



**ActivEX Limited**

ABN 11 113 452 896

**ANNUAL REPORT 2021**

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## **CORPORATE INFORMATION**

### **Directors**

Min Yang	Non-executive Chairman
Geoff Baker	Non-executive Director
Dongmei Ye	Non-executive Director
Mark Derriman	Managing Director
Louis Chien	Alternate Director to Min Yang

### **Company Secretary**

William Kuan

### **Registered Office**

Suite 2, 3B Macquarie Street  
Sydney NSW 2000

### **Share Register**

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney, NSW, 2000

### **Auditors**

Nexia Brisbane Audit Pty Ltd  
Level 28, 10 Eagle Street  
Brisbane, QLD, 4000

### **Stock Exchange Listing**

ActivEX Limited shares are listed on the Australian Securities Exchange (ASX code: AIV)

## COMPANY OVERVIEW

ActivEX Limited ("ActivEX" or the "Company") is an Australian Securities Exchange listed company (ASX: AIV) focusing on the acquisition, identification and delineation of quality mineral resource projects through active exploration.

ActivEX's Queensland tenement holding remains substantial and comprises a total of 22 granted EPMs, for a total of 478 sub-blocks and encompasses an area of 1,524km<sup>2</sup>. ActivEX Limited currently holds a 100% interest in 21 tenements (49% Interest in Pentland), subject to Joint Venture arrangements where partners are earning into tenements. In addition, four (4) EPM applications have been lodged to Department of Resources Qld. The 4 EPM applications compose Georgetown Gold project, for a total of 50 sub-blocks and encompasses an area of 162km<sup>2</sup>.

These licence areas cover highly prospective terrain for copper and gold mineralisation in north Queensland at the Gilberton Project (Etheridge Province), Cloncurry Project (Eastern Succession of Mount Isa Inlier), Pentland Project (Macrossan and Cape River Provinces), Ravenswood Project (Charters Towers Province) and southeast Queensland at the Esk, Barambah and Coalstoun Projects (Tasman Fold Belt).

ActivEX has defined several JORC2012 compliant resources in Queensland.

### **Southeast Queensland Projects:**

Barambah Project: 363Kt @ 1.47g/t Au and 61.8g/t Ag for 17.2Koz Au and 722Koz Ag Coalstoun Project: 26.86Mt @ 0.38% Cu for 102.7Kt Cu

### **Northwest Queensland Project:**

Cloncurry Project: Florence Prospect 1.61Mt @ 0.77% Cu and 0.15g/t Au for 12.4Kt Cu and 7.6Koz Au

At the **Gilberton Gold Project** ActivEX completed project scale geophysical review with reprocessing of historic datasets was finalised within Gilberton Gold Project. In addition, a 50m line spacing airborne magnetic and radiometric survey has been carried by Thomason Aviation. A total of 8,599 line-km airborne geophysical survey has been completed over ActivEX's Gilberton Gold Project. It followed with a 1:50,000 scale litho-structural interpretation. The interpretation was based on a composite, merged grid of newly acquired high resolution 50m data and open file, 200m, and 400m airborne magnetic and radiometric data which has been processed by Southern Geoscience Consultants. The Company commenced a planned 2,000m RC drilling program focussing on the southern margin of the Mt Hogan Granite between the Mt Hogan historic open pit/underground operation and the Charlies South Prospect located to the east

Four (4) EPM applications have been lodged with the Department of Resources Qld. The 4 EPM applications compose Georgetown Gold project, for a total of 50 sub-blocks and encompasses an area of 162km<sup>2</sup>.

At the **Barambah Gold and Esk Copper and Gold Projects** historic drill testing has been confined along strike of the Barambah open pit with the delineation of a maiden JORC Resource by the Company in 2015. The Company is reviewing funding options for a drill focussed exploration program to grow the current gold resource base at the Barambah Gold Project and carry out deeper drilling beneath the Barambah open pit to test significant CSAMT conductors. In addition the Aranbanga Volcanic Group is host to numerous auriferous epithermal quartz vein systems that will be systematically mapped and geochemically sample during the next annual reporting period.

At the **Pentland Gold Project**. To date, a total of 49 rock chips have been collected, with 14 of these ranging from 1-10 g/t Au and 6 are 10-26 g/t Au. Visible gold was identified at Golden Mount related to thin fracturing and silicification of the vein quartz and quartzite. A new dipole-dipole IP survey (3.5 lines for 8.2 line km) confirms the anomaly to be an attractive drill target since it is extremely chargeable (>70 m/V) similar to the Mt Remarkable porphyry and quite broad (around 400 m). Carbonaceous-sulphidic shales can give similarly significant chargeability; however, such lithologies are not known to exist within Cape River Metamorphics. However, it was noted that the new anomaly is related to increased resistivity, which raises the possibility of a lithological source or silicification, whereas the Mt Remarkable response is conductive. A single drill hole (PLJVRC001) was undertaken to test immediately above the Running

Ck IP anomaly for porphyry mineralisation, pathfinders and alteration. The 109 m reverse circulation (RC) hole was drilled at an angle of 85 degrees to a depth of 109 m. Quaternary Alluvium and Tertiary Campaspe Formation was intersected to a depth of 47 m above intercalated biotite-quartz-schist and quartzite of the Morepork member.

At the **Ravenswood Gold Project** ActivEX's Joint Venture (JV) partner Ballymore Resources Pty Ltd completed 1:20,000 scale geological mapping in the King Solomon – Rose of Allandale area (EPM 18637). The area is interpreted to represent an east-northeast trending fault zone parallel to the east-west trending Alex Hill Shear Zone, which occurs approximately 1 kilometre north of EPM 18637. As part of the mapping program, a total of 55 rock chip samples were collected in the King Solomon – Rose of Allandale area. A total of 20 rock chips exceeded 0.1 ppm Au and 13 samples exceeded 1.0 g/t Au with the highest result reported for a mullock sample of quartz vein material collected from a pit at King Solomon with results including 145.0ppm Au, 16.45ppm Ag and 481ppm As. Mineralisation is typically restricted to narrow quartz-calcite veins within narrow, 1-6m wide shear zones.

At Pinnacle Creek (EPM 18424) a total of 37 samples were collected for analysis (Figure 13). In total, 23 samples exceeded 1ppm Au and 5 samples exceeded 10ppm Au. The most significant rock chip reported 304ppm Au, 110ppm Ag, 0.62% Pb, 149.5ppm As, 717ppm Cu, and 0.13% Zn. Many samples elevated in gold are also elevated in silver and lead. Other maximum assay results include 126ppm Ag, 707ppm As, 0.78% Cu, 8.85% Pb and 0.94% Zn.

A total of 28 rock chip samples (FIN-001 - 028) were collected from within EPM 25467. Samples of float, subcrop, outcrop and mullock material were collected, including 15 samples from the Finnerty's workings and 4 samples from the Sunset workings. Eighteen samples exceeded 1.0ppm Au and six samples exceeded 10.0ppm Au with the maximum result being 72.30ppm Au from sample FIN-004, a mullock sample of white comb quartz vein overprinted by hematite veins and hematite-limonite staining from a pit along the Finnerty's line of workings. Eighteen samples exceeded 1.0ppm Au and six samples exceeded 10.0ppm Au with the maximum result being 72.30ppm Au from sample FIN004.

The ActivEX Canning Coal Project purchased from CMR is currently being reviewed in relation to the targets generated by CMR into thermal and coking varieties. The majority of targets generated fall into the thermal category while a small % fall into the coking variety. The coking coal targets will be assigned the highest priority for future exploration.

## CHAIRMAN'S LETTER

### Dear Fellow Shareholders

On behalf of the Board of Directors, I take pleasure in presenting the ActivEX Limited ("ActivEX" or the "Company") 2021 Annual Report. The past 12 months has seen significant improvement in the commodities and equity markets, which in turn has resulted in exciting developments for the Company at an operational level.

The Company's portfolio consists of 22 granted and 4 application Exploration Permits for Minerals, covering over 1,524 km<sup>2</sup> in Queensland. These licence areas cover highly prospective terrain for copper and gold mineralisation in north and southeast Queensland and in the Cloncurry district of northwest Queensland.

The Company's exploration focus during the year has been on gold and RC drill testing of the Mt Hogan area with a 2,000m drilling program commencing towards the end of the year. The plan is to carry further RC/Core drilling at the Gilberton Gold project before the onset of the wet season in about November. The Company has made significant progress towards the understanding the mineralisation at Mt Hogan and the ultimate delineation of a gold resource. The Company has also been actively expanding our presence in the highly gold prospective Gilberton-Georgetown area with the submission of 4 EPM applications. Following completion of drilling at the Gilberton Gold Project our exploration focus will be on the SE Queensland Projects Coalstoun, Barambah and Esk where the Company will be carrying out field based exploration utilising the Companies Niton pXRF in conjunction with geological mapping on the back of a re geological and geophysical interpretation.

ActivEX has clear exploration strategies and will also pursue growth opportunities that offer near term production potential. Divestment of non-core assets is also a priority of the Company and will be pursued in 2021/2022.

The Company finalised a Sale and Purchase Agreement with unlisted Queensland company Civil and Mining Resources Pty Ltd (ACN 139 596 928) (CMR) over nine (9) 100% owned thermal and metallurgical coal tenements located in Queensland, approximately 100km west of Townsville in June 2020. The tenements are located west of Mackay and south west of Rockhampton within the premier Bowen and Surat Coal Basins and AIV will hold 100% of the tenements.

The Company executed a Sales and Purchase Agreement with unlisted explorer Lake Chandler Minerals for the sale of AIV's 100% owned tenement (ML 77/22) in February 2021. The tenement is located 260km NE of Perth and 50km north of the wheat belt town of Merredin. The sale continues ActivEX's strategy of divesting non-core assets.

ActivEX continues to draw down on a \$5M loan facility with Star Diamond Development that was extended in December 2019 with a repayment of the loan facility due in December 2021.

The proceeds of the Loan Facility are being utilized to pursue on-going exploration activity by the Company as well as to meet working capital requirements. ActivEX continues to monitor and maintain strict controls on overhead expenses and cashflow management.

Current efforts are being devoted to generating shareholder returns by maximising the potential of the Company's mineral projects, including advancing mineral resources towards project development and also seeking joint venture arrangements to build on the Company's current project base.

I would like to thank our Directors, staff, contractors and shareholders for their continued support and contribution over the past year and we all look forward to continued growth and exploration success by ActivEX in the year to come.

Yours faithfully



Min Yang  
Chairman

OPERATIONS REPORT

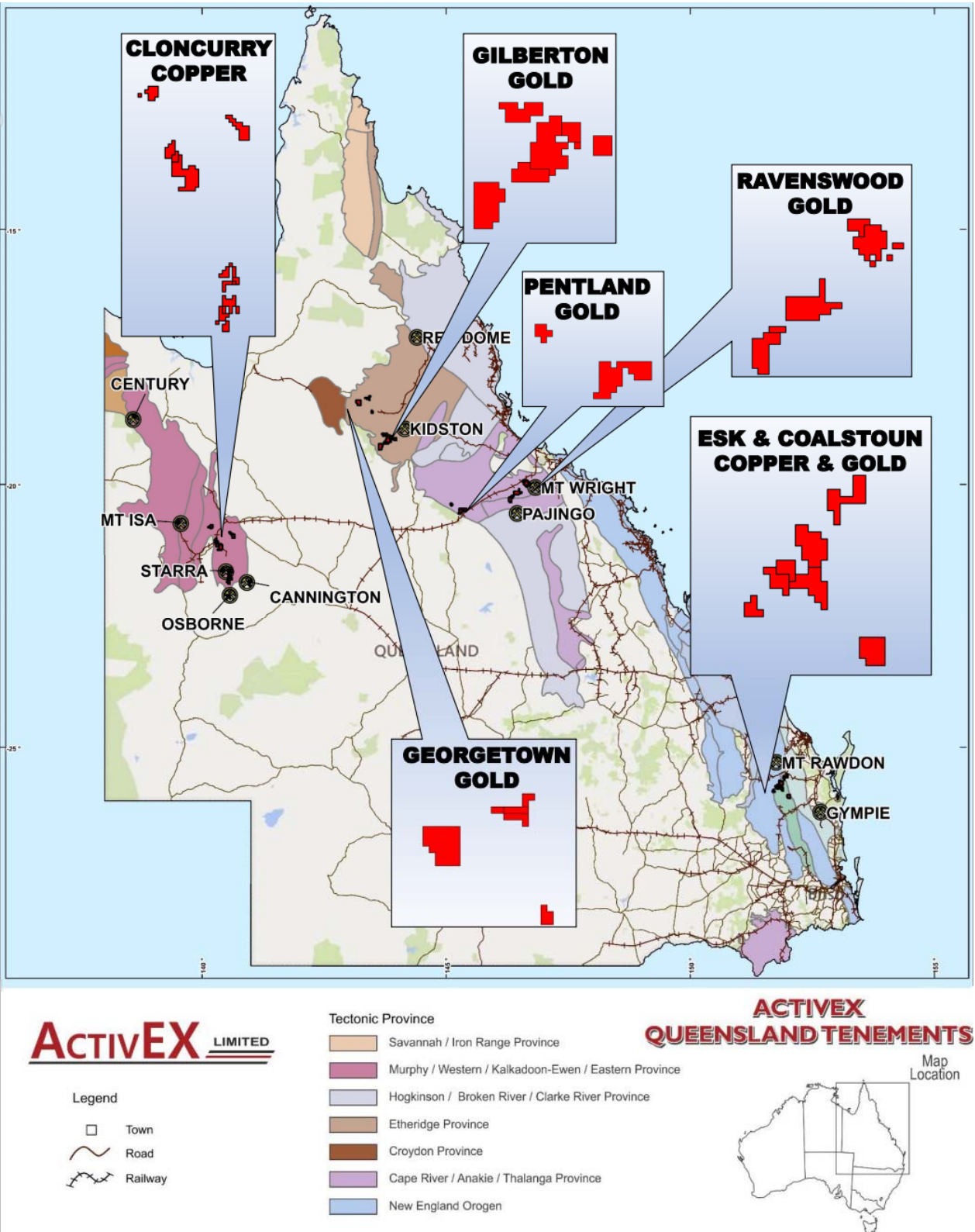


Figure 1. ActivEX Limited Queensland Projects and tenements.

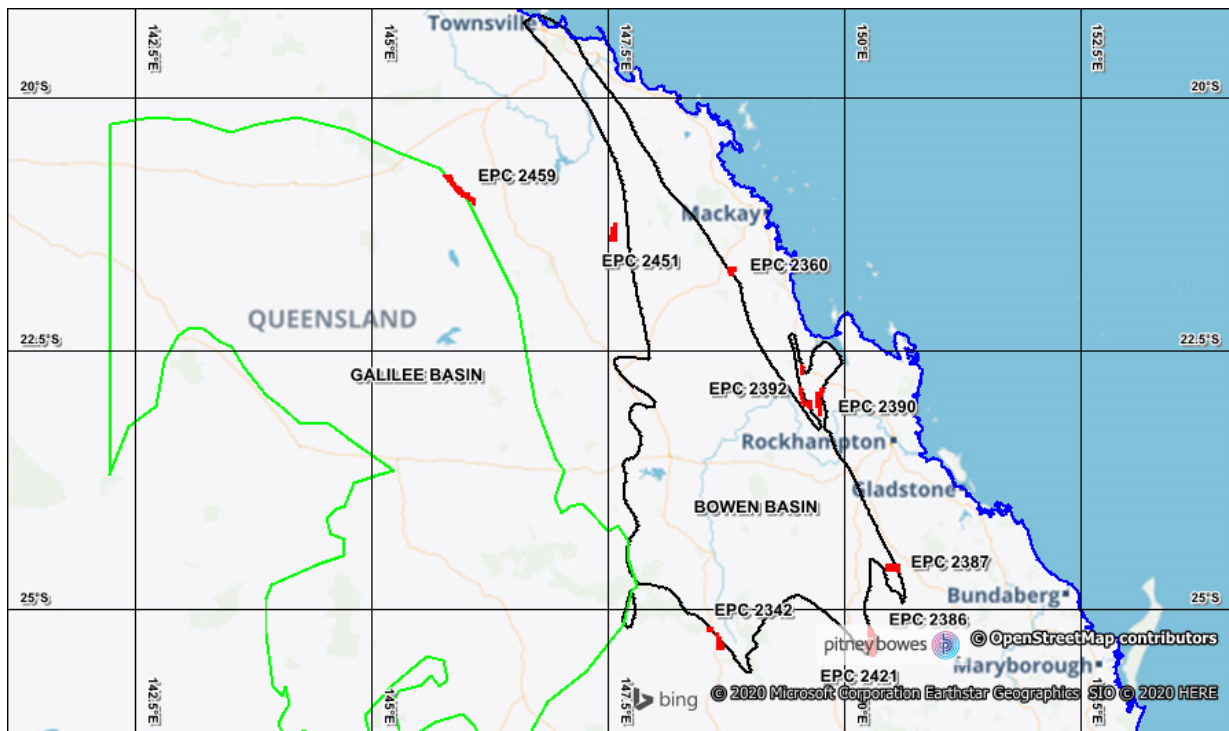


Figure 2. Project Location Map showing ActivEX Canning coal tenure and sedimentary basins

### BOWEN BASIN COAL PROJECT - Central Queensland

(EPCs 2459, 2451, 2360, 2390, 2392, 2387, 2386, 2421 and 2341 - ActivEX Canning 100%)

ActivEX Canning (100% ActivEX Limited) holds a nine-tenement portfolio in Central Queensland primarily on the margins of the Bowen Basin (Figure 2), Australia's premier thermal and coking coal producing region. The tenements were purchased from unlisted explorer CMR Coal, and the Company is currently reviewing the historical data and data generated by CMR Coal so as to formulate an exploration strategy going forward.

### GILBERTON GOLD PROJECT - North Queensland

(EPMs 18615, 18623, 26232 and 26307 - ActivEX 100%)

The Gilberton Gold Project is situated in the Georgetown Province in northeast Queensland, approximately 600km west-northwest of Townsville (Figure 1 & 3). The Project is in an area which is prospective for several metals (Au, Ag, Cu, Ta-Nb, Co) and a wide range of deposit styles (plutonic IRGS, porphyry breccia, and epizonal / epithermal IRGS). The world-class Kidston breccia hosted Au-Ag deposit occurs in similar geological terrain approximately 50km to the northeast. The Project consists of EPMs 18615 (Mt Hogan), 18623 (Gilberton), 26232 (Gum Flat) and 26307 (Split Rock). The Project comprises a total of 114 sub-blocks and encompasses an area of 369km<sup>2</sup> (Figure 3). ActivEX Limited holds 100% interest in all the tenements.

Mt Hogan was the largest gold producer within the Gilberton Gold Project. Records of historic production date back to 1876-1877, when 2,256t of ore were crushed at the Mt Hogan battery and 106.9kg of bullion were produced. Most of this ore was probably won from scattered workings across the Mt Hogan hill. Mining recommenced in 1885 until 1910, and 341.22kg of bullion were produced from 7,016.8t of ore (average grade 48.6g/t Au). Most old workings at Mt Hogan are generally shallow, less than 10m deep, except for the Independence lode that occurs north from Mt Hogan mine, which was worked to about 40m inclined depth in the main shaft.



Gold mineralisation is concentrated around the south-eastern margin of the Mt Hogan Granite (**Figure 3**) and consists of a set of stacked, shallow, southwest dipping (15-20°) quartz - sulphide veins. The veins are composed of medium grained, euhedral buck quartz crystals that have been brecciated and recrystallised by later movement of the vein's structures. Cores of the veins are often filled with sulphide. The lenticular veins are enveloped by an alteration halo of sericite (proximal), chlorite and epidote (distal) and appear to have developed in tensional openings produced by north-easterly thrusting. Continued movement along structures after vein formation has deformed and folded some veins. Individual veins reach up to 60cm in thickness but are generally thinner (10 - 20cm).

The Gilberton Project has a very high crustal abundance of gold, similar to Kalgoorlie and Charters Towers, and therefore a fertile area for new large tonnage discoveries. Planned exploration is outlined below and Figure 5 shows the eight metallogenic camps that have been delineated within the Gilberton Gold Project, the Mt Hogan metallogenic camp being the current focus of exploration .

A project scale geophysical review with reprocessing of historic datasets was finalised within Gilberton Gold Project. In addition, a 50m line spacing airborne magnetic and radiometric survey has been carried by Thomason Aviation. A total of 8,599 line-km airborne geophysical survey has been completed over ActivEX's Gilberton Gold Project. It followed with a 1:50,000 scale litho-structural interpretation. The interpretation was based on a composite, merged grid of newly acquired high resolution 50m data and open file, 200m, and 400m airborne magnetic and radiometric data which has been processed by Southern Geoscience Consultants. A total of 87 targets have been selected based primarily on structural setting and proximity to zones of alteration (Figure 4). Of these 87 targets, 17 have been assigned as high priority. It has been recommended that the targets will be initially correlated with available geochemical, drilling, and other information to further establish the validity of, or change, the assigned priorities.

The Company's exploration focus during the year has been on gold and RC drill testing of the Mt Hogan area with a 2,000m drilling program commencing towards the end of the year. The plan is to carry further RC/Core drilling at the Gilberton Gold project before the onset of the wet season in about November. The Company has made significant progress to towards the understanding the mineralisation at Mt Hogan and the ultimate delineation of a gold resource.

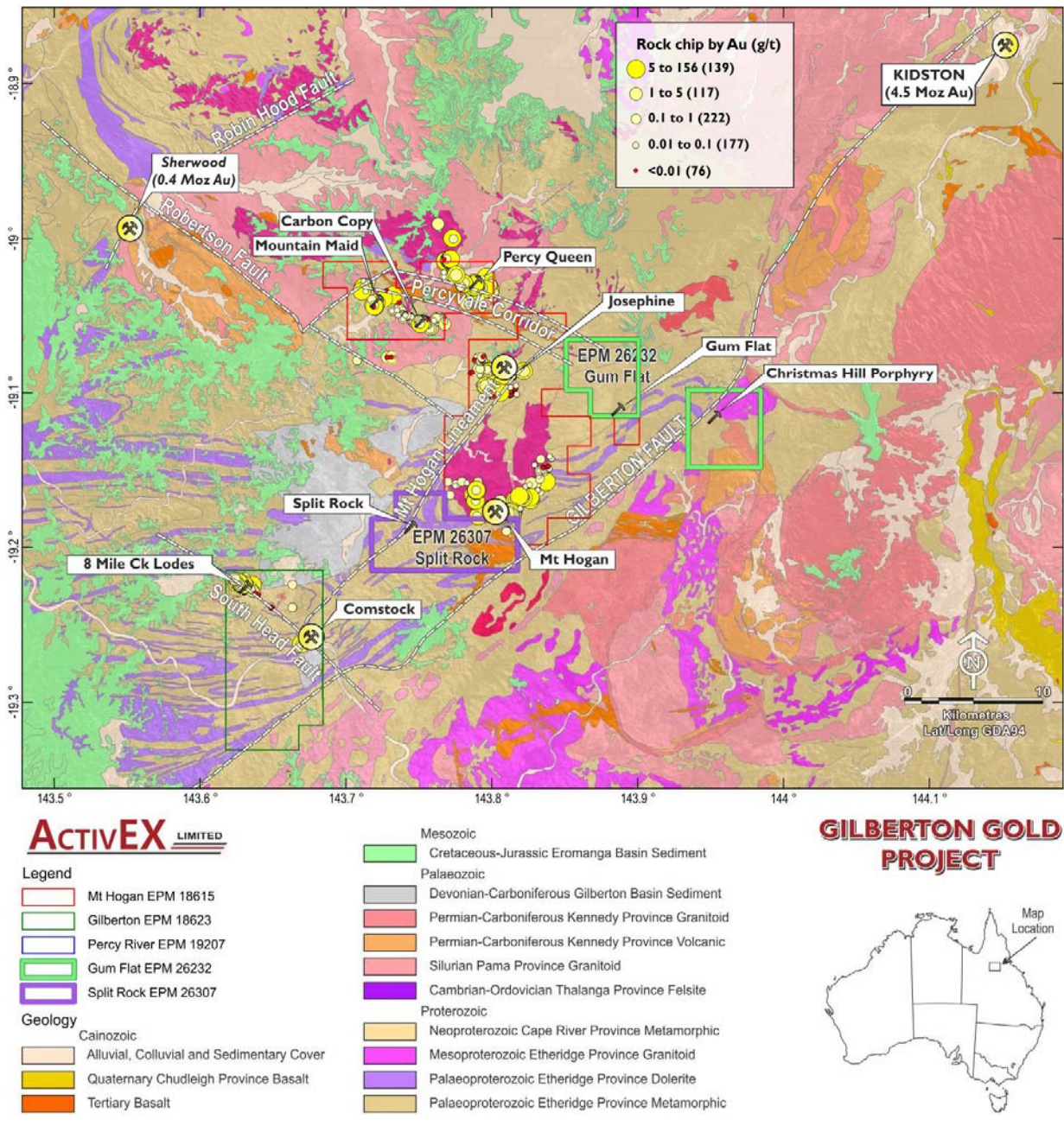
## **GEORGETOWN GOLD PROJECT - North Queensland**

**(EPM APPLICATIONs 27805, 27811, 27812 & 27847 - ActivEX 100%)**

The Georgetown Gold Project is situated in the Georgetown Province in northeast Queensland, approximately 600km west-northwest of Townsville (**Figure 1 & 5**). The Project is in an area which is prospective for several metals (Au, Ag, Cu, Ta-Nb, Co) and a wide range of deposit styles (plutonic IRGS, porphyry breccia, and epizonal / epithermal IRGS). The project area is located within the Proterozoic Georgetown Inlier in north Queensland. The Georgetown Inlier is comprised of variably metamorphosed and deformed sedimentary and volcanic rocks of Palaeo- to Mesoproterozoic age, intruded by Mesoproterozoic granitoids. The eastern margin is in faulted contact with the Palaeozoic Hodgkinson and Broken River provinces of the Tasman Orogen.

The Project comprises a total of 50 sub-blocks and encompasses an area of 162km<sup>2</sup> (**Figure 5**). ActivEX Limited holds 100% interest in all the tenements. Tenements are anticipated to be granted towards Second Half of 2021.

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**Figure 3.** ActivEX Limited Gilberton Gold Project regional geology, tenements, prospect and rock chips thematically mapped by Au content.

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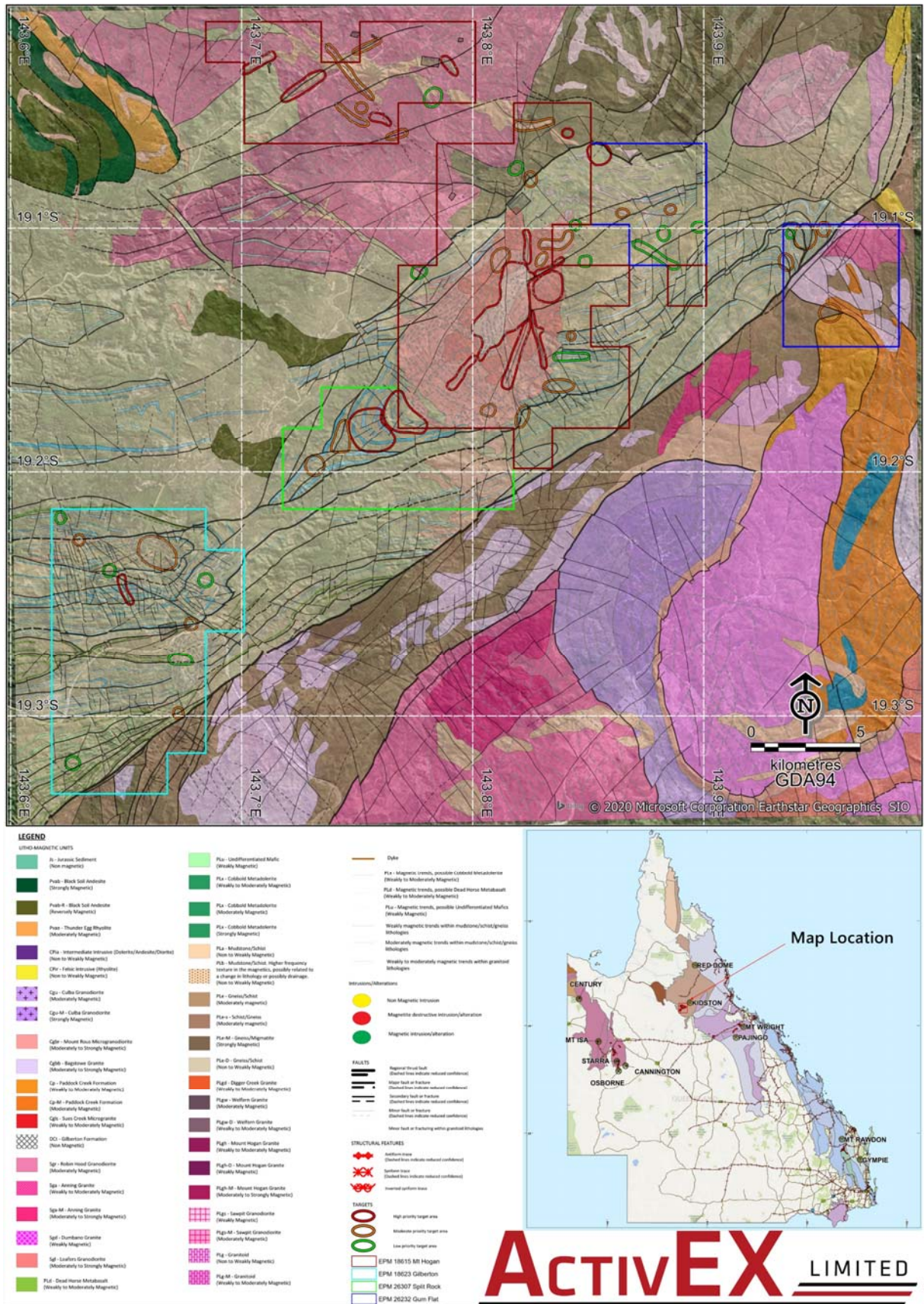


Figure 4: 1:50,000 Scale Lithostructural Interpretation of the Gilbert Project

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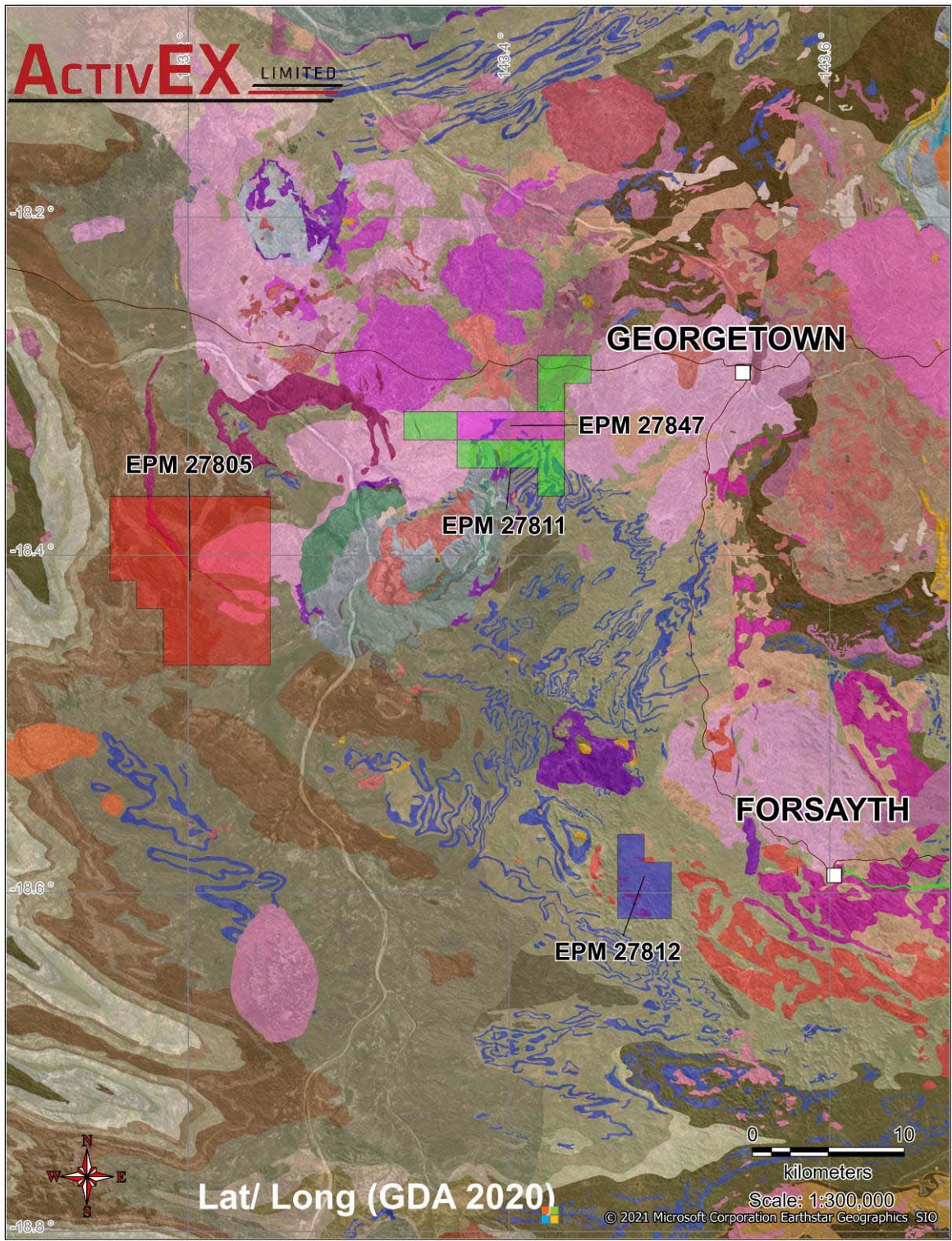


Figure 5. Georgetown Gold Project geology

## CLONCURRY COPPER AND GOLD PROJECT - Northwest Queensland

(EPMs 18053, 18073, 18852, 25192, 25454, 25455, 15285, and 18511 - ActivEX 100%)

The Cloncurry Copper and Gold Project is situated in northeast Queensland, approximately 60km south of Cloncurry (Figure 1 & 6). The Project consists of 18053, 18073, 18852, 25192, 25454, 25455, 15285, and 18511, which comprise a total of 135 sub-blocks and encompasses an area of 432 km<sup>2</sup>.

The Project is situated within the Eastern Succession of the Mount Isa Inlier, which is a highly prospective geological terrane containing numerous major deposits (Figure 6). The style of mineralisation ActivEX will be exploring for include but are not limited to include Iron Oxide Copper Gold, Skarn style Cu-Au, Merlin-style Mo and Intrusion Related Gold. Field-based exploration activities in the Cloncurry Copper and Gold Project were suspended due to travel and access conditions related to the COVID-19 Pandemic over several period with the closure of the Queensland Border. The Company advanced discussions with several parties in relation to a possible sale or Joint Venture of the Cloncurry Project. Discussions are ongoing

## BARAMBAH GOLD PROJECT - Southeast Queensland

(EPMs 14937- ActivEX 100%)

The Barambah Gold Project is located in south-east Queensland between the towns of Gayndah and Goomeri, 215 kilometres due north-west of Brisbane (Figure 1 & 7). The project tenure comprises EPM 14937(Barambah) for a total of 9 sub-blocks and encompass an area of 28 km<sup>2</sup> (Figure 6).

The Barambah deposit consists of several gold and silver mineralised veins hosted by the Aranbanga Volcanic Group which consist of a number of polymictic to monomictic pyroclastic breccias, rhyolitic lapilli-ash tuff and rhyolitic airfall lapilli-ash tuff and lesser intrusive andesite . The veins are cut by quartz-feldspar phyric rhyolitic dykes, particularly to the north of historic mining. Field observations, age relationships and regional geological dating, suggest an approximate age of  $\sim 220 \pm 5$  Ma for the deposit.

To date drill testing has been confined along strike of the Barambah open pit with the delineation of a maiden JORC Resource by the Company in 2015. The Aranbanga Volcanic Group is host to numerous auriferous epithermal quartz vein systems and deeper CSAMT targets along the main Barambah trend which to date remain partially tested by drilling. The Company is reviewing funding options for a drill focussed exploration program to grow the current gold resource base at the Barambah Gold Project and carry out deeper drilling beneath the Barambah open pit to test significant CSAMT conductors.

## ESK COPPER AND GOLD PROJECT - Southeast Queensland

(EPMs 14476 and 16265 - ActivEX 100%)

The Esk Copper and Gold Project consists of tenements 14476 (Boobyjan) and 16265 (Blairmore), which comprises a total 39 sub-blocks and encompass an area of 120 km<sup>2</sup> (Figure 1 & 7). ActivEX Limited holds 100% interest in all tenements. The Project is located in the New England Orogen in southeast Queensland between the towns of Gayndah and Goomeri, 215 km due northwest of Brisbane (Figure 1). The prospects are situated at the intersection of the NNW trending Perry Fault zone (host to Mt Rawdon +2Moz gold deposit) and NE trending (Darling Lineament related) structures.

The Esk Copper and Gold project is host to mineralisation with similarities to many High-K Calcalkalic to Alkalic Porphyry copper-gold deposits, near surface supergene copper deposits, as well as potential for breccia-pipe hosted gold-copper deposits.

Field-based exploration activities in the Southeast Queensland Project were suspended due to travel and access conditions related to the COVID-19 Pandemic and on advancing JV opportunities with other explorers.

## COALSTOUN LAKES COPPER AND GOLD PROJECT - Southeast Queensland

(EPM 14079 - ActivEX 100%)

The Coalstoun Lakes Copper and Gold Project consists of tenement EPM 14079, which comprises 46 sub-blocks and encompass an area of 142 km<sup>2</sup> (Figure 1 and 7). The Project is located in the New England Orogen in southeast Queensland between the towns of Gayndah and Goomeri, 215 km due northwest of Brisbane (Figure 1 & 8). ActivEX Limited holds 100% interest in the tenement. The Coalstoun Lakes Copper and Gold Project is situated at the intersection of the NNW trending Perry Fault zone (host to Mt Rawdon +2Moz gold deposit) and NE trending (Darling Lineament related) structures. The Coalstoun Lakes Copper and Gold Project is host to mineralisation with similarities to many High-K Calc-alkalic to Alkalic Porphyry copper-gold deposits, near surface supergene copper deposits, as well as potential for breccia-pipe hosted gold-copper deposits.

## RAVENSWOOD GOLD PROJECT - North Queensland

(EPMs 18424, 18426, 18637, 25466 and 25467 - ActivEX 100%, subject to an Executed Joint Venture with Ballymore Resources)

The Ravenswood Gold Project is situated in the Charters Towers Province in northeast Queensland, approximately 60km south of Charters Towers (Figure 1 & 8). The Project consists of EPMs 18424, 18637, 18426, 25466 and 25467, which comprise a total of 104 sub-blocks and encompass an area of 335km<sup>2</sup>. ActivEX Limited currently holds 100% interest in all tenements (Figure 8), with Ballymore Resources Pty Ltd earning-in to the tenements. Ballymore Resources Pty Ltd has yet to earn an interest in the tenements.

The Project is located in the highly prospective Charters Towers - Ravenswood region which has produced over 12Moz of Au including 6.6Moz at Charters Towers, 3.5Moz at Mount Leyshon as well as 1Moz at Mount Wright Au in addition the current nearby Ravenswood mining operation with a global resource of 4.3Moz. Mineralisation styles in the district include mesothermal gold veins (e.g. Charters Towers and Ravenswood Goldfields), breccia hosted gold (e.g. Mount Leyshon, Welcome Breccia) and epithermal gold veins (e.g. the Pajingo group).

The King Solomon - Rose of Allandale area (EPM 18637) was mapped at 1:2000 scale The mapping area covers an area dominated by adamellite assigned to the Ordovician Pocket Dam Granite and minor granite in the southern part of the mapped area, assigned to Lavery Creek Granite. The mapping area has been intruded by a series of aplite and fine-grained, biotite granite dykes and also a series of diorite and gabbro dykes striking east-northeast. The area is interpreted to represent an east-northeast trending fault zone parallel to the east-west trending Alex Hill Shear Zone, which occurs approximately 1 kilometre north of EPM 18637. The magnetics data suggests that the area is underlain by a more extensive mafic intrusive stock.

Structures identified within the mapping area are dominated by east-west and northwest-southeast structures. Strong foliation and fracturing occurs along prominent east-west and northwest-southeast trending shear zones. This area hosts substantial historic workings (i.e. pits and shafts in the King Solomon and Rose of Allandale prospect areas) with the majority of workings located within the diorite intrusives. In addition, A number of 0.5 - 3.0 metre wide andesite dykes have been mapped, intruding the adamellite and granite intrusives, associated with fault zones. Various structures have been mapped in the King Solomon - Rose of Allandale area including faults and shear zones, joints and many host veins and dykes. Mineralisation at King Solomon and Rose of Allandale occur in in shears up 6 metres in width, with mineralisation hosted within the shear zones in steeply dipping quartz and calcite veining. Mineralisation appears to be often localised along east-west trending contacts between adamellite and diorite intrusives and associated with andesite dykes.

As part of the mapping program, a total of 55 rock chip samples were collected in the King Solomon - Rose of Allandale area A total of 20 rock chips exceeded 0.1 ppm Au and 13 samples exceeded 1.0 g/t Au with the highest result reported for a mullock sample of quartz vein material collected from a pit at King

Solomon with results including 145.0ppm Au, 16.45ppm Ag and 481ppm As. Mineralisation is typically restricted to narrow quartz-calcite veins within narrow, 1-6m wide shear zones.

At Pinnacle Creek (EPM 18424) a total of 37 samples were collected for analysis. In total, 23 samples exceeded 1ppm Au and 5 samples exceeded 10ppm Au. The most significant rock chip reported 304ppm Au, 110ppm Ag, 0.62% Pb, 149.5ppm As, 717ppm Cu, and 0.13% Zn. This sample was a subcrop sample collected from near pits located beside the road in the southern part of the prospect area. Many samples elevated in gold are also elevated in silver and lead. Other maximum assay results include 126ppm Ag, 707ppm As, 0.78% Cu, 8.85% Pb and 0.94% Zn.

Detailed mapping of the Pinnacle Creek area was completed to better understand the controls on mineralisation in the local area. The Pinnacle Creek prospect hosts a series of pits and shallow shafts targeting a series of narrow quartz-base metal veins. The host rocks are diorites of the Devonian Matthews Pinnacle Quartz Diorite, which forms a recessive unit with significant colluvium and alluvial cover. Workings and mineralised lodes are typically exposed in incised creeks. Historic work in this area has reported rock chip results up to 583 ppm Au, 0.3% Cu and 263 g/t Ag and rock chip sampling by Ballymore Resources in the previous reporting period reported rock chip results up to 86.2 ppm Au, 133 ppm Ag and 5.08% Pb. The map area has historically been subject to trenching (i.e. 23 trenches for 1,388m) and shallow percussion drilling (i.e. 19 holes for 1,180.5m). A number of significant results have been reported and may warrant follow-up including 3m @ 8.45 g/t Au (MP116: 35 - 38m).

While undertaking mapping of the Pinnacles Creek area as well as prospecting in the Seventy Mile Mount area, 37 rock chip samples were collected and analysed. A total of 33 rock chips exceeded 0.1 ppm Au and 23 samples exceeded 1.0 g/t Au with the highest result reported for sample SMM083 collected from Pinnacle Creek with results including 304ppm Au, 110ppm Ag, 717ppm Cu, 0.33% Mn, 38.1ppm Mo, 0.62% Pb, 26.8ppm Te and 0.13% Zn.

#### **PENTLAND GOLD PROJECT - North Queensland**

**(EPM 14332 - ActivEX 49 %, Rockland Resources Pty Ltd 51%)**

The Pentland Gold Project consists of tenement EPM 14332 (Pentland), which comprises a total of 39 sub-blocks and an area of 125km<sup>2</sup> (Figure 1 & 9). The Project is located in the Charters Towers district of northern Queensland. The township of Pentland is located outside the tenement area, to the southeast of EPM 14332. The project contains 4 established prospects where ActivEX has carried out extensive ground-based surveys and these areas are drill-ready with a number of targets already identified. Outside of these areas, the project package is only lightly explored and significant potential remains.

The Pentland tenement encompasses much of the Cape River Gold and Mineral Field. Alluvial, deep lead and primary gold were discovered along the Cape River in 1867. Recorded production from the field was around 45,000 ounces (approximately 1400kg), but true production was considerably more as there is no record of the amount extracted by the Chinese miners, who were almost as numerous as Europeans during the productive years of the field in the late 1800's. Several areas within the Exploration Permit have seen small scale mining since that time. The Pentland tenements cover an area in which a wide variety of mineralisation styles have been identified and worked in part, including quartz vein gold, alluvial, eluvial and deep lead gold, shear zone hosted gold, epithermal and porphyry-related gold, porphyry-related copper-molybdenum, and shear-breccia zone hosted Pb-Cu-Au. Gold, copper and molybdenum mineralisation is hosted in breccia zones containing diorite fragments in a vuggy quartz-sulphide matrix and steeply dipping, vuggy quartz-galena-sphalerite veins. The Company's JV partner, Rockland Resources has been methodically working through targets generated from magnetics, compilation of historical data, zonation studies and integrated assessment. Figure 14 depicts 65 priority targets proposed for field investigations in 2021 overlaying the magnetics, drilling and Mo results (to highlight the porphyry centre).

To date, a total of 49 rock chips have been collected, with 14 of these ranging from 1-10 g/t Au and 6 are 10-26 g/t Au. Visible gold was identified at Golden Mount related to thin fracturing and silicification of the vein quartz and quartzite. Unfortunately, despite these encouraging results from

various locations within the project, the mineralisation is generally restricted to veins which are too thin and discontinuous to be of economic potential. Nevertheless, the broader Golden Mount Prospect area (chips to 14.6 g/t Au) remains a priority for further assessment due to the lack of historical exploration and identification of mineralised brecciation / structures.

Reprocessing the historical IP has identified a new anomaly at Running Ck (Spears Dam) located a few kilometres south west of Mt Remarkable. A new dipole-dipole IP survey (3.5 lines for 8.2 line km) confirms the anomaly to be an attractive drill target since it is extremely chargeable (>70 m/V) similar to the Mt Remarkable porphyry and quite broad (around 400 m). Carbonaceous-sulphidic shales can give similarly significant chargeability; however, such lithologies are not known to exist within Cape River Metamorphics. However, it was noted that the new anomaly is related to increased resistivity, which raises the possibility of a lithological source or silicification, whereas the Mt Remarkable response is conductive.

A single drill hole (PLJVRC001) was undertaken to test immediately above the Running Ck IP anomaly for porphyry mineralisation, pathfinders and alteration. The 109 m reverse circulation (RC) hole was drilled at an angle of 85 degrees to a depth of 109 m. Quaternary Alluvium and Tertiary Campaspe Formation was intersected to a depth of 47 m above intercalated biotite-quartz-schist and quartzite of the Morepork member. The IP anomaly may be explained by the thick 32.5 m sequence of disseminated pyrite alteration (1-2%) occurring between 69-108 m. Although zones of quartz veining and elevated As (to 134 ppm) and Pb (to 822 ppm) was identified, the pathfinders are generally considered to not be anomalous and all the gold values are at or below detection (.01 g/t Au). Hence, no follow up drilling is warranted at the present time.



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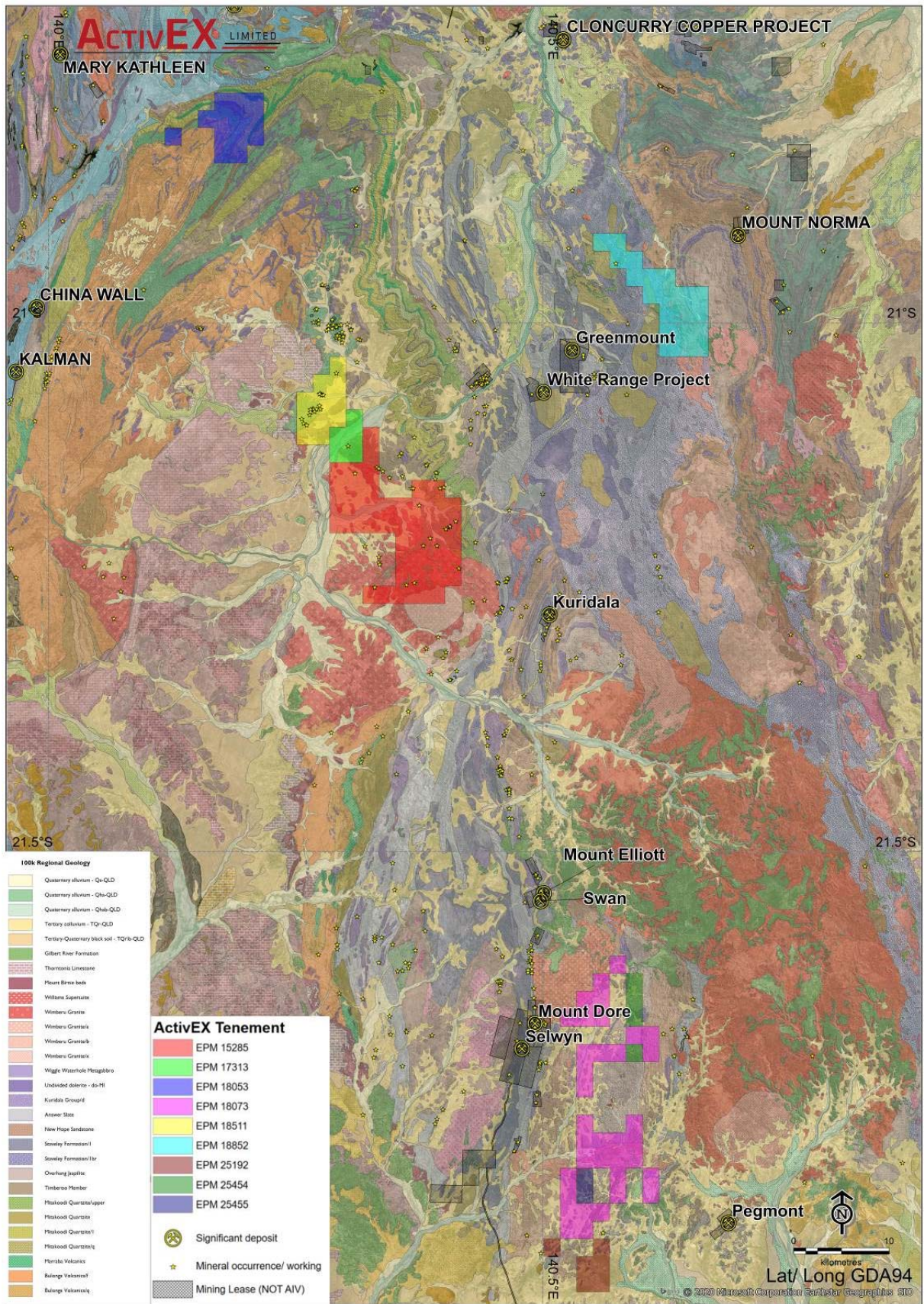


Figure 6 Cloncurry Project Tenure on outcrop geology

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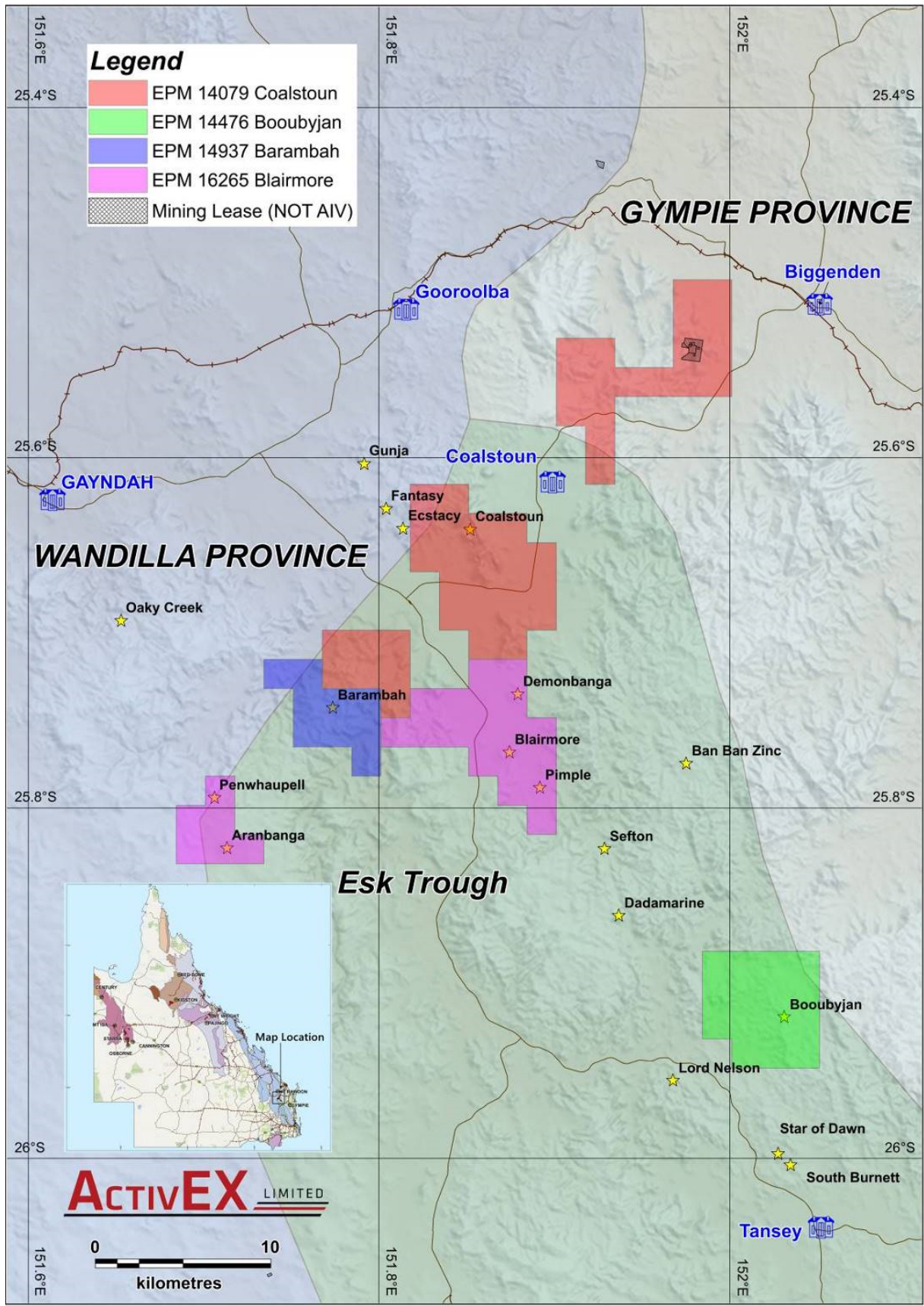


Figure 7 South East Queensland Project

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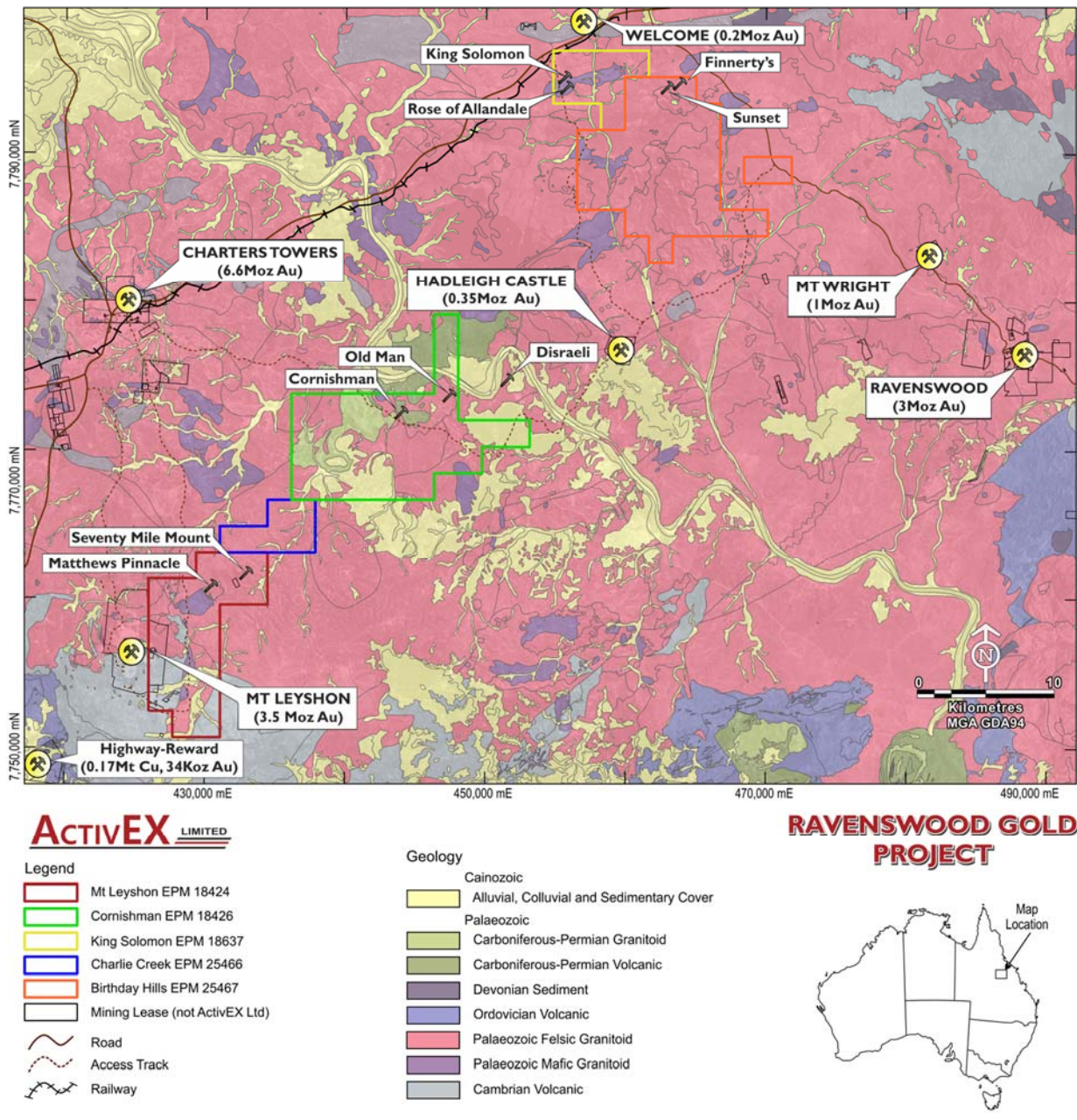


Figure 8 Ravenswood Project and outcrop geology

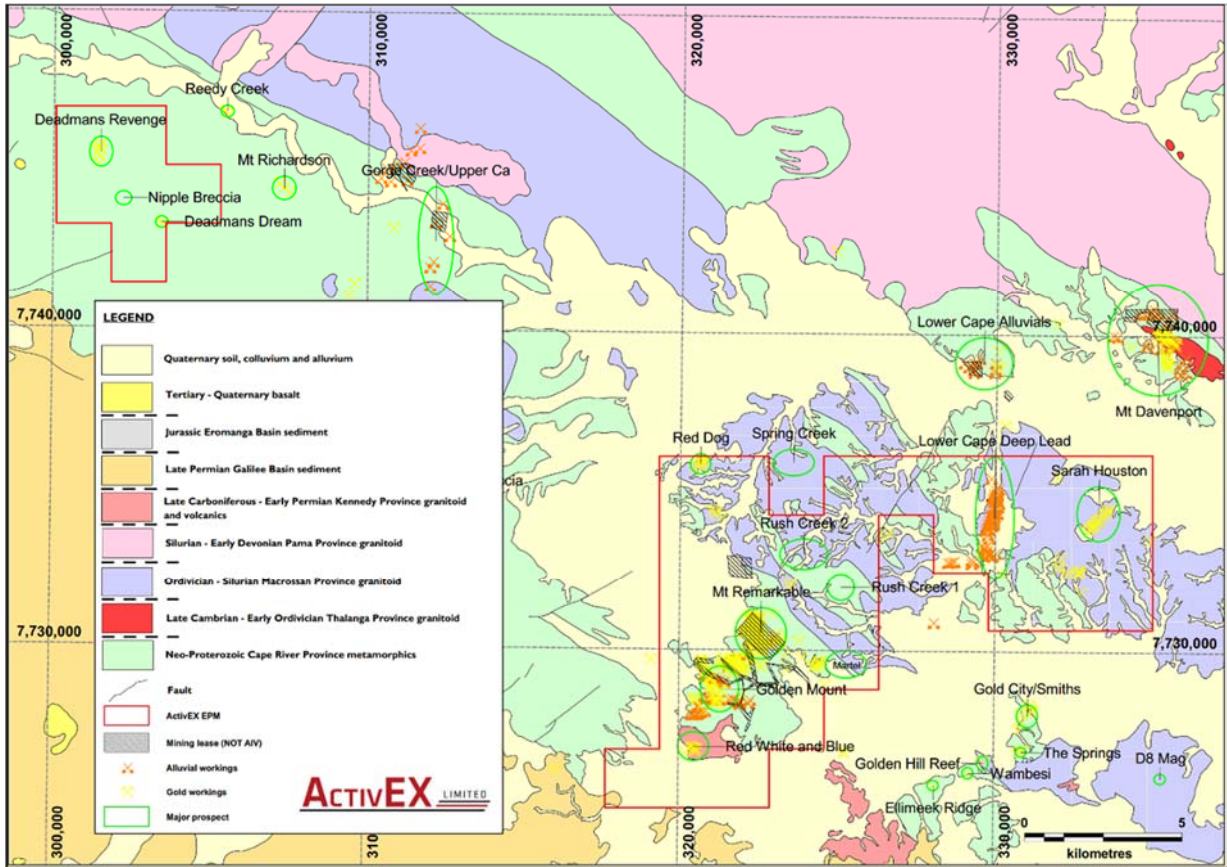


Figure 9 Pentland Project and outcrop geology

## CORPORATE GOVERNANCE STATEMENT

ActivEX Limited (“ActivEX” or “Company”) and its controlled entity (the “Group”) is committed to implementing the highest standards of corporate governance and to determine these standards, the Group has used the reporting recommendations set out by the Australian Securities Exchange (“ASX”) Corporate Governance Council’s 4<sup>th</sup> Edition of the Corporate Governance Principles and Recommendations as the basis for its corporate governance policies.

While seeking to implement optimal corporate governance practices, the Group does not accept that all the recommendations are applicable to the Group due to the current size and nature of its operations. Where the Group has not fully adopted the relevant recommendation, the reasons for non-adoption 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, Executive Directors and other key senior executives in the performance of their roles.

### PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Principle 1 identifies that a listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Each of the recommendations of Principle 1, including the extent to which the Group has followed those recommendations, is discussed as follows.

#### 1.1 Role of Board and Management

The Group has established the functions reserved to the Board and those delegated to senior executives. The Board of Directors’ role is to govern the Group rather than to manage it and to ensure that it represents effectively the interests of all shareholders. It is currently the role of the Executive Director to manage the Group in accordance with the direction and delegations of the Board and it is the responsibility of the Board to oversee the activities of the Executive Director in carrying out these delegated duties.

The Group 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 Group;
- 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 Group 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 Group is progressing towards the goals set by the Board and in line with the Group’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 Group’s senior executives, management and other personnel; and
- making all decisions outside the scope of these delegated powers.

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 Group. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Group, which includes supervising the Group’s framework of control and accountability systems to enable risk to be assessed and managed.

The Board has delegated all powers to the Executive Director necessary to effectively and efficiently carry out the business of the Group and any exceptions to this delegation requires Board approval, as set out in the Group's Corporate Governance Manual.

Details of the Group's Corporate Governance Manual are available on the Company's website ([www.activex.com.au](http://www.activex.com.au)).

## **1.2 Background Checks**

The Board is responsible for undertaking appropriate background checks before appointing a person, or putting forward a candidate for election, as a Director. In addition, the Company provides Shareholders all material information which is relevant to whether or not to elect or re-elect a Director for their consideration.

## **1.3 Written Contracts of Appointment**

The Group provides newly appointed Directors with formal appointment letters setting out the key terms and conditions of their appointment. Similarly, senior executives (including any Executive Directors) are provided with formal appointment letters making clear the responsibilities of their role, remuneration, appointment term and entitlements on termination.

## **1.4 Company Secretary**

The Group's Corporate Governance Manual provides that the Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

## **1.5 Diversity**

The Group has implemented a Diversity Policy which is available on its website.

The Diversity Policy is a commitment by the Group to actively seek to maintain a diverse workforce to create a workplace that is fair and inclusive, applies fair and equitable employment practices and provides a working environment that will allow all employees to reach their full potential.

The Group is of the view that any measurable statistical objectives on a diverse workforce must be fit for purpose, in line with the Group strategic objectives and ensure the Group is in compliance with all relevant legislative requirements. However, the Group currently has only one employee and therefore is of the opinion that measurable objectives are not appropriate at its present stage of development. The Group will consider implementation of measurable objectives in the future, when appropriate.

Of the four Board Members, 50% are female.

No entity within the Group is a 'relevant employer' for the purposes of the Workplace Gender Equality Act and therefore no Gender Equality Indicators to be disclosed.

## **1.6 Board Reviews**

The Board considers the evaluation of its performance as fundamental to establishing a culture of performance and accountability. The Group's Corporate Governance Manual provides that the Chairperson is to undertake a review of the Board and individual Director's performance at least once a year at a special meeting of the Board. Board performance is to be evaluated in relation to goals that are set at the time of the Board's annual strategic planning session.

A formal review of the Board and Individual Director's was not undertaken by the Chairperson during the current year.

## **1.7 Management Reviews**

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

Senior executives' performance is reviewed against a range of quantitative and qualitative measures and considers past performance of the Group as well as the executive and also takes into account market practice with respect to comparable positions.

The Non-Executive Directors are responsible for regularly evaluating the Executive Director's performance. This evaluation is based on the Group's business performance and whether strategic objectives are being achieved. The Executive Director reviews other executives' and staff performance. The results of the Executive Director's performance reviews of senior executives and staff are reported to the Board for information.

The performance of the Executive Director and Senior executives is reviewed on a formal basis annually and this review has taken place during the year in accordance with the process detailed above.

## **PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE**

Principle 2 identifies that the board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

Each of the recommendations of Principle 2, including the extent to which the Group has followed those recommendations, is discussed as follows.

### **2.1 Nomination Committee**

The Group does not comply with this recommendation as a nomination committee has not been established. Currently, the role of the nomination committee is undertaken by the full Board. The size and nature of the Group'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 Directors of the Board.

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.

### **2.2 Board Skills, Knowledge and Experience**

The Board considers the mix of skills and the diversity of board members when assessing the composition of the Board. Directors are appointed based on the specific corporate and governance skills and experience required by the Group. The Board seeks to maintain a relevant blend of personal experience across commercial and technical disciplines relevant to the business of the Group.

The Board does not maintain a formal board skills matrix in accordance with Recommendation 2.2. However, the Board is comprised of experienced senior business personnel from a variety of professional and enterprise backgrounds. They each meet the fundamental requirements and, collectively, possess the skills, experience and diversity considered necessary to appropriately govern the Group.

The skills of each individual director which comprise the Board have been outlined in the 'Information on Directors' section of the Directors' Report.

### **2.3 Independence and Length of Service of Directors**

The Board comprises one executive and three non-executive directors. The names of the directors of the Company in office at the date of this report, specifying who are independent together with their length of service and relevant personal particulars, are set out in the 'Information on Directors' section of the Directors' Report.

### **2.4 Assessment of Independence**

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 Group, 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;

- For personal use only
- 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 Group exceed 10% of the Group'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 Group or that supplier or customer; and
  - e) has a material contractual relationship with the Company or another group member other than as a Director of the Company.

Due to the size and scale of the Group's current activities, majority of the Board members are not considered independent. However, although the Board does not follow Recommendation 2.4, to facilitate independent decision-making, the Board has agreed procedures for directors to have access in appropriate circumstances to independent professional advice.

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making.

## **2.5 Chairperson and Chief Executive Officer**

The Chairperson is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning. The Executive Director is responsible and accountable to the Board for the Group's management.

The office of Chairperson is held by Ms Min Yang, who is not considered independent in accordance with the Corporate Governance Council's recommendations. However, the board considers that the office of Chairperson is best served by Ms Yang due to her extensive relevant experience.

In accordance with the Corporate Governance Council's recommendations the role of Chief Executive Officer and Chairman are not exercised by the same person.

## **2.6 Induction and Professional Development**

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

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

## **PRINCIPLE 3 - INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY**

Principle 3 identifies that a listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

Each of the recommendations of Principle 3, including the extent to which the Group has followed those recommendations, is discussed as follows.

### **3.1 Values**

The Group's values include the requirement that the business be conducted ethically, with integrity and professionalism to achieve the highest standards of behaviour.

The Group recognises the need for directors and employees to observe the highest standards of behaviour and business ethics. All directors and employees are required to act in accordance with the law and with the highest standard of propriety.



### 3.2 Code of Conduct

The Group acknowledges that the community expects businesses to be aware of their wider social obligations and to promote practices to maintain confidence in the Group's integrity. The 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 Group has established a Code of Conduct for Directors 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 Group'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 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 Conduct for Directors is contained within its Corporate Governance Manual. The Group does not have a formal Code of Conduct for employees and contractors.

Any breach of applicable laws, accepted ethical commercial practices or other aspects 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 Group 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.

The Code of Conduct for Directors, that forms part of the Corporate Governance Manual, is available on the Company's website.

### 3.3 Whistleblower Policy

The Company has adopted a Whistleblower Policy which is available on the Company's website.

Any material incidents reported under the policy is to be reported to the Board via the Company Secretary and the Chairman.

### 3.4 Anti-bribery and Corruption Policy

The Group does not have an anti-bribery and corruption policy. However, relevant policies relating to conflict of interest and avoidance of gifts are contained within its Corporate Governance Manual.

Any material breach of the policy is to be reported to the Board via the Company Secretary and the Chairman.

## PRINCIPLE 4 - SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

Principle 4 identifies that a company should have appropriate processes to verify the integrity of its corporate reports.

Each of the recommendations of Principle 4, including the extent to which the Group has followed those recommendations, is discussed as follows.

### 4.1 Audit Committee

Given the current size of the Board, organisational complexity and scope of operations, the same efficiencies of an audit committee would not be derived from a formal committee structure. The Board has therefore not established an audit committee.

Responsibility for establishing and maintaining a framework of internal control and setting appropriate standards for the management of the Group rests with the Board in accordance with the Corporate Governance Manual. The Board is also responsible for the integrity of financial information in the financial statements; audit, accounting and financial reporting obligations; safeguarding the independence of the external auditor; and financial risk management.

#### **4.2 CEO and CFO Declaration**

In accordance with Recommendation 4.2, the Board received declaration from the Managing Director and Company Secretary, in their capacity as Chief Executive Officer and the Chief Financial Officer respectively, that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively..

#### **4.3 Corporate Report**

Any periodic corporate reports, whether or not they are audited or reviewed by an external auditor, are to be reviewed by the relevant senior management and authorised by the Board before releasing to the market.

### **PRINCIPLE 5 - MAKE TIMELY AND BALANCED DISCLOSURE**

Principle 5 identifies that a listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Each of the recommendations of Principle 5, including the extent to which the Group has followed those recommendations, is discussed as follows.

#### **5.1 Continuous Disclosure Policy**

The Group is committed to promoting investor confidence and ensuring that shareholders and the market are provided with timely and balanced disclosure of all material matters concerning the Group, as well as ensuring that all shareholders have equal and timely access to externally available information issued by the Group, and takes its continuous disclosure obligations seriously. 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 Group 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 to the public.

Given the size of the Group, a formal continuous disclosure policy has not been adopted and Recommendation 5.1 has not been followed.

#### **5.2 Market Announcements**

Copies of all material market announcements are circulated to the Board after they have been released to the market.

#### **5.3 Presentation Materials**

If applicable, copy of any Chairman's Address at the General Meetings and investor or analyst presentations will be submitted to the ASX Market Announcements Platform prior to the time they are made.

## PRINCIPLE 6 - RESPECT THE RIGHTS OF SECURITY HOLDERS

Principle 6 identifies that a listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

Each of the recommendations of Principle 6, including the extent to which the Group has followed those recommendations, is discussed as follows.

### 6.1 Company Website

In accordance with Recommendation 6.1, the Group maintains a corporate governance section on its website where all relevant corporate governance information can be accessed.

### 6.2 Communication Policy

The Board respects the rights of its shareholders and to facilitate the effective exercise of those rights, it has adopted an informal 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 Group 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 Group 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 the functioning of the Group 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 Group.

A formal Shareholder Communications Policy has not been adopted given the Group's size and nature of operations, and therefore Recommendation 6.2 has not been followed.

### 6.3 Meetings of Security Holders

The Board encourages full participation of shareholders at the Annual General Meeting in accordance with Recommendation 6.3, to ensure a high level of accountability and identification with the Group's strategy and goals. Shareholders are requested to vote on the election and aggregate remuneration of directors, the granting of options and shares to directors, the remuneration report and other important considerations relevant to the Group at that time.

### 6.4 Voting by Poll

The Company has put all resolutions to vote by shareholders by a poll since the 2020 Annual General Meeting.

### 6.5 Electronic Communication

The Company encourages shareholders to receive communications electronically in accordance with Recommendation 6.5. Information on lodging e-mail addresses with the Company is available on the Company's website and via the Company's share registry, Boardroom Pty Limited at [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au).

## PRINCIPLE 7 - RECOGNISE AND MANAGE RISK

Principle 7 identifies that a listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

Each of the recommendations of Principle 7, including the extent to which the Group has followed those recommendations, is discussed as follows.

## 7.1 Risk Committee

The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however, that no cost effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk.

Due to the size of the Group, the number of officers and employees and the nature of the business, a formal risk management policy and internal compliance and control system have not been implemented.

The risk management functions and oversight of material business risks are performed by the Board.

## 7.2 Annual Risk Review

Given the nature and size of the Group, the Board did not complete a formal review of the Group's risk management framework in the past financial year as provided by Recommendation 7.2.

## 7.3 Internal Audit

The Group did not have an internal audit function as provided by Recommendation 7.3. The internal audit function is carried out by the Board, which continually considers the entity's risk management effectiveness and associated internal control procedures. The Group does not have an internal audit department nor does it have an internal auditor. The size of the Group does not warrant the need or the cost of appointing an internal auditor.

## 7.4 Sustainability Risks

In accordance with Recommendation 7.4, the Group does not have any material exposure to environmental and social risks other than as disclosed in accordance with its continuous disclosure obligations in its Annual Report and ASX announcements.

## PRINCIPLE 8 - REMUNERATE FAIRLY AND RESPONSIBLY

Principle 8 identifies that a listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Each of the recommendations of Principle 8, including the extent to which the Group has followed those recommendations, is discussed as follows.

### 8.1 Remuneration Committee

Given the current size of the Board, organisational complexity and scope of operations, the same efficiencies of a remuneration committee would not be derived from a formal committee structure. The Board has not established a remuneration committee and the responsibility for the Group's remuneration policy rests with the Board.

### 8.2 Remuneration Policy

The Board is responsible for reviewing and recommending remuneration packages and policies applicable to non-executive directors, executive directors and senior executives of the Group. It is also responsible for reviewing and recommending appropriate grant of any equity securities.

The remuneration objective is to adopt policies, processes and practices to:

- attract and retain appropriately qualified and experienced directors and executives who will add value; and
- adopt reward programmes which are fair and responsible and in accordance with principles of good corporate governance, which dictates a need to align director and executive entitlements with shareholder objectives.

The Board conducts reviews based on individual performance, trends in comparative companies and the need for a balance between fixed remuneration and non-cash incentive remuneration.

Remuneration packages for executive directors and senior executives comprise fixed remuneration and may include bonuses or equity based remuneration as per individual contractual agreements or at the discretion of the Board where no contractual agreement exists.

Non-Executive director remuneration is a fixed annual amount of director fees, the total of which is within the aggregate amount fixed by shareholders at general meeting. Any amendments to the maximum sum must be approved by the Company's shareholders at a general meeting.

The Group has entered into employment agreements with executives, on those terms noted in the Remuneration Report.

### **8.3 Equity-based Remuneration Scheme**

The Company has adopted a Securities Trading Policy pursuant to ASX Listing Rule 12.9. A copy of the policy is available on the Company's website.

That policy prohibits Directors and employees from engaging in hedging arrangements over unvested securities issued pursuant to any equity-based remuneration schemes of the Company.

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**ACTIVEX LIMITED**  
ABN 11 113 452 896  
**DIRECTORS' REPORT**

Your Directors present their report, together with the financial statements, of ActivEX Limited ("ActivEX" or "Company") and its controlled entities ("Group") for the financial year ended 30 June 2021.

## 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 4 meetings of the full Board of Directors. The meetings attended by each Director were:-

Directors	Status	Eligible to Attend	Attended
Min Yang	Non-Executive Chairman	4	4
Geoff Baker	Non-Executive Director	4	4
Dongmei Ye	Non-Executive Director	4	4
Mark Derriman	Executive Director	4	4
Louis Chien	Alternate Director to Min Yang	4	-

## 2. Information on Directors

### Min Yang

*Non-Executive Chairman (appointed director on 10 May 2012; and Chairman on 22 August 2013)*

Ms Min Yang is Executive Chairman of ASF Group Limited. ASF is a creator and facilitator of two-way cross-border investments, trade and technology transfers between China and Australia.

She has extensive business connections and has over 30 years of hands-on experience dealing with private and state-owned enterprises in the Asia-Pacific region. Over the years, Ms Yang has proven her unique business insight and expertise in the identification, incubation and realisation of real asset investment opportunities.

*Directorships held in other listed companies in the last 3 years:* ASF Group Limited, Rey Resources Limited, Key Petroleum Limited and BSF Enterprise PLC.

### Geoff Baker B.Com., LLB., MBA

*Non-Executive Director (15 February 2013 to 26 June 2017, reappointed 8 August 2017)*

For the past 30+ years Mr Baker has been active in China, Asia and UK working in law and conducting a practice in assisting companies doing business in the region. As an experienced lawyer qualified to practice in Australia and Hong Kong, Mr Baker provides valuable assistance to ASF's international operations and in particular to the negotiation, structuring and implementation of joint venture and co-operation agreements with ASF's key strategic partners.

*Directorships held in other listed companies in the last 3 years:* ASF Group Limited, Rey Resources Limited, Key Petroleum Limited and BSF Enterprise PLC.

**ACTIVEX LIMITED**  
ABN 11 113 452 896  
**DIRECTORS' REPORT**

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**Dongmei Ye MAcc., CPA**

*Independent Non-Executive Director (appointed 15 October 2014)*

Ms Ye holds a Master of Accounting from Macquarie University and is a Member of CPA Australia.

Ms Ye has worked with a firm of Chartered Accountants in Australia and has gained extensive experiences in the areas of business restructuring and tax planning in a number of industries both in Australia and internationally. She also has extensive experience in corporate finance in Hong Kong and China and with Australian Listed Companies.

*Directorships held in other listed companies in the last 3 years:* Key Petroleum Limited.

**Mark Derriman, BSc (Hons), MappSc, MBA, MAIG RPGeo AICD**

*Executive Director (appointed 24 May 2018)*

Mr Derriman was appointed General Manager overseeing operations of the Group on 22 February 2018 and subsequently appointed as Executive Director on 24 May 2018.

Mr Derriman is an exploration geologist with over 30 years' experience in near mine and regional exploration, joint venture management and overall management of exploration projects. He has worked in a variety of geological environments across Australia and is experienced in the various jurisdictional statutory requirements. His primary experience is in gold and base metals as well as management of exploration programs for coal, iron ore and bauxite. Prior to commencing as a Director of ActivEX Limited Mark was employed as Chief Operations Officer for Queensland Bauxite where he was primarily responsible for raising \$5m in capital and management of bauxite exploration activities in Queensland. Subsequent to Queensland Bauxite, Mr Derriman set up Rock Tiger Mineral Exploration Services which specialises in managing exploration activities for ASX listed companies.

Mr Derriman is a Member of the AIG(MAIG) and holds Registered Professional Geologist(RPGeo) accreditation.

**Louis Chien**

*Alternate Director to Min Yang (appointed 20 April 2020)*

Mr Chien holds a Master of Business Administration in finance from Kelley School of Business, Indiana University, and two bachelor degrees in Architecture, all attained in the United States.

Mr Chien was born in Shanghai, China, grew up and was educated in the United States, and is now based in Australia. He has 20+ years of corporate experience based in Australia, the United States and Singapore and has held various engineering and finance leadership positions within The Procter & Gamble Company (P&G). He has managed organisations across the Americas, Europe and Asia-Pacific, and is currently a director of ASX listed ASF Group Limited.

*Directorships held in other listed companies in the last 3 years:* ASF Group Limited, Rey Resources Limited (Alternate Director to Ms Min Yang).

**ACTIVEX LIMITED**  
ABN 11 113 452 896  
**DIRECTORS' REPORT**

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### 3. Directors Interests

The relevant interest of each director in shares or other securities issued by the Company and other related bodies corporate, as noted by the directors to the Australian Securities Exchange in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Directors	Shares	Options
Min Yang *	34,769,079	-
Geoff Baker *	34,769,079	-
Dongmei Ye	-	-
Mark Derriman	-	-
Louis Chien *	34,769,079	-

\* Ms Yang, Mr Baker and Mr Chien are directors of ASF Group Limited which has a relevant interest in the Company of 34,769,079 Shares.

### 4. Company Secretary

#### William Kuan

Mr William Kuan was appointed Company Secretary of the Company on 4 May 2020.

Mr Kuan holds a Master Degree in International Accounting. He is a Fellow of CPA Australia and an Associate of The Chartered Governance Institute (formerly ICOSA) in the UK and The Hong Kong Chartered Governance Institute (formerly HKICS). Mr Kuan has extensive experience in accounting, corporate finance and company secretarial areas. He is currently a Director and Company Secretary of ASF Group Limited, a substantial shareholder of the Company. Prior to joining ASF, he was company secretary for a number of diverse Hong Kong listed companies.

### 5. Principal Activities

The principal activity of the Group during the course of the year was minerals exploration. The Group holds mineral exploration tenements in Queensland. The Group's focus is on exploration for gold and copper deposits across its Queensland tenements and its coal exploration tenements. During the year the Group sold a potash project in Western Australia (Lake Chandler). There was no significant change in the principal activity during the year.

The Group's business model is to focus on exploration with the objective to be a sustainable minerals exploration company.

### 6. Review of Operations & Operating Results

For the year ended 30 June 2021, operating loss of the Group before income tax was \$668,531, a decrease of approximately 56% compared with loss for the last year of \$1,523,581.

On 9 February 2021, the Company announced an extension of its on-market share buyback program for a further 12 months from 24 February 2021. For the year ended 30 June 2021, 95,725 shares were bought back at an average price of \$0.14 per share.

On 8 February 2021, the Company announced that it has executed a Sale and Purchase Agreement with Lake Chandler Minerals Pty Ltd for the sale of one 100% owned tenement (ML 77/22) for \$300,000.

Commentary on exploration operational activities in the year is set out on pages 6 - 19 ("Operations Report").



**ACTIVEX LIMITED**  
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**DIRECTORS' REPORT**

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ActivEX responded to the impacts of the COVID-19 pandemic by way of:

- Modified exploration programs, primarily withholding site visits and applying for the reduction variation of expenditure commitments;
- Cost management initiatives, including reduction of directors' remuneration, corporate and administration costs etc;
- Workplace safety;
- Receipt of federal government funding assistance.

The impact of COVID-19 on the Group is described in section 9 below.

### **Occupational Health and Safety**

The Group suffered no lost time injuries during the year.

### **Diversity**

The Group has a policy of diversity in employment. As at the date of this Annual Report, 50% of Board Members are female.

### **Financial Position**

The financial statements have been prepared on the basis of accounting principles applicable to a "going concern" which assumes the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

At 30 June 2021, the Group had \$107,208 in cash. Capitalised mineral exploration and evaluation expenditure carried forward was \$9,317,061. The Group had net assets of \$5,869,054. Conditions of exploration permits held include minimum expenditure commitments. Committed exploration & evaluation expenditure and operating leases in the next 12 months totals \$833,639. As set out in note 1 to the financial statements, whilst the Company has a negative current ratio of \$3,550,631, the financial report is prepared on a going concern basis given the current arrangements for its exploration projects, borrowing facility and expectations of the ability to raise further funds when required.

The Group currently undertakes exploration activities on a number of projects. The Group's ability to continue with its planned exploration activities is dependent on having funding available. Some of the Group's exploration projects are subject to Farm-in and Joint Venture. The Group will continue to investigate other projects as well as joint venture opportunities for existing projects to allow the focus to remain on exploration of current core assets.

The Group currently has no source of operating cash inflow, but it does have the ability to seek to raise funds as and when required to complete its exploration activities. On 16 July 2019, the Company entered into a loan facility agreement with Star Diamond Developments Limited ("Star Diamond"), pursuant to which Star Diamond agreed to provide up to \$2 million loan facility to the Company at the interest rate of 12% per annum and maturing on 31 December 2021. The loan facility was subsequently increased to \$5 million in December 2019, and at balance date the facility is drawn to \$3.1 million principals.

The Group continues to undertake a technical review of its exploration projects which may result in farm-in arrangements on its tenements.

## **7. Dividends**

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

## **8. Significant Changes in the State of Affairs**

Other than the share buy-back and tenement sale mentioned in item 6 above, there were no other significant changes in the state of affairs of the Group during the year.

**ACTIVEX LIMITED**  
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## 9. Events Subsequent to Balance Date

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continued to spread throughout Australia and the World. The spread of COVID-19 has caused significant volatility in Australian and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on Australian and international economies.

The Group's core business is mineral exploration. To the date of this report the Group has not experienced any significant adverse impact. Government directives and travel restrictions have limited the Group's ability to undertake some exploration activity, and the Group has received a Government financial subsidy. The Group has also applied to Government for a reduction to the amount of annual expenditure required under its exploration tenements.

The Directors are actively monitoring the Group's financial condition, operations and workforce. Although the Group cannot estimate the length or gravity of the impacts of the pandemic, if the pandemic continues beyond the short-term or worsens, then this may have an adverse effect on the Group's future operations, results, financial position and liquidity.

Subsequent after the year end, the Company further drew down \$500,000 principal of the Star Diamond loan facility.

On 10 September 2021, the Company announced an encouraging drilling result of the Gilberton Gold Project.

On 15 September 2021, the Company announced that it has been granted Exploration Permit for Minerals (EPM) 27805 and 27812 covering 117.28 km<sup>2</sup> at the Georgetown Gold Project which is situated within the Proterozoic Etheridge Province in northeast Queensland, approximately 400km west-northwest of Townsville and 80km north of the Gilberton Gold Project.

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

## 10. Likely Developments

The Group will continue to pursue its objective of exploration and evaluation for minerals with the objective of eventually developing a commercially viable mining operation. The Group will also continue to investigate other projects and opportunities involving those activities. Exploration focus remains primarily on copper/gold projects and the Joint Venture with Rockland Resources and Ballymore Resources. Divestment of non-core assets will also be investigated.

Further information about likely developments in the operations of the Group have not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group and given the nature of exploration and evaluation it does not have sufficient certainty.

Risks associated with the Group pursuing these activities relate to the general risks involved in exploration activities, and availability of funding.

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## DIRECTORS' REPORT

### 11. Remuneration Report – Audited

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

#### Remuneration Policy

The Group'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 Group 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 Group's policy for determining the nature and amount of remuneration of board members and key management of the Group is set out below.

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

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 Group. Non-executive Directors may also be awarded equity based performance remuneration. The maximum aggregate annual amount of fees that can be paid to non-executive Directors approved by shareholders is currently \$150,000.

The Group's remuneration policy provides for long-term incentives through participation in the Company's Employee and Officers Share Option Plan. Group 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 18 in the financial statements. The Group currently does not have any other performance-based incentive component built into Director and executive remuneration. Nor does the Group remunerate any management personnel with securities that are not performance based.

KMP or closely related parties of KMP are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to the remuneration.

The Group does not engage remuneration consultants. The Board of Directors is responsible for determining and reviewing the Group'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 management personnel of the Group during the year was as follows:

2021 Key Management Personnel	Short Term Benefits		Termination Benefits	Post- employment Superannuation	Long Term Benefits	Total
	Salary & Fees	Non-Cash Benefits				
Min Yang <sup>1</sup>	36,000	-	-	-	-	36,000
Geoff Baker <sup>1</sup>	36,000	-	-	-	-	36,000
Dongmei Ye <sup>1</sup>	36,000	-	-	-	-	36,000
Mark Derriman	55,816	-	-	-	-	55,816
Louis Chien <sup>2</sup>	-	-	-	-	-	-
	163,816	-	-	-	-	163,816

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## DIRECTORS' REPORT

2020 Key Management Personnel	Short Term Benefits		Termination Benefits	Post- employment Superannuation	Long Term Benefits	Total
	Salary & Fees	Non-Cash Benefits				
Min Yang <sup>1</sup>	31,500	-	-	-	-	31,500
Geoff Baker <sup>1</sup>	31,500	-	-	-	-	31,500
Dongmei Ye <sup>1</sup>	31,500	-	-	-	-	31,500
Mark Derriman	50,800	-	-	-	-	50,800
Louis Chien <sup>2</sup>	-	-	-	-	-	-
	145,300	-	-	-	-	145,300

<sup>1</sup> See related parties below.

<sup>2</sup> Alternate Director to Ms Min Yang.

### Securities Received that are not Performance-related

No Key Management Personnel are entitled to receive securities that are not performance-based as part of their remuneration package.

### Cash Bonuses, Performance-related Bonuses and Share-based Payments

There were no cash bonuses, performance-related bonuses or share-based payments by the Group during the year (2020: NIL).

### Other Transactions with KMP and/or Related Parties

During the year the Group paid Luxe Hill Limited an entity controlled by Ms Min Yang, a Director of the Company, director fees of \$36,000 (2020: \$31,500).

During the year the Group paid Gold Star Industry Limited an entity controlled by Mr Geoff Baker, a Director of the Company, director fees of \$36,000 (2020: \$31,500).

During the year the Group paid Star Surpass Limited an entity controlled by Ms Dongmei Ye, a Director of the Company, director fees of \$36,000 (2020: \$31,500).

During the year, the Group paid Mr Mark Derriman director fees of \$55,816 (2020: \$50,800).

### KMP Shareholdings and Option Holdings

#### (a) Number of shares held by Key Management Personnel

2021	Balance 1 July 2020	Impact of Share Consolidation	Options Exercised	Purchased/ (Sold)	Balance 30 June 2021
Min Yang <sup>1</sup>	34,769,079	-	-	-	34,769,079
Geoff Baker <sup>1</sup>	34,769,079	-	-	-	34,769,079
Dongmei Ye	-	-	-	-	-
Mark Derriman	-	-	-	-	-
Louis Chien <sup>1,2</sup>	34,769,079	-	-	-	34,769,079

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## DIRECTORS' REPORT

2020	Balance 1 July 2019	Impact of Share Consolidation	Options Exercised	Purchased/ (Sold)	Balance 30 June 2020
Min Yang <sup>1</sup>	34,769,079	-	-	-	34,769,079
Geoff Baker <sup>1</sup>	34,769,079	-	-	-	34,769,079
Dongmei Ye	-	-	-	-	-
Mark Derriman	-	-	-	-	-
Louis Chien <sup>1,2</sup>	34,769,079	-	-	-	34,769,079

<sup>1</sup> Ms Yang, Mr Baker and Mr Chien are directors of ASF Group Limited which beneficially holds 34,769,079 shares in the Company.

<sup>2</sup> Alternate Director to Ms Min Yang.

### (b) Number of Options Held by Key Management Personnel

There were no options over ordinary shares in the Company held by key management personnel at any time during the current year or prior year.

### Employment Details of Key Management Personnel

Following are employment details of persons who were key management personnel of the Group during the financial period.

Key Management Personnel	Position held at 30 June 2020	Contract Details	Proportion of Remuneration:		Total
			Related to performance	Not related to performance	
			Incentives	Fixed	
Min Yang	Non-executive Chairman	No fixed term, termination as provided by Corporations Act	-	100%	100%
Geoff Baker	Non-executive Director	No fixed term, termination as provided by Corporations Act	-	100%	100%
Dongmei Ye	Non-executive Director	No fixed term, termination as provided by Corporations Act	-	100%	100%
Mark Derriman	Managing Director / Executive Director	A Consultancy Agreement signed on 22 February 2018. The agreement can be terminated by either party giving to the other party not less than one month prior written notice.	-	100%	100%
Louis Chien	Alternate Director to Ms Min Yang	No fixed term, termination as provided by Corporations Act	-	100%	100%

Other than Mr Derriman, no Directors have formalised contracts.

### Options Granted as Remuneration

There were no options over ordinary shares in the Company granted as compensation to key management personnel during the current year or prior year.

In addition, no options have been granted as compensation to key management personnel since the end of the year.

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

### Company Performance, Shareholder Wealth and Director and Executive Remuneration

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

# ACTIVEX LIMITED

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## DIRECTORS' REPORT

	2018	2019	2020	2021
Exploration expenditure (\$)	849,157	368,705	448,111	538,223
Exploration tenements (no.)	30	30	24	22
Net assets (\$)	8,859,872	8,074,747	6,551,166	5,869,054
Share Price at Year-end (\$)	0.12	0.195	0.13	0.17
Dividends Paid (\$)	NIL	NIL	NIL	NIL

### 12. Indemnifying Officers and Auditor

During the year the Group paid insurance premiums to insure each of the Directors and Officers of the Group against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Group, other than conduct involving a wilful breach of duty in relation to the Group. The contracts include a prohibition on disclosure of the premium paid and nature of the liabilities covered under the policy.

The Group has in place Deeds with each of the Directors whereby the Group 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.

The Group 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.

### 13. 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 Group's corporate governance statement is contained within its annual report.

### 14. Options

At the date of this report, there were no unissued ordinary shares of the Company under options.

There have been no options granted over unissued shares during or since the end of the reporting period.

For details of options issued to Directors and executives as remuneration, refer to the remuneration report.

### 15. Environmental Issues

The Group's operations are subject to environmental regulation under the law of the Commonwealth and the States of Queensland and Western Australia.

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

### 16. Proceedings on Behalf of the Company

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

**ACTIVEX LIMITED**  
ABN 11 113 452 896  
**DIRECTORS' REPORT**

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**17. Auditor's Independence Declaration**

The auditor's independence declaration under section 307C of the Corporations Act 2001 has been received and is included in this financial report.

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

This Directors' Report, incorporating the Remuneration Report is signed in accordance with a resolution of Directors.



Min Yang  
Chairman

Signed: 23rd day of September 2021

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## COMPETENT PERSON STATEMENT

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr. Mark Derriman, who is a member of The Australian Institute of Geoscientists (1566) and Mr. Xusheng Ke, who is a Member of the Australasian Institute of Mining and Metallurgy (310766) and a Member of the Australian Institute of Geoscientists (6297).

Mr. Mark Derriman and Mr. Xusheng Ke have sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves.

Mr. Mark Derriman and Mr. Xusheng Ke consent to the inclusion of their names in this report and to the issue of this report in the form and context in which it appears.

## FORWARD LOOKING STATEMENT

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although ActivEX Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

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## Auditor's Independence Declaration

### Under Section 307C of the *Corporations Act 2001*

#### To the Directors of ActivEX Limited

As the lead auditor for the audit of the financial report of ActivEX Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ActivEX Limited and the entities it controlled during the year.

*Nexia Brisbane Audit Pty Ltd*

#### **Nexia Brisbane Audit Pty Ltd**

*Nigel Bamford*

**ND Bamford**  
Director

Date: 23 September 2021

#### **Nexia Brisbane Audit Pty Ltd**

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	37	54
Other income	2	67,544	60,866
Less expenses:			
Corporate and administrative expenses		(576,336)	(514,235)
Employee benefit expense		(132,120)	(102,411)
Current year exploration and evaluation expenditure written-off		(27,656)	(10,418)
Impairment of exploration assets		-	(957,437)
<b>Loss before income tax</b>	3	<b>(668,531)</b>	<b>(1,523,581)</b>
Tax expense	4	-	-
<b>Loss for the year</b>		<b>(668,531)</b>	<b>(1,523,581)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year attributable to owners of the Parent Entity</b>		<b>(668,531)</b>	<b>(1,523,581)</b>
<b>Earnings per Share</b>			
Basic earnings per share (cents)	22	(0.377)	(0.860)
Diluted earnings per share (cents)	22	(0.377)	(0.860)

The accompanying notes form part of these financial statements.

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# ACTIVEX LIMITED

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	107,208	209,263
Trade and other receivables	6	4,000	61,331
Other assets	7	55,702	43,916
<b>Total Current Assets</b>		<b>166,910</b>	<b>314,510</b>
NON-CURRENT ASSETS			
Property, plant and equipment	8	8,784	280
Exploration and evaluation assets	9	9,317,061	9,049,161
Trade and other receivables	6	93,840	69,840
<b>Total Non-Current Assets</b>		<b>9,419,685</b>	<b>9,119,281</b>
<b>TOTAL ASSETS</b>		<b>9,586,595</b>	<b>9,433,791</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	49,602	86,261
Provisions	11	32,016	28,167
Borrowings	12	3,635,923	-
<b>Total Current Liabilities</b>		<b>3,717,541</b>	<b>114,428</b>
NON-CURRENT LIABILITIES			
Borrowings	12	-	2,768,197
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>2,768,197</b>
<b>TOTAL LIABILITIES</b>		<b>3,717,541</b>	<b>2,882,625</b>
<b>NET ASSETS</b>		<b>5,869,054</b>	<b>6,551,166</b>
<b>EQUITY</b>			
Issued capital	13	20,725,690	20,739,271
Accumulated losses		(14,856,636)	(14,188,105)
<b>TOTAL EQUITY</b>		<b>5,869,054</b>	<b>6,551,166</b>

The accompanying notes form part of these financial statements.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2021

	Note	Share Capital \$	Accumulated losses \$	Total Equity \$
<b>Balance at 1 July 2019</b>		20,739,271	(12,664,524)	8,074,747
Share buyback		-	-	-
Total comprehensive loss for the year		-	(1,523,581)	(1,523,581)
<b>Balance at 30 June 2020</b>		<b>20,739,271</b>	<b>(14,188,105)</b>	<b>6,551,166</b>
Share Buyback	13	(13,581)	-	(13,581)
Total comprehensive loss for the year		-	(668,531)	(668,531)
<b>Balance at 30 June 2021</b>		<b>20,725,690</b>	<b>(14,856,636)</b>	<b>5,869,054</b>

The accompanying notes form part of these financial statements.

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**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(378,591)	(320,309)
Interest received		37	54
Government Subsidy		10,000	10,000
<b>Net cash provided by (used in) operating activities</b>	14	<b>(368,554)</b>	<b>(310,255)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant, equipment	8	(9,564)	-
Capitalised exploration expenditure	9	(510,356)	(362,693)
Purchase of tenements	9	-	(75,000)
Proceed from sale of tenements	9	300,000	-
<b>Net cash provided by (used in) investing activities</b>		<b>(219,920)</b>	<b>(437,693)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments for share buy back	13	(13,581)	-
Proceeds from borrowings		500,000	2,655,000
Repayment of borrowings		-	(1,716,494)
<b>Net cash provided by (used in) financing activities</b>		<b>486,419</b>	<b>938,506</b>
<b>Net increase/(decrease) in cash held</b>		<b>(102,055)</b>	<b>190,558</b>
<b>Cash and equivalents at beginning of year</b>		<b>209,263</b>	<b>18,705</b>
<b>Cash and cash equivalents at 30 June</b>	5	<b>107,208</b>	<b>209,263</b>

The accompanying notes form part of these financial statements.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes are for the consolidated entity consisting of ActivEX Limited ("Company" or "parent entity") and its subsidiaries (the "Group").

The financial report is a general purpose financial report that has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, and Interpretations of the Australian Accounting Standards Board, and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

ActivEX Limited is a listed public company, incorporated and domiciled in Australia. Except for the cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities. The financial statements were authorised for issue by the directors as at the date of the directors' declaration. The separate financial statements of the Company are presented in note 26.

#### Continued Operations and Future Funding

The financial statements have been prepared on a going concern basis which contemplates that the Group will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 30 June 2021, current assets total \$166,910 (including cash \$107,208) and current liabilities total \$3,717,541. As set out in note 12 the Company's borrowing facility is drawn to \$3,635,923 (inclusive of accrued interest) and it has an undrawn facility of principal of \$1.9 million. The facility terminates on 31 December 2021.

The ability of the Company to settle its liabilities and execute its currently planned exploration and evaluation activities requires the Company to raise additional funds within the next 12 months, and beyond. Because of the nature of its operations the Directors recognise that there is a need on an ongoing basis for the Company to regularly raise additional cash to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds which may include but is not limited to an issue of shares, borrowings, a farm-out of an interest in one of more exploration tenements or the sale of exploration assets where increased value has been created through previous exploration activity.

The classification of the Company's borrowing as a current liability gives rise to a negative current ratio of \$3,550,631. As a result, the Directors have concluded that in the current circumstances there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. Nevertheless, after taking into account the current joint venture arrangements, the loan facility arrangement and various other funding options available, including the Company's past experience in raising funds, the Directors have a reasonable expectation that the Company will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

# ACTIVEX LIMITED

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## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of the Company and all subsidiaries as at 30 June 2021.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

#### Income Tax

The income tax expense (income) 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. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority, using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

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 and 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 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 availability and benefit of unused tax losses is also dependent on the Group deriving future assessable income of a nature and amount sufficient to enable the losses to be realised, and on the Group's compliance with the conditions of deductibility imposed by the relevant legislation.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is ActivEX Limited. Current income tax expense/benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within the group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

#### Property, Plant and Equipment

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

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 Group 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 the end of each reporting period. 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 recognised in profit or loss in the period in which they arise.

#### Exploration and Evaluation Assets

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised where the Group has right of tenure, to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.



# ACTIVEX LIMITED

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## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Exploration and Evaluation Assets (continued)

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

Costs of site restoration are provided for where the Group has a legal or constructive obligation.

#### Financial Instruments

##### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately

##### *Classification and subsequent measurement*

##### *Financial liabilities*

Financial instruments are subsequently measured at

- amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

##### *Financial assets*

Financial assets are subsequently measured at

- amortised cost.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial Instruments (continued)

##### *Derecognition*

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

##### *Derecognition of financial liabilities*

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

##### *Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

##### *Impairment*

The Group recognises a loss allowance for expected credit losses, using the simplified approach under AASB 9, which requires the recognition of lifetime expected credit loss at all times.

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits available on demand with banks.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### Equity Settled Compensation

The Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve and statement of profit and loss respectively. The fair value of options is determined using a binomial pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

#### Employee Benefits

##### Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

# ACTIVEX LIMITED

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## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

#### Provisions

Provisions are recognised when the Group 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. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### Issued Capital

Ordinary shares are classified as equity. The amount paid for buy-back of shares is applied against issued capital.

#### Revenue and Other Income

Interest revenue is recognised using the effective interest method.

Other Income is recognised when the Group obtains control over the funds, which is at the time of receipt.

All revenue is stated net of the amount of GST.

#### Trade and Other Receivables

Trade and other receivables include amounts due in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Amounts are initially recognised at fair value, and subsequently measured at amortised cost.

#### 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### Comparative Figures

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

#### 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.

Key estimates/judgments used in the financial statements are:

Continued operations and future funding – as set out above the financial statements have been prepared on a going concern basis.

Exploration and evaluation asset - 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. The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers.

#### Fair Value of Assets and Liabilities

The Group may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis after initial recognition, depending on the requirements of the applicable Accounting Standard. Currently there are no assets or liabilities measured at fair value after initial recognition.

**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021****NOTE 2: REVENUE & OTHER INCOME**

	2021	2020
	\$	\$
<b>Revenue</b>		
Interest received from unrelated parties	37	54
<b>Other income</b>		
Cash Boost Stimulus (Government Subsidy)	10,000	10,000
Gain on disposal of tenements	57,544	50,000
Miscellaneous Income	-	866
	<b>67,644</b>	<b>60,866</b>

**NOTE 3: EXPENSES**

	2021	2020
	\$	\$
Included in expenses are the following items:		
Exploration expenditure expensed during year	27,656	10,418
Depreciation and amortisation	1,060	4,142
Impairment of exploration assets	-	957,437
Interest payable		
Related entity	-	86,727
Unrelated entity *	367,726	168,197
Employee benefits expenses comprises:		
Short term benefits	215,452	185,106
Contributions to defined contribution plans	9,500	8,313
	<b>224,952</b>	<b>193,419</b>
Less recharged to exploration and evaluation assets	<b>(92,832)</b>	<b>(91,008)</b>
	<b>132,120</b>	<b>102,411</b>

\* All borrowing costs are expensed as incurred.

**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

<b>NOTE 4: INCOME TAX EXPENSE</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
The prima facie tax on the operating loss is reconciled to income tax expense as follows:		
Prima facie tax benefit on loss from ordinary activities before income tax at 26% (2020: 27.5%)	<b>(173,818)</b>	(418,985)
<b>Adjust for tax effect of:</b>		
Tax losses and temporary differences not brought to account	<b>173,818</b>	418,985
Income tax expense attributable to entity	-	-
Weighted average effective tax rate	0.00%	0.00%
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.		
Temporary differences	<b>(2,407,000)</b>	(2,473,000)
Tax losses	<b>6,558,000</b>	6,680,000
Net unbooked deferred tax asset	<b>4,151,000</b>	4,207,000

The Group has unconfirmed carry forward losses of approximately \$25.2 million (2020: \$24.3 million). The availability of losses to be utilised in the future is dependent on compliance with tax legislation, including continuity of ownership test, or failing that, the same business test.

<b>NOTE 5: CASH AND CASH EQUIVALENTS</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	<b>107,208</b>	209,263
	<b>107,208</b>	209,263
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash at bank and on hand	<b>107,208</b>	209,263

**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021****NOTE 6: TRADE AND OTHER RECEIVABLES**

	2021	2020
	\$	\$
<b>Current:</b>		
Other receivables	4,000	61,331
<b>Non-Current:</b>		
Deposits	93,840	69,840

**Credit Risk – Trade and Other Receivables**

In the current year \$4,000 of receivables related to 1 debtor. Otherwise, the Group has no significant concentration of credit risk with respect to counter parties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group. All trade and other receivables are within normal credit terms and are therefore not considered past due or impaired.

**NOTE 7: OTHER ASSETS**

	2021	2020
	\$	\$
<b>Current:</b>		
Prepayments	55,702	43,916

**NOTE 8: PLANT AND EQUIPMENT**

	2021	2020
	\$	\$
At cost	427,059	417,495
Accumulated depreciation	(418,275)	(417,215)
Total plant and equipment	8,784	280

Reconciliation of the carrying amounts for plant and equipment is set out below:

Balance at the beginning of year	280	4,422
Additions	9,564	-
Depreciation expense	(1,060)	(4,142)
Total plant and equipment	8,784	280



**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

<b>NOTE 9: EXPLORATION AND EVALUATION ASSETS</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Exploration and evaluation phase	<b>9,317,061</b>	9,049,161
	<b>9,317,061</b>	<b>9,049,161</b>
<b>Movement in exploration and evaluation assets:</b>		
Opening balance - at cost	<b>9,049,161</b>	9,568,905
Capitalised exploration, evaluation expenditure	<b>510,356</b>	362,693
Acquisition of tenements	-	75,000
Disposal of tenement	<b>(242,456)</b>	-
Impairment of exploration assets	-	(957,437)
Carrying amount at 30 June	<b>9,317,061</b>	<b>9,049,161</b>
<b>Exploration and evaluation assets:</b>		
Group interest is 100%	<b>9,064,584</b>	8,885,041
Group interest is subject to farm-in/joint venture	<b>252,477</b>	164,120
	<b>9,317,061</b>	<b>9,049,161</b>

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. Commitments in respect of exploration projects are set out in note 16.

On 18 October 2019, the Company announced that it has finalised a Farm-in & Joint Venture with Rockland Resources Pty Ltd ("Rockland") over the Company's 100% owned Pentland gold tenement located in North-east Queensland, approximately 100km west of Charters Towers. Under the terms of the Joint Venture, Rockland can earn up to 90% interest in the tenement by spending \$167,647 over 3.5 years. As at 30 June 2021, Rockland has earned 51% interest in the tenement.

On 1 June 2020, the Company announced that it has finalised a Joint Venture and Farmin Agreements with Ballymore Gold Pty Ltd ("Ballymore") over five (5) 100% owned gold tenements located in North-East Queensland, approximately 100km west of Townsville. Under the terms of the Farm-in Agreement ("FA"), Ballymore can earn up to 51% equity in the tenement by sole funding \$500,000 and a further 29% equity by sole funding \$2,000,000 (inclusive of the initial \$500,000). In addition to the earn-in rights under the FA, Ballymore has the option at any time to acquire 100% interest in the Ravenswood Gold Project for \$5,000,000 in cash or, if mutually agreed scrip or a combination of cash and scrip.

On 8 February 2021, the Company announced that it has executed a Sale and Purchase Agreement with Lake Chandler Minerals Pty Ltd for the sale of one 100% owned tenement (ML 77/22) for \$300,000.

**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

<b>NOTE 10: TRADE AND OTHER PAYABLES</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current:</b>		
Unsecured liabilities		
Sundry payables and accrued expenses	49,602	86,261
Total payables (unsecured)	<u>49,602</u>	<u>86,261</u>

The average credit period on purchases of goods and services is 30 days.

No interest is charged on trade payables.

Financial liabilities at amortised cost classified as trade and other payables.

Trade and other payables:	<u>49,602</u>	<u>86,261</u>
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<b>NOTE 11: PROVISIONS</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Provision for employee benefits	32,016	28,167
	<u>32,016</u>	<u>28,167</u>
Opening balance	28,167	25,285
Additional provisions	7,692	6,728
Amounts used	(3,843)	(3,846)
Balance at year end	<u>32,016</u>	<u>28,167</u>

<b>NOTE 12: BORROWINGS</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current:</b>		
Borrowings	<u>3,635,923</u>	-
	<u>2021</u>	<u>2020</u>
	\$	\$
<b>Non-current:</b>		
Borrowings	<u>-</u>	<u>2,768,197</u>

On 16 July 2019, the Company entered into a loan facility agreement with Star Diamond Developments Limited ("Star Diamond") pursuant to which Star Diamond agreed to provide a loan facility of up to \$2 million ("SD Loan Facility") to the Company at an interest rate of 12% per annum and maturing on 31 December 2021. The SD Loan Facility was subsequently increased to \$5 million in December 2019. As at 30 June 2021, a total of \$3.1 million SD Loan Facility principal had been drawn down by the Company.

# ACTIVEX LIMITED

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## Notes to the Financial Statements For the year ended 30 June 2021

### NOTE 13: ISSUED CAPITAL

	2021	2020
	\$	\$
177,132,676 (2020: 177,228,401) fully paid ordinary shares	<u>20,725,690</u>	<u>20,739,271</u>

#### (a) Ordinary shares

	2021	2020
	No.	No.
Balance at the beginning of the reporting period	177,228,401	177,228,401
Shares bought back	(95,725)	-
Balance at reporting date	<u>177,132,676</u>	<u>177,228,401</u>

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.

In 2020 and 2021 the Company has operated an on-market share buyback program. In the period September - December 2020, 95,725 shares were acquired at prices in the range \$0.12 - \$0.17, totalling \$13,581. The Company has extended the buy-back program to February 2022.

#### (b) Capital Management

Exploration companies such as ActivEX are funded primarily by share capital. The Group's debt and capital comprises its share capital and financial liabilities supported by financial assets.

Management controls the capital of the Group to ensure that it can fund its operations and continue as a going concern. No dividend will be paid while the Group is in exploration stage. There are no externally imposed capital requirements. There are no changes to the Group's capital management policy. As set out in note 1, the Group will need to manage its ongoing capital requirements in the next 12 months.

### NOTE 14: CASH FLOW INFORMATION

	2021	2020
	\$	\$
<b>(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax:</b>		
Loss from ordinary activities after income tax	(668,531)	(1,523,581)
Non-cash flows in loss from ordinary activities:		
Depreciation	1,060	4,142
Impairment of exploration assets	-	957,437
Gain on disposal of tenements	(57,544)	-
Accrued interest expenses	367,726	254,924
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	33,331	(63,731)
(Increase)/Decrease in prepayments	(11,786)	10,513
(Decrease)/Increase in payables	(36,659)	47,159
(Decrease)/Increase in provisions	3,849	2,882
Cash flows from operations	<u>(368,554)</u>	<u>(310,255)</u>

**ACTIVEX LIMITED**

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**Notes to the Financial Statements  
For the year ended 30 June 2021**

NOTE 14: CASH FLOW INFORMATION (continued)	2021	2020
	\$	\$
<b>(a) Changes in liabilities arising from financing activities:</b>		
Borrowings – balance at 1 July	2,768,197	1,574,767
Cash flows – amounts borrowed	500,000	2,655,000
Non cash flows – interest accrued	367,726	254,924
Cash flows - repayment of borrowings	-	(1,716,494)
Balance at 30 June	<u>3,635,923</u>	<u>2,768,197</u>

**NOTE 15: RELATED PARTY TRANSACTIONS****(a) The Company's main related parties are as follows:***Key Management Personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company, are considered key management personnel.

*Director related entities:*

Directors Min Yang, Geoff Baker and Louis Chien are directors in ASF Group Limited which beneficially holds Shares in the Company at 30 June 2021.

*Subsidiaries*

Interests in subsidiaries are set out in Note 25.

**(b) Transactions with related parties:**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

During the year the Company paid Star Surpass Limited an entity controlled by Ms Ye, a director of the Company fees of \$36,000 (2020: \$31,500) as director's fees.

During the year the Company paid Luxe Hill Limited an entity controlled by Ms Min Yang, a director of the Company, fees of \$36,000 (2020: \$31,500) as director's fees.

During the year the Company paid Gold Star Industry Limited an entity controlled by Mr Geoff Baker, a director of the Company, fees of \$36,000 (2020: \$31,500) as director's fees.

During the year the Company paid ASF Group Limited ("ASF"), an entity of which Ms Yang, Mr Baker and Mr Chien are directors, corporate service fees of \$62,250 (2020: \$87,150).

During the year the Company paid Mr Mark Derriman director fees of \$55,816 (2020: \$50,800).

# ACTIVEX LIMITED

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## Notes to the Financial Statements For the year ended 30 June 2021

### NOTE 16: COMMITMENTS

#### (a) 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.

	2021	2020
The following commitments exist at balance date but have not been brought to account:	\$	\$
Not later than 1 year	833,639	599,921
Later than 1 year but not later than 5 years	1,022,093	1,785,451
Later than 5 years		-
Total commitment	<u>1,855,732</u>	<u>2,385,372</u>

Under the farm-in/joint venture agreements set out in Note 9, exploration amounts funded by Rockland and Ballymore will be applied to meet some of the above exploration commitment.

### NOTE 17: SEGMENT INFORMATION

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

### NOTE 18: SHARE BASED PAYMENTS

There were no share-based payment arrangements in existence during the 2021 year, nor the 2020 year.

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.

Options are forfeited one month after the holder ceases to be employed by the Group.

All Company 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.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

### NOTE 19: EVENTS AFTER BALANCE SHEET DATE

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continued to spread throughout Australia and the World. The spread of COVID-19 has caused significant volatility in Australian and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on Australian and international economies.

The Group's core business is mineral exploration. To the date of this report the Group has not experienced any significant adverse impact. Government directives and travel restrictions have limited the Group's ability to undertake some exploration activity, and the Group has received a Government financial subsidy. The Group has also applied to Government for a reduction to the amount of annual expenditure required under its exploration tenements.

The Directors are actively monitoring the Group's financial condition, operations and workforce. Although the Group cannot estimate the length or gravity of the impacts of the pandemic, if the pandemic continues beyond the short-term or worsens, then this may have an adverse effect on the Group's future operations, results, financial position and liquidity.

Subsequent after the year end, the Company further drew down \$500,000 principal of the Star Diamond loan facility.

On 10 September 2021, the Company announced an encouraging drilling result of the Gilberton Gold Project.

On 15 September 2021, the Company announced that it has been granted Exploration Permit for Minerals (EPM) 27805 and 27812 covering 117.28 km<sup>2</sup> at the Georgetown Gold Project which is situated within the Proterozoic Etheridge Province in northeast Queensland, approximately 400km west-northwest of Townsville and 80km north of the Gilberton Gold Project.

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

### NOTE 20: AUDITORS' REMUNERATION

	2021	2020
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial report	30,800	29,700
No fees were paid for non-audit services.		

### NOTE 21: CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the reporting period (2020: nil).

**ACTIVEX LIMITED**

ABN 11 113 452 896

**Notes to the Financial Statements  
For the year ended 30 June 2021****NOTE 22: EARNINGS PER SHARE**

	2021	2020
Net loss used to calculate basic and dilutive EPS	\$ 668,531	\$ 1,523,581
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	No. 177,161,122	No. 177,228,401
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares outstanding during the period used in the calculation of dilutive EPS	<u>177,161,122</u>	<u>177,228,401</u>

**NOTE 23: KEY MANAGEMENT PERSONNEL COMPENSATION**

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

(a) Key Management Person	Position
Mark Derriman	Managing Director - Executive
Min Yang	Non-Executive Chairman
Geoff Baker	Director - Non-Executive
Dongmei Ye	Director - Non-Executive
Louis Chien	Alternate Director to Min Yang

(b) Key Management Personnel Compensation	2021	2020
	\$	\$
Short-term employee benefits	163,816	145,300
Post-employment benefits	-	-
	<u>163,816</u>	<u>145,300</u>

Detailed disclosures on compensation for key management personnel are set out in the Remuneration Report included in the Directors' Report. Refer also Note 15 for fees and services provided by director related parties, in relation to the above compensation.

**Short-term employee benefits**

These amounts include fees and benefits paid to the non-executive chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

**Post-employment benefits**

These amounts are the current-year's estimated cost of providing for the Group's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

### NOTE 24: FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial instruments comprise of deposits with banks, accounts receivable and payables.

The totals for each category of financial instruments measured in accordance with AASB 139: Financial instruments: Recognition and measurement as detailed in the accounting policies to these financial statements as follows:

	2021	2020
<b>Financial assets:</b>	\$	\$
Cash and cash equivalents	107,208	209,263
Trade and other receivables	97,840	131,171
Total financial assets	<u>205,048</u>	<u>340,434</u>
<b>Financial liabilities:</b>		
Financial liabilities at amortised cost		
- Trade and other payables	49,602	86,261
- Borrowings	3,635,923	2,768,197
Total financial liabilities	<u>3,685,525</u>	<u>2,854,458</u>

#### (a) Financial Risk Management Policies

The Group's financial instruments mainly comprise cash balances, receivables, payables and borrowings. The main purpose of these financial instruments is to provide finance for Group operations.

#### Risk Management

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

#### Specific Financial Risk Exposures and Management

The main risks the Group 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.



# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

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### NOTE 24: FINANCIAL RISK MANAGEMENT POLICIES (continued)

#### Interest Rate Risk

The Group'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 Group's bank balances and borrowings.

This risk is managed through the use of variable and fixed rates.

#### 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. The finance committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties, including:

- only banks and financial institutions with an 'A' rating are utilised.

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

#### Liquidity Risk

Liquidity risk is the risk that the Group will not be able to 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 Group's reputation.

The directors manage liquidity risk by sourcing long-term funding primarily from equity sources. In the current year the Group has also used debt. As set out in Note 1, the Group will need to manage its ongoing liquidity to meet planned exploration and corporate requirements.

**ACTIVEX LIMITED**

ABN 11 113 452 896

**Notes to the Financial Statements  
For the year ended 30 June 2021****NOTE 24: FINANCIAL RISK MANAGEMENT POLICIES (continued)****(b) Financial liability and financial asset maturity analysis**

The table below reflects an undiscounted contractual maturity analysis for financial liabilities and reflects management's expectations as to the timing of termination and realisation of financial assets and liabilities.

	2021	2020
	\$	\$
<b>Financial assets:</b>		
Within 1 year		
- cash and cash equivalents <sup>1</sup>	107,208	209,263
- receivables <sup>2</sup>	4,000	61,331
	<u>111,208</u>	<u>270,594</u>
Within 1 - 2 years		
- receivables <sup>2</sup>	93,840	69,840
Total	<u>205,048</u>	<u>340,434</u>
<b>Financial liabilities:</b>		
Within 1 year		
- payables <sup>2</sup>	(49,602)	(86,261)
- borrowings <sup>3</sup>	(3,635,923)	-
	<u>(3,685,525)</u>	<u>(86,261)</u>
Within 1 - 2 years		
- borrowings <sup>3</sup>	-	(2,768,197)
Total	<u>-</u>	<u>(2,854,458)</u>
<b>Net (outflow) inflow:</b>		
Within 1 year	(3,574,317)	184,333
Within 1 - 2 years	93,840	(2,698,357)
Total Net (outflow) inflow	<u>(3,480,477)</u>	<u>(2,514,024)</u>

1. Floating interest rates, with weighted average effective interest rate 0% (2020: 0%).
2. Non-interest bearing.
3. Outstanding loan (principal & accrued interest) due to Star Diamond Developments Limited at the interest rate of 12% per annum and with maturity date of 31 December 2021.

**(c) Net Fair Values**

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 Group 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 +/- \$36,359 (2020: \$27,681).

# ACTIVEX LIMITED

ABN 11 113 452 896

## Notes to the Financial Statements For the year ended 30 June 2021

### NOTE 25: INTEREST IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiary in accordance with the accounting policy described in Note 1. It has adopted the same financial year and accounting policies of the Company. There are no significant restrictions over the Group's ability to access and use assets, and settle liabilities, of the Group:

Name	Country of incorporation	Ownership interest	
		2021	2020
Activex Canning Pty Ltd	Australia	100%	100%

### NOTE 26: PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

	2021	2020
	\$	\$
<i>Statement of profit or loss and other comprehensive income</i>		
Loss after income tax	(668,531)	(1,523,581)
Total comprehensive loss	<u>(668,531)</u>	<u>(1,523,581)</u>
<i>Statement of financial position</i>		
Total current assets	371,467	314,510
Total assets	<u>9,586,144</u>	<u>9,433,791</u>
Total current liabilities	<u>3,717,090</u>	<u>86,261</u>
Total liabilities	<u>3,717,090</u>	<u>2,882,625</u>
Equity		
Share capital	20,725,690	20,739,271
Accumulated losses	<u>(14,856,636)</u>	<u>(14,188,105)</u>
Total equity	<u>5,869,054</u>	<u>6,551,166</u>

#### *Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021.

#### *Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

#### *Capital commitments – Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

### NOTE 27: COMPANY DETAILS

The registered office and principal place of business is Suite 2, 3B Macquarie Street, Sydney NSW 2000.

**ACTIVEX LIMITED**  
ABN 11 113 452 896  
**DIRECTORS' DECLARATION**

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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 Australian Accounting Standards applicable to the Entity, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
  - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance of the Consolidated Group for the year ended on that date.
2. 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; and
3. The Directors have been given the declarations by the Chief Executive Office and Chief Finance Officer required by section 295A of the *Corporations Act 2001*.

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



Min Yang  
Chairman

Dated this 23rd day of September 2021

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVEX LIMITED

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of ActivEX Limited (the Company) and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which states that the Company's ability to settle its liabilities and execute its currently planned exploration and evaluation activities requires the Company to raise additional funds. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Nexia Brisbane Audit Pty Ltd

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVEX LIMITED (CONTINUED)

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Carrying Value of Exploration and Evaluation Assets</b></p> <p><i>Refer to note 9 Exploration and Evaluation Assets</i></p> <p>As at 30 June 2021 the carrying value of exploration and evaluation assets is \$9,364,816. The Group's accounting policy in respect of exploration and evaluation assets is outlined in Note 1.</p> <p>This is a key audit matter as this is a significant asset of the Group, and due to the fact that significant judgement is applied in determining whether the capitalized exploration and evaluation assets meet the recognition criteria set out in AASB 6.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• We obtained evidence as to whether the rights to tenure of the areas of interest remained current at balance date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;</li> <li>• We obtained evidence of the future intentions for the areas of interest, including reviewing future budgeted expenditure and related work programs;</li> <li>• We obtained an understanding of the status of ongoing exploration programs, for the areas of interest;</li> <li>• We obtained evidence as to the assumptions made by management in the determination of the recoverable value of the asset.</li> </ul>

### Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVEX LIMITED (CONTINUED)**

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVEX LIMITED (CONTINUED)**

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on the Remuneration Report**

#### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 34 to 37 of the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of ActivEX Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

#### **Responsibilities**

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.

*Nexia Brisbane Audit Pty Ltd*

**Nexia Brisbane Audit Pty Ltd**

Level 28, 10 Eagle Street  
Brisbane, QLD, 4000

Date: 23 September 2021

*Nigel Bamford*

**N D Bamford**

Director



# ACTIVEX LIMITED

ABN 11 113 452 896

## ASX ADDITIONAL INFORMATION

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

### 1. Shareholding:

The following information is provided as at 20 September 2021.

#### (a) Distribution of Shareholders Number:

Category Number (Size of Holding)	Holders (Number)	Ordinary Shares (Number)
1 - 1,000	48	12,190
1,001 - 5,000	105	300,766
5,001 - 10,000	62	492,771
10,001 - 100,000	76	2,513,867
100,001 - and over	24	173,813,082
	315	177,132,676

(b) The number of holders holding less than a marketable parcels are 119.

(c) The names of substantial shareholders listed in the Company's register are:

	Number of Shares Held	% of Total Issued Capital
ASF GROUP LIMITED	34,769,079	19.629%
GREAT SCHEME INVESTMENTS LIMITED	30,625,000	17.289%
CITICORP NOMINEES PTY LIMITED	25,822,205	14.578%
XING MAO LIMITED	25,192,850	14.223%
ELITE RAY INVESTMENTS LIMITED	17,288,136	9.760%
START GRAND GLOBAL LIMITED	13,425,000	7.579%

#### (d) 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.

**ACTIVEX LIMITED**

ABN 11 113 452 896

**ASX ADDITIONAL INFORMATION**

## (e) Twenty Largest Holders – Ordinary Shares

	Shareholder	Number of Shares Held	% of Total Issued Capital
1.	ASF GROUP LIMITED	34,769,079	19.629%
2.	GREAT SCHEME INVESTMENTS LIMITED	30,625,000	17.289%
3.	CITICORP NOMINEES PTY LIMITED	25,822,205	14.578%
4.	XING MAO LIMITED	25,192,850	14.223%
5.	ELITE RAY INVESTMENTS LIMITED	17,288,136	9.760%
6.	START GRAND GLOBAL LIMITED	13,425,000	7.579%
7.	BNP PARIBAS NOMS PTY LTD <UOB KH P/L AC UOB KH DRP>	7,141,714	4.032%
8.	MR JIARONG HE	4,995,748	2.820%
9.	XIAO HUI ENTERPRISES LIMITED	2,955,647	1.669%
10.	MRS YINXIN HE	2,500,000	1.411%
11.	MR DONGMING YE	1,517,850	0.857%
12.	LPD HOLDINGS (AUST) PTY LTD	1,432,736	0.809%
13.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,135,360	0.641%
14.	MR FEIXIONG YE	900,000	0.508%
15.	R C SADLEIR PTY LTD	896,745	0.506%
16.	LEEJAMES NOMINEES PTY LTD <THE HEPBURN SUPER FUND A/C>	795,663	0.449%
17.	MR WEICHENG HE	693,000	0.391%
18.	GREENHOUSE INVESTMENTS (VIC) PTY LTD <AMF SUPER FUND A/C>	480,000	0.271%
19.	MR WEIJIAN YE	300,000	0.169%
20.	MR GEOFF MEADE	268,752	0.152%
		173,135,485	97.743%

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

BoardRoom Pty Limited  
Level 12, 225 George Street  
SYDNEY NSW 2000

**3. Securities Exchange Listing**

ActivEX Limited shares are listed on the Australian Securities Exchange (ASX code: AIV).

Other than shares, the Company does not have any options or other securities on issue.

**4. Restricted Securities**

The Company has no restricted securities on issue.

**ACTIVEX LIMITED**  
 ABN 11 113 452 896  
**ASX ADDITIONAL INFORMATION**

**5. Exploration Tenements**

EPM No & Name	% Owned
EPM 14079 Coalstoun	100%
EPM 14332 Pentland	49%
EPM 14476 Booubyjan	100%
EPM 14937 Barambah	100%
EPM 15285 Florence Creek	100%
EPM 16265 Blairmore	100%
EPM 18053 Bulonga	100%
EPM 18073 Selwyn East	100%
EPM 18424 Mt Leyshon	100%
EPM 18426 Cornishman	100%
EPM 18511 Brightlands	100%
EPM 18615 Mt Hogan	100%
EPM 18623 Gilberton	100%
EPM 18637 King Solomon	100%
EPM 18852 Robur	100%
EPM 25192 Concorde	100%
EPM 25454 Heathrow East	100%
EPM 25455 North Camel Dam	100%
EPM 25466 Charlie Creek	100%
EPM 25467 Birthday Hills	100%
EPM 26232 Gum Flat	100%
EPM 26307 Split Rock	100%
EPC 2360 Denison Creek	100%
EPC 2386 Lonesome Creek	100%
EPC 2387 Biloela	100%
EPC 2390 Styx	100%
EPC 2392 Mount Lorne	100%
EPC 2421 Cracow West	100%
EPC 2432 Canarvon	100%
EPC 2451 Mount Patterson	100%
EPC 2459 Riverview	100%
E 04/2681 Liveringa (Application)	100%
EPMa 27805	100%
EPMa 27811	100%
EPMa 27812	100%
EPMa 27847	100%

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