

ASX Code: AIV

Issued Capital

177,228,401 ordinary shares (AIV)

Market Capitalisation

\$15.95M (7 March 2017, \$0.090)

Directors

- Min Yang (Chairman, NED)
- Grant Thomas (Managing Director)
- Geoff Baker (NED)
- Dongmei Ye (NED)
- 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 2016**

ACTIVEX LIMITED

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DIRECTORS' REPORT

Your Directors present the financial report of the Company for the half year ended 31 December 2016.

DIRECTORS

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

Directors	Status
Min Yang	Non-Executive Chairman
Grant Thomas	Managing Director
Geoff Baker	Non-Executive Director
Dongmei Ye	Non-Executive Director

REVIEW OF OPERATIONS

The Company's operating loss for the half year, after applicable income tax was \$431,104 (2015: \$520,541). Exploration and evaluation expenditure during the period totalled \$500,136 (2015: \$553,935).

Corporate

On 18 August 2016, the Company announced that it had placed 5,768,600 shortfall shares at \$0.01 per new share under the non-renounceable pro-rata rights issue which completed on 23 May 2016.

On 17 October 2016, the Company announced that its Board of Directors had approved an on-market share buy-back proposal. Under the rules for the Buy-back Proposal, the Company can purchase on the ASX up to 10% of its issued shares within 12 months from 1 November 2016.

On 30 November 2016, the Company announced that it had completed a Consolidation of its ordinary share capital on a one (1) for five (5) basis. After Consolidation, the total number of ordinary shares on issue had been reduced from 808,515,840 to 161,703,202 shares.

On 30 December 2016, the Company announced that it had executed subscription agreements with ASF Gold and Copper Pty Ltd and Start Grand Global Limited to raise \$1,250,000 by way of a placement of up to 15,625,000 fully paid ordinary shares at an issue price of \$0.08 per share.

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 consists of EPMs 18615, 18623 and 19207, 26232 and EPM application 26307. The tenements comprise a total of 184 sub-blocks and encompass an area of 597km². ActivEX Limited holds 100% interest in all the tenements.

The Project is in an area which is prospective for several metals and a wide range of deposit styles. The world-class Kidston breccia hosted Au-Ag deposit occurs in similar geological terrain approximately 50km to the northeast.

The Company completed pXRF soil geochemical surveys over Carbon Copy prospect in the Mt Hogan tenement (EPM 18615, see ASX announcement 14 October 2016). The pXRF survey detected a high amplitude and semi-continuous base metal anomaly (Au pathfinder elements) over Carbon Copy. The anomalous zone strikes east-west for approximately 2.7km.

Rock chip sampling of Carbon Copy prospect was also completed and has returned high grade precious metal assays in the range 3.28 to 48.5g/t Au and 404 to 1,150g/t Ag (and up to 38.8% Cu and >60.0% Pb).

During this phase of field exploration activities at the Gilberton Gold Project (August-September 2016) a total of 1,205 readings were acquired on north-south traverses spaced 25-100m with a nominal

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sampling interval of 25-100m. The survey was completed over Carbon Copy prospect linking to previous surveys at Moon Hill, and has outlined a high amplitude soil anomaly (Pb, Cu and Zn).

Carbon Copy gold prospect (historic mineral occurrence) extends eastwards from Moon Hill prospect for approximately 2.7km and is characterised by a surface expression of over 30ppm Pb, 20ppm Cu and 100ppm Zn (maximum pXRF values of 5.17% Pb, 3.06% Cu and 0.95% Zn). Best rock chip assay results from Carbon Copy are in the range of 3.28 to 48.5g/t Au, 404 to 1,150/t Ag and up to 38.8% Cu and >60.0% Pb.

In addition, a total of 144 rock chip samples (largely quartz veins or gossanous outcrop) were collected and assayed. The results have returned high gold grades with approximately 20% of samples returning values >1g/t Au (av. of 5.26g/t Au) and with approximately 30% of samples returning values >50g/t Ag (av. of 73g/t Ag).

Significant assay results include:

Carbon Copy: 3.28 to 48.5g/t Au, 404 to 1,150/t Ag, up to 38.8% Cu and >60.0% Pb.

Eliza Jane/Copper Queen: 56.3 to 156g/t Au, 164 to 304 g/t Ag, up to 34.2% Cu and 0.62% Pb.

Fiik: 1.21 to 9.87g/t Au, 4.06 to 10.2g/t Ag.

Gold mineralisation at Percyvale Corridor is spatially associated with Permo-Carboniferous dyke swarms (see ASX announcement 4 July 2016) similar in age to the nearby world-class Kidston gold mine, and with Silurian granitoids. The excellent results obtained at Carbon Copy prospect have given significant weight to using this spatial association as targeting criteria for ongoing gold exploration activities.

These results indicate that the Carbon Copy prospect is a high priority gold target for the 2017 field season.

Initial rock chip sampling was completed over historical prospects Eliza Jane/Copper Queen in Mt Hogan EPM. These rock chip samples have been assayed returning high grade precious metal assays up to 156g/t Au and 304g/t Ag.

The Company completed pXRF soil geochemical surveys over the Eight Mile Creek lodes (Caledonia, Oratava and Macedonia copper-gold historic workings) within the Gilberton tenement (EPM 18623, see ASX announcement 12 December 2016). The pXRF surveys detected high amplitude semi-continuous copper anomalies over each individual lode, the highest values detected to date at Gilberton Gold Project.

Rock chip sampling of the lodes was also completed and has returned high grade copper and gold assays results including: Caledonia lode in the range 0.15 to 25.2% Cu and 0.13 to 49.5g/t Au, Macedonia lode 0.02 to 31.6% Cu and 0.01 to 9.23g/t Au and Oratava lode up to 11.2% Cu and up to 2.16g/t Au.

During this phase of field exploration activities at the Gilberton Gold Project (October-November 2016) a total of 541 pXRF soil geochemical readings were acquired on 100m spaced north-south traverses at a nominal sampling interval of 25 to 100m. The pXRF survey was centred on the Eight Mile Creek lodes in the north-western part of EPM 18623 (Gilberton), and covered an area of 1.9km². The pXRF surveys have clearly defined an east-west trending >500ppm Cu anomaly over the Caledonia and Macedonia lodes extending for approximately 1.4km (maximum pXRF to 4.7% Cu), and a NW trending >500ppm Cu anomaly over the Oratava lode (maximum pXRF to 1.5% Cu).

In addition, a total of 86 rock chip samples (largely quartz veins or gossanous outcrop) were collected and subsequently assayed at ALS Townsville. The rock assays have returned high grade copper and gold results of up to 38.9% Cu and 49.5g/t Au (56% of samples > 1% Cu and 35% of samples > 1g/t Au).

The Eight Mile Creek lodes area consists of a group of gossans at the head of Eight Mile Creek, about 6km northwest of Gilberton homestead. The lodes were mined for gold in 1907 and again in 1913 (Withnall, 1981). The lodes are associated with discordant patches of metadolerite, diorite, and sparsely porphyritic rhyolite, all intruding Proterozoic metasediments of the Bernecker Creek and Daniel Creek Formations.

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Caledonia lode returned high grade assays in the range 0.15 to 25.2% Cu (av. 7.27% Cu) and 0.13 to 49.5g/t Au (av. 5.02g/t Au). The Caledonia area contains numerous lodes up to 5-6m wide approximately 430m long, occupying E-W trending shear zones and hosted in Proterozoic metasediments. There are no records of previous drill testing.

Macedonia lode returned high grade assays in the range 0.02 to 31.6% Cu (av. 6.32% Cu) and 0.01 to 9.23g/t Au (av. 2.07g/t Au). Macedonia lode is located east of Caledonia along the same E-W trending shear zone. The lode outcrops continuously for over 860m and is up to 10m wide. Macedonia was drill tested with a single hole (GLB-16) in 1983 by Seltrust Mining (Company Report 12372), which intersected 36m @ 0.79% Cu and 0.56g/t Au from 48m, including 24m @ 1.07% Cu and 0.79g/t Au from 52m).

Oratava lode returned high grade assays up to 11.2% Cu (av. 1.5% Cu) and up to 2.16g/t Au. Oratava lode is located south of Macedonia on a NW-trending shear zone that cuts through east-west striking Proterozoic metasediments. The lode outcrops for 930m and is up to 10m wide. Oratava was drill tested with a single hole (GLB-15) in 1983 by Seltrust Mining (Company Report 12372), which intersected 18m @ 0.81% Cu, including 10m @ 1.35% Cu from 70m and 4m @ 3.65g/t Au from 38m).

The exceptional first pass exploration results at Eight Mile Creek lodes clearly indicate that the area is a high priority copper and gold target. As soon as field activities are possible in 2017, further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling will be undertaken at Eight Mile Creek lodes with a view to selecting the most prospective targets for drill testing.

Initial rock chip sampling was completed over historic prospects Second Chance and Granite Junction in the Gilberton EPM. These rock chip samples have been assayed returning high grade assays up to 14.05% Cu and 435g/t Ag (Second Chance) and up to 8.59g/t Au and 36.7g/t Ag (Granite Junction).

ActivEX is in the process of establishing a base at Charters Towers to facilitate field operations at Ravenswood, Gilberton and Pentland Gold Projects.

Coalstoun Lakes Copper and Gold Project

The Company completed the purchase of EPM 14079 from Newcrest Operations Limited for a total consideration of \$200,000 in 2013, with formal transfer completed in late July 2014. Newcrest Operations Limited is a subsidiary of Newcrest Mining Limited. The Coalstoun Lakes Project has significant synergies with the Company's other southeast Queensland projects, in particular the White Horse supergene copper prospect, in the Esk Copper and Gold Project, and the Barambah Gold Project, which are located close by.

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.

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The Coalstoun copper deposit has open pit heap leach potential and has synergies with the Company's nearby White Horse supergene copper prospect. The White Horse prospect is located within the Boobyjan tenement (EPM 14476) which forms part of the ActivEX Esk Copper and Gold Project.

Barambah Gold Project

The Barambah Gold Project consists of three Exploration Permits (EPM 14937, 18732 and part 16265) located 100km west of Gympie in South East Queensland.

The Company announced maiden Inferred Mineral Resource estimates (2012 JORC Code & Guidelines) at the Barambah gold-silver deposit located within the Barambah Gold Project in February 2015. Total Inferred Mineral Resource of 363,000t @ 1.47g/t Au and 61.8g/t Ag for 17.2Koz Au and 722Koz Ag contained (ASX announcement 13 February 2015).

In June 2015, the Company announced the signing of a Sale and Purchase Agreement with Norton to purchase their 25% interest in EPM 14937 (Barambah) for a consideration of \$75,000 in cash (ASX announcement 22 June 2015).

The Sale and Purchase Agreement was completed on 15 July 2016 and ActivEX Limited now holds 100% of EPM 14937.

Cloncurry Copper and Gold Project

The Cloncurry Copper and Gold Project consists of thirteen Exploration Permits (EPM 14955, 15285, 17313, 17454, 17805, 18053, 18073, 18511, 18852, 125192, 25194, 25454 and 25455) located south of Cloncurry in North West Queensland. The tenements comprise a total of 338 sub-blocks and encompass an area of 1,082km². ActivEX Limited holds 100% interest in all the tenements.

The Company has concentrated on reviewing historical exploration results at its Cloncurry Copper and Gold Project. Targets have been selected and follow-up portable X-Ray Fluorescence (pXRF) soil surveying, rock chip sampling and geological mapping will be completed over priority areas in mid-2017.

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, 18637, 18426, 25466 and 25467, which comprise a total of 117 sub-blocks and encompass an area of 377km². 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 3Moz Mt Leyshon deposit as well as the 1Moz Mt Wright Au deposit (Figure 4). Mineralisation styles in the district include mesothermal gold veins (e.g. Charters Towers and Ravenswood Goldfields), breccia hosted gold (e.g. Mt Leyshon, Welcome Breccia) and epithermal gold veins (e.g. the Pajingo group).

The Company commenced exploration activities at Ravenswood Gold Project with reconnaissance portable X-Ray Fluorescence (pXRF) soil geochemical surveys carried out over target areas in the King Solomon tenement (EPM 18637) defining King Solomon/Rose of Allandale historic prospects (ASX announcement 15 June 2016). The pXRF surveying covered approximately 9.8 km² and comprised a total of 1,117 readings acquired on east-west traverses spaced 100-200m with a nominal reading interval of 50m and covered several mineral occurrences.

The pXRF survey has confirmed and tightly defined zones of anomalous arsenic (gold pathfinder element) over mineral occurrences in the King Solomon - Rose of Allandale area.

The **King Solomon - Rose of Allandale** anomaly extends for over 500m and is defined as having a surface expression of over 5ppm As (maximum pXRF values of 32.69ppm As). Rock chip samples from King Solomon and Rose of Allandale prospects returned high grades, with best results in the range 20.8 to 72.4g/t Au, 50.8 to 154g/t Ag, 1.095 to 1.695% Pb and up to 0.57% Zn.

Fanning Downs is a known historical prospect. Best rock chip results in the range 2.92 to 370g/t Au, 41.4 to 229g/t Ag, 3.01 to 20.7ppm Hg and up to 4.32% Pb.

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Sunset is a known historical prospect approximately 500m southwest of Fanning Downs. Rock chip samples from Sunset returned high grades, with best results in the range 33.3 to 96.2g/t Au, 11.6 to 40.5g/t Ag, and up to 1.555% Pb.

During this phase of field exploration activities 37 rock chip samples were collected (majority quartz veins or gossanous outcrop) and submitted for assay. The rock chip grab samples have been assayed and returned high grades with over 70% of the samples > 1g/t Au with an average of 23g/t Au and 24.5g/t Ag (Figure 5, Tables 2 and 3). Significant assay results include:

- **Fanning Downs** best assays 1.06 to 370g/t Au
- **Sunset** best assays 0.85 to 96.2g/t Au
- **Rose of Allendale** best assays 8.2 to 72.4g/t Au
- **King Solomon** best assays 1.67 to 11.85g/t Au
- Regional samples best assays 5.94 to 12.5g/t Au

Further exploration activities, such as pXRF surveys and focussed rock chip and conventional soil sampling, will be undertaken at Mt Leyshon, King Solomon, Birthday Hills, Cornishman and Charlie Creek EPMS with a view to trenching and channel sampling at multiple targets within the Ravenswood Gold Project in early-2017.

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 ($KAl_3(SO_4)(OH)_6$) mineralisation hosted in a flat lying evaporate sequence of clays (playa lake).

The Company abandoned Reward Lake Prospecting Licence application (P77/3977) on 30 June 2016.

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DIRECTORS' 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 operations for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

At 31 December 2016, the Company had \$569,013 in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure carried forward was \$8,431,243. The Company had net assets of \$8,998,803. Conditions of exploration permits held include minimum expenditure commitments. Committed exploration & evaluation expenditure and operating leases in the next 12 months totals \$2,031,571.

The Company currently undertakes exploration activities on several projects. The Company's ability to continue with its planned exploration activities is dependent on having funding available.

The Company currently has no source of operating cash inflow, but it does have the ability to seek to raise funds from the public and intends to raise such funds as and when required to complete its exploration activities. Whilst the Directors are confident that further funds can be raised when required there is no guarantee that such funds can and will be raised. Should sufficient funding not be available the company intends on reducing expenditure in line with its available funding.

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

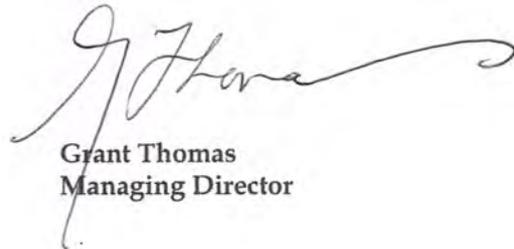
AUDITOR'S INDEPENDENCE DECLARATION

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



Grant Thomas
Managing Director

Signed: 7th day of March 2017

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DIRECTORS' REPORT

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 (MAIG) and Ms J. Hugenholtz, who is a Member of the Australian Institute of Geoscientists (MAIG). Both Mr Thomas (Managing Director) and Ms Hugenholtz (Exploration Manager) are full-time employees of ActivEX Limited and have 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 and Ms Hugenholtz consent to the inclusion of their names in this report and to the issue of this report in the form and context in which it appears.

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ACTIVEX LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half-year ended 31 December 2016

	Note	Half- year ended 31 December 2016 \$	Half- year ended 31 December 2015 \$
Revenue	2	11,426	5,667
Administrative expenses		(164,057)	(230,903)
Employee benefit expense		(213,904)	(234,350)
Occupancy expenses		(55,647)	(55,970)
Current year exploration & evaluation expenditure written-off	2	(8,922)	(4,985)
Loss before income tax		(431,104)	(520,541)
Income tax expense		-	-
Loss for the period		(431,104)	(520,541)
Total comprehensive income for the period, net of tax attributable to members of the entity		(431,104)	(520,541)
Earnings per Share			
Basic earnings per share (cents per share)	6	(0.27)	(0.08)
Diluted earnings per share (cents per share)	6	(0.27)	(0.08)

The accompanying notes form part of these financial statements.

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ACTIVEX LIMITED
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 STATEMENT OF FINANCIAL POSITION
 As at 31 December 2016

	Note	31 December 2016 \$	30 June 2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		569,013	1,475,834
Trade and other receivables		2,797	3,354
Other current assets		113,069	87,867
Total Current Assets		684,879	1,567,055
NON-CURRENT ASSETS			
Property, plant and equipment		42,311	56,380
Exploration and evaluation assets	3	8,431,243	7,940,030
Trade and other receivables		64,440	64,440
Total Non-Current Assets		8,537,994	8,060,850
TOTAL ASSETS		9,222,873	9,627,905
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		57,215	106,449
Provisions		166,855	142,625
Total Current Liabilities		224,070	249,074
NON-CURRENT LIABILITIES			
Total Non-Current Liabilities		-	-
TOTAL LIABILITIES		224,070	249,074
NET ASSETS		8,998,803	9,378,831
EQUITY			
Issued capital	4	19,503,426	19,452,350
Reserves		332,749	332,749
Retained earnings		(10,837,372)	(10,406,268)
TOTAL EQUITY		8,998,803	9,378,831

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 2016

	Share Capital	Option Reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2015	17,170,080	332,749	(9,463,219)	8,039,610
Shares issued during the period	750,000	-	-	750,000
Transaction Costs	(4,219)	-	-	(4,219)
Total comprehensive loss for the period	-	-	(520,541)	(520,541)
Balance at 31 December 2015	17,915,861	332,749	(9,983,760)	8,264,850
Balance at 1 July 2016	19,452,350	332,749	(10,406,268)	9,378,831
Shares issued during the period	4 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

The accompanying notes form part of these financial statements.

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ACTIVEX LIMITED
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STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2016

	Note	31 December 2016 \$	31 December 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(473,526)	(478,264)
Interest received		11,426	5,667
Net cash provided by (used in) operating activities		<u>(462,100)</u>	<u>(472,597)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,584)	(30,126)
Exploration expenditure	3	(491,213)	(548,950)
Net cash provided by (used in) investing activities		<u>(495,797)</u>	<u>(579,076)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	4	57,686	750,000
Costs associated with shares & option issues		(6,610)	(4,219)
Net cash provided by (used in) financing activities		<u>51,076</u>	<u>745,781</u>
Net increase/(decrease) in cash held		(906,821)	(305,892)
Cash at 1 July		1,475,834	1,054,846
Cash at 31 December		<u>569,013</u>	<u>748,954</u>

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 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The general purpose financial statements for the half-year reporting period ended 31 December 2016 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 2016, 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 2016 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 operations.

At 31 December 2016, the Company had \$569,013 in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure carried forward was \$8,431,243. The Company had net assets of \$8,998,803. Conditions of exploration permits held include minimum expenditure commitments. Committed exploration & evaluation expenditure and operating leases in the next 12 months totals \$2,030,571.

The Company currently undertakes exploration activity on a number of projects. The Company's ability to continue with its planned exploration activities is dependent on having funding available.

The Company currently has no source of operating cash inflow, but it does have the ability to seek to raise funds from the public and intends to raise such funds as and when required to complete its exploration activities. Whilst the Directors are confident that further funds can be raised when required there is no guarantee that such funds can and will be raised. Should sufficient funding not be available the Company intends on reducing expenditure in line with its available funding.

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

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Notes to the Financial Statements for the half-year ended 31 December 2016

	Half year ended 31 Dec 2016	Half year ended 31 Dec 2015
	\$	\$

NOTE 2: LOSS FOR THE PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Revenue

Interest received from other persons	11,426	5,667
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Expenses

Depreciation of plant and equipment	18,653	15,270
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NOTE 3: EXPLORATION AND EVALUATION ASSETS

	31 December 2016	30 June 2016
	\$	\$

Exploration and evaluation expenditure carried forward in respect of areas of interest are:

(a) Exploration and evaluation phase – Company interest 100%	8,431,243	7,940,030
	<u>8,431,243</u>	<u>7,940,030</u>

	31 December 2016	30 June 2016
	\$	\$
Movement in exploration and evaluation expenditure:		
Opening balance - at cost	7,940,030	6,913,038
Capitalised exploration expenditure	491,213	1,026,992
Carrying amount at 31 December 2016	<u>8,431,243</u>	<u>7,940,030</u>

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.

NOTE 4: ISSUED CAPITAL

	31 December 2016	30 June 2016
	\$	\$

161,703,168 (June: 802,747,240) fully paid ordinary shares	19,503,426	19,452,350
------------------------------------------------------------	------------	------------

Ordinary shares

	No.	No.
Balance at the beginning of the reporting period	802,747,240	621,812,672
Shares issued during the period:	-	180,934,568
17 August 2016 at \$0.01	5,768,600	-

Shares consolidation undertaken during the period:

30 November 2016	(646,812,638)	-
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Balance at reporting date	<u>161,703,202</u>	<u>802,747,240</u>
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(a) On 30 November 2016, the Company completed a share consolidation. The consolidation involved the conversion of every five fully paid ordinary shares into one fully paid ordinary share.

ACTIVEX LIMITED

ABN 11 113 452 896

**Notes to the Financial Statements
for the half-year ended 31 December 2016****NOTE 4: ISSUED CAPITAL (continued)**

Options on issue are as follows:	31 December 2016 No.	30 June 2016 No.
(i) Unlisted employee & officer options		
Balance at beginning of period	1,100,000	1,100,000
Expired during the period	(400,000)	-
Options consolidation undertaken during the period:		
30 November 2016	(560,000)	-
Balance at reporting date	<u>140,000</u>	<u>1,100,000</u>
 (a) On 30 November 2016, the Company completed a share consolidation. The consolidation involved the conversion of every five unlisted employee & officer options into one unlisted employee & officer option.		
(ii) Other unlisted options		
Balance at beginning of period	-	25,000,000
Exercised during the period	-	(25,000,000)
Balance at reporting date	<u>-</u>	<u>-</u>

NOTE 5: 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 rent, continue to be in place, consistent with those reported in the 30 June 2016 annual financial report.

In addition, in the current period the company entered into agreements with entities associated with Ms Min Yang and Mr Geoff Baker, relating to a share placement (see note 11).

NOTE 6: EARNINGS PER SHARE	Half year ended 31 Dec 2016 cents	Half year ended 31 Dec 2015 cents
Basic earnings per share (cents)	(0.27)	(0.08)
Diluted earnings per share (cents)	(0.27)	(0.08)
Net loss after tax used in the calculation of basic EPS and diluted earnings per share.	<u>(431,104)</u>	<u>(520,541)</u>

Options are considered potential ordinary shares. The options are not presently dilutive and have not been included in the determination of diluted earnings per share for the period.

NOTE 7: DIVIDENDS

No dividends were declared or paid during the period.

ACTIVEX LIMITED

ABN 11 113 452 896

**Notes to the Financial Statements
for the half-year ended 31 December 2016**

NOTE 8: COMMITMENTS	31 December 2016	30 June 2016
	\$	\$
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements, payable:		
Not later than 1 year	113,680	21,309
Later than 1 year but not later than 5 years	57,075	-
Total commitment	<u>170,755</u>	<u>21,309</u>

The lease commitment relates to two non-cancellable premises leases with a one-year term and another premises lease with ASF Group Limited that maybe cancelled providing two months' notice by either party. All arrangements require rent to be paid monthly in advance.

(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 2016	30 June 2016
	\$	\$
Not later than 1 year	1,916,891	2,334,802
Later than 1 year but not later than 5 years	3,336,071	3,488,792
Later than 5 years	1,770	44,871
Total commitment	<u>5,254,732</u>	<u>5,868,465</u>

NOTE 9: CONTINGENT LIABILITIES

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

NOTE 10: SEGMENT INFORMATION

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

NOTE 11: EVENTS AFTER BALANCE SHEET DATE

On 30 December 2016 the company announced that it had executed agreements with ASF Gold and Copper Pty Ltd and Start Grand Global Limited to raise \$1,250,000 by way of a placement of up to 15,625,000 fully paid ordinary shares at an issue price of \$0.08 per share. The company announced on 25 January 2017 that the issue of these shares had been completed.

On 17 October 2016 the company announced a share buy-back. No shares were acquired prior to balance date, and subsequently the company has acquired 99,801 shares totalling \$7,679.

Effective 31 January 2017, 140,000 unlisted options expired.

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 2016 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



Grant Thomas
Managing Director

Dated this: 7th day of March 2017

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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 2016 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 2017

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 (the company), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 the company's financial position as at 31 December 2016 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 ActivEX Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the 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 as attached to the directors' report, would be in the same terms if provided 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:

- (a) giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134: *Interim Financial Reporting* and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion, 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 funding available. As indicated in the note, such funding may be able to be raised as and when required. However, there can be no assurance that such funding will in fact be raised.

The Directors have formed the view that it is appropriate to prepare the financial report on a going concern basis. The financial report does not include any adjustments relating to the recognition and classification of recorded assets and liabilities that might be necessary, should the company be unable to source sufficient funding.

**Nexia Brisbane Audit Pty Ltd****N D Bamford**
Director

Level 28, 10 Eagle Street, Brisbane, QLD, 4000

Date: 7 March 2017

ACTIVEX LIMITED
ABN 11 113 452 896

CORPORATE INFORMATION

Directors	Min Yang, Non-executive Chairman Grant Thomas, Managing Director Geoff Baker, Non-executive Director Dongmei Ye, Non-executive Director
Corporate Secretary	Craig McPherson
Registered Office	Suite 3402 Level 34 Riverside Centre 123 Eagle Street Brisbane, QLD 4000
Principal Place of Business	Suite 3402 Level 34 Riverside Centre 123 Eagle Street Brisbane, QLD 4000
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)

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