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ASX Release – 21 October 2008

Option to Purchase - Potash Project

ActivEX Limited **(ASX: AIV)** is pleased to announce that the Company has signed a 6 month Option to Purchase the Lake Chandler Potash Project near Merredin in Western Australia. The option, which carries a $60,000 fee to be satisfied by the issue of 1 million fully paid AIV ordinary shares to the vendors, can be extended for a further six months for a $30,000 fee to be satisfied by the issue of a further 500,000 fully paid AIV ordinary shares.
The Company can exercise the option at any time in the 12 months by the payment of $600,000 to be satisfied by the issue of 10 million fully paid AIV ordinary shares to the vendors, less any shares already issued to the vendors by way of the option fee. Each issue of shares is subject to prior shareholder approval.

Lake Chandler Potash Project

The project consists of a granted Mining Lease 50km north of the Western Australian wheat-belt town of Merredin, 300km west of Perth, owned by Michael Ruane and R C Sadleir Pty Ltd.

Potash was produced from the deposit in the period 1943 to 1950 but the operations have been idle since. During the last 15 years considerable test work has been carried out on extraction methods for potash and high quality alumina from the deposit and it is considered by the Company that advances in technology may allow for a simpler and more effective utilisation of the resource. The Company will carry out further test work and market research to confirm the viability of the process.

Potash in Demand

ActivEX Managing Director Mr Doug Young said today "The worldwide demand for fertilisers has escalated dramatically in the past 18 months as a result of several factors, principally the increased demand for foodstuffs and the competing demands on agricultural products for fuel stocks. Australia is a major importer of fertiliser, in particular potash products and new developments in this field should find a ready-made market. Expectations for the worldwide fertiliser markets are for steady increases with sustained high prices over the 2009-2020 period, making it particularly attractive in light of the recent downward re-valuation of the Australian dollar".

"Having reviewed numerous project acquisitions, this project is seen as a significant opportunity for the Company. It has the potential to turn the Company into a producer with the delivery of high-quality products into the WA markets".

Shareholder approval to issue the first tranche of shares will be sought at the Company's November 2008 Annual General Meeting.

For further information contact:

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