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September 2007 Quarterly Activities Report

QUARTER HIGHLIGHTS

- **Acquisition of Florence Creek Project** – agreement to acquire high potential copper-gold-uranium Florence Creek project marks the Company's first move into the highly prospective Cloncurry District
- **ActivEX wins Queensland Government Drilling funding** – funding awarded for drill testing of molybdenum anomalies at Native Dog
- **New EPMs granted** – new areas prospective for porphyry and epithermal targets granted adjacent to Boobyjan

OVERVIEW

During the quarter the Company agreed to acquire the Florence Creek Project, completed sampling and interpretation at Lake Monduran, successfully applied for Government funding for drilling at Lake Monduran, undertook field appraisal at Westwood and applied for new EPMs in the Cloncurry and Charters Towers districts. No activities of significance were carried on at Mt Miner, Boobyjan and Prospect Creek.

Cash

At the end of the quarter the Company held \$1.77 million in cash.

FLORENCE CREEK

(EPM 15285 - ActivEX 100%)

The Company has signed an agreement to acquire from Findex Pty Ltd, a private company associated with ActivEX Managing Director Mr Doug Young, a 100% interest in EPM application 15285, known as **Florence Creek**, upon the application being granted (Findex has received the grant offer and is finalising acceptance). ActivEX will acquire the interest for \$1 and Findex will receive a 2.5% net smelter return royalty on mineral production from the property. The acquisition is conditional on shareholder approval of the agreement which will be sought at the Company's annual general meeting in November 2007.

The EPM area lies 50km south-west of Cloncurry, adjacent to the Selwyn project, operated by Ivanhoe Mines. The area is prospective for IOCG (iron-oxide-copper-gold) deposits similar to the adjacent Starra deposits and to the large Ernest Henry deposit, owned by Xstrata, near

Cloncurry. These target styles have the potential to be multi million ounce deposits or their equivalent.

The EPM area contains a significant north-east trending mineralised structure sandwiched between sections of the fertile Wimberu Granite. The structure contains the Trump and Dandy line of workings, old copper deposits which were worked close to the turn of the century. The structure has extensive haematite alteration associated and indications of copper, gold and uranium mineralisation.

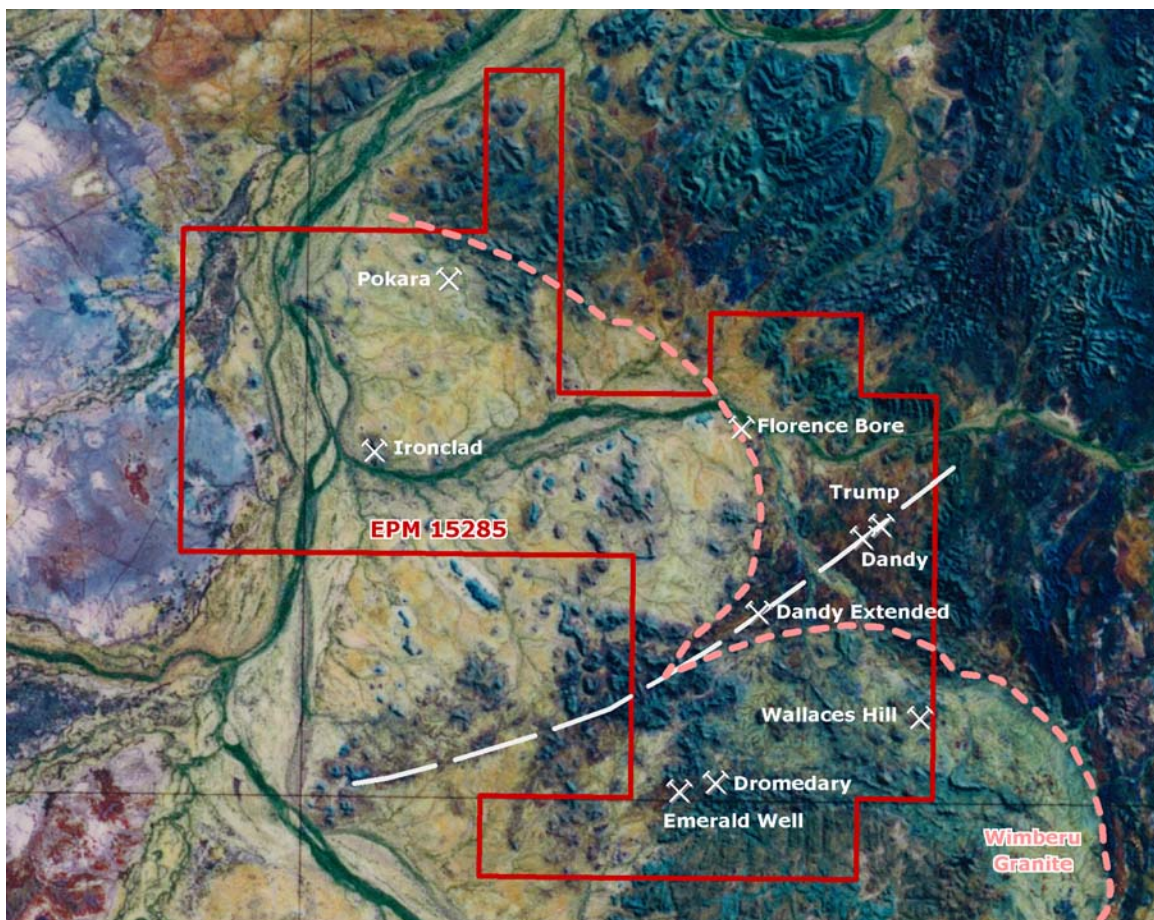
Previous explorers have carried out several exploration campaigns, which culminated in shallow drilling. The drilling has intersected significant copper at shallow depths at the Trump, Dandy and Dandy Extended prospects and also at the Florence Bore prospect which lies on a parallel structure.

Significant intersections of copper-gold mineralisation have been returned including:-

- 4m @ 3% Cu and 0.3g/t Au at **Florence Bore**
- 12m @ 2.9% Cu and 0.38g/t Au from the **Trump** line of lode.

Other targets in the area include copper-uranium mineralisation at **Wallaces Hill** where rock values up to 8% Cu and 256ppm U have been recorded and at Dandy Extended where copper-gold values up to 0.35% Cu and 0.18g/t Au have been returned.

Copper occurrences at Pokara, Ironclad, Dromedary and **Emerald Well** (up to 37% Cu, 5.5g/t Au and 0.2% Co in rock samples) have never been drilled.



Florence Creek EPM Application showing prospects, structure and granites

ActivEX will conduct a full review the data prior to designing a work program for the area.

LAKE MONDURAN

(EPM 14378 - ActivEX 100%)

Soil sampling results over the **Native Dog** molybdenum/gold mineralised zone and over extensions to the **Pinnacle** zinc prospect have been received during the quarter, plotted and interpreted.

Pinnacle Prospect

Soil sampling has defined an extended zinc anomalous zone up to 600 metres long which lies close to the volcanic-sediment contact on each side of the volcanic pile. The volcanic pile was the object of a 1970s drilling campaign which intersected a 126m wide zone of 1% zinc.

The zinc (in soil) anomalies show stronger zinc and lead values than occur over the volcanics and have not been previously targeted.

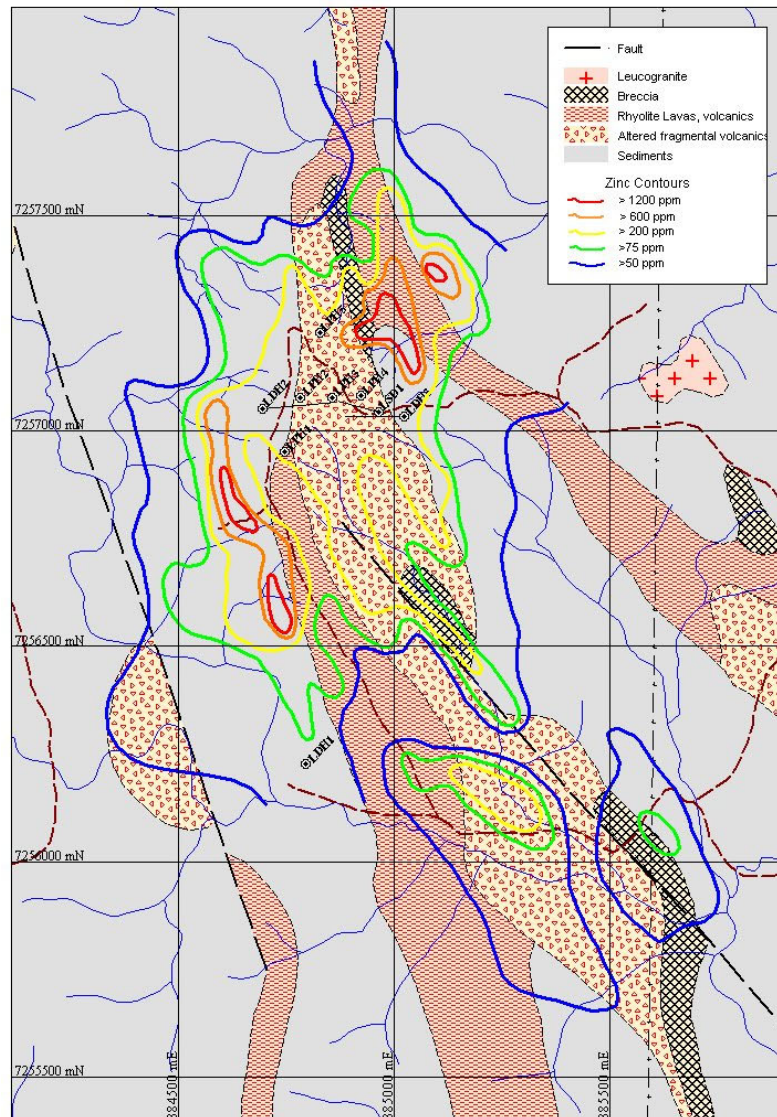
A preliminary review of Induced Polarisation (IP) geophysical data over the area shows coincident IP anomalies over the western contact. The IP data is currently being modelled.

Native Dog Prospect

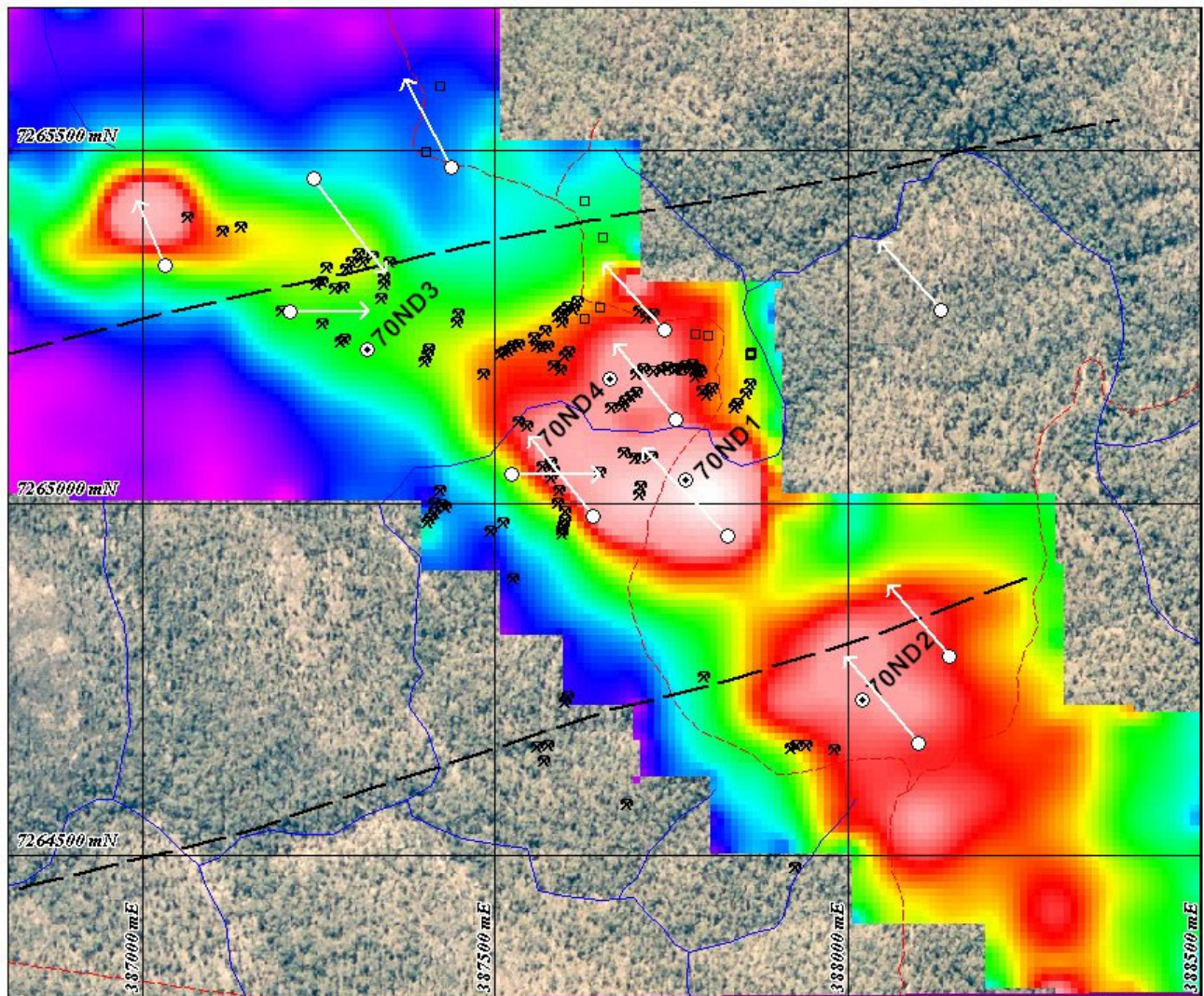
ActivEX has been successful in gaining a grant of up to \$55,000 under the first round funding of the Queensland Governments Cooperative Drilling Initiative. The

funding is granted for up to 50% of the direct drilling costs at the Native Dog Prospect. The targets for drilling are greisenised granite with disseminated molybdenum mineralisation and associated sheeted and stockwork quartz veins carrying coarse grained molybdenum mineralisation with related tungsten and minor gold mineralisation.

Soil sampling in the area has delineated a 2.1km zone of anomalous molybdenum associated with the greisen with anomalous gold and copper values on the adjacent sediment contact. Geological mapping of the zone has refined the drill-hole locations to optimise testing of the quartz vein sets and greisen zone. Drilling is expected to commence in 2008.



Pinnacle Prospect – zinc geochemistry



Native Dog Prospect – old workings on molybdenum soil geochemistry showing proposed drill holes

PENTLAND

(EPMs 14332, 15055 and 15185 - ActivEX 100%)

Work on the Pentland project has focussed on field assessment of **Stanley**, ground magnetic surveys at **Mt Richardson** and geophysical modelling at **Mt Specimen-Mt Remarkable** and **Norwood** prospects.

Reviews of geophysical, geochemical, geological and drilling data from previous explorers over the Mt Specimen-Mt Remarkable and the Norwood prospects have indicated the prospects warrant further investigation and testing. IP geophysical surveys over both prospect areas are scheduled to commence in October.

Previous drilling at **Mt Specimen-Mt Remarkable** intersected stockwork molybdenum-copper mineralisation hosted in altered diorite, along with local vein-hosted gold-silver mineralisation. The best results from drilling by previous explorers included:

DDH1 - 47m at 0.9 ppm Au, from 258 to 306m, including 8m at 2.22 ppm Au;

DDH4 - 130m at 0.11% Cu, from 119 to 250m;
DDH5 - 9m at 2.22 ppm Au, from 265 – 274m;

Modelling of the data from previous IP surveys suggests that the drilling to date has not tested IP targets which lie adjacent to the mineralisation. ActivEX has scheduled additional IP to fill in and extend the previous surveys, and refine potential drill targets.

The **Norwood** prospect is located in an area of historic hard rock and alluvial gold workings. Exploration in the 1980s and 1990s defined an extensive area of altered and pyritic breccias with anomalous gold and moderately anomalous lead and arsenic in soils. Shallow RAB and reverse circulation drilling, and one diamond hole intersected pyritic breccias and a diorite intrusive, with local anomalous gold. The best drill results included:

NORC4 - 8m at 2.28 ppm Au, from 22 to 30m;
PRTC48 - 14m at 0.57 ppm Au, from 26 to 40m
PRTC49 - 18m at 0.98ppm Au, from 28 to 46m;

The drilling at Norwood to date has been shallow, with most holes less than 100m deep. During the quarter, ActivEX has modelled previous IP survey data over the prospect and has defined untested chargeability targets. The Company has scheduled a dipole-dipole IP survey to infill and improve the geophysical coverage of the prospect area to refine targets for drill testing.

Ground magnetic survey completed during the period at **Mt Richardson** has shown the magnetite skarn to be of limited extent and no further work is planned.

Field assessment of the **Stanley** area has defined a resistivity anomaly east of the known mineralisation in an area of little outcrop which has been earmarked for drill testing.

WESTWOOD

(EPM 15814 - ActivEX 100%)

A geological consultants' review and field appraisal has been completed during the quarter. Initial results of samples from the radiometric anomalies have been disappointing. Further field assessment of the **Fred Creek** gold zone is ongoing.

EPM APPLICATIONS

ActivEX has been granted two new Exploration Permits (EPMs) from recent applications at **Ban Ban** and **Blairmore** in south-east Queensland. In addition, the Company has applied for and has priority over a further EPM application south of its Boobyjan Project area, consolidating its position in this region. The areas are considered highly prospective for porphyry-style gold-copper deposits.

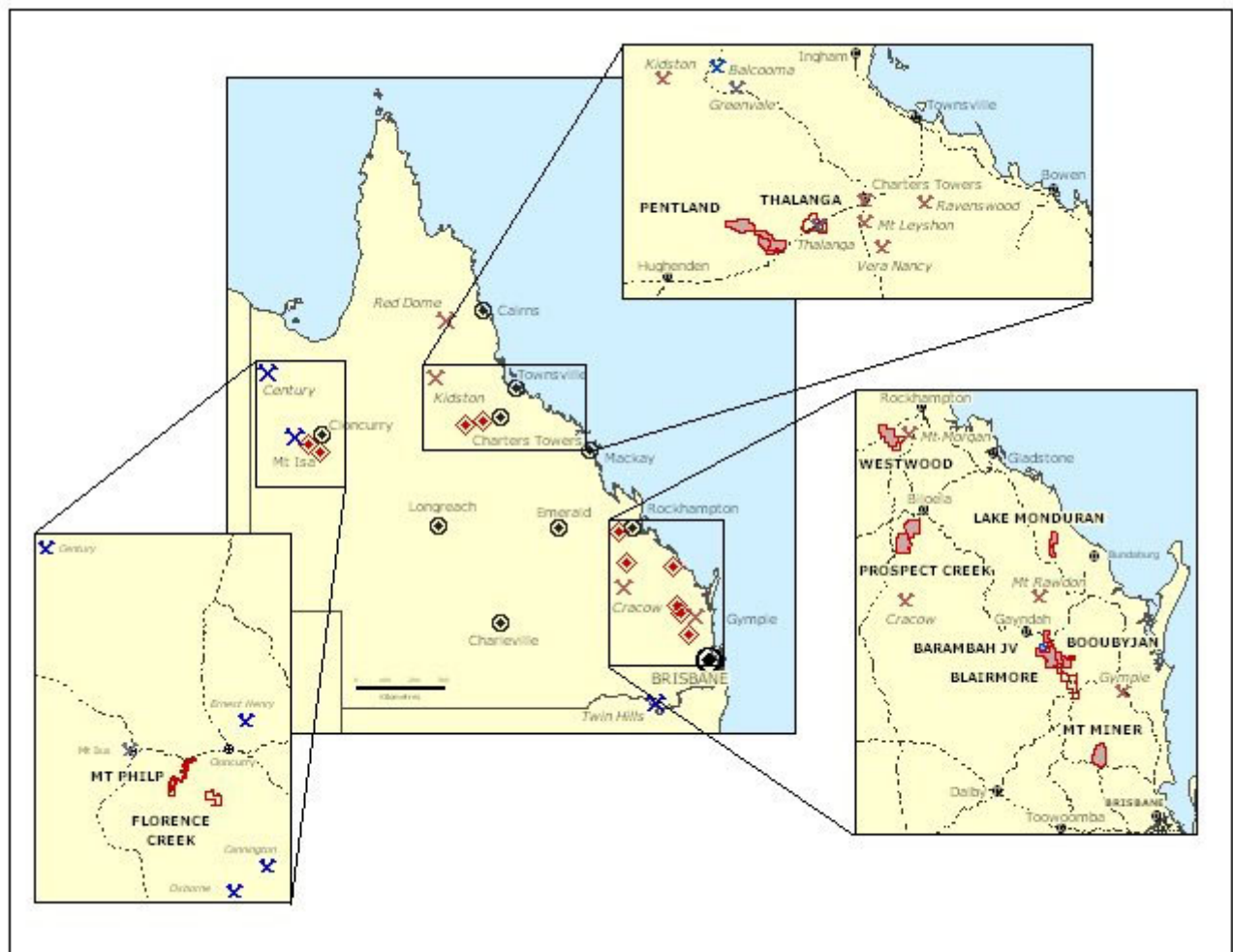
The Company has also applied for EPMs in the Cloncurry and Charters Towers districts. Both these applications are in competition with several other applicants for the areas in both cases. The EPMs may be awarded to ActivEX depending on the Department of Mines' selection process based on work programs submitted. The two areas are:-

Mt Philp

The Mt Philp area lies 11km south of the Mary Kathleen uranium deposit and is immediately adjacent to Kings Minerals' Kalman Project, where significant intersections of copper gold and molybdenum have been announced. The Pilgrim and Fountain Range Faults are significant structures in the area.

Thalanga

The Thalanga area application surrounds (but does not include) the Thalanga VMS deposit which is held and operated by Kagara Zinc. The area has two target zones – the extensions of the Thalanga VMS deposit stratigraphy and the Homestead gold workings, which occur in a north east trending corridor extending from the Pentland area. Thalanga was a VMS style deposit of 6.5 M tonnes grading 2.2%Cu, 3.9% Pb, 12.3%Zn, 99g/t Ag and 0.6g/tAu.



ActivEX Limited Exploration Projects – October 2007

PLANNED WORK PROGRAMS

Activities scheduled for the next three months:-

- **Booubyjan JV** and **Prospect Creek** – drilling will proceed as soon as a drill rig becomes available
- **Barambah JV** –detailed resistivity surveys are planned to commence during the quarter; drilling will proceed when a rig becomes available
- **Lake Monduran** – cultural heritage clearances will be undertaken for drill sites
- **Pentland** – IP surveys have commenced during October
- **Blairmore** and **Ban Ban** – initial field assessments will be made
- **Florence Creek** – data compilation will proceed

For further information contact Managing Director Doug Young or Company Secretary Paul Crawford on (07) 3236-4188

The information in this report that relates to exploration results is based on information compiled by Mr D. I. Young, who is a Fellow of the Australian Institute of Geoscientists and a full time employee of ActivEX Limited. Mr Young has sufficient experience relevant to the styles of mineralisation and types of deposit under consideration and the activities which he is undertaking to qualify as a Competent Person as defined by the most recent Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Young consents to the inclusion of his name in this report and to the issue of this report in the form and context in which it appears.