

ASX Code: AIV**Issued Capital**

177,228,401 ordinary shares (AIV)

Market Capitalisation

\$28.36M (6 March 2018, \$0.16)

Directors

Min Yang (Chairman)

Geoff Baker (Director)

Dongmei Ye (Director)

Craig McPherson (Company Secretary)

About ActivEX

ActivEX Limited is a Brisbane based mineral exploration company committed to the acquisition, identification and delineation of new resource projects through active exploration.

The ActivEX portfolio is focussed on copper and gold projects, with substantial tenement packages in north and southeast Queensland and in the Cloncurry district of northwest Queensland.

The Company also has an advanced potash project in Western Australia where it is investigating optimal leaching methods for extraction and production of potash and by-products.

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ABN 11 113 452 896

ACTIVEX LIMITED

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**FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2017**

ACTIVEX LIMITED
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DIRECTORS' REPORT

Your Directors present the financial report of the Company for the half year ended 31 December 2017.

DIRECTORS

The Directors of the Company who held office during or since the end of the half year are listed below:

Ms Min Yang – Chairman

Mr Geoff Baker – Director

(Reappointed on 8 August 2017)

Ms Dongmei Ye – Director

Mr Grant Thomas – Managing Director *(Resigned on 19 February 2018)*

REVIEW OF OPERATIONS

The Company's operating loss for the half year, after applicable income tax was \$369,171 (2016: \$431,104). Exploration and evaluation expenditure during the period totalled \$626,839 (2016: \$500,135).

Corporate

On 9 August 2017, the Company announced that Mr Geoff Baker was reappointed as Director, effective 8 August 2017.

On 14 November 2017, the Company announced that it had entered into a Loan Facility Agreement with ASF Group Limited. Pursuant to the Loan Facility, ASF will provide up to \$1M in standby funding under which ActivEX can draw down as required, to fund its exploration activities and general working capital. Interest will accrue daily at a rate of 12% per annum. Repayment of the Loan Facility is due on 13 November 2018, or earlier at ASF's election and upon 3 months' notice to ActivEX.

On 12 December 2017, the Company announced an extension of its on-market share buyback program. In the 12 months before extension, 99,801 AIV shares had been bought back at an average price of \$0.0769 per share. Up to 16.1 million AIV shares can be acquired by AIV under the current buyback program over the period 12 months to 2 January 2019.

Mr Grant Thomas resigned as Managing Director of the Company on 19 February 2018. The Company thanks Mr Thomas for the years of reliable service that he has provided and wishes him every success in his future endeavours.

Further discussion of the Company's operations is provided below:

Gilberton Gold Project

The Gilberton Gold Project is situated in the Georgetown Province in northeast Queensland, approximately 300km west-northwest of Townsville. The Project is in an area which is prospective for several metals (Au, Ag, Cu, Ta-Nb, Co) and a wide range of deposit styles (plutonic IRGS, porphyry breccia, and epizonal / epithermal IRGS). The world-class Kidston breccia hosted Au-Ag deposit occurs in similar geological terrain approximately 50km to the northeast. The Project consists of EPMs 18615 (Mt Hogan), 18623 (Gilberton), 19207 (Percy River), 26232 (Gum Flat) and 26307 (Split Rock). The Project is comprised of a total of 174 sub-blocks and encompasses an area of 566km². ActivEX Limited holds 100% interest in all the tenements.

The Company completed a reverse circulation (RC) drilling program (23 holes for 1,584m) that targeted near surface Au-Ag mineralisation at Mountain Maid (1 hole), Carbon Copy (2 holes), Carbon Copy East (6 holes), Percy Queen (1 hole), Long Lode (4 holes) prospects (EPM 18615, Mt Hogan) and Au-Cu-(Co) mineralisation at Caledonia (3 holes), Macedonia (3 holes), and Oratava (3 holes)

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prospects (EPM 18623, Gilberton) (see ASX announcement 30 October 2017). Significant drill hole results include:

- AMH002 (Carbon Copy) 11m @ 0.15g/t Au and 14.3g/t Ag from 11m, and 2m @ 1.42g/t Au and 2.46g/t Ag from 31m
- AMH003 (Carbon Copy) 1m @ 0.24g/t Au and 1.15g/t Ag from 13m
- AMH005 (Carbon Copy East) 3m @ 0.54g/t Au and 0.62g/t Ag from 59m
- AMH008 (Carbon Copy East) 3m @ 0.26g/t Au and 3.13g/t Ag from 8m
- AMH010 (Percy Queen) 4m @ 0.38g/t Au and 61.7g/t Ag from 44m
- AMH011 (Long Lode) 2m @ 0.51g/t Au and 2.21g/t Ag from 8m
- AMH014 (Long Lode) 6m @ 0.16g/t Au and 7.50g/t Ag from 5m
- AGB001 (Caledonia) 1m @ 0.23g/t Au, 0.82g/t Ag, 0.25% Co & 0.4% Cu
- AGB004 (Macedonia) 7m @ 0.47g/t Au, 2.19g/t Ag and 0.71% Cu from 35m
- AGB005 (Macedonia) 13m @ 0.25g/t Au from 59
- AGB009 (Oratava) 2m @ 0.18g/t Au, 1.48g/t Ag and 0.41% Cu from 26m, and 1m @ 3.03g/t Au from 33m

>0.1g/t Au cut-off; may include up to a maximum of 2m internal dilution used for intercept calculations

The drill hole information has been fully evaluated and interpreted and follow-up drilling is being considered along the eastern extension of Caledonia, southern extension of Oratava and along the western extensions of both Long Lode and Carbon Copy prospects.

Rehabilitation of drill sites and access tracks (e.g. retention sample disposal) has commenced and will continue (e.g. grass seeding) in early-2018 to make the best use of seasonal rains.

Further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling, may be undertaken at Mt Hogan, Gilberton, Percy River, Gum Flat and Split Rock EPMs (e.g. Gum Flat, Bernecker, Split Rock and Christmas Hill prospects) with a view to trenching and channel sampling at multiple targets within the Gilberton Gold Project.

Cloncurry Copper and Gold Project

The Cloncurry Copper and Gold Project is situated in northeast Queensland, approximately 60km south of Cloncurry. The Project consists of EPMs 14955 (Mt Agate), 15285 (Florence Creek), 17313 (Malbon), 17805 (Florence Flat), 18053 (Bulonga), 18073 (Selwyn East), 18511 (Brightlands), 18852 (Robur), 25192 (Concorde), 25454 (Heathrow East) and 25455 (North Camel Dam), which comprise a total of 299 sub-blocks and encompasses an area of 1,020km². ActivEX Limited holds 100% interest in all the tenements.

The Project is situated within the Eastern Succession of the Mount Isa Inlier, which is a highly prospective geological terrane containing numerous major deposits. These include Iron Oxide Copper Gold, skarn style Cu-Au, and Merlin-style Mo deposits.

The Company completed rock chip sampling over several known prospects and over target areas identified in the in-house Cloncurry Project Assessment (see ASX announcement 30 October 2017). In all, 205 rock chip samples were collected and submitted for assay. Samples were collected from the following prospects: Carcass Creek, Slaty Creek, Tamborine, Tamborine South, Ross Williams (Bulonga EPM); Bull Creek, Bull Creek East (Camel Hill EPM); Hugarty South, Hugarty, Dorie, Pioneer South (Brightlands EPM); Waster (Malbon EPM); Trump, Dandy, Florence Bore North, Florence Bore South, Iron Clad (Florence Creek EPM); Sterling, Saddle Ridge, QMH (Mount Agate EPM); Heathrow, JFK (Selwyn East EPM); LAX (Heathrow East EPM) and Concorde, Blue Duck, Supersonic (Concorde EPM). These rock chip samples were assayed and several returned high gold, copper and cobalt grades. Significant rock chip assay results include:

- Carcass Creek: 2.18 to 10.6g/t Au and 0.91 to 0.27% Cu
- Dorie: 4.62g/t Au, 0.35% Cu, 0.04% Co
- Slaty Creek: 2.85g/t Au, 7.31% Cu
- Supersonic: 5.26g/t Au, 0.13% Cu
- Waster: 2.42 to 3.3g/t Au, 3.75 to 1.21% Cu and 0.03 to 0.04% Co

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Further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling, may be undertaken at Carcass Creek, Dorie, Slaty Creek and Supersonic with a view to trenching and channel sampling at multiple targets within the Cloncurry Copper and Gold Project.

Coalstoun Lakes Copper and Gold Project

The Project consists of EPM 14079 (Coalstoun), which comprises a total of 50 sub-blocks and encompasses an area of 160km². ActivEX Limited holds 100% interest in the tenements.

The Company announced maiden Inferred Mineral Resource estimates (2012 JORC Code & Guidelines) at the Coalstoun copper deposit located within the Coalstoun Lakes Copper and Gold Project in March 2015. Total Inferred Mineral Resource of 26.9Mt @ 0.38g/t Cu for 102,700t Cu contained; including a supergene copper Inferred Mineral Resource of 7.0Mt @ 0.47% Cu (for 32,700t Cu contained) at 0.3% Cu cut-off (ASX announcement 31 March 2015). These resource estimates were completed within approximately eight months after tenement transfer and have exclusively used historical information.

The Company completed a diamond core and RC drilling program at Coalstoun in August 2015 targeting extensions of supergene secondary copper and high grade copper and gold zones, with the intention of expanding and upgrading the initial Coalstoun Inferred Resources (ASX announcement 23 November 2015). This drilling also provided sample material for density measurements and metallurgical test work. The drill program consisted of both diamond core and reverse circulation techniques for a total of 2 cored holes for 320m and 16 RC holes for 1,580m.

The Company announced an upgrade to the Coalstoun copper deposit supergene zone Inferred Mineral Resource estimate (2012 JORC Code and Guidelines) to 6.1Mt @ 0.5% Cu (for 29,588t Cu contained at a 0.35% Cu cut off in 18 August 2016. This new Mineral Resource incorporates the results from RC and diamond core drilling completed in August 2015, which targeted near surface oxidised copper mineralisation.

Barambah Gold Project

The Barambah Gold Project is located in south-east Queensland between the towns of Gayndah and Goomeri, 215 kilometres due north-west of Brisbane. The project tenure comprises EPMs 14937 (Barambah) and 18732 (One Mile) comprise a total of 25 sub-blocks and encompass an area of 77km²

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

Ravenswood Gold Project

The Ravenswood Gold Project is situated in the Charters Towers Province in northeast Queensland, approximately 60km south of Charters Towers. The Project consists of EPMs 18424 (Mt Leyshon), 18637 (King Solomon), 18426 (Cornishman), 25466 (Charlie Creek) and 25467 (Birthday Hills), which comprise a total of 104 sub-blocks and encompass an area of 331km². ActivEX Limited holds 100% interest in all the tenements.

The Project is in the highly prospective Charters Towers – Ravenswood region which has produced over 12Moz of Au and hosts the 3.8Moz Mount Leyshon deposit as well as the 1Moz Mount Wright Au deposit. Mineralisation styles in the district include mesothermal gold veins (e.g. Charters Towers and Ravenswood Goldfields), breccia hosted gold (e.g. Mount Leyshon, Welcome Breccia) and epithermal gold veins (e.g. the Pajingo group).

Further exploration activities for Ravenswood Gold Project may include; GPS location of drillholes, drone surveys and database compilation and analysis of historic drillhole information for Matthews Pinnacle Complex (MPC) and Seventy Mile Mount gold prospects to outline potential drill targets.

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Detailed pXRF surveys, and focussed rock chip and conventional soil sampling may also be carried out over these historic prospects to outline gold mineralisation.

Pentland Gold Project

The Pentland Gold Project contains one tenement, EPM 14332 (Pentland), which comprises a total of 39 sub-blocks and encompass an area of 125km². It is in the Charters Towers district of northern Queensland. The township of Pentland is located within the tenement area, in the southeast of EPM 14332. The project contains 4 established prospects where ActivEX has carried out extensive ground based surveys and these areas are drill-ready with a number of targets already identified. Outside of these areas, the project package is only lightly explored and significant potential remains.

The Pentland tenements encompass much of the Cape River Gold and Mineral Field. Alluvial, deep lead and primary gold were discovered along the Cape River in 1867. Recorded production from the field was around 45,000 ounces (approximately 1400kg), but true production was considerably more as there is no record of the amount extracted by the Chinese miners, who were almost as numerous as Europeans during the productive years of the field in the late 1800's. Several areas within the Exploration Permits have seen small scale mining since that time. The Pentland tenements cover an area in which a wide variety of mineralisation styles have been identified and worked in part, including quartz vein gold, alluvial, eluvial and deep lead gold, shearzone hosted gold, epithermal and porphyry-related gold, porphyry-related copper-molybdenum, and shear-breccia zone hosted Pb-Cu-Au.

Gold, copper and molybdenum mineralisation is hosted in breccia zones containing diorite fragments in a vuggy quartz-sulphide matrix and steeply dipping, vuggy quartz-galena-sphalerite veins. There are many mineral occurrences in the tenement with four prospects currently under investigation at various stages in the exploration process.

Prospect Creek Gold Project

The Prospect Creek Gold Project consists of one tenement, EPM 14121 (Prospect Creek), which comprises a total of 26 sub-blocks and encompasses an area of 80km². It is located 20km southwest of Biloela, in central Queensland. The area is pastoral land and forest, used predominantly for cattle grazing, and is accessed by secondary bitumen roads and station tracks. The western half of the tenement may be accessed from Banana but is predominantly steep hilly country which is difficult to traverse.

The Prospect Creek Gold Project was acquired to explore for epithermal and porphyry style mineralisation, which is known to occur within the district. Two established prospects have been identified at Gossans West and Prairie Creek, and the tenement also contains a number of untested regional geochemical anomalies.

Esk Copper and Gold Project

The Esk Copper and Gold Project consists of EPMs 14476 (Boobyjan), 14979 (Dadamarine), 16265 (Blairmore), 16327 (Ban Ban) and comprises a total of 53 sub-blocks and encompasses an area of 167 km² in the New England Orogen in southeast Queensland between the towns of Gayndah and Goomeri, 215 km due northwest of Brisbane. ActivEX Limited holds 100% interest in all tenements.

The tenements are situated at the intersection of the NNW trending Perry Fault zone (host to Mt Rawdon +2Moz gold deposit) and NE trending (Darling Lineament related) structures.

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

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Lake Chandler Potash Project

The Lake Chandler Potash Project consists of a granted Mining Lease (M77/22) located 48km north of the Western Australian wheat-belt town of Merredin, 300km east of Perth. ActivEX Limited holds 100% interest in the tenement.

Lake Chandler is a salt lake with accumulations of alunite, which the Company is investigating with a view to proving the commercial extraction of potash and other fertiliser products with possible alumina by-products. Potash was produced from the deposit in the post war period from 1943 to 1947 but the operations have been idle since.

The potash at Lake Chandler occurs as alunite — hydrated potassium aluminium sulphate ($\text{KAl}_3(\text{SO}_4)(\text{OH})_6$) mineralisation hosted in a flat lying evaporate sequence of clays (playa lake).

CONTINUED OPERATIONS AND FUTURE FUNDING

The financial report has been prepared on the basis of accounting principles applicable to a “going concern” which assumes the Company will continue in operations for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business.

At 31 December 2017, the Company had \$17,884 in cash. Capitalised mineral exploration and evaluation expenditure carried forward was \$9,227,946. The Company had net assets of \$9,139,379, and a net current asset deficiency of \$172,242. Conditions of exploration permits held include minimum expenditure commitments. Committed exploration & evaluation expenditure and operating leases in the next 12 months totals \$1,550,066.

In the current half year the Company has established a 12 month loan facility with a major shareholder. The ability of the Company to execute its currently planned exploration and evaluation activities requires the Company to raise additional capital within the next 12 months. Because of the nature of its operations the Directors recognise that there is a need on an ongoing basis for the Company to regularly raise additional cash funds to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds.

As a result, the Directors have concluded that in the current circumstances there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. Nevertheless, after taking into account the various funding options available, the Directors have a reasonable expectation that the Company will be successful with future fund raising initiatives and, as a result, will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

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

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is included in this half year financial report.

This Directors' Report is signed in accordance with a resolution of Directors.



Min Yang
Chairman

Signed: 7th day of March 2018

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Competent Person Statement

The information in this report that relates to exploration results is based on information compiled by Mr G. Thomas, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Thomas was the Managing Director and a full-time employee of ActivEX Limited and has sufficient experience relevant to the styles of mineralisation and types of deposit under consideration and the activities being undertaken to qualify as a Competent Person as defined by the 2012 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012).

Mr Thomas consents to the inclusion of his names in this report and to the issue of this report in the form and context in which it appears.

Auditor's Independence Declaration**Under Section 307C of the Corporations Act 2001****To the Directors of ActivEX Limited**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

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

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Date: 7 March 2018

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (a) Complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) Giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

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



Min Yang
Chairman

Dated this: 7th day of March 2018

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half-year ended 31 December 2017

		Half- year ended 31 December 2017 \$	Half- year ended 31 December 2016 \$
Revenue		2,751	11,426
Administrative expenses		(141,083)	(164,057)
Employee benefit expense		(149,280)	(213,904)
Occupancy expenses		(57,100)	(55,647)
Current year exploration & evaluation expenditure written-off		(8,006)	(8,922)
Impairment of exploration assets		(16,453)	-
Loss before income tax	2	(369,171)	(431,104)
Income tax expense		-	-
Loss for the period		(369,171)	(431,104)
Other comprehensive income		-	-
Total comprehensive income for the period, net of tax attributable to members of the entity		(369,171)	(431,104)
Earnings per Share			
Basic earnings per share (cents per share)	7	(0.21)	(0.27)
Diluted earnings per share (cents per share)	7	(0.21)	(0.27)

The accompanying notes form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Note	31 December 2017 \$	30 June 2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		17,884	909,609
Trade and other receivables		2,500	7,303
Other current assets		126,116	94,590
Total Current Assets		146,500	1,011,502
NON-CURRENT ASSETS			
Property, plant and equipment		16,735	33,594
Exploration and evaluation assets	3	9,227,946	8,625,566
Trade and other receivables		66,940	69,440
Total Non-Current Assets		9,311,621	8,728,600
TOTAL ASSETS		9,458,121	9,740,102
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		97,854	71,093
Provisions		94,491	160,459
Borrowings	4	126,397	-
Total Current Liabilities		318,742	231,552
NON-CURRENT LIABILITIES			
Total Non-Current Liabilities		-	-
TOTAL LIABILITIES		318,742	231,552
NET ASSETS		9,139,379	9,508,550
EQUITY			
Issued capital	5	20,739,271	20,739,271
Reserves		-	-
Retained earnings		(11,599,892)	(11,230,721)
TOTAL EQUITY		9,139,379	9,508,550

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2017**

	Share Capital	Option Reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2016	19,452,350	332,749	(10,406,268)	9,378,831
Shares issued during the period	57,686	-	-	57,686
Transaction Costs	(6,610)	-	-	(6,610)
Total comprehensive loss for the period	-	-	(431,104)	(431,104)
Balance at 31 December 2016	19,503,426	332,749	(10,837,372)	8,998,803
Balance at 1 July 2017	20,739,271	-	(11,230,721)	9,508,550
Shares issued during the period	-	-	-	-
Transaction Costs	-	-	-	-
Total comprehensive loss for the period	-	-	(369,171)	(369,171)
Balance at 31 December 2017	20,739,271	-	(11,599,892)	9,139,379

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2017

	Note	31 December 2017 \$	31 December 2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(400,643)	(473,526)
Interest received		2,751	11,426
Net cash provided by (used in) operating activities		(397,892)	(462,100)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(4,584)
Exploration expenditure	3	(618,833)	(491,213)
Net cash provided by (used in) investing activities		(618,833)	(495,797)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	57,686
Costs associated with shares & option issues		-	(6,610)
Proceeds from loans and borrowings		125,000	-
Net cash provided by (used in) financing activities		125,000	51,076
Net increase/(decrease) in cash held		(891,725)	(906,821)
Cash at 1 July		909,609	1,475,834
Cash at 31 December		17,884	569,013

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements for the half-year ended 31 December 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The general purpose financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Company. As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2017, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue as at the date of the directors declaration.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements either is not relevant or not material.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the 30 June 2017 annual report.

Continued Operations and Future Funding

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

At 31 December 2017, the Company had \$17,884 in cash. Capitalised mineral exploration and evaluation expenditure carried forward was \$9,227,946. The Company had net assets of \$9,139,379, and a net current asset deficiency of \$172,242. Conditions of exploration permits held include minimum expenditure commitments. Committed exploration & evaluation expenditure and operating leases in the next 12 months totals \$1,550,066.

In the current half year the Company has established a 12 month loan facility with a major shareholder. The ability of the Company to execute its currently planned exploration and evaluation activities requires the Company to raise additional capital within the next 12 months. Because of the nature of its operations the Directors recognise that there is a need on an ongoing basis for the Company to regularly raise additional cash funds to fund future exploration activity and meet other necessary corporate expenditure. Accordingly, when necessary, the Company investigates various options for raising additional funds.

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**Notes to the Financial Statements
for the half-year ended 31 December 2017****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

As a result, the Directors have concluded that in the current circumstances there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. Nevertheless, after taking into account the various funding options available, the Directors have a reasonable expectation that the Company will be successful with future fund raising initiatives and, as a result, will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

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

NOTE 2: LOSS FOR THE PERIOD

	Half year ended 31 Dec 2017	Half year ended 31 Dec 2016
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the interim period:		
Revenue		
Interest received from unrelated parties	2,751	11,426
Expenses		
Interest paid to related parties	1,397	-
Employee benefit expense	390,571	466,786
Less: recharged to exploration and evaluation assets	(241,291)	(252,882)
	149,280	213,904

NOTE 3: EXPLORATION AND EVALUATION ASSETS

	31 December 2017	30 June 2017
	\$	\$
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
(a) Exploration and evaluation phase – Company interest 100%	9,227,946	8,625,566
	9,227,946	8,625,566
Movement in exploration and evaluation expenditure:	31 December 2017	30 June 2017
	\$	\$
Opening balance - at cost	8,625,566	7,940,030
Capitalised exploration expenditure	618,833	1,168,648
Impairment of exploration assets	(16,453)	(483,112)
Carrying amount at 31 December 2017	9,227,946	8,625,566

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.

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**Notes to the Financial Statements
for the half-year ended 31 December 2017****NOTE 4: BORROWINGS**

31 December 2017	30 June 2017
\$	\$
Loan from ASF Group Ltd	
126,397	-
126,397	-

On 14 November 2017, the company entered into an unsecured loan facility agreement ("Loan Agreement") with ASF Group Limited ("ASF"), a substantial shareholder of the company. Pursuant to the Loan Agreement, ASF will provide up to \$1 million in standby funding to the company. Interest will accrue daily at a rate of 12% per annum and repayment is due on 13 November 2018 or earlier at ASF's election and upon 3 months' notice to the company. Since balance date the Company has drawn a further \$310,000 on this facility.

NOTE 5: ISSUED CAPITAL

31 December 2017	30 June 2017
\$	\$
177,228,401 (June 2017: 177,228,401) fully paid ordinary shares	
20,739,271	20,739,271

Ordinary shares

	No.	No.
Balance at the beginning of the reporting period	177,228,401	802,747,240
Shares issued on 17 August 2016 at \$0.01	-	5,768,600
Shares consolidation on 30 November 2016	-	(646,812,638)
Share issued on 23 January 2017 at \$0.08	-	15,625,000
Buy back on 02 February 2017 at \$0.066	-	(9,272)
Buy back on 06 February 2017 at \$0.066	-	(2,529)
Buy back on 14 February 2017 at \$0.066	-	(11,000)
Buy back on 16 February 2017 at \$0.069	-	(3,000)
Buy back on 21 February 2017 at \$0.075	-	(20,000)
Buy back on 23 February 2017 at \$0.077	-	(37,000)
Buy back on 24 February 2017 at \$0.081	-	(10,000)
Buy back on 24 February 2017 at \$0.084	-	(7,000)
Balance at reporting date	177,228,401	177,228,401

The Company's buy back remains open until January 2019.

Unlisted employee & officer options

	No.	No.
Balance at beginning of period	-	1,100,000
Expired on 31 August 2016	-	(400,000)
Options consolidation undertaken during the period:		
30 November 2016	-	(560,000)
Expired on 31 January 2017	-	(140,000)
Balance at reporting date	-	-

ACTIVEX LIMITED

ABN 11 113 452 896

**Notes to the Financial Statements
for the half-year ended 31 December 2017****NOTE 6: RELATED PARTY TRANSACTIONS**

The company undertakes transactions with related parties in the normal course of business. In the current period, arrangements with related parties, relating to directors' fees and corporate service fees paid to ASF Group Ltd, continue to be in place, consistent with those reported in the 30 June 2017 annual financial report.

As set out in note 4, the company entered into a loan facility agreement with ASF Group Limited, a substantial shareholder of the company, and of which Directors Min Yang and Geoff Baker are directors.

NOTE 7: EARNINGS PER SHARE

	Half year ended 31 Dec 2017	Half year ended 31 Dec 2016
	cents	cents
Basic earnings per share (cents)	(0.21)	(0.27)
Diluted earnings per share (cents)	(0.21)	(0.27)
Net loss after tax used in the calculation of basic EPS and diluted earnings per share.	(369,171)	(431,104)

NOTE 8: DIVIDENDS

No dividends were declared or paid during the period.

NOTE 9: COMMITMENTS

	31 December 2017	30 June 2017
	\$	\$
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements, payable:		
Not later than 1 year	1,510	34,134
Later than 1 year but not later than 5 years	-	-
Total commitment	1,510	34,134

(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.

	31 December 2017	30 June 2017
	\$	\$
Not later than 1 year	1,550,066	1,718,320
Later than 1 year but not later than 5 years	2,457,098	3,921,156
Later than 5 years	23,140	10,455
Total commitment	4,030,304	5,649,931

ACTIVEX LIMITED

ABN 11 113 452 896

Notes to the Financial Statements for the half-year ended 31 December 2017

NOTE 10: CONTINGENT LIABILITIES

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

NOTE 11: SEGMENT INFORMATION

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

NOTE 12: EVENTS AFTER BALANCE SHEET DATE

Mr Grant Thomas resigned as Managing Director of the Company on 19 February 2018.

No other matter or circumstance has arisen since 1 January 2018 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

ACTIVEX LIMITED

ABN 11 113 452 896

CORPORATE INFORMATION

Directors	Min Yang, Chairman Geoff Baker, Director Dongmei Ye, Director
Corporate Secretary	Craig McPherson
Registered Office	Suite 1, Level 1 12 Creek Street Brisbane, QLD 4000
Principal Place of Business	Suite 2, 3B Macquarie Street Sydney NSW 2000
Share Register	Boardroom Pty Limited Level 12 225 George Street Sydney, NSW 2000
Auditors	Nexia Brisbane Audit Pty Ltd Level 28 10 Eagle Street Brisbane, Qld 4000
Stock Exchange Listing	ActivEX Limited shares are listed on the Australian Stock Exchange (ASX code: AIV)

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of ActivEX Limited, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Director's Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of ActivEX Limited financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Australian Dairy Farms Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Nexia Brisbane Audit Pty Ltd

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

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of ActivEX Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of ActivEX Limited is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of ActivEX Limited financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which states that the Company's ability to execute its currently planned exploration and evaluation activities requires the Company raise additional capital. As set out in the note the directors have prepared the financial report on a going concern basis.

Should the Company not be able to raise additional capital there exists a significant uncertainty that may cast doubt over the Company's ability to continue as a going concern. The Directors have prepared the financial statements on a going concern basis. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities should this occur.

Nexia Brisbane Audit Pty Ltd

**Nexia Brisbane Audit Pty
Ltd**

Migel Bamford

ND Bamford
Director

Level 28, 10 Eagle Street,
Brisbane, QLD, 4000
Date: 7 March 2018