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

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ASX ANNOUNCEMENTS
AUSTRALIAN SECURITIES EXCHANGE **25 September 2008**

Attached is the Statutory Financial Report of the Company for the year ended 30 June 2008.

ActivEX Limited

Paul Crawford
Company Secretary

For further information, contact:

Doug Young (Managing Director)		**Paul Crawford (Company Secretary)**
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ACTIVEX LIMITED

ABN 11 113 452 896

FINANCIAL REPORT
FOR THE PERIOD ENDED
30 JUNE 2008

DIRECTORS' REPORT

Your Directors present their report of the Company for the financial year ended 30 June 2008.

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 8 meetings of the full board of Directors. The meetings attended by each Director were:-

Directors	Status	Eligible to Attend	Attended
Ian C Daymond	Non Executive Chairman	8	8
Douglas I Young	Managing Director	8	8
Paul A Crawford	Non Executive Director	8	8
Peter H Hwang	Non Executive Director	8	8

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

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

2. Information on Directors

Ian Daymond B.A., LL.B.

Non-Executive Chairman

Mr Daymond practises as a solicitor and consultant in the mining and resources area in Sydney and has acted as in-house counsel or external legal adviser to many public resources companies including as a senior employee with Western Mining Corporation, Hunter Resources/Technomin Australia and Delta Gold. He is also the non-executive chairman of ASX listed Copper Range Limited and is a Director of International Base Metals Ltd, an unlisted public company.

Directorships held in other listed companies

Copper Range Limited since 30 March 2006. Hill End Gold Ltd since 5 September 2008. ElDore Mining Corporation Ltd from 21 October 2005 to 2 February 2007.

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

Managing Director

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

He is a Councillor of the Australian Institute of Geoscientists.

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

Non-Executive Director and Company Secretary

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

Directorships held in other listed companies

DiamonEx Limited since 10 March 2000. Orocobre Limited since 20 January 2005.

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

Non-Executive Director

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

Prior to his legal career, Peter spent over five years as a diamond exploration geologist with Stockdale Prospecting Ltd (De Beers) in Australia.

3. Directors Interests

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

Directors	Shares	Options
Ian C Daymond	150,000	75,000
Douglas I Young	8,025,002	2,712,500
Paul A Crawford	370,000	285,000
Peter H Hwang	240,000	120,000

4. Company Secretary

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

5. Principal Activities

The principal activity of the Company during the course of the year was mineral exploration. The Company holds mineral exploration tenements in Queensland. The Company's focus is on exploration for gold and copper deposits. There was no change in the principal activity during the year.

6. Review of Operations

The Company's operating loss for the financial period, after applicable income tax was $427,049 (2007: $328,420). Exploration and evaluation expenditure during the period totalled $1,072,275 (2007: $586,698).

During the year the Company has continued to experience a lack of available drill rigs. However this has been overcome in the early part of 2008 and to date active drilling programs have been carried out on three of the Company's prospective areas.

At **Booubyjan** (joint venture with Minotaur: Mitsubishi companies have option to join joint venture) the work has included:

- Drilling of 4 holes in the Goonuloom area with geophysical targets at Kiwi, Bath, White Horse and Kakapo being tested. Results received to date are from the first hole drilled which returned two broad zones of moderate copper and gold mineralisation associated with magnetite alteration. They were:-
    - from 28 to 44m; **16m @ 0.13%Cu, 0.06g/t Au**
    - from 60 to 102m; **42m @ 0.13% Cu, 0.04g/t Au**.
- Commencement of drilling of two holes at Sefton to test IP targets with associated molybdenum mineralisation.

At **Prospect Creek** the Company has completed a drilling program of 8 holes:

- At Prairie Creek Prospect, targets are along strike to the north and northeast of previous drilling by CRA Exploration which recorded significant gold intercepts (e.g. 52m @ 2.1g/t Au). Two holes were drilled but results of the holes were below expectations with significant gold values recorded in one hole only, the best zone being 2m @ 0.93g/t Gold in PCKH01 (56-58m). Both holes intersected zones of quartz veining but in general the gold values were low.
- At Gossans West Prospect, alteration pipes over multiple centres with widespread, significant alteration caps and epithermal quartz textures were targeted. Drilling was aimed to test anomalous zones of low level gold, arsenic and mercury interpreted to sit above high grade bonanza-style epithermal targets. Despite intersecting significant silica-clay alteration and pyrite (iron sulphide) mineralisation the assay results recorded no significant gold values.

At **Lake Monduran**, drilling is in progress at the Native Dog prospect. Six holes have been completed of the 11 hole program with visible molybdenum seen throughout three of the completed holes. Assays for this drilling are pending.

Geophysical surveys and interpretation has been carried out at **Barambah** (joint venture with Norton Goldfields) and **Pentland** and in both cases drill targets have been selected for testing.

The Company has acquired the **Florence Creek Project** during the year and has applied for six additional EPMs in the area all targeting the focus elements of copper and gold. Initial field and gravity surveys have been carried out at Florence Creek with anomalies identified in the gravity and rock chip samples and several IOCG (iron oxide copper gold) and skarn targets have been identified.

The Company has made application for new EPMs in the Esk trough area, two of which have been granted. In addition the Company has reviewed numerous opportunities with a view to either acquisition or farm-in, mindful of our goals of identifying economically attractive mineral deposits of sufficient grade and size to provide sustainable returns to shareholders. None of these opportunities has been attractive enough to consider further investment.

Applications for funding assistance with the Department of Mines and Energy have been made on two occasions during the year, both of which were successful. The successful grants made under the Cooperative Drilling Initiative and the Industry Network Initiative respectively have been for 50% of drilling costs at Native Dog and for target generation in the Esk Trough area and total up to $95,000.

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

7. Financial Position

The Directors believe that the group is in a stable financial position, but will need to raise further capital to undertake its ongoing exploration activities. Directors are currently considering a number of funding options. The net asset position of the Company at 30 June 2008 is $2,353,621 including a cash balance of $688,339.

Continued Operations and Future Funding

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

At 30 June 2008, the Company's balance sheet shows total assets of $2,579,990 total liabilities of $226,369 and net assets of $2,353,621, including cash assets of $688,339. Conditions of exploration permits held include minimum expenditure commitments. Committed expenditure in the next 12 months totals $865,000.

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

Since balance date, the Company has entered into a Placement Agreement to raise $270,000 and Directors are reviewing exploration activity and corporate expenditures. On the basis of completing currently planned activities, a further $400,000 will also need to be raised. Directors are confident that funding initiatives will be successful, however no commitment has yet been made as to the source of any additional funding.

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

8. Dividends

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

9. Significant Changes to the state of affairs

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

10. Events Subsequent to balance date

Since the end of the financial year the Company has entered into a placement agreement with Scintilla Corporate Pty Ltd to place up to 4.5 million shares at 6 cents per share to raise up to $270,000. The funds will be contributed to working capital and to enable the Company to evaluate potential projects and activities. It is anticipated that the placement will be completed by 26 September 2008.

The agreement also provides for the issue to Scintilla of up to 750,000 placement options in lieu of fees and will depend upon performance for the services provided. The options to acquire shares are issued without monetary consideration and will be exercisable by 30 September 2010 at an exercise price of 12 cents each. The issue of these placement options will be subject to shareholder approval at the Company's AGM later this year

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

11. Future Developments, Prospects and Business Strategies

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

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

12. Remuneration Report

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

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

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

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

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

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

The Company's remuneration policy provides for long-term incentives through participation in the Company's Employee and Officers Share Option Plan. Further details on options issued under the Plan are set out in note 11 in the financial statements. The Company currently does not have any other performance-based incentive component built into Director and executive remuneration.

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

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

2007 Key Management Personnel	Short term benefits Salary & Fees	Non-Cash Benefits	Equity Settled Options	Post-employment Superannuation	Total	Performance Related (i) %
Douglas I. Young	160,550	3,323	823	14,449	179,145	0.459%
Ian C. Daymond	30,000	-	-	2,700	32,700	0.000%
Paul A. Crawford	-	-	412	21,800	22,212	1.855%
Peter H. Hwang	20,000	-	-	1,800	21,800	0.000%
	210,550	3,323	1,235	40,749	255,857	0.483%

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

Options granted as remuneration

Key Management Personnel	Vested Number	Granted Number	Grant Date	Value per Option at Grant Date	Terms & Conditions of Grant: Exercise price	First Exercise Date	Last Exercise Date
D I Young	200,000	200,000	20.11.2006	3.37 cents	25 cents	20.11.2006	20.11.2011
PA Crawford	100,000	100,000	20.11.2006	3.37 cents	25 cents	20.11.2006	20.11.2011

In the previous year the company issued equity based performance remuneration to some Directors, in the form of share options. No additional equity based performance remuneration was paid in the current year. Amounts shown as equity settled options reflect the current year's amortised expense of options granted in the previous year. The grant of the options to the Directors is intended to act as a strong incentive to align the interests of the Directors' with the Company's strategic plan focusing on seeking improved performance, the growth of the Company and better returns for shareholders. All options vested immediately and expire within 5 years of granting. All options were granted for nil consideration.

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

Employment Contract of Managing Director:

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

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

Company performance, shareholder wealth and director and executive remuneration

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

	2005	2006	2007	2008
Exploration expenditure ($)	80,154	372,409	586,698	1,072,275
Exploration tenements (no.)	7	7	10	16
Net assets ($)	220,935	2,973,902	2,777,259	2,353,621
Share Price at Year-end ($)	N/A	0.14	0.13	0.08
Dividends Paid ($)	NIL	NIL	NIL	NIL

13. Indemnifying Officers and Auditor

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

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

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

14. Corporate Governance

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

15. Options

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

Grant Date	Expiry Date	Exercise Price	No. Under Option
31 July 2006	27 February 2009	$0.20	15,194,361
20 November 2006	20 November 2011	$0.25	450,000
1 January 2008	31 August 2012	$0.25	150,000

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

No options were exercised during the year or to the date of this report.

16. Environmental Issues

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

In August 2008 the Company suspended drilling on the Lake Monduran project when it was advised that a number of proposed drill holes were located in a buffer zone surrounding a State forest. Environmental approvals did not provide for this activity. Drilling was suspended pending submission of a revised environmental plan to provide for the proposed drilling.

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

17. Proceedings on Behalf of the Company

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

18. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2008 has been received and is attached to the Directors' Report.

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

Signed in accordance with a resolution of Directors.

Ian C. Daymond
Chairman

Douglas I. Young
Managing Director

Signed: 24 September 2008
Brisbane, Queensland

HayesKnight Audit
chartered accountants

Hayes Knight Audit (Qld) Pty Ltd
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Registered Audit Company 299289

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

To the Directors of ActivEX Limited

As lead auditor for the audit of ActivEX Limited for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions to the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hayes Knight Audit (Qld) Pty Ltd

Hayes Knight Audit (Qld) Pty Ltd

Nigel Bamford

N D Bamford
Director

Date: 24 September 2008

ACTIVEX LIMITED
ABN 11 113 452 896

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the financial position as at 30 June 2008 and of the performance of the Company for the year ended on that date.

2. The Chief Executive Officer and Chief Finance Officer have each declared that:

   (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view.

3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Ian C. Daymond
Chairman

Douglas I Young
Managing Director

Dated this: 24th day of September 2008

ACTIVEX LIMITED

ABN 11 113 452 896

INCOME STATEMENT

for the year ended 30 June 2008

	Note	2008 $	2007 $
Revenue and other income	2	94,437	141,520
Less expenses:	3		
Corporate & administrative expenses		(248,339)	(266,807)
Employee benefits expense		(103,123)	(95,901)
Occupancy costs		(55,701)	(29,659)
Current year exploration & evaluation expenditure written-off		(89,106)	(64,814)
Capitalised exploration & evaluation expenditure written-off		(25,217)	(12,679)
Finance costs		-	(80)
Loss before income tax expense		(427,049)	(328,420)
Income tax expense	4	-	-
Loss for the year		(427,049)	(328,420)
Loss attributable to members of the company		(427,049)	(328,420)
Basic earnings per share (cents per share)	21	(1.41)	(1.08)
Diluted earnings per share (cents per share)	21	(1.41)	(1.08)
Dividends per share (cents per share)		-	-

The accompanying notes form part of these financial statements.

ACTIVEX LIMITED

ABN 11 113 452 896

BALANCE SHEET

As at 30 June 2008

	Note	2008 $	2007 $
CURRENT ASSETS			
Cash and cash equivalents	5	688,339	1,983,342
Trade and other receivables	6	210,603	51,208
Other	7	36,328	-
Total Current Assets		935,270	2,034,550
NON-CURRENT ASSETS			
Property, plant and equipment	8	87,569	102,048
Exploration and evaluation assets	9	1,521,851	835,695
Other receivables	6	35,300	-
Total Non-Current Assets		1,644,720	937,743
TOTAL ASSETS		2,579,990	2,972,293
CURRENT LIABILITIES			
Trade and other payables	10	226,369	195,034
Total Current Liabilities		226,369	195,034
TOTAL LIABILITIES		226,369	195,034
NET ASSETS		2,353,621	2,777,259
EQUITY			
Issued Capital	11	3,196,964	3,196,964
Reserves	12	135,188	131,777
Retained Earnings		(978,531)	(551,482)
TOTAL EQUITY		2,353,621	2,777,259

The accompanying notes form part of these financial statements.

ACTIVEX LIMITED
ABN 11 113 452 896

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2008

	Note	Share Capital	Option Reserve	Retained Earnings	Total Equity
		$	$	$	$
Balance at 1 July 2006		3,196,964	-	(223,062)	2,973,902
Options issued during the period		-	151,944	-	151,944
Transaction costs		-	(22,020)	-	(22,020)
Share based payment - company share option plan		-	1,853	-	1,853
Loss attributable to members of entity		-	-	(328,420)	(328,420)
Balance at 30 June 2007		3,196,964	131,777	(551,482)	2,777,259
Share based payment - company share option plan	11	-	3,411	-	3,411
Loss attributable to members of entity		-	-	(427,049)	(427,049)
Balance at 30 June 2008		3,196,964	135,188	(978,531)	2,353,621

The accompanying notes form part of these financial statements.

ACTIVEX LIMITED

ABN 11 113 452 896

CASH FLOW STATEMENT

for the year ended 30 June 2008

	Note	2008 $	2007 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(651,204)	(468,392)
Interest received		94,437	120,813
Finance costs		-	(80)
Net cash provided by (used in) operating activities	13	(556,767)	(347,659)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capitalised exploration expenditure	9	(983,169)	(574,019)
Earn-in contribution by joint venture partner	9	271,796	178,208
Purchase of property, plant and equipment	8	(26,863)	(92,161)
Net cash provided by (used in) investing activities		(738,236)	(487,972)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of options to shareholders		-	151,944
Costs associated with options issue		-	(22,020)
Net cash provided by (used in) financing activities		-	129,924
Net increase/(decrease) in cash held		(1,295,003)	(705,707)
Cash at beginning of year		1,983,342	2,689,049
Cash at 30 June 2008	5	688,339	1,983,342

The accompanying notes form part of these financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

Continued Operations and Future Funding

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

At 30 June 2008, the Company's balance sheet shows total assets of $2,579,990 total liabilities of $226,369 and net assets of $2,353,621, including cash assets of $688,339. Conditions of exploration permits held include minimum expenditure commitments. Committed expenditure in the next 12 months totals $865,000.

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Since balance date, the Company has entered into a Placement Agreement to raise $270,000 and Directors are reviewing exploration activity and corporate expenditures. On the basis of completing currently planned activities, a further $400,000 will also need to be raised. Directors are confident that funding initiatives will be successful, however no commitment has yet been made as to the source of any additional funding.

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

Income Tax

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

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

Property, Plant and Equipment

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

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

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

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

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

Exploration and Evaluation Assets

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restoration Costs

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

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

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

Financial Instruments

Recognition and Initial Measurement

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

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

Derecognition

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

Loans and receivables

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

Financial Liabilities

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

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Impairment of Assets

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

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

Equity Settled Compensation

The company has issued remuneration based options to some directors and employees. The fair value of options granted is recognised as an expense with a corresponding increase in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted.

Employee Benefits

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

Provisions

Provisions are recognised when the 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.

Issued Capital

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

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

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

Revenue

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

Goods and Services Tax (GST)

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

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

Comparative Figures and Financial Period

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

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

Earnings per Share (EPS)

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

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

Critical Accounting Estimates and Judgements

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

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

Furthermore, as outlined above, the financial report has been prepared on a going concern basis.

	2008 $	2007 $

NOTE 2: REVENUE & OTHER INCOME

Revenue from operating activities:

	2008 $	2007 $
Interest received from other persons	94,437	141,520

NOTE 3: EXPENSES

Included in expenses are the following items:

	2008 $	2007 $
Exploration expenditure expensed	89,106	64,814
Capitalised exploration & evaluation expenditure written-off	25,217	12,679
Depreciation & amortisation	41,342	20,756
Rental expense on operating leases	52,529	28,381

NOTE 4: INCOME TAX EXPENSE

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

	2008 $	2007 $
Prima facie tax payable/(benefit) on loss from ordinary activities before income tax at 30% (2007: 30%).	(128,115)	(98,526)
Adjust for tax effect of:		
Non-deductible amounts	1,024	598
Tax losses and temporary differences not brought to account	127,091	97,928
Income tax expense/(benefit) 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:

	2008 $	2007 $
Temporary differences (comprising exploration expenditure, provisions and other items)	(596,596)	(315,939)
Tax losses	832,558	464,389
Net unbooked deferred tax asset	235,962	148,450

The Company has unconfirmed carry forward losses of approximately $2,775,000 (2007: $1,548,000).

NOTE 5: CASH AND CASH EQUIVALENTS

	2008 $	2007 $
Cash at bank and on hand	188,339	983,342
Short term deposits	500,000	1,000,000
	688,339	1,983,342

The effective interest rate on short term deposits was 7.2% (2007: 6.3%). This deposit has an average maturity of 90 days.

	2008 $	2007 $
NOTE 6: TRADE AND OTHER RECEIVABLES		
Current:		
Deposits	-	25,300
Other receivables	210,603	25,908
	210,603	51,208
Non-current:		
Deposits	35,300	-

There are no balances within trade and other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

	2008 $	2007 $
NOTE 7: OTHER ASSETS		
Current:		
Prepayments	36,328	-

	2008 $	2007 $
NOTE 8: PLANT AND EQUIPMENT		
Plant and equipment		
At cost	151,272	124,409
Accumulated depreciation	(63,703)	(22,361)
Total plant and equipment	87,569	102,048
Reconciliation of the carrying amounts for property, plant and equipment is set out below:		
Balance at the beginning of year	102,048	30,643
Additions	26,863	92,161
Disposals	-	-
Depreciation expense	(41,342)	(20,756)
Carrying amount at the end of year	87,569	102,048

	2008 $	2007 $
NOTE 9: EXPLORATION AND EVALUATION ASSET		
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Exploration and evaluation phase - at cost	1,521,851	835,695
Movement in exploration and evaluation asset:		
Opening balance	835,695	452,563
Capitalised exploration expenditure	983,169	574,019
Earn-in contribution by joint venture partner	(271,796)	(178,208)
Exploration expenditure written-off	(25,217)	(12,679)
Carrying amount at the end of year	1,521,851	835,695

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.

	2008 $	2007 $

NOTE 9: EXPLORATION AND EVALUATION ASSET (continued)

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

Booubyjan Joint Venture:
Under the joint venture agreement, Minotaur Investments Pty Ltd has the right to earn a minimum 51% interest in the tenements by funding exploration of $1,000,000 in the period to 24 November 2009. During the year, Minotaur contributed $271,796 towards exploration expenditure on the joint venture area. Total expenditure contributed to balance date is $450,000.

Minotaur's interest can increase to 75% through the contribution of a further $1,000,000 in the period to 24 November 2011.

Barambah Joint Venture:
Under the joint venture agreement with Norton Goldfields Limited, entered into in April 2007, the Company can earn a minimum 50% interest in the tenements subject to the joint venture by spending $250,000 on further exploration within 24 months of the commencement of the joint venture. The Company may not withdraw from the joint venture until it has spent a minimum of $100,000. After earning its initial interest in the joint venture tenements, the Company may elect to spend a further $350,000 on exploration to earn an additional 25% interest. At balance date the Company had not earned any interest under the joint venture. During the year the Company incurred $69,387 expenditure, which has been charged directly to the income statement. Total expenditure incurred under the joint venture is $96,080.

NOTE 10: TRADE & OTHER PAYABLES

	2008 $	2007 $
Current:		
Sundry payables and accrued expenses	182,492	167,905
Short term employee benefits	43,877	27,129
Total payables (unsecured)	226,369	195,034

NOTE 11: ISSUED CAPITAL

	2008 $	2007 $
30,388,722 (2007: 30,388,722) fully paid ordinary shares	3,196,964	3,196,964

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

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

Options	**No.**	**No.**
Options listed on Australian Stock Exchange	15,194,361	15,194,361
Balance at the beginning of the reporting period	15,194,361	-
Options issued during the period:		
Issued for cash on 31 July 2006	-	15,194,361
Balance at reporting date	15,194,361	15,194,361

	2008 $	2007 $

NOTE 11: ISSUED CAPITAL (continued)

Options are exercisable at any time until 5.00pm on 27 February 2009 at an exercise price of $0.20 each. An option holder does not have the right to participate in new issues of securities offered to share holders prior to the exercise of the options. At the date of this report no options had been exercised.

Issue proceeds of nil (2007: $151,944) have been taken up in the Option Reserve in equity.

Unlisted Employee & Officer Options (see also note 18)
During the year, the Company granted options to employees, pursuant to the Company's Employee & Officer Share Option Plan. Details of options granted are as follows:

	No.	No.
Balance at the beginning of the reporting period	450,000	-
Options issued during the period:		
- 20 November 2006	-	450,000
- 1 January 2008	150,000	-
Balance at reporting date	600,000	450,000

The amount of the expense during the period in relation to these options is $3,411 (2007: $1,853). This amount has been credited to the Option Reserve.

Other details of the options granted are:

Grant Date & Vesting	20/11/06	1/01/08
Options granted and vesting	450,000	150,000
Contractual Life of Options	5 years	4.7 years

The fair value of share options, calculated using a binomial option valuation model and assumptions for the year ended 30 June 2008:

Fair value at grant date	3.37 cents	2.31 cents
Share price	12.5 cents	12.0 cents
Exercise price	25 cents	25 cents
Expected volatility (expressed as weighted average volatility used in the modelling under binomial lattice model)	45.27%	36.24%
Option life (expressed as weighted average life used in the modelling under binomial lattice model)	5 years	4.7 years
Expected dividends	nil	nil
Risk-free interest rate (based on government bonds)	5.75%	6.75%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

Capital Management

Exploration companies such as ActivEX are funded exclusively by share capital. The Company has no debt. The Company's capital comprises its share capital supported by financial assets.
Management controls the capital of the Company to ensure that it can fund its operations and continue as a going concern. Capital management policy is to fund its exploration activities by way of equity. No dividend will be paid while the Company is in exploration stage. There are no externally imposed capital requirements.

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

	2008 $	2007 $

NOTE 12: RESERVES

Options Reserve

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

NOTE 13: CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Loss after Income Tax:	2008 $	2007 $
Loss from ordinary activities after income tax	(427,049)	(328,420)
Non-cash flows in loss from ordinary activities:		
Movement in employee benefits	16,748	9,379
Depreciation	41,342	20,756
Employee options expense	3,411	1,853
Write-off of exploration & evaluation expenditure	25,217	12,679
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(194,695)	(27,837)
(Increase)/Decrease in prepayments	(36,328)	-
(Decrease)/Increase in creditors and accruals	14,587	(36,069)
Cash flows from operations	(556,767)	(347,659)

NOTE 14: RELATED PARTY TRANSACTIONS

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

Key Management Personnel transactions with the Company

Key Management Personnel compensation and equity interests are detailed in note 20.

During the period the Company agreed to pay Cambridge Business & Corporate Services, an entity controlled by Mr Paul Crawford, a director of the Company, professional fees of $33,449 (2007:$44,450) for accounting, Company secretarial and other services provided to the entity. The amount owing by the Company at 30 June is nil (2006:$9,640).

During the period the Company agreed to pay Findex Pty Ltd, an entity controlled by Mr Doug Young, a director of the Company, vehicle hire fees of $5,117 (2007: $7,425) for use of its motor vehicle for fieldwork. The amount owing by the Company at 30 June is $3,780 (2007: $2,822).

At the Company's annual general meeting, held in November 2007, shareholders authorised the Company to perform its obligations under a sale and purchase agreement between the Company and Findex Pty Ltd (Findex) for the acquisition by the Company of an application for an exploration permit (EPM) for minerals from Findex. Findex is a Company controlled by Mr Doug Young, a director of the Company. In accordance with the agreement, the Company has reimbursed Findex $17,814 for expenditure incurred on the EPM. The EPM was transferred to the Company on 9 April 2008.

Shareholders further authorised the Company to perform its obligations under a net smelter return royalty deed between the Company and Findex for the payment by the Company to Findex of a 2.5% net smelter royalty on the proceeds of mineral production from the Tenement area.

	2008 $	2007 $

NOTE 15: COMMITMENTS

(a) Operating Lease Commitments

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

	2008 $	2007 $
Not later than 1 year	55,611	52,948
Later than 1 year but not later than 5 years	31,993	85,521
Total commitment	87,604	138,469

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

(b) Exploration Commitments

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

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

	2008 $	2007 $
Not later than 1 year	865,000	877,000
Later than 1 year but not later than 5 years	1,920,000	1,522,000
Total commitment	2,785,000	2,399,000

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

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

	2008 $	2007 $
Not later than 1 year	3,920	-
Later than 1 year but not later than 5 years	-	73,037
Total commitment	3,920	73,037

(c) Capital expenditure Commitments

Capital expenditure commitments contracted for:
Plant and equipment purchases payable:

	2008 $	2007 $
Not later than 1 year	47,727	-
Later than 1 year but not later than 5 years	-	-
Total commitment	47,727	-

	2008	2007
	$	$

NOTE 16: EVENTS AFTER BALANCE SHEET DATE

Since the end of the financial year the Company has entered into a placement agreement with Scintilla Corporate Pty Ltd to place up to 4.5 million shares at 6 cents per share to raise up to $270,000. The funds will be contributed to working capital and to enable the Company to evaluate potential projects and activities. It is anticipated that the placement will be completed by 26 September 2008.

The agreement also provides for the issue to Scintilla of up to 750,000 placement options in lieu of fees and will depend upon performance for the services provided. The options to acquire shares are issued without monetary consideration and will be exercisable by 30 September 2010 at an exercise price of 12 cents each. The issue of these placement options will be subject to shareholder approval at the Company's AGM later this year

The financial report was authorised for issue on 24 September 2008 by the Board of Directors.

NOTE 17: SEGMENT REPORTING

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

NOTE 18: SHARE BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2008:

On 20 November 2006, 150,000 share options were granted to employees with more than 1 year of full-time service under the ActivEX Limited Employees and Officers Share Option Plan to take up ordinary shares at an exercise price of $0.25 each. The options are exercisable on or before 20 November 2011. The options hold no voting or dividend rights and are not transferable. At the date of this report, no share options have lapsed or been exercised.

On 1 January 2008, 150,000 share options were granted to employees under the ActivEX Limited Employees and Officers Share Option Plan to take up ordinary shares at an exercise price of $0.25 each. The options are exercisable by employees with more than 1 year of full-time service, and can be exercised on or before 31 August 2012. The options hold no voting or dividend rights and are not transferable. At the date of this report, no share option have lapsed or been exercised.

On 20 November 2006, 300,000 share options were granted to directors to accept ordinary shares at an exercise price of $0.25. The options are exercisable before 20 November 2011. The options hold no voting or dividend rights and are not transferable. At the date of this report, no share options have lapsed or been exercised.

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

During the year 150,000 (2007:450,000) share options were granted under the Company's Employees and Officers Share Purchase Plan to take up ordinary shares at an exercise price of $0.25 each. Refer to Note 11 for more details.

	2008	2007
	$	$

NOTE 18: SHARE BASED PAYMENTS (continued)

All options granted under the Plan are over ordinary shares in ActivEX Limited, which confer a right of one ordinary share per option. These options are summarised as:

	2008		2007	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
	No	$	No	$
Outstanding at the beginning of the year	450,000	0.25	-	-
Granted	150,000	0.25	450,000	0.25
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	600,000	0.25	450,000	0.25
Exercisable at year-end	600,000	0.25	450,000	0.25

The options outstanding at 30 June 2008 had a weighted average exercise price of $0.25 and a weighted average remaining contractual life of 3.6 years. Refer to Note 11 regarding assessment of fair value of options granted.

Included under employee benefits expense in the income statement is $3,411 (2007: $1,853) and relates, in full, to equity-settled share-based payment transactions.

NOTE 19: AUDITORS' REMUNERATION

	2008	2007
	$	$
Remuneration of the auditor for:		
- auditing or reviewing the financial report	15,740	10,950

No fees were paid for non-audit services.

NOTE 20: KEY MANAGEMENT PERSONNEL COMPENSATION & EQUITY

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

(a) Key Management Person **Position**

Key Management Person	Position
Ian C. Daymond	Chairman
Douglas I. Young	Managing Director - Executive
Paul A. Crawford	Director - Non-Executive
Peter H. Hwang	Director - Non-Executive

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

(b) Key Management Personnel Compensation

	2008 $	2007 $
Short-term employee benefits	246,948	213,873
Post-employment benefits	42,814	40,749
Other long-term benefits	-	-
Share-based payments	2,028	1,235
	291,790	255,857

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

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

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

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

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

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

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

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

NOTE 20 KEY MANAGEMENT PERSONNEL COMPENSATION & EQUITY (continued)

(e) Compensation Options

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

(f) Shares Issued on Exercise of Compensation Options

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

NOTE 21: EARNINGS PER SHARE

	2008	2007
	$	$
Net loss used to calculate basic and dilutive EPS	427,049	328,420
	No	No
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	30,388,722	30,388,722
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares outstanding during the period used in the calculation of dilutive EPS	30,388,722	30,388,722

Options to acquire ordinary shares in the parent entity are the only securities considered as potential ordinary shares in determination of diluted EPS. Options on issue are not presently dilutive and have been excluded from the calculation of diluted EPS.

NOTE 22: FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies

The company's financial instruments comprise deposits with banks, accounts receivable and payable.

The main purpose of these financial instruments is to provide finance for company operations.

Treasury Risk Management

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

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

Financial Risks

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

Interest Rate Risk

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

This risk is managed through the use of variable rate term deposits.

NOTE 22: FINANCIAL INSTRUMENTS (continued)

Liquidity Risk

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

The company's activities are funded from equity sources.

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.

(b) Financial Instruments

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

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

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

At 30 June 2008, there was a concentration of credit risk in that $190,095 (2007: nil) is receivable from Minotaur Investments Pty Ltd, a joint venture partner.

(ii) Financial instrument composition and maturity analysis:

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

Financial assets:	**2008**	**2007**
	$	**$**
Within 6 months		
- cash & cash equivalents (a)	688,339	1,983,342
- receivables (b)	210,603	51,208
	898,942	2,034,550
1 - 2 years		
- receivables (b)	35,300	-
Total	934,242	2,034,550
Financial liabilities:		
Within 6 months		
- payables (b)	226,369	195,034

(a) Floating interest rates, with weighted average effective interest rate 7.2% (2007: 6.3%).

(b) Non-interest bearing.

NOTE 22: FINANCIAL INSTRUMENTS (continued)

(c) Net Fair Values

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

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

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

(d) Sensitivity Analysis

The company has performed sensitivity analysis relating to its exposure to interest rate risk. At year end, the effect on profit and equity as a result of a 1% change in the interest rate, with all other variables remaining constant would be +/- $6,883 (2007: $19,833).

NOTE 23: COMPANY DETAILS

The registered office and principal place of business is:

ActivEX Limited
117 Quay Street
Brisbane Qld 4000

NOTE 24: CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards have been issued or amended and are applicable to the company but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Affected standards	Outline of Amendment	Application date	Application date for the Company
AASB 2007–3 Amendments to Australian Accounting Standards	AASB 5 Non-current Assets Held for AASB 6 Exploration for and Evaluation of Mineral AASB 102 Inventories AASB 107 Cash Flow Statements AASB 119 Employee Benefits AASB 127 Consolidated and Separate Financial Statements AASB 134 Interim Financial Reporting AASB 136 Impairment of Assets AASB 1023 General Insurance Contracts AASB 1038 Life Insurance Contracts	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Operating Segments in February 2007. These amendments will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report.	1.1.2009	1.7.2009
AASB 8 Operating Segments	AASB 114 Segment Reporting	As above	1.1.2009	1.7.2009
AASB 2007–6 Amendments to Australian Accounting Standards	AASB 1 First time adoption of AIFRS AASB 101 Presentation of Financial Statements AASB 107 Cash Flow Statements AASB 111 Construction Contracts AASB 116 Property, Plant and Equipment AASB 138 Intangible Assets	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the financial group as there are no planned future borrowings.	1.1.2009	1.7.2009
AASB 123 Borrowing Costs	AASB 123 Borrowing Costs	As above	1.1.2009	1.7.2009
AASB 2007–8 Amendments to Australian Accounting Standards	AASB 101 Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income.	1.1.2009	1.7.2009
AASB 101	AASB 101 Presentation of Financial Statements	As above	1.1.2009	1.7.2009

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Registered Audit Company 299289

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTIVEX LIMITED

Report on the Financial Report

We have audited the accompanying financial report of ActivEX Limited (the company) which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures in the directors' report comply with Accounting Standard AASB 124.

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

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

Independence

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACTIVEX LIMITED (continued)

Auditor's Opinion

In our opinion:

a. the financial report of ActivEX Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Inherent Uncertainty - Continued Operations and Future Funding

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the company's ability to continue with its planned exploration activities is dependent on having finance available. Cash forecasts indicate up to an additional $770,000 working capital will be required to continue with planned activities.

As indicated in the note, the Directors are reviewing exploration activity and corporate expenditures, with a view to obtaining future funding. Since balance date, the company has entered into a Placement Agreement to raise $270,000, and further funding will need to be raised. The Directors are confident these initiatives will be successful, and no commitment has yet been made as to the source of any additional funding. The Directors have formed the view that it is appropriate to prepare the financial report on a going concern basis.

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of ActivEX Limited for the year ended 30 June 2008 complies with section 300A of the *Corporations Act 2001.*

Hayes Knight Audit (Qld) Pty Ltd

Hayes Knight Audit (Qld) Pty Ltd

Nigel Bamford

ND Bamford
Director

Level 19, 127 Creek Street, Brisbane, QLD, 4000

Date: 24 September 2008