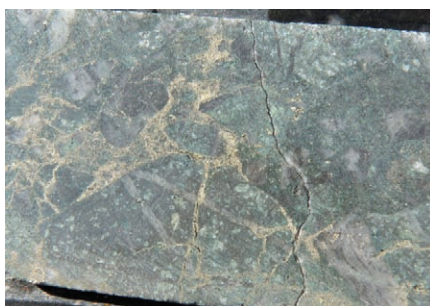
Magnetic drill target ABJ015



Kiwi-White Horse-Bath magnetic 3D model viewed from the east, showing 2009 drilling program

Results summary for 2009 program

Hole ID	From	To	Interval	Cu (%)	Au (g/t)
ABJ013	no significant visible mineralisation				
ABJ014	221	226	5	0.34	0.116
ABJ014	333	365	32	0.10	0.037
<i>including</i>	338	346	8	0.21	0.075
ABJ014	380	385	5	0.10	0.282
<i>including</i>	381	384	3	0.10	0.420
ABJ014	435	440	5	0.16	0.096
ABJ014	595	603	8	0.24	0.035
ABJ015	270	295	25	0.08	0.03
ABJ015	395	425	30	0.07	0.017
ABJ017	45	60	15	0.09	0.008
ABJ017	119	136	17	0.12	0.005
<i>including</i>	125	136	11	0.17	0.006
ABJ017	190	215	25	0.03	0.005
ABJ017	235	246	11	0.05	0.006
ABJ018	105	120	15	0.04	0.006



ABJ014 — 338 metres — brecciated quartz veining with pyrite infill



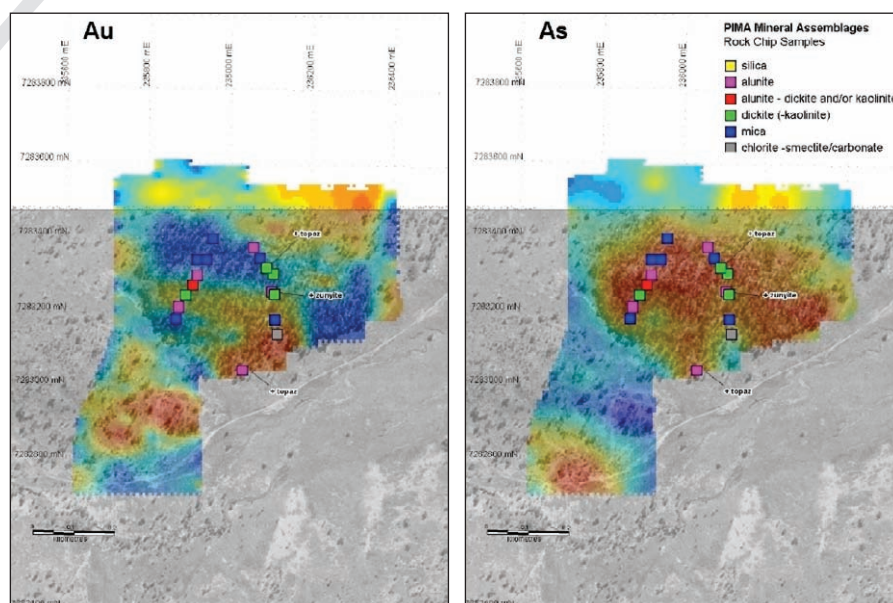
ABJ014 — 349.7 metres — altered porphyry breccia cut by quartz and carbonate veining



ABJ017 — 243.7 metres — altered porphyry breccia cut by quartz veining with disseminated copper mineralisation

Prospect Creek Project

*Queensland Government
funding awarded for
new target generation*



PIMA rock chip mineral assemblages and gridded soil Au & As values



Taking Niton readings in the field

*... utilising the latest
technology, XRF
analysing and
spectroscopy*

ActivEX has been awarded a Queensland Government Industry Network Initiative (INI) Grant to support development of new exploration targeting methods within the Prospect Creek Project. The study is aimed to improve the targeting of mineralisation within a large area of encouraging alteration.

The Prospect Creek area is thought to be highly prospective for porphyry and epithermal style targets as it contains several large areas where hydrothermal alteration has been identified but a mineralised source is yet to be located. The research project is designed to utilise state of the art technology by correlating results from PIMA spectroscopy and Niton handheld XRF. It will increase the understanding of the mineralisation and alteration present in the project and assist in refining drill targets.

PIMA (Portable Infrared Mineral Analyser) is a compact field-portable infrared spectrometer that collects spectral data in the short-wave infrared region of the electromagnetic spectrum. The PIMA is particularly suited to the study of alteration and weathering mineral assemblages.

Niton handheld XRF devices are compact, field-portable analysers that measure the elemental composition of samples via energy dispersive X-ray fluorescence. Measurements are fast, non-destructive and can be completed without any sample preparation. Up to 30 or more elements are analysed simultaneously, although

gold and silver cannot be suitably measured with this technique due to high detection limits. Detection limits are significantly higher for all elements than those achievable in laboratory analyses (e.g. ICP-MS or ICP-AES) however the Niton XRF analysers are cost-effective and have the advantage of providing immediate results allowing constant program adaption in the field.

ActivEX has already applied both hand-held XRF and PIMA techniques to the Prospect Creek Project (shown above) on a small-scale and has found results from both techniques to be encouraging. However, a broader, more project-scale approach is needed to fully utilise the potential of these techniques and to optimise their application.

The Company will be conducting PIMA spectroscopy and Niton handheld XRF analysis from soil sampling, rock chip sampling and RC drill chips. The results will then be correlated, along with data from more traditional exploration tools to evaluate the prospect.

It is aimed at identifying zonation patterns within the alteration and to aid in refining drill targets, particularly at the Oasis Ridge and Cockatoo Ridge alteration pipes.

The methodology developed by the study should reduce exploration costs and hasten the timeline between the recognition of an area of interest and the delineation of a drill ready target in what is a prospective area which has proven difficult to target using conventional methods.

South East Queensland Projects



South East Queensland project map

During the year ActivEX has also been active in other project areas in South East Queensland. Drilling at Lake Monduran was completed early in the year with sub-economic results. Subsequent work has focussed on the large Rosedale magnetic anomaly in the search for skarn style copper–gold targets. In the Esk Trough area, several Exploration Permits have been relinquished as prospective targets have not been identified. Also in this region the Elginvale permit has been granted and field activities have commenced. This area was identified by the Esk Trough study as having potential for porphyry style copper–gold and epithermal style gold–silver deposits.

At Westwood further evaluation has focussed on the Fred Creek gold occurrence and the Westwood platinum occurrence.

The Company allocates a significant portion of time towards the identification of new ground of a prospective nature through conceptual work and also the evaluation of properties that become available for joint venture and/or acquisition. The financial crisis has meant that more opportunities have become available in both these growth areas. As a result the Company has spent some time on project generation and numerous assessments of properties becoming available have been made. None of the opportunities reviewed this year have lead to an investment, however this work will be ongoing in an effort to secure the highest quality projects and therefore to maximise our chances of exploration success.



Ironstone outcrop, Green Valley



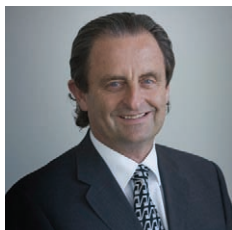
Sieving soil at Florence Creek



Nipple Breccia outcrop, Pentland

The information in this report which relates to exploration results is based on information compiled by Ms J Hugenoltz who is a Member of the Australian Institute of Geoscientists and Mr D. I. Young, who is a Fellow of the Australian Institute of Geoscientists. Both Ms Hugenoltz and Mr Young are full time employees of ActivEX Limited and have sufficient experience relevant to the styles of mineralisation and types of deposit under consideration and the activities which they are undertaking to qualify as Competent Persons as defined by the 2004 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Ms Hugenoltz and Mr Young consent to the inclusion of their names in this report and to the inclusion in this report of the exploration results in the form and context in which they appear.

THE ACTIVEX TEAM

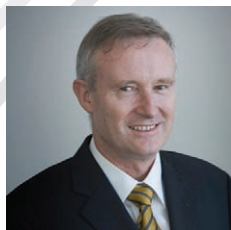


Ian Daymond
B.A., LL.B
*Non-Executive
Chairman*

Appointed 22 December 2005

Ian practises as a solicitor and consultant in the mining and resources area in Sydney and has acted as in-house counsel or external legal adviser to many public resources companies including working as senior management employee of Western Mining Corporation, Hunter Resources/Technomin Australia and Delta Gold Ltd (as general counsel and company secretary). For more than 11 years he was part of the senior management team responsible for Delta Gold becoming one of the most successful gold explorers and largest gold-producing companies in Australia. He returned to private legal practice in 2001 and specialises in mining and resources exclusively for selected clients.

He has been a non-executive director of Hill End Gold Ltd since September 2008.



Doug Young
B.Sc., M.Sc, FAIG,
RPGeo
Managing Director

Appointed 18 March 2005

Doug is a geologist with over 30 years experience in exploration for gold, base metals, coal and some industrial minerals. His career has included regional management roles for major Australian companies and an extended period as a Consulting Geologist with a variety of clients from major mining companies to small exploration companies.

He is a specialist in gold and base metals exploration and project generation. He was instrumental in the identification and acquisition of Nolans Gold Deposit (North Queensland) and developed concepts and interpretation which led to discovery of Isaac Plains, Isaac Plains South and Belvedere coal developments.

Doug is a Fellow and Councillor of the Australian Institute of Geoscientists and is a Registered Practising Geoscientist.



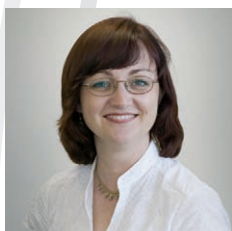
Paul Crawford
B.Bus (Accounting),
CPA, M.FinMmt,
Grad Dip Bus Law,
Grad Dip Company
Secretarial Practice
*Non-Executive
Director and
Company Secretary*

Appointed 18 March 2005

Paul is an accountant with 29 years of commercial experience, including 26 years in various technical and management roles within the minerals, coal and petroleum industries.

He is Principal of his own corporate consultancy firm, providing accounting, corporate governance, business advisory and commercial management services to a number of corporate clients since 2001.

Paul is also a Director and Company Secretary of DiamonEx Limited since 10 March 2000 and the Company Secretary of Orecobre Limited since 20 January 2005.



Juli Hugenholtz
B.Sc., MAIG
Senior Geologist

Juli has 17 years varied experience in exploration for gold, base metals, nickel and manganese throughout Australia and New Zealand. Her experience has included project management responsibilities from grass roots projects through to intensive drill out campaigns. She is skilled in GIS and computing applications, database management and tenement management as well as having experience in client liaison and company management.



Jane Harvey
B.Sc (Hons)
Geologist

Jane graduated from UQ in 2006 with first class honours project at Boobyjan and has worked with the Company ever since. She has gained considerable experience in epithermal and porphyry style mineralisation systems and is fast gaining exposure to IOCG and skarn copper-gold systems in the Cloncurry district.



Dean Magaina
Field Assistant

Dean is an experienced field assistant having worked for several exploration companies in QLD and SA. He supervises field programs, maintains Company equipment and liaises with landowners.

ACTIVEX LIMITED

ABN 11 113 452 896

**FINANCIAL REPORT
FOR THE PERIOD ENDED
30 JUNE 2009**

Corporate Governance Statement

ActivEX Limited (“ActiveEX” or “Company”) is committed to implementing the highest standards of corporate governance. To determine these standards, the Company has used the reporting recommendations set out by the Australian Securities Exchange (ASX) Corporate Governance Council’s “Corporate Governance Principles and Recommendations” 2nd Edition (ASX Principles and Recommendations) which have been defined as eight core principles.

The Company advises that its practices are not entirely consistent with the ASX Principles and Recommendations.

While seeking to implement optimal corporate governance practices, the Company does not accept that all the recommendations are applicable to the Company due to the current size and nature of its operations. Where the Company has not fully adopted the relevant recommendation, the reasons are set out below.

To assist the Board carry out its functions, it has developed a Corporate Governance Manual to guide the Non-Executive Directors, the Managing Director and other key senior executives in the performance of their roles.

PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT:

Pursuant to Principle 1, the Company has established the functions reserved to the Board and established the functions delegated to senior executives. The Board of Directors’ role is to govern the Company rather than to manage it and to ensure that it represents effectively the interests of all shareholders. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is currently the role of the Managing Director to manage the Company in accordance with the direction and delegations of the Board and it is the responsibility of the Board to oversee the activities of the Managing Director in carrying out these delegated duties.

1.1 Companies should establish the functions reserved for the Board and those delegated to the senior executives and disclose those functions.

The Company has developed a Statement of matters reserved for the Board which documents the role and responsibilities of the Board, a summary of which is as follows:

- providing leadership to the Company;
- overseeing the development and implementation of an appropriate strategy;
- overseeing planning activities including the development and approval of strategic plans, annual corporate budgets and long-term budgets including operating budgets, capital expenditure budgets and cash flow budgets;
- reviewing the progress and performance of the Company in meeting these plans and corporate objectives, including reporting the outcome of such reviews on at least an annual basis;
- ensuring corporate accountability to the shareholders primarily through effective shareholder communications;
- overseeing the control and accountability systems that ensure the Company is progressing towards the goals set by the Board and in line with the Company’s purpose, the agreed corporate strategy, legislative requirements and community expectations;
- ensuring that robust and effective risk management, compliance and control systems (including legal compliance) are in place and operating effectively;
- being responsible for the appointment and review of the performance of and delegation of powers to the Company’s senior executives;;
- making all decisions outside the scope of powers delegated to senior management ;

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company, which includes supervising the Company’s framework of control and accountability systems to enable risk to be assessed and managed.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities.

The Board has clearly delegated all powers to the Managing Director necessary to effectively and efficiently carry out the business of the Company. The exceptions to this, where Board approval is required, have been clearly stated in the Company's Corporate Governance Manual.

Newly appointed Directors are provided with formal appointment letters setting out the key terms and conditions regarding their appointment. Similarly senior executives (including the Managing Director) are provided with formal appointment letters making clear the responsibilities of their role, remuneration, appointment term and entitlements on termination.

1.2 Companies should disclose the process for evaluating the performance of senior executives

The remuneration structure for executive officers is based on a number of factors, including length of service, particular experience of the individual concerned and overall performance of ActivEX.

Senior executives' performance is reviewed against a range of quantitative and qualitative measures and past performance of ActivEX as well as of the individual and market practice with respect to comparable positions are taken into account.

The Non-Executive Directors are responsible for regularly evaluating the Managing Director's performance. This evaluation is based on the Company's business performance and whether strategic objectives are being achieved. The Managing Director reviews other executives' and staff performance. Performance pay components of executives' packages are dependent on the outcome of the evaluations. The results of the Managing Director's performance reviews of senior executives and staff are reported to the Board for information. The performance of senior executives and staff is reviewed on a formal basis annually and this review has taken place during the year in accordance with the process detailed above.

1.3 Reporting on Principle 1

Details of the functions reserved for the Board and delegated to senior executives are outlined in the Company's Corporate Governance Manual, which is available on the Company's website (www.activex.com.au).

PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE

Principle 2 is to have a Board of an effective size, composition and commitment to adequately discharge its responsibilities and duties. To add value to the Company, given the size and operations of the Company, the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties.

The three-person ActivEX Board (as at the date of this Annual Report) has wide-ranging experience in the mineral exploration and mining sector and a diverse skill set which is detailed in the Activities Report in this Annual Report along with details of the Directors, period of office, their qualifications and experience.

2.1 A majority of the Board should be independent Directors

Currently, ActivEX does not have a majority of independent Directors. As at the date of this report, the Board comprises one Executive Director, Mr Douglas Young, who is the Managing Director and two Non-Executive Directors: Mr Ian Daymond and Mr Paul Crawford. Of the Non-Executive Directors, Mr Crawford is the principal of a firm that provides accounting, company secretarial, corporate and financial management services to the Company and therefore does not meet the criteria for independence. However, the Board considers it appropriate for Mr Crawford to remain a member of the Board. The other Non-Executive Director, Mr Daymond meets the criteria for independence proposed by the ASX Principles and Recommendations.

While determining the independent status of Directors, the Board has considered whether the Director:

- a) holds less than five percent of the voting shares of the Company (in conjunction with their associates); or is an officer of the Company, or otherwise associated directly with a shareholder of more than five percent of the voting shares of the Company;
- b) has within the last three years, been employed in an executive capacity by the Company or another group member;
- c) has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided. In this context, the relationship with the professional adviser or consultant shall be deemed to be material if payments from the Company exceed 10% of the Company's annual expenditure to all professionals and consultants or exceed 10% of the recipient's annual revenue for advisory or consultancy services;
- d) is a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer. In this context, the relationship with the supplier or customer shall be deemed to be material if annual payments to or from that supplier or customer exceed 10% of the annual consolidated gross revenue of either the Company or that supplier or customer; and
- e) has a material contractual relationship with the Company or other group member other than as a Director of the Company.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that they can offer, however the size and nature of the Company's activities does not justify expanding the Board at this time. It is the intention of ActivEX to consider the appointment of additional independent Non-Executive Directors as the Company's activities expand and additional skill sets are required.

2.2 The chairperson should be an independent director

ActivEX is compliant with the recommendation. The Chairperson Mr Ian Daymond is an independent Non-Executive Director.

2.3 The roles of the Chairperson and Chief Executive Officer should not be exercised by the same person

The Managing Director, Mr Douglas Young, is for all practical purposes the Chief Executive Officer of ActivEX and as mentioned above, the Mr Ian Daymond is the Chairperson of the Board. This makes ActivEX compliant with this recommendation.

2.4 The Board should establish a nomination committee

ActivEX does not comply with this recommendation as a nomination committee has not been established. Currently, the role of the nomination committee has been assumed by the full Board. The size and nature of the Company's activities do not justify the establishment a separate committee at this time. The Board regularly reviews the composition, skill base and effectiveness of the Board and its members.

The Board has a policy and procedure for nominating and appointing new Directors. Candidates for the Board are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, independence and ability to meet the Board's expectation as set out in the Corporate Governance Manual. Directors are initially appointed by the full Board, subject to election by shareholders at the next general meeting. Directors are required to retire and be subject to re-election by shareholders at least once every three years. This procedure can also be found in the Company's Corporate Governance Manual.

2.5 Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors

The Board considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability. The Chairperson undertakes a review of the Board and individual Director's performance at least once a year at a meeting of the Board. Board performance is evaluated in relation to goals that are set at the time of the Board's annual strategic planning session. The Chairperson's review was undertaken during the year in accordance with this process.

The Chairperson provides each Non-Executive Director with confidential feedback on his or her performance. The Board does not endorse the re-appointment of a Director who is not satisfactorily performing the role. Further details of the evaluation process form part of the Corporate Governance Manual which is available on the Company's website.

Induction and Education

New Directors undergo an induction process in which they are given a full briefing on the Company. Where possible, this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors includes:

- details of the roles and responsibilities of a Director;
- formal policies on Director appointment;
- details of all relevant legal requirements including:
 - Corporations Act;
 - Tax Office requirements; and
 - other major statutory bodies;
- a copy of the Corporate Governance Manual;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board including anticipated regulatory changes;
- background information on and contact information for key people in the organisation including an outline of their roles and capabilities;
- an analysis of the Company including:
 - core competencies of the Company;
 - an industry background briefing;
 - a recent competitor analysis;
 - details of past financial performance;
 - current financial structure; and
 - any other important operating information;
- a synopsis of the current strategic direction of the Company including a copy of the current strategic plan and annual budget;
- a copy of the Constitution of the Company; and
- Director's Deed of Indemnity and Right of Access to Documents, if applicable.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development.

Access to information and Independent Professional Advice

Each Director has the right of access to all Company information and to the Company's executives. Further, the Board collectively and each Director, subject to informing the Chairperson, has the right to seek independent professional advice from a suitably qualified advisor, at the Company's expense, up to specified limits, to assist them to carry out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board.

2.6 Reporting on Principle 2

The policy and procedure for the selection and appointment of new Directors is detailed in the Corporate Governance Manual which is available on the website of the Company.

PRINCIPLE 3 - PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Principle 3 is to actively promote ethical and responsible decision-making.

3.1 Companies should establish a code of conduct and disclose the code or a summary of the code

The Company acknowledges that the community expects businesses to be aware of their wider social obligations and to promote practices to maintain confidence in the Company's integrity. The ActivEX Board requires high standards of conduct and responsibility from Directors, senior executives and employees at all times. As part of its commitment to recognising the expectations of their stakeholders, the Company has established a Code of Ethics and Conduct for Directors and employees within its Corporate Governance Manual to guide compliance with legal and other obligations to

stakeholders, which include employees, clients, customers, government authorities, creditors and the community. Directors are required to adhere to industry standards in conduct and dealings and promote a culture of honesty, fairness and ethical behaviour into its internal compliance policy and procedures as well as dealing with stakeholders.

The Board also requires the Company's employees and consultants, to have similar high standards and are required to adhere to industry standards in their conduct and dealings, including trading in securities. The ActivEX Board has built the promotion of a culture of honesty, fairness and ethical behaviour into its internal compliance policy and procedures.

A copy of the Code of Ethics and Conduct is given to all contractors and relevant personnel, including Directors and each individual is accountable for such compliance. Any breach of applicable laws, accepted ethical commercial practices or other aspects of the Code of Ethics and Conduct will result in disciplinary action.

Depending on the severity of the breach, such disciplinary action may include reprimand, formal warning, demotion or termination of employment/engagement (as the case may be). Similar disciplinary action may be taken against any manager who directly approves of such action or has knowledge of the action and does not take appropriate remedial action.

Breach of applicable laws or regulations may also result in prosecution by the appropriate authorities.

The Company will not pay, directly or indirectly, any penalties imposed on personnel as a result of a breach of law or regulation.

Personnel are expected to report any instances of suspected non-compliance and investigating reports of unethical practices. These instances will be investigated fairly. Individuals who report suspected non-compliance in good faith will be appropriately protected.

3.2 Companies should establish a securities trading policy disclose the policy or a summary of the policy

The Company has adopted a formal securities trading policy. A copy of the policy is available on the website of the Company.

Directors, senior executives and employees are required to advise the Chairperson and Company Secretary of their intentions prior to undertaking any transaction in the Company's securities. If a Director, senior executive or employee is considered to possess unpublished market price sensitive information, they will be precluded from making a security transaction until after the time of public release of that information.

3.3 Reporting on Principle 3

The Code of Ethics and Conduct for Directors and employees, that forms part of the Corporate Governance Manual, and the securities trading policy is available on the Company's website.

PRINCIPLE 4 - SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Principle 4 is to have a structure of review and authorisation in place which independently verifies and safeguards the integrity of the Company's financial reports. The compilation and timely disclosure of accurate and truthful information about the Company's financial position and performance is vital for the integrity of the market in the Company's securities. ActivEX has put in place a structure of reporting and oversight to achieve these objectives.

4.1 The Board should establish an audit committee

ActivEX has not established an audit committee. The role of the audit committee has been assumed by the full Board. The size and nature of the Company's activities does not justify the establishment of an audit committee at this time. The audit committee will be established as and when the need for such a committee arises and when established, will be structured in accordance with the ASX Principles and Recommendations and will have a formal charter.

4.2 The structure of the audit committee

In the absence of an audit committee, the Company does not comply with this recommendation.

4.3 The audit committee has a formal charter

In the absence of an audit committee, the Company does not comply with this Recommendation.

4.3 Reporting on Principle 4

The Company has developed a procedure for the selection and appointment of the external auditor and for the rotation of external audit engagement partners. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Any appointment made by the Board must be ratified by shareholders at the next annual general meeting of the Company.

Candidates for the position of external auditor of the Company must be able to demonstrate complete independence from the Company and an ability to maintain independence through the engagement period. Further the successful candidate must have arrangements in place for the rotation of the audit engagement partner on a regular basis.

In addition to these mandatory criteria, the Board may select an external auditor based on criteria relevant to the business of the Company such as experience in the industry in which the Company operates, cost and any other matters deemed relevant by the Board.

The Board will review the performance of the external auditor on an annual basis.

PRINCIPLE 5 - MAKE TIMELY AND BALANCED DISCLOSURE

Principle 5 is that listed companies should make timely and balanced disclosure to the ASX of all material matters concerning the Company.

The ActivEX Board has adopted a policy and rules to ensure the Company complies with its obligations under the ASX Listing Rules on continuous disclosure and ensures accountability at a senior executive level for that compliance. The Board has designated the Company Secretary as the person responsible for overseeing and co-ordinating disclosure of information to the ASX as well as communicating with the ASX.

In accordance with the ASX Listing Rules, the Company immediately notifies the ASX of information:

1. concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's shares; and
2. that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose the Company's shares.

Such matters are advised to the ASX immediately they are identified as being material. Upon confirmation of receipt from the ASX, the Company posts all information disclosed in accordance with this policy on its website in an area accessible by the public.

5.2 Reporting on Principle 5

A summary of the Company's policy for media contact and external communications is outlined in the Corporate Governance Manual and a copy of the Continuous Disclosure Policy is available on the Company's website.

PRINCIPLE 6 - RESPECT THE RIGHTS OF SHAREHOLDERS

Principle 6 is that companies should respect the rights of shareholders and facilitate the effective exercise of those rights.

6.1 Communications policy

The ActivEX Board respects the rights of its shareholders and to facilitate the effective exercise of those rights, it has adopted a policy on communication with shareholders and implemented a set of processes to ensure timely and effective communication with shareholders and the wider investment community. The Company is committed to:

- communicating effectively with shareholders through releases to the market via the ASX, the Company's website, information mailed to shareholders and the general meetings of the Company;

- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company and ask questions regarding the conduct of audit and about the functioning of the Company generally; and
- making it possible for shareholders to receive communication by electronic means.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

6.2 Reporting on Principle 6

A summary of the Company's policy for media contact and external communications is outlined in the Corporate Governance Manual which is available on the Company's website.

PRINCIPLE 7 - RECOGNISE AND MANAGE RISK

ASX Principle 7 is that companies should establish a sound system of risk oversight and effective management and internal control.

7.1 Risk Management and Internal Control System

The primary objectives of the risk management and internal control system at the Company are to ensure:

- all major sources of potential, opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately;
- business decisions throughout the Company appropriately balance the risk and reward trade off;
- regulatory compliance and integrity in reporting is achieved; and
- the Board, senior executives and investors understand the risk profile of the Company.

The system covers:

- operations risk;
- financial reporting; and
- compliance.

Any matters of significance to the Company or materially relevant to its assets, liabilities or profits are signed off by the Board after discussion and evaluation of submissions made by the Managing Director or other party.

7.2 Report on risk management and internal control system

The Board has required the management of the Company to design and implement the risk management and internal control systems to manage the Company's material business risks. As required by the Board, management has reported to the Board that the Company's material business risks have been managed effectively. The Managing Director reviews risk in response to changing business conditions and regulations. Regular reviews of risk and a regular update of the risk profile is undertaken by the Board. This normally occurs in conjunction with the strategic planning process. The internal audit is carried out to analyse and give an independent appraisal of the adequacy and effectiveness of the Company's risk management and internal control system. The internal audit function is independent of the external auditor.

Given the size and scale of operations and stage of development of the Company, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate risk management committee. Presently, the full Board carries out the functions of a risk management committee.

7.3 Attestation by Chief Executive Officer (or equivalent) and chief financial officer (or equivalent)

The Managing Director and the Company Secretary provide a written assurance that the risk management system is effective, efficient and accurately reflected in the Company's financial statements and that:

- the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control ; and
- the Company's risk management and internal control system is operating effectively in all material respects in relation to financial reporting risks.

7.4 Reporting on Principle 7

The Company's risk management, internal compliance and control system policies that have been established to manage material business risks are disclosed by the Company internally to the Board, senior executives, management and other employees. The Company envisages disclosing a summary of these policies on its website in future.

PRINCIPLE 8 - REMUNERATE FAIRLY AND RESPONSIBLY

Principle 8 is that companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined. ActivEX is committed to remunerating its Directors and officers in a manner that is market competitive, consistent with best practice and supporting the interests of shareholders.

8.1 The Board should establish a remuneration committee

ActivEX has not established a remuneration committee. The role of the remuneration committee has been assumed by the full Board. The size and nature of the Company's activities does not justify the establishment of a committee at this time.

The committee will be established as and when the need for such a committee arises and when established, will be structured in accordance with the ASX Principles and Recommendations including the establishment of a formal charter.

Details of the Company's remuneration policy are provided in the accompanying Director's Report and Financial Statements.

8.2 Structure of Non-Executive and Executive Director Remuneration

The remuneration structure for executives, including the Managing Director, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The remuneration policy, setting the terms and conditions for the Managing Director was developed and approved by Non-Executive Directors. Executive Directors, other senior executives and staff receive a base salary, superannuation, fringe benefits and equity based performance remuneration. Superannuation payments consist of the 9% superannuation guarantee contribution. Individuals may elect to salary sacrifice part of their salary to increased payments towards superannuation. No other form of retirement benefit is paid.

Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting and is not linked to the performance of the Company. However, to align Director's interests with shareholder interests, Directors are encouraged to hold equity interests in the Company. The maximum aggregate amount of fees that can be paid to Non-Executive Directors approved by shareholders is currently \$150,000.

The Company's remuneration policy provides for long-term incentives through participation in the Company's Employee and Officers Share Option Plan. Any equity based remuneration proposed to be granted to Executive Directors will only be granted with shareholder approval.

The Company has prohibited the entering into transactions in associated products which limit the economic risk of participating in unvested entitlements under any equity-based remuneration.

8.3 Reporting on Principle 8

Details of the Company's remuneration policy are outlined in the Remuneration Report section of the Directors' Report, along with the names of the Directors, their qualifications, experience and the term of office held by each Director.

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DIRECTORS' REPORT

Your Directors present their report of the Company for the financial year ended 30 June 2009.

1. Directors

The Directors of the Company at any time during the year or since the end of the year are listed below. During the year there were 10 meetings of the full board of Directors. The meetings attended by each Director were:-

Directors	Status	Eligible to Attend	Attended
Ian C Daymond	Non-Executive Chairman	10	10
Douglas I Young	Managing Director	10	10
Paul A Crawford	Non Executive Director	10	10
Peter H Hwang (resigned 16 March 2009)	Non Executive Director	7	7

All Directors have been in office since the start of the financial year to the date of this report unless indicated otherwise.

The Company does not have an Audit Committee. The role of the Audit Committee has been assumed by the full Board. The size and nature of the Company's activities does not justify the establishment a committee at this time.

2. Information on Directors

Ian Daymond B.A., LL.B.

Non-Executive Chairman

Mr Daymond practises as a solicitor and consultant in the mining and resources area in Sydney and has acted as in-house counsel or external legal adviser to many public resources companies including as a senior employee with Western Mining Corporation, Hunter Resources/Technomin Australia and Delta Gold. He is also a non-executive director of ASX listed Hill End Gold Ltd and is Honorary Consul in NSW for the Republic of Botswana.

Directorships held in other listed companies in the last 3 years: Copper Range Limited (resigned 20 March 2009), Eldore Mining Corporation Ltd (resigned 2 February 2007).

Douglas Young B.Sc., M.Sc., FAIG, RPGeo.

Managing Director

Mr Young is a geologist with over 30 years experience in exploration for gold, base metals, coal and some industrial minerals. His career has included regional management roles for major Australian companies and an extended period operating as a Consulting Geologist with a variety of clients from major mining companies to small exploration companies.

He is a Councillor of the Australian Institute of Geoscientists.

Paul Crawford B.Bus (Accounting), CPA, MFM, Grad. Dip. Bus Law, Grad. Dip. Company Secretarial Practice

Non-Executive Director and Company Secretary

Mr Crawford is an accountant with 30 years of commercial experience, including various technical and management roles within the minerals, coal and petroleum industries. He is Principal of his own corporate consultancy firm, providing accounting, corporate governance, business advisory and commercial management services to a number of corporate clients since 2001. He is a non-executive director of DiamonEx Limited.

Directorships held in other listed companies in the last 3 years: Orocobre Limited (resigned July 2009).

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DIRECTORS' REPORT

Peter Hwang B.Sc.(Hons), LL.B.

Non-Executive Director

Mr Hwang is a qualified geologist and lawyer and currently works as a solicitor specialising in native title and resources law with the national law firm Freehills. He has extensive experience in native title negotiations and risk management and also advises on mergers and acquisitions, public company floats in the resources sector and foreign mineral venture investment.

Prior to his legal career, Peter spent over five years as a diamond exploration geologist with Stockdale Prospecting Ltd (De Beers) in Australia. Mr Hwang resigned as a director on 16 March 2009.

3. Directors Interests

The relevant interest of each Director held directly or indirectly in shares and options issued by the Company at the date of this report is as follows:-

Directors	Shares	Options
Ian C Daymond	360,000	72,000
Douglas I Young	8,802,002	2,160,400
Paul A Crawford	555,000	211,000

4. Company Secretary

Paul Crawford held the position of Company Secretary at the end of the financial period. Mr Crawford is a CPA and holds accounting, company secretarial and business law qualifications. He has been Company Secretary and a Director of the Company since its incorporation.

5. Principal Activities

The principal activity of the Company during the course of the year was mineral exploration. The Company holds mineral exploration tenements in Queensland and Western Australia. The Company's focus is on the evaluation of Lake Chandler potash resource in Western Australia and exploration for gold and copper deposits across its Queensland tenements. There was no change in the principal activity during the year.

6. Review of Operations & Operating Results

The Company's operating loss for the financial period, after applicable income tax was \$586,995 (2008: \$427,049). Exploration and evaluation expenditure during the period totalled \$1,251,974 (2008: \$1,072,275).

The Company has made significant advances in its activities during the year including the announcement of its maiden JORC resource at the Lake Chandler potash project. Other significant events include the continuation of the Boobyjan drilling program with \$650,000 being committed for the 2009 program and the acquisition of additional prospective ground in the Selwyn area, south of Cloncurry.

At **Lake Chandler**, Western Australia, the Company has secured an option to purchase the potash deposit held under ML77/22. Work on this project has included:

- Establishment of a maiden inferred JORC resource of potash within the lake;
- Review of possible treatment processes;
- Marketing studies to establish potential market sizes and locations for various potential products including a study of product pricing and reagent costs; and
- Bench scale testing of the ammonia leach process including washing and settling tests, autoclave pressure leach tests and solubility tests.

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DIRECTORS' REPORT

The tests are ongoing with the expectation that the Company will be in the position to carry out a scoping study in the first half of year 2009-10.

At **Booubyjan**, south-east Queensland, (joint venture with Minotaur Exploration, Mitsubishi companies have option to join joint venture) the work has included:

- Completion, review and interpretation of the 2008 drilling program at Goonuloom and Sefton prospects;
- Targeting and commitment to a \$650,000 drilling program for 2009 aimed at testing deep seated magnetic targets; and
- Drilling of a 5 hole program in the Goonuloom area with targets at Bath, White Horse and Kakapo being tested. The initial holes intersected mainly primary magnetite material with low values of copper mineralisation associated, so the final hole was altered to test a deep-seated resistivity zone.

The outcome of the drilling program will be reviewed on receipt of all results of the drill samples.

At **Florence Creek**, north-west Queensland, the Company has consolidated a large holding in the Selwyn area, south of Cloncurry. This holding includes several applications in the Florence Creek area. This area is east of the ground held by Ivanhoe Australia Ltd where significant new discoveries of copper-gold and molybdenum mineralisation (Merlin deposit) have been made by Ivanhoe in the last year.

ActivEX has carried out follow-up work on its granted EPM at Florence Creek including:

- Completion of ground magnetics and detailed gravity on 15 anomalies;
- Completion of field inspections of all anomalies including rock chip sampling;
- Commencement of soil sampling programs over Anomaly 15 and the WC prospect; and
- Discovery of previously unknown copper workings at Green Valley, in an area of anomalous gravity and magnetics (Anomaly 4). Rock chip samples showed this area to have anomalous copper and associated gold. The area was soil sampled showing a coherent zone of anomalous copper.

Work is ongoing in the Florence Creek EPM and the EPM applications are being progressed towards grant.

Applications for funding assistance with the Department of Mines and Energy have been made on three occasions during the year, two of which were successful. The successful grants, made under the Cooperative Drilling Initiative and the Industry Network Initiative, have been for 50% of drilling costs at **Pentland** and for target generation in the **Prospect Creek** area respectively and total \$175,000.

During the year the Company has undertaken several capital raisings. Placements were made to sophisticated investors in September 2008, at an issue price of \$0.06 and April 2009, at an issue price of \$0.05. These placements were both made within the Company's ability to place up to 15% of its issued capital. The placements raised \$270,000 and \$255,000 respectively. The Company also undertook a fully underwritten, one for two non-renounceable entitlement issue of shares to shareholders in June 2009. The new fully paid shares were issued at \$0.05 each, to raise \$1,024,718.

The Company has also instituted several cost reduction measures during this difficult year. These included reductions in staff salaries, reduction in the number of board positions and a critical review of all projects to relinquish any ground of low prospectivity.

A more detailed review of the Company's operations during the financial year is set out in the activities report.

7. Financial Position

The Directors believe that the group is in a stable financial position, but will need to raise further capital in 2010 to continue the development of the Lake Chandler Potash Project and undertake its

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DIRECTORS' REPORT

ongoing exploration activities. The net asset position of the Company at 30 June 2009 is \$2,373,383 including a cash balance of \$1,133,291.

Continued Operations and Future Funding

The financial report has been prepared on a going concern basis that contemplates the continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of business.

At 30 June 2009, the Company's balance sheet shows total assets of \$3,563,993, total liabilities of \$1,190,610 and net assets of \$2,373,383, including cash assets of \$1,133,291. Conditions of exploration permits held include minimum expenditure commitments. Committed expenditure in the next 12 months totals \$1,017,100.

The Company undertakes exploration activity on a number of projects. Historically, this activity has been financed by equity and joint ventures. The Company's ability to continue with these planned exploration activities is dependent on having finance available. For that purpose, the Company will need to raise further funds in the next 12 months.

Since balance date, the Company has completed a 1 for 5 bonus issue of options to shareholders, resulting in the issue of 15,806,612 options. Options are exercisable at \$0.08 each prior to 31 July 2010. If these options are exercised, an additional \$1,264,529 cash would be raised. On the basis of completing currently planned activities, further funds will also need to be raised. Directors are confident that funding initiatives will be successful, however no commitment has yet been made as to the source of any additional funding.

Directors have formed the view that it is appropriate to prepare the financial report on a going concern basis.

8. Dividends

No dividend has been proposed or paid since the start of the year.

9. Significant Changes to the state of affairs

The following significant changes in the state of affairs of the Company have occurred during the financial year:

- On 30 September 2008, the Company issued 4,500,000 shares at \$0.06 each as a placement to sophisticated investors;
- On 27 November 2008, the Company granted 750,000 options as consideration for services rendered in relation to the capital raising, exercisable at \$0.12 per option, expiring on 30 September 2010;
- On 27 November 2008 & 30 June 2009, the Company issued a total of 1,500,000 shares at \$0.06 each as consideration for option payments on the Lake Chandler Potash project;
- On 28 February 2009 15,194,361 ASX listed options, exercisable at \$0.20 expired;
- On 20 April 2009, the Company issued 5,100,000 shares at \$0.05 each as a placement arranged by Scintilla Capital; and
- During the year, the Company granted a total of 800,000 options to employees, pursuant to the Company's Employee & Officer Share Option Plan.

There were no other significant changes in the state of affairs of the Company during the year.

10. Events Subsequent to balance date

Since the end of the financial year the Company has completed a 1 for 2 non-renounceable rights issue, resulting in the issue of 20,494,361 new shares at \$0.05 each to raise \$1,024,718. The funds will be applied to working capital and to enable the Company to evaluate potential projects and activities.

DIRECTORS' REPORT

Since the end of the financial year the Company has also completed a 1 for 5 bonus issue of options to shareholders, resulting in the issue of 15,806,612 options. Options were issued at no cost and are exercisable at \$0.08 each prior to 31 July 2010. The options are listed on the Australian Securities Exchange.

Since the end of the financial year the Company has issued 6,250 new fully paid ordinary shares, pursuant to the exercise of options granted under the bonus issue outlined above.

No other matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

11. Future Developments, Prospects and Business Strategies

The Directors will continue to carry out an active exploration and evaluation program on its tenements as detailed in the Company's various public announcements. The level of activity will be determined by the continued availability of funding.

The Directors will continue to review external opportunities which may arise with a view to acquisition, farm-in or corporate investment.

12. Remuneration Report (audited)

This report details the nature and amount of remuneration for each Director and other key executive personnel.

The Company's remuneration policy seeks to align Director and executive objectives with those of shareholders and business, while at the same time, recognising the early development stage of the Company and the criticality of funds being utilised to achieve development objectives. The Board believes that the current policy has been appropriate and effective in achieving a balance of objectives.

The remuneration structure for executives, including the Managing Director, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company.

The Company's policy for determining the nature and amount of remuneration of board members and key executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the Managing Director was developed and approved by non-executive Directors. Executive Directors receive a base salary, superannuation and fringe benefits and equity based performance remuneration. Superannuation payments consist of the 9% superannuation guarantee contribution. Individuals may elect to salary sacrifice part of their salary to increased payments towards superannuation. No other form of retirement benefit is paid.

Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The maximum aggregate annual amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting and is not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, Directors are encouraged to hold equity interests in the Company. The maximum aggregate annual amount of fees that can be paid to non-executive Directors approved by shareholders is currently \$150,000.

The Company's remuneration policy provides for long-term incentives through participation in the Company's Employee and Officers Share Option Plan. Company policy prohibits holders of such options from entering hedge arrangements on any unvested options. Further details on options issued under the Plan are set out in note 17 in the financial statements. The Company currently does not have any other performance-based incentive component built into Director and executive remuneration. Nor does the Company remunerate any management personnel with securities that are not performance based.

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DIRECTORS' REPORT

The Board of Directors is responsible for determining and reviewing the Company's remuneration policy, remuneration levels and performance of both executive and non-executive Directors. Independent external advice will be sought when required. The remuneration of each Director and key officer of the Company during the year was as follows:

2009 Key Management Personnel	Short term benefits		Equity Settled Options	Post-employment Superannuation	Total	Performance Related (i) %
	Salary & Fees	Non-Cash Benefits				
Douglas I. Young	169,021	-	1,837	14,312	185,170	1.00%
Ian C. Daymond	26,000	-	-	2,340	28,340	-
Paul A. Crawford	-	-	672	18,893	19,565	3.43%
Peter H. Hwang	14,333	-	-	1,290	15,623	-
	209,354	-	2,509	36,835	248,698	1.00%

2008 Key Management Personnel	Short term benefits		Equity Settled Options	Post-employment Superannuation	Total	Performance Related (i) %
	Salary & Fees	Non-Cash Benefits				
Douglas I. Young	183,486	13,462	1,352	16,514	214,814	0.629%
Ian C. Daymond	30,000	-	-	2,700	32,700	0.000%
Paul A. Crawford	-	-	676	21,800	22,476	3.008%
Peter H. Hwang	20,000	-	-	1,800	21,800	0.000%
	233,486	13,462	2,028	42,814	291,790	0.695%

(i) Represents the percentage of total remuneration represented by options.

Amounts shown as equity settled options reflect the current year's amortised expense of options granted. The grant of the options to the Directors is intended to act as a strong incentive to align the interests of the Directors with the Company's strategic plan, focusing on seeking improved performance, the growth of the Company and better returns for shareholders.

Options granted as remuneration (audited)

In the current year the Company issued equity based performance remuneration to the Managing Director, in the form of share options. These were long term incentives to better align the interests of the Company and Mr Young. This was approved by the shareholders at the 2008 Annual General Meeting. Details of these options and remuneration options granted in prior years are summarised below.

Key Management Personnel	Vested No.	Granted No.	Grant Date	Value per Option at Grant Date	Total Value	Terms & Conditions of Grant		
						Exercise price	First Exercise Date	Last Exercise Date
D I Young	200,000	200,000	20.11.2006	3.37 cents	\$6,740	25 cents	20.11.06	20.11.11
D I Young	200,000	200,000	27.11.2008	0.60 cents	\$1,200	15 cents	27.11.08	26.11.13
PA Crawford	100,000	100,000	20.11.2006	3.37 cents	\$3,370	25 cents	20.11.06	20.11.11

All options vested immediately and expire within 5 years of granting. All options were granted for nil consideration. There have not been any alterations to the terms and conditions of any options since grant date. The options entitle the holder to one ordinary share in the Company for each option held.

No options have been exercised in the current year that were granted as compensation in prior years. No options lapsed or were forfeited during the year.

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DIRECTORS' REPORT

Employment Contract of Managing Director (audited)

The contract for service between the Company and the Managing Director was renewed in 2008 for an additional period of 3 years, ending April 2011 and provides for annual review of the compensation value. The agreement is subject to renewal at the end of the period. The terms of this agreement are not expected to change in the immediate future.

The Company may terminate the Managing Director's contract without cause by giving 3 months' notice. If terminated without cause, the Managing Director is entitled to payment of accrued entitlements, together with the payout of the remaining term of the contract, subject to a minimum payment of \$100,000. Termination payments are not payable on resignation or serious misconduct. In the case of serious misconduct the Company can terminate employment at any time.

Company performance, shareholder wealth and director and executive remuneration (audited)

As outlined above, the Company's remuneration policy seeks to align Directors' and executives' objectives with shareholders and business, whilst recognising the developmental stage of the Company. The following table shows some key performance data of the Company for the last 4 years, together with the share price at the end of the respective financial years.

	2006	2007	2008	2009
Exploration expenditure (\$)	372,409	586,698	1,072,275	1,251,974
Exploration tenements (no.)	7	10	16	13
Net assets (\$)	2,973,902	2,777,259	2,353,621	2,373,383
Share Price at Year-end (\$)	0.14	0.13	0.08	0.068
Dividends Paid (\$)	NIL	NIL	NIL	NIL

13. Indemnifying Officers and Auditor

During the financial year the Company has entered into a Deed with each of the Directors whereby the Company has agreed to provide certain indemnities to each Director to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain Directors and officers indemnity insurance, subject to such insurance being available at reasonable commercial terms.

In the interest of maximising the exploration value of shareholders funds, at the date of this report Directors have elected not to implement Directors and officers' indemnity insurance.

The Company has not given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums in respect of any person who is or has been an auditor of the Company or a related body corporate during the year and up to the date of this report.

14. Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of ActivEX Limited support and where practicable or appropriate have adhered to the ASX Principles of Corporate Governance. The Company's corporate governance statement is contained within this annual report.

15. Options

At the date of this report, the unissued ordinary shares of the Company under options are as follows:-

Grant Date	Expiry Date	Exercise Price	No. Under Option
20 November 2006	20 November 2011	\$0.25	450,000
1 January 2008	31 August 2012	\$0.25	150,000
27 November 2008	27 November 2013	\$0.15	200,000

DIRECTORS' REPORT

Grant Date	Expiry Date	Exercise Price	No. Under Option
27 November 2008	30 September 2010	\$0.12	750,000
1 January 2009	31 December 2013	\$0.12	600,000
30 July 2009	31 July 2010	\$0.08	15,800,362

No person entitled to exercise these options had or has any right by virtue of the options to participate in any share issue of any other body corporate.

No options were exercised during the year. Since the end of the financial year the Company has issued 6,250 new fully paid ordinary shares, pursuant to the exercise of options granted under the July 2009 bonus options issue. During the period 15,194,361 options, exercisable at \$0.20 expired.

16. Environmental Issues

The Company's operations are subject to environmental regulation under the law of the Commonwealth and the State of Queensland.

The Directors monitor the Company's compliance with environmental regulation under the law of Queensland, in relation to its exploration activities. The Directors are not aware of any compliance breach arising during the year and up to the date of this report.

17. Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

18. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2009 has been received and is attached to the Directors' Report.

The Company's auditors did not perform any non-audit services during the year.

Signed in accordance with a resolution of Directors.



Ian C. Daymond
Chairman



Douglas I. Young
Managing Director

Signed: 29 September 2009
Brisbane, Queensland

Lead Auditor's Independence Declaration
Under Section 307C of the *Corporations Act 2001*

To the Directors of ActivEX Limited

As lead auditor for the audit of ActivEX Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions to the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hayes Knight Audit (Qld) Pty Ltd

Hayes Knight Audit (Qld) Pty Ltd

Nigel Bamford

N D Bamford
Director

Date: 29 September 2009

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INCOME STATEMENT
for the year ended 30 June 2009

	Note	2009 \$	2008 \$
Revenue and other income	2	22,390	94,437
Less expenses:	3		
Corporate & administrative expenses		(283,783)	(248,339)
Employee benefits expense		(112,065)	(103,123)
Occupancy costs		(63,295)	(55,701)
Current year exploration & evaluation expenditure written-off		(86,502)	(89,106)
Capitalised exploration & evaluation expenditure written-off		(63,740)	(25,217)
Loss before income tax expense		(586,995)	(427,049)
Income tax expense	4	-	-
Loss for the year		(586,995)	(427,049)
Loss attributable to members of the Company		(586,995)	(427,049)
Basic earnings per share (cents per share)	22	(1.66)	(1.41)
Diluted earnings per share (cents per share)	22	(1.66)	(1.41)
Dividends per share (cents per share)		-	-

The accompanying notes form part of these financial statements.

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BALANCE SHEET

As at 30 June 2009

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,133,291	688,339
Trade and other receivables	6	211,368	210,603
Other	7	37,978	36,328
Total Current Assets		1,382,637	935,270
NON-CURRENT ASSETS			
Property, plant and equipment	8	124,294	87,569
Exploration and evaluation assets	9	2,022,062	1,521,851
Other receivables	6	35,000	35,300
Total Non-Current Assets		2,181,356	1,644,720
TOTAL ASSETS		3,563,993	2,579,990
CURRENT LIABILITIES			
Trade and other payables	10	1,190,610	226,369
Total Current Liabilities		1,190,610	226,369
TOTAL LIABILITIES		1,190,610	226,369
NET ASSETS		2,373,383	2,353,621
EQUITY			
Issued Capital	11	3,785,714	3,196,964
Reserves	12	153,195	135,188
Retained Earnings		(1,565,526)	(978,531)
TOTAL EQUITY		2,373,383	2,353,621

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2009

	Note	Share Capital \$	Option Reserve \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2007		3,196,964	131,777	(551,482)	2,777,259
Share based payment - Company share option plan		-	3,411	-	3,411
Loss attributable to members of entity		-	-	(427,049)	(427,049)
Balance at 30 June 2008		3,196,964	135,188	(978,531)	2,353,621
Shares issued during the period	11	615,000	-	-	615,000
Transaction Costs		(26,250)	-	-	(26,250)
Options issued during the period	11	-	13,500	-	13,500
Share based payment - Company share option plan	11	-	4,507	-	4,507
		-	-	(586,995)	(586,995)
Loss attributable to members of entity					
Balance at 30 June 2009		3,785,714	153,195	(1,565,526)	2,373,383

The accompanying notes form part of these financial statements.

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CASH FLOW STATEMENT

for the year ended 30 June 2009

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(544,280)	(651,204)
Interest received		22,390	94,437
Net cash provided by (used in) operating activities	13	<u>(521,890)</u>	<u>(556,767)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capitalised exploration expenditure	9	(1,004,651)	(983,169)
Earn-in contribution by joint venture partner	9	530,700	271,796
Purchase of property, plant and equipment	8	(96,175)	(26,863)
Net cash provided by (used in) investing activities		<u>(570,126)</u>	<u>(738,236)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	11	525,000	-
Costs associated with shares issue	11	(12,750)	-
Proceeds from capital subscriptions in advance	11	1,024,718	-
Net cash provided by (used in) financing activities		<u>1,536,968</u>	<u>-</u>
Net increase/(decrease) in cash held		444,952	(1,295,003)
Cash at beginning of year		688,339	1,983,342
Cash at 30 June 2009	5	<u>1,133,291</u>	<u>688,339</u>

The accompanying notes form part of these financial statements.

ACTIVEX LIMITED

ABN 11 113 452 896

Notes to the Financial Statements for the financial year ended 30 June 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the economic entity of ActivEX Limited. ActivEX Limited is a listed public company, incorporated and domiciled in Australia. The financial report has been prepared on an accruals basis and is based on historical cost modified by the revaluation of selected non-current assets, financial assets and liabilities for which the fair value basis of accounting has been applied.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Continued Operations and Future Funding

The financial report has been prepared on a going concern basis that contemplates the continuity of normal operating activities and the realisation of assets and settlement of liabilities in the normal course of business.

At 30 June 2009, the Company's balance sheet shows total assets of \$3,563,993, total liabilities of \$1,190,610 and net assets of \$2,373,383, including cash assets of \$1,133,291. Conditions of exploration permits held include minimum expenditure commitments. Committed expenditure in the next 12 months totals \$1,017,100.

The Company undertakes exploration activity on a number of projects. Historically, this activity has been financed by equity and joint ventures. The Company's ability to continue with these planned exploration activities is dependent on having finance available. For that purpose, the Company will need to raise further funds in next 12 months.

Since balance date, the Company has completed a 1 for 5 bonus issue of options to shareholders, resulting in the issue of 15,806,612 options. Options are exercisable at \$0.08 each prior to 31 July 2010. If these options are exercised, an additional \$1,264,529 cash would be raised. On the basis of completing currently planned activities, further funds will also need to be raised. Directors are confident that funding initiatives will be successful, however no commitment has yet been made as to the source of any additional funding.

Directors have formed the view that it is appropriate to prepare the financial report on a going concern basis.

Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

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Notes to the Financial Statements for the financial year ended 30 June 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Property, Plant and Equipment

Each class of property, plant and equipment is brought to account at cost or fair value less, where applicable, any accumulated depreciation or amortisation, and impairment losses.

Plant and equipment:

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for plant and equipment are in the range between 20% and 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is recognised as exploration and evaluation assets, measured on the cost basis and classified as an intangible asset. The expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that rights of tenure are current and either they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Where the Company has entered into joint venture agreements on its areas of interest, the earn-in contribution by the joint venture partner is offset against expenditure incurred. Earn-in contributions paid, or expenditure commitments incurred by the Company to acquire a joint venture interest are expensed when incurred up to the time an interest is acquired.

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Notes to the Financial Statements for the financial year ended 30 June 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Restoration Costs

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the exploration and mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site

The Company currently has no obligation for any restoration costs in relation to discontinued operations, nor is it currently liable for any future restoration costs in relation to current areas of interest. Consequently, no provision for restoration has been deemed necessary.

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged

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Notes to the Financial Statements for the financial year ended 30 June 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than 3 months.

Equity Settled Payments

The Company makes equity-settled share-based payments to directors, employees and other parties for services provided or the acquisition of exploration assets. The fair value of the equity is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a binomial lattice pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each

reporting date such that the amount recognised for director and employee services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the fair market value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within 1 year, have been measured at the amounts expected to be paid when the liability is settled, plus related oncosts. Employee benefits payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Issued Capital

Ordinary shares are classified as equity. Transaction costs (net of tax where the deduction can be utilised) arising on the issue of ordinary shares are recognised in equity as a reduction of the share proceeds received.

Where share application monies have been received, but the shares have not been allotted, these monies are shown as a payable in the balance sheet.

Shareholder options are classified as equity and issue proceeds are taken up in the Option Reserve. Transaction costs (net of tax where the deduction can be utilised) arising on the issue of options are recognised in equity as a reduction of the option proceeds received. When these options are exercised, the relevant balance in the Reserve is transferred to issued capital.

ACTIVEX LIMITED

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Notes to the Financial Statements for the financial year ended 30 June 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis except for the GST component of investing activities which are disclosed as operating cash flows.

Comparative Figures and Financial Period

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Earnings per Share (EPS)

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The Company makes estimates and judgements in applying the accounting policies. Critical judgements in respect of accounting policies relate to the exploration and evaluation assets, whereby exploration and evaluation expenditure is capitalised in certain circumstances. Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or sale, of the respective areas of interest.

New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these standards.

The following standards and amendments to standards have been identified as those which may impact on the Company in the period of initial application:

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). AASB 8 replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the Company's Board for the purposes of decision making. This change is not expected to materially affect the Company.

AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Company.

AASB 2008-1: Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing from 1 January 2009). This amendment to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purposes of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or by another party.

AASB 2008-5: Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-5) and AASB 2008-6: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008) (AASB 2008-6) detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Company.

NOTE 2: REVENUE & OTHER INCOME

	2009	2008
	\$	\$
Revenue from operating activities:		
Interest received from other persons	22,390	94,437

NOTE 3: EXPENSES

Included in expenses are the following items:

Exploration expenditure expensed during year	86,502	89,106
Capitalised exploration & evaluation expenditure written-off	63,740	25,217
Depreciation & amortisation	59,450	41,342
Rental expense on operating leases	58,447	52,529

NOTE 4: INCOME TAX EXPENSE

The prima facie tax on the operating loss is reconciled to income tax expense as follows:

Prima facie tax payable/(benefit) on loss from ordinary activities before income tax at 30% (2008: 30%).	(176,098)	(128,115)
Adjust for tax effect of:		
Non-deductible amounts	1,364	1,024
Tax losses and temporary differences not brought to account	174,734	127,091
Income tax expense/(benefit) attributable to entity	-	-
Weighted average effective tax rate	0.00%	0.00%

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 4: INCOME TAX EXPENSE (continued)**

Deferred tax assets and liabilities not brought to account, the net benefit of which will only be realised if the conditions for deductibility set out in Note 1 occur.

	2009 \$	2008 \$
Temporary differences (comprising exploration expenditure and provisions)	(727,246)	(596,596)
Tax losses	1,182,116	832,558
	454,870	235,962

The Company has unconfirmed carry forward losses of approximately \$3,940,000 (2008: \$2,775,000).

NOTE 5: CASH AND CASH EQUIVALENTS

Cash at bank and on hand	1,133,291	188,339
Short term deposits	-	500,000
	1,133,291	688,339

NOTE 6: TRADE AND OTHER RECEIVABLES**Current:**

Other receivables	211,368	210,603
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Non-current:

Deposits	35,000	35,300
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There are no balances within trade and other receivables that contain assets that are impaired or are past due. It is expected these balances will be received when due. Impaired assets are provided for in full. There are no balances with terms that have been renegotiated, but which would otherwise be past due or impaired.

Credit Risk – Trade and Other Receivables

The Company has a significant concentration of credit risk with respect to a single counter party in relation to the reimbursement of expenditure incurred by the Company on behalf of a joint venture partner. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Company.

	2009 \$	2008 \$
NOTE 7: OTHER ASSETS		
Current:		
Prepayments	37,978	36,328

NOTE 8: PLANT AND EQUIPMENT**Plant and equipment**

At cost	247,447	151,272
Accumulated depreciation	(123,153)	(63,703)
Total plant and equipment	124,294	87,569

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**Notes to the Financial Statements
for the financial year ended 30 June 2009**

NOTE 8: PLANT AND EQUIPMENT (continued)	2009	2008
	\$	\$
Reconciliation of the carrying amounts for property, plant and equipment is set out below:		
Balance at the beginning of year	87,569	102,048
Additions	96,175	26,863
Disposals	-	-
Depreciation expense	(59,450)	(41,342)
Carrying amount at the end of year	124,294	87,569

NOTE 9: EXPLORATION AND EVALUATION ASSET

Exploration and evaluation expenditure carried forward in respect of areas of interest are:

Exploration and evaluation phase - joint venture	210,418	-
Exploration and evaluation phase - other	1,811,644	1,521,851
	2,022,062	1,521,851

Movement in exploration and evaluation expenditure:

	Non-Joint Venture	
Opening balance - at cost	1,521,851	835,695
Transfer to joint venture	(210,418)	-
Capitalised exploration expenditure	634,772	983,169
Earn in contribution by joint venture partner	-	(271,796)
Government grants received	(70,821)	-
Capitalised exploration expenditure written-off	(63,740)	(25,217)
Carrying amount at end of year	1,811,644	1,521,851

Movement in exploration and evaluation expenditure:

	Subject to Joint Venture	
Opening balance - at cost	-	-
Transfer from other exploration to joint venture	210,418	-
Capitalised exploration expenditure	530,700	-
Earn in contribution by joint venture partner	(530,700)	-
Carrying amount at end of year	210,418	-

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development of projects, or alternatively, through the sale of the areas of interest.

Capitalised costs amounting to \$1,004,651 (2008: \$983,169) have been included in cashflows from investing activities in the Cash Flow Statement.

Two of the Company's exploration projects are subject to joint venture.

Boobyjan Joint Venture:

Under the joint venture agreement, Minotaur Investments Pty Ltd earned a 51% interest in the tenements by funding exploration. During the year, Minotaur contributed \$530,700 toward exploration expenditure on the joint venture area and advised that it had met the initial earn-in expenditure commitment through these contributions and other exploration activities undertaken directly by Minotaur.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 9: EXPLORATION AND EVALUATION ASSET (continued)**

Minotaur's interest can increase to 75% through the contribution of a further \$1,000,000 in the period to 24 November 2011. Mitsubishi Corporation and Mitsubishi Materials Corporation have a option to acquire 24% of this interest.

Barambah Joint Venture:

Under the joint venture agreement with Norton Goldfields Limited, entered into in April 2007, the Company can earn a minimum 50% interest in the tenements subject to the joint venture by spending \$250,000 on further exploration within 24 months after the commencement of the joint venture. The Company may not withdraw from the joint venture until it has spent a minimum of \$100,000. After

earning its initial interest in the joint venture tenements, the Company may elect to spend a further \$350,000 on exploration to earn an additional 25% interest. At balance date the Company had not earned any interest under the joint venture. During the year the Company incurred \$8,678 expenditure, which has been charged directly to the income statement. Total expenditure incurred under the joint venture is \$104,758.

Negotiations are in progress with Norton Goldfields, with a view to extending the terms of the joint venture to provide more time for the Company to acquire an interest under the joint venture. If these negotiations are unsuccessful there will be no impact on the carrying value of assets.

NOTE 10: TRADE & OTHER PAYABLES	2009	2008
	\$	\$
Current:		
Sundry payables and accrued expenses	97,804	182,492
Share subscriptions received (note 16)	1,024,718	-
Short term employee benefits	68,088	43,877
Total payables (unsecured)	1,190,610	226,369

NOTE 11: ISSUED CAPITAL

41,488,722 (2008: 30,388,722) fully paid ordinary shares	3,785,714	3,196,964
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Ordinary shares	No.	No.
Balance at the beginning of the reporting period	30,388,722	30,388,722
Shares issued during the year:		
30 September 2008	4,500,000	-
27 November 2008	1,000,000	-
20 April 2009	5,100,000	-
30 June 2009	500,000	-
Balance at reporting date	41,488,722	30,388,722

On 30 September 2008, the Company issued 4,500,000 shares at \$0.06 each as a placement to sophisticated investors.

On 27 November 2008 & 30 June 2009, the Company issued a total of 1,500,000 shares at \$0.06 each as consideration for option payments on the Lake Chandler project.

On 20 April 2009, the Company issued 5,100,000 shares at \$0.05 each as a placement arranged by Scintilla Capital.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 11: ISSUED CAPITAL (continued)**

At balance date the Company had received \$1,024,718 subscriptions for share capital, however the shares had not been issued at that date (see note 16).

Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par value shares. Accordingly, the Company does not have authorised capital or par value in respect of its issued shares.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital Management

Exploration companies such as ActivEX are funded exclusively by share capital. The Company has no debt. The Company's capital comprises its share capital supported by financial assets.

Management controls the capital of the Company to ensure that it can fund its operations and continue as a going concern. Capital management policy is to fund its exploration activities by way of equity. No dividend will be paid while the Company is in exploration stage. There are no externally imposed capital requirements.

There have been no changes to the capital management policies since the prior year.

Options**Options listed on Australian Securities Exchange**

	No.	No.
	-	15,194,361
Balance at the beginning of the reporting period	15,194,361	15,194,361
Expired during the year	(15,194,361)	-
Balance at reporting date	-	15,194,361

Unlisted Employee & Officer Options (see also note 17)

During the year, the Company granted options to employees, pursuant to the Company's Employee & Officers Share Option Plan. Details of options granted are as follows:

	No.	No.
Balance at the beginning of the reporting period	600,000	450,000
Options issued during the period:		
27 November 2008	200,000	150,000
1 January 2009	600,000	-
Balance at reporting date	1,400,000	600,000

The amount of the expense during the period in relation to these options is \$4,507 (2008: \$3,411). This amount has been credited to the Option Reserve.

Other Unlisted Options

During the year, the Company granted options as consideration for services rendered in relation to the capital raising, exercisable at \$0.12 per option, expiring on 30 September 2010. Details of options granted are as follows:

	No.	No.
Balance at beginning of period	-	-
Issued during the period:		
27 November 2008	750,000	-
Balance at reporting date	750,000	-

The amount of the expense during the period in relation to these options is \$13,500. This amount has been credited to the Option Reserve. These options were costed at the fair market value of the underwriting services received.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 11: ISSUED CAPITAL (continued)**

Other details of the employee options granted are:

Grant Date & Vesting	27/11/08	1/01/09
Options granted and vesting	200,000	600,000
Contractual Life of Options	5 years	5 years
The fair value of share options, calculated using a binomial option valuation model and assumptions for the year ended 30 June 2009:		
Fair value at grant date	0.60 cents	0.42 cents
Share price	5 cents	3.8 cents
Exercise price	15 cents	12 cents
Expected volatility (expressed as weighted average volatility used in the modelling under binomial lattice model)	39.43%	39.31%
Option life (expressed as weighted average life used in the modelling under binomial lattice model)	5 years	5 years
Expected dividends	nil	nil
Risk-free interest rate (based on government bonds)	5.75%	5.75%
Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements, which may not eventuate.		

NOTE 12: RESERVES**Options Reserve**

The options reserve records the amounts recognised as expenses on valuation of employee share options, equity based payments for services and the net proceeds from the issue of entitlement options to all shareholders.

NOTE 13: CASH FLOW INFORMATION

	2009	2008
	\$	\$
Reconciliation of Cash Flow from Operations with Loss after Income Tax:		
Loss from ordinary activities after income tax	(586,995)	(427,049)
Non-cash flows in loss from ordinary activities:		
Depreciation	59,450	41,342
Employee options expense	4,507	3,411
Write-off of exploration & evaluation expenditure	63,740	25,217
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(465)	(194,695)
(Increase)/Decrease in prepayments	(1,650)	(36,328)
(Decrease)/Increase in creditors and accruals	(60,477)	31,335
Cash flows from operations	(521,890)	(556,767)

Non-cash Financing and Investing Activities**Equity Issues:**

During the year, the Company issued a total of 1,500,000 shares, representing \$90,000 as consideration for option payments due under the Lake Chandler acquisition agreement.

The Company also issued 750,000 options, valued at \$13,500 as consideration for services rendered in relation to a capital raising.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 14: RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

Key Management Personnel transactions with the Company

Key Management Personnel compensation and equity interests are detailed in note 21.

During the period the Company agreed to pay Cambridge Business & Corporate Services, an entity controlled by Mr Paul Crawford, a director of the Company, professional fees of \$52,891 (2008:\$33,449) for accounting, Company secretarial and other services provided to the entity. The amount owing by the Company at 30 June is \$6,680 (2008: nil).

During the period the Company agreed to pay Findex Pty Ltd, an entity controlled by Mr Doug Young, a director of the Company, vehicle hire fees of \$2,673 (2008: \$5,117) for use of its motor vehicle for fieldwork. No amount is owing by the Company at 30 June 2009 (2008: \$3,780).

In a previous financial year, the Company entered into a net smelter return royalty deed with Findex Pty Ltd for the payment by the Company to Findex of a 2.5% net smelter royalty on the proceeds of mineral production from the Florence Creek tenement area. The area is still in exploration phase, consequently there are no royalty payments due.

	2009	2008
	\$	\$

NOTE 15: COMMITMENTS**(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements, payable:

Not later than 1 year	31,993	55,611
Later than 1 year but not later than 5 years	-	31,993
Total commitment	31,993	87,604

The property lease is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by the greater of CPI or 4% per annum.

(b) Exploration Commitments

The entity must meet minimum expenditure commitments in relation to granted exploration tenements to maintain those tenements in good standing. If the relevant mineral tenement is relinquished the expenditure commitment also ceases.

The following commitments exist at balance date but have not been brought to account.

Not later than 1 year	1,017,100	865,000
Later than 1 year but not later than 5 years	1,427,400	1,920,000
Total commitment	2,444,500	2,785,000

The Company has successfully applied for grants totalling up to \$175,000 (2008: \$95,000) from the Queensland Government, to assist in specific exploration activities. Receipt of these monies is expected over the next 12 months, subject to the Company meeting its exploration obligations.

In addition to the above tenement commitments, the Company has exploration joint venture earn-in commitments as follows:

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 15: COMMITMENTS (continued)**

	2009 \$	2008 \$
Not later than 1 year	-	3,920
Later than 1 year but not later than 5 years	-	-
Total commitment	-	3,920

(c) Capital expenditure Commitments

Capital expenditure commitments contracted for:

Plant and equipment purchases payable:		
Not later than 1 year	-	47,727
Later than 1 year but not later than 5 years	-	-
Total commitment	-	47,727

NOTE 16: EVENTS AFTER BALANCE SHEET DATE

Since the end of the financial year the Company has completed a 1 for 2 non-renounceable rights issue, resulting the issue of 20,494,361 shares at \$0.05 each to raise \$1,024,718. The funds will be applied to working capital and to enable the Company to evaluate potential projects and activities. Subscription monies had been received at balance date, but the shares had not been issued (see note 10).

Since the end of the financial year the Company has also completed a 1 for 5 bonus issue of options to shareholders, resulting in the issue of 15,806,612 options. Options were issued at no cost and are exercisable at \$0.08 each prior to 31 July 2010. The options are listed on the Australian Securities Exchange.

Since the end of the financial year the Company has issued 6,250 new fully paid ordinary shares, pursuant to the exercise of options granted under the bonus options issued outlined above.

The financial report was authorised for issue on 29 September 2009 by the Board of Directors.

NOTE 17: SHARE BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2009:

The Company had 600,000 share options on issue at the start of the year, being options issued during the 2007 and 2008 financial years. Options were granted under the Company's Employees and Officers Share Option Plan with an exercise price \$0.25 with 450,000 options expiring November 2011 and 150,000 options expiring August 2012.

During the year, 800,000 (2008:150,000) share options were granted under the Company's Employees and Officers Share Purchase Plan to take up ordinary shares. Refer to Note 11 for more details.

The Company established the ActivEX Limited Employees and Officers Share Option Plan on 11 April 2005. All directors, officers, employees and senior consultants (whether full- or part-time) will be eligible to participate in the Plan after a qualifying period of 12 months employment by the Company or its subsidiaries. The allocation of options under the Plan is at the discretion of the Board. The exercise price of options will be determined by the Board and will be equal to, or higher than the market value of the Company's shares at the time the Board resolves to issue the options. The total number of shares the subject of options issued under the Plan, when aggregated with other options issued under the Plan during the previous five years must not exceed five per cent of the Company's issued share capital at the time.

During the year, 750,000 share options were granted for services rendered in relation to a capital raising, with an exercise price of \$0.12 expiring September 2010.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 17: SHARE BASED PAYMENTS**

All options granted are over ordinary shares in ActivEX Limited, which confer a right of one ordinary share per option. The options hold no voting or dividend rights. These options are summarised as:

	2009		2008	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
	No	\$	No	\$
Outstanding at the start of the year	600,000	0.250	450,000	0.25
Granted	1,550,000	0.124	150,000	0.25
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	2,150,000	0.159	600,000	0.25
Exercisable & vested at year-end	2,150,000	0.159	600,000	0.25

Options outstanding at 30 June 2009 had a weighted average exercise price of \$0.159 and a weighted average remaining contractual life of 2.8 years. Refer to Note 11 regarding assessment of fair value of options granted.

NOTE 18: SEGMENT REPORTING

The Company operates entirely in the mineral exploration industry, within Australia.

NOTE 19: AUDITORS' REMUNERATION

	2009	2008
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial report	16,350	15,740

No fees were paid for non-audit services.

NOTE 20: CONTINGENT LIABILITIES

The Company has an option to purchase Mining Lease M77/22 (Lake Chandler). The purchase price payable under the option is \$600,000 to be satisfied by the issue of 10,000,000 ordinary shares, less the 1,000,000 shares issued on entering the option and an additional 500,000 shares for a 6 month extension period to 20 October 2009.

There were no other material contingent liabilities at the end of the reporting period.

NOTE 21: KEY MANAGEMENT PERSONNEL COMPENSATION & EQUITY

The names of key management personnel of the entity who have held office during the financial year are:

(a) Key Management Person	Position
Ian C. Daymond	Chairman
Douglas I. Young	Managing Director - Executive
Paul A. Crawford	Director - Non-Executive
Peter H. Hwang	Director - Non-Executive (resigned 16 March 2009)

Other than the directors, the Company has no Key Management Personnel.

Detailed disclosures on compensation for key management personnel are set out in the Remuneration Report included in the Directors' Report.

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**Notes to the Financial Statements
for the financial year ended 30 June 2009**

NOTE 21: KEY MANAGEMENT PERSONNEL COMPENSATION & EQUITY (continued)

(b) Key Management Personnel Compensation	2009	2008
	\$	\$
Short-term employee benefits	209,354	246,948
Post-employment benefits	36,835	42,814
Other long-term benefits	-	-
Share-based payments	2,509	2,028
	<u>248,698</u>	<u>291,790</u>

(c) Number of shares held by Key Management Personnel (i)

2009	Balance 1 July 2008	Compen- sation (ii)	Options Exercised	Purchased / (Sold)	Balance 30 June 2009
Ian C Daymond	150,000	-	-	100,000	250,000
Douglas I. Young	8,025,002	-	-	110,000	8,135,002
Paul A. Crawford	370,000	-	-	-	370,000
Peter H. Hwang (iii)	240,000	-	-	-	240,000
Total	<u>8,785,002</u>	<u>-</u>	<u>-</u>	<u>210,000</u>	<u>8,995,002</u>

2008	Balance 1 July 2007	Compen- sation (ii)	Options Exercised	Purchased / (Sold)	Balance 30 June 2008
Ian C Daymond	150,000	-	-	-	150,000
Douglas I. Young	8,025,002	-	-	-	8,025,002
Paul A. Crawford	370,000	-	-	-	370,000
Peter H. Hwang	240,000	-	-	-	240,000
Total	<u>8,785,002</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,785,002</u>

(i) Represents shares held directly, indirectly or beneficially.

(ii) The Company does not issue shares as a form of remuneration.

(iii) Shares held at date of resignation.

(d) Number of options held by Key Management Personnel (i)

2009	Balance 1 July 2008	Compen- sation (e)	Options Exercised	Options Expired	Balance 30 June 2009	Total Vested	Total Exercis- able
Ian C Daymond	75,000	-	-	(75,000)	-	-	-
Douglas I. Young	2,712,500	200,000	-	(2,512,500)	400,000	400,000	400,000
Paul A. Crawford	285,000	-	-	(185,000)	100,000	100,000	100,000
Peter H. Hwang	120,000	-	-	(120,000)	-	-	-
Total	<u>3,192,500</u>	<u>200,000</u>	<u>-</u>	<u>(2,892,500)</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>

2008	Balance 1 July 2007	Compen- sation (e)	Options Exercised	Options Expired	Balance 30 June 2008	Total Vested	Total Exercis- able
Ian C Daymond	75,000	-	-	-	75,000	75,000	75,000
Douglas I. Young	2,712,500	-	-	-	2,712,500	2,712,500	2,712,500
Paul A. Crawford	285,000	-	-	-	285,000	285,000	285,000
Peter H. Hwang	120,000	-	-	-	120,000	120,000	120,000
Total	<u>3,192,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,192,500</u>	<u>3,192,500</u>	<u>3,192,500</u>

(i) Represents options held directly, indirectly or beneficially.

ACTIVEX LIMITED

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 21: KEY MANAGEMENT PERSONNEL COMPENSATION & EQUITY (continued)****(e) Compensation Options**

Details of options provided as compensation for key management personnel are set out in the Remuneration Report included in the Directors' Report.

(f) Shares Issued on Exercise of Compensation Options

No shares were issued on the exercise of compensation options during the reporting period.

NOTE 22: EARNINGS PER SHARE

	2009	2008
	\$	\$
Net loss used to calculate basic and dilutive EPS	586,995	427,049
	No	No
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	35,335,571	30,388,722
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares outstanding during the period used in the calculation of dilutive EPS	35,335,571	30,388,722

Since the end of the financial year the Company issued shares and options. Refer to Note 16.

Options to acquire ordinary shares in the parent entity and the issues subsequent to balance date, are the only securities considered as potential ordinary shares in determination of diluted EPS. These securities are not presently dilutive and have been excluded from the calculation of diluted EPS.

NOTE 23: FINANCIAL INSTRUMENTS**(a) Financial Risk Management Policies**

The Company's financial instruments comprise deposits with banks, accounts receivable and payable. The main purpose of these financial instruments is to provide finance for Company operations.

Treasury Risk Management

A finance committee consisting of key management of the Company meet on a regular basis to analyse exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the risk management policies and reports to the Board.

Financial Risks

The main risks the Company is exposed to through its financial instruments are interest rate risk, credit risk and liquidity risk. These risks are managed through monitoring of forecast cashflows, interest rates, economic conditions and ensuring adequate funds are available.

Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, arises in relation to the Company's bank balances.

This risk is managed through the use of variable rate bank accounts.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able meet its financial obligations as they fall due. This risk is managed by ensuring, to the extent possible, that there is sufficient liquidity to meet liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's activities are funded from equity sources.

ACTIVEX LIMITED

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**Notes to the Financial Statements
for the financial year ended 30 June 2009****NOTE 23: FINANCIAL INSTRUMENTS (continued)****Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk arises from exposures to deposits with financial institutions and sundry receivables.

Credit risk is managed and reviewed regularly by the finance committee. It arises from exposures to joint venture partner receivables and through deposits with financial institutions. The finance committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an 'A' rating are utilised; and
- all joint venture partners are rated for credit worthiness taking into account their size, market position and financial standing.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

At 30 June 2009, there was a concentration of credit risk in that \$184,706 (2008: \$190,095) is receivable from Minotaur Investments Pty Ltd, a joint venture partner.

(b) Financial instrument composition and contractual maturity analysis

Financial assets:

	2009	2008
	\$	\$
Within 6 months		
- cash & cash equivalents (a)	1,133,291	688,339
- receivables (b)	211,368	210,603
	1,344,659	898,942
1 - 2 years		
- receivables (b)	35,000	35,300
Total	1,379,659	934,242

Financial liabilities:

Within 6 months		
- payables (b)	1,190,610	226,369

(a) Floating interest rates, with weighted average effective interest rate 3.8% (2007: 7.2%).

(b) Non-interest bearing.

(c) Net Fair Values

No financial assets or liabilities are readily traded on organised markets in a standardised form.

Financial assets where the carrying amount exceeds net fair values have not been written down, as the Company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and liabilities are disclosed in the balance sheet and notes to the financial statements. Fair values are materially in line with carrying values.

(d) Sensitivity Analysis

The Company has performed sensitivity analysis relating to its exposure to interest rate risk. At year end, the effect on profit and equity as a result of a 1% change in the interest rate, with all other variables remaining constant would be +/- \$11,333 (2008: \$6,883).

NOTE 24: COMPANY DETAILS

The registered office and principal place of business is:

117 Quay Street
Brisbane Qld 4000

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2009 and of the performance of the Company for the year ended on that date.
2. The Chief Executive Officer and Chief Finance Officer have each declared that:
 - (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (c) the financial statements and notes for the financial year give a true and fair view.
3. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Ian C. Daymond
Chairman



Douglas I Young
Managing Director

Dated this: 29th day of September 2009

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTIVEX LIMITED

Report on the Financial Report

We have audited the accompanying financial report of ActivEX Limited (the company) which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the 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 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. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of ActivEX Limited as attached to the directors' report, has not changed as at the date of this auditor's report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTIVEX LIMITED (continued)

Auditor's Opinion

In our opinion:

- a. the financial report of ActivEX Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Inherent Uncertainty – Continued Operations and Future Funding

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the company's ability to continue with its planned exploration activities is dependent on having finance available.

As indicated in the note, at balance date the company had cash assets of \$1,133,291 and committed exploration expenditure in the next 12 months of \$1,017,100. Since balance date the company has completed a bonus issue of options to shareholders. If these options are exercised, an additional \$1,264,529 cash would be raised before 31 July 2010. On the basis of completing currently planned activities, further funds will also need to be raised. Directors are confident that funding initiatives will be successful, however no commitment has yet been made as to the source of any additional funding. The Directors have formed the view that it is appropriate to prepare the financial report on a going concern basis.

The outcome of the initiatives taken by Directors cannot presently be determined with any certainty. The company's ability to continue as a going concern will be dependent on obtaining future finance.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of ActivEX Limited for the year ended 30 June 2009 complies with section 300A of the *Corporations Act 2001*.



Hayes Knight Audit (Qld) Pty Ltd



ND Bamford
Director

Level 19, 127 Creek Street,
Brisbane, QLD, 4000
Date: 29 September 2009

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ASX INFORMATION

Following is additional information required by the Australian Stock Exchange Limited and not disclosed elsewhere in this report.

1. Shareholding:

The following information is provided as at 20 October 2009.

Distribution of Shareholders Number

Category Number (Size of Holding)	Ordinary Shares (Number)	Listed Options (Number)
1 - 1,000	3	19
1,001 - 5,000	16	140
5,001 - 10,000	72	60
10,001 - 100,000	180	106
100,001 - and over	82	18
	353	343

The number of shareholdings held in less than marketable parcels is 19.

Twenty Largest Holders - Ordinary Shares

		Number of Shares Held	% of Total Issued Capital
1	Findex Pty Ltd	8,600,002	13.87
2	Slade Technologies Pty Ltd <Embrey Family Superfund A/C>	4,189,433	6.76
3	Kesli Chemicals Pty Ltd <Ruane S/F A/C>	4,065,137	6.56
4	Scintilla Strategic Investments Limited	3,565,000	5.75
5	Intermin Resources Ltd	3,515,000	5.67
6	Tyson Resources Pty Ltd	3,000,000	4.84
7	Minotaur Resources Investments Pty Ltd	2,000,000	3.23
8	Mr Michael Ruane	1,745,000	2.81
9	Clodene Pty Ltd	1,443,516	2.33
10	Calama Holdings Pty Ltd <Mambat Super Fund A/C>	1,043,516	1.68
11	Mr John Michael Corbett	1,013,500	1.63
12	Romulus Pty Ltd <John Sendziuk S/F A/C>	900,000	1.45
13	Marekar Pty Ltd <Marekar A/C>	840,000	1.36
14	R C Sadleir Pty Ltd	750,000	1.21
15	Leejames Nominees Pty Ltd <The Hepburn Super Fund A/C>	600,000	0.97
16	Mr Paul Anthony Crawford + Ms Robyn Lynelle Crawford <Kuratyn Super Fund A/C>	555,000	0.9
17	Agreg Pty Ltd <Minton Super Fund A/C>	500,000	0.81
18	Gregory J Wood & Associates Pty Ltd <The G J Wood Family A/C>	500,000	0.81
19	Saracen Mineral Holdings Limited	500,000	0.81
20	Wisevest Pty Ltd	500,000	0.81
		39,825,104	64.26

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ASX INFORMATION

Twenty Largest Holders – Listed Options expiring 20 October 2009

		Number of Options Held	% of Total Options
1	Imperium Nominees Pty Ltd	3,565,194	22.57
2	Findex Pty Ltd	1,720,000	10.89
3	Slade Technologies Pty Ltd <Embrey Family Superfund A/C>	837,886	5.30
4	Scintilla Strategic Investments Limited	763,000	4.83
5	Intermin Resources Ltd	600,000	3.80
6	Tyson Resources Pty Ltd	600,000	3.80
7	Kesli Chemicals Pty Ltd <Ruane S/F A/C>	538,027	3.41
8	Clodene Pty Ltd	408,703	2.59
9	Minotaur Resources Investments Pty Ltd	400,000	2.53
10	Mr Michael Ruane	389,000	2.46
11	Mr Roy Peter Wiseman & Mr Benjamin Adam Wiseman <The Wiseman Super Fund A/C>	300,000	1.90
12	Calama Holdings Pty Ltd <Mambat Super Fund A/C>	208,703	1.32
13	Wiseman Corporation Pty Ltd <R P Wiseman Family A/C>	200,000	1.27
14	Marekar Pty Ltd <Marekar A/C>	168,000	1.06
15	R C Sadleir Pty Ltd	150,000	0.95
16	Leejames Nominees Pty Ltd <The Hepburn Super Fund A/C>	120,000	0.76
17	Mr Paul Anthony Crawford & Ms Robyn Lynelle Crawford <Kuratyn Super Fund A/C>	111,000	0.70
18	Mr Nicholas George Nahlous	102,603	0.65
19	Agreg Pty Ltd <Minton Super Fund A/C>	100,00	0.63
20	Saracen Mineral Holdings Limited	100,000	0.63
		11,382,116	72.05

The names of the substantial shareholders listed in the Company's register as at 20 October 2009

Shareholder	Number of Shares Held	% of Issued Capital
Michael Ruane	12,325,137	19.88
Findex Pty Ltd	8,600,002	13.87
Slade Technologies Pty Ltd <Embrey Family Superfund A/C>	4,189,433	6.76
Scintilla Strategic Investments Limited	4,189,433	6.76

Voting Rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting has one vote on a show of hands.

There are no voting rights attaching to the Options, but voting rights as detailed above will attach to the ordinary shares issued when the Options are exercised.

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ASX INFORMATION

2. Registers of securities are held at the following address:

Computershare Investor Services Pty Limited
Level 19
307 Queen Street
Brisbane Qld 4000 Australia

3. Securities Exchange Listing

Quotation has been granted for all the ordinary shares and options issued to shareholders pursuant to a bonus issue of options by the Company on all Member Exchanges of the Australian Stock Exchange Limited.

Details of unlisted options are provided in the Directors' Report.

4. Restricted Securities

The Company has no restricted securities on issue.



TENEMENT SCHEDULE

Project	Name	Tenement	Grant	Expiry	ActivEX Holding	Size (km²)
QUEENSLAND						
Prospect Creek	Prospect Creek	EPM 14121	3 Aug 2005	2 Aug 2010	100%	156
	Westwood	EPM 15814	12 Dec 2006	11 Dec 2011	100%	157
Pentland	Pentland	EPM 14332	10 Dec 2004	9 Dec 2009	100%	220
	Oxley Creek	EPM 15055	11 Jan 2006	10 Jan 2011	100%	213
	Norwood South	EPM 15185	3 Aug 2006	2 Aug 2011	100%	116
Lake Monduran	Lake Monduran	EPM 14378	1 Aug 2005	31 Jul 2010	100%	81
Boobyjan	Boobyjan	EPM 14476	8 Jun 2004	7 Jun 2009	ActivEX Limited 49%, Minotaur Exploration Ltd 51% (Mitsubishi earning up to 24%)	80
	Dadamarine	EPM 14979	12 Apr 2005	11 Apr 2010		65
Barambah	Barambah	EPM 14937	14 Mar 2005	13 Mar 2009	Norton Gold Fields 100%, ActivEX earning up to 75%	34
Cloncurry	Florence Creek	EPM 15285	30 Oct 2007	29 Oct 2012	100%	163
	Malbon	EPM 17313	Application – priority		100%	51
	Camel Hill	EPM 17454	Application – competitive		100%	26
	Malbon East	EPM 17648	Application – competitive		100%	10
	Selwyn Road	EPM 17652	Application – competitive		100%	6
	Company Hole	EPM 17653	Application – competitive		100%	26
	Florence Flats	EPM 17805	Application – priority		100%	19
	Bulonga	EPM 18053	Application – competitive		100%	93
	Selwyn East	EPM 18073	Application – priority		100%	211
Esk Trough	Blairmore	EPM 16265	4 Sep 2007	3 Sep 2012	100%	155
	Ban Ban	EPM 16327	31 Jul 2007	30 Jul 2012	100%	62
	Elginvale	EPM 17092	30 Jun 2009	29 Jun 2011	100%	230
WESTERN AUSTRALIA						
Lake Chandler	Lake Chandler	M77/22	17 Jan 1985	16 Jan 2027	Option to purchase 100%	3.6
	Reward Lake	P77/3977	Application - priority		100%	0.25

Current as at 30 September 2009



REGISTERED OFFICE

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