



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

*117 Quay Street  
BRISBANE QLD 4000  
P.O. Box 217  
PADDINGTON QLD 4064  
P: (07) 3236 4188  
F: (07) 3236 4288  
E: admin@activex.com.au*

5 June 2009

Dear Shareholder,

### **NON-RENOUNCEABLE ENTITLEMENTS OFFER**

ActivEX Limited (**ActivEX**) is pleased to announce a 1-for-2 non-renounceable pro-rata entitlement offer of fully paid ordinary ActivEX shares (**New Shares**) at an issue price of \$0.05 per New Share to raise approximately \$1.025 million before issue costs (**Offer**). The Offer is fully underwritten by Veritas Securities Limited.

#### **Purpose of the Offer**

The funds raised under the Offer, after the payment of the costs of the Offer, will principally be used to advance the Company's Lake Chandler potash project.

The Company acquired an option to purchase the Lake Chandler potash project in late 2008 and has quickly progressed to a stage where a JORC compliant resource has been announced. This resource gives the Company the confidence that the project has sufficient resources to provide a mine life of twenty to thirty years depending on throughput. Since announcing this resource the Company has progressed its marketing studies and is confident of Lake Chandler's potential to supply a high quality product capable of replacing potash imports from Canada, Taiwan and Germany.

Bench scale testing of the available processing options is under way. These tests are necessary in order to optimise the process and to indicate likely reagent consumption, water and power use and other factors. This information is required before the Company can commence a more detailed scoping study of the Lake Chandler project, which the Company believes will take approximately three months to complete. The Company is aiming to have the scoping study completed by the end of October 2009. If the results of the scoping study support the Company's confidence in the project's potential it will then seek to move quickly to prepare a detailed feasibility study.

Funds raised under the Offer will also be allocated to advance the investigation of anomalies in the Company's prospective Cloncurry tenements to drilling stage. Work in the area has identified what the Company considers to be highly prospective, coincident gravity and magnetic anomalies consistent with Iron Oxide Copper Gold (IOCG) style targets for which the area is well known.

The Company will also continue advancing its other properties and to manage its joint venture at Boobyjan in south-eastern Queensland where, along with partners Minotaur Exploration, it has commenced drilling several deep holes to test the porphyry targets at depth. This project is being entirely funded by Mitsubishi Corporation and Mitsubishi Materials Corporation

The balance of funds raised from the Offer will, after the payment of Offer costs, be used for working capital purposes and the investigation of new opportunities as and when they arise.

#### **Key terms**

The Offer is a non-renounceable pro rata offer of New Shares to eligible shareholders at an issue price of \$0.05 per New Share on the basis of 1 New Share for every 2 fully paid ordinary shares (**Shares**) held on the record date for the Offer. The Offer will raise gross proceeds of approximately \$1,024,718.

As at the date of this announcement the Company has 40,988,722 Shares on issue. The total number of New Shares that will be issued under the Offer is 20,494,361 Shares, assuming that no options over Shares that are currently on issue are exercised in time to permit the holders of exercised options to participate in the Offer on the basis of the Shares issued on the exercise of their options. Currently the Company has a

total of 2,150,000 options to subscribe for Shares on issue with exercise prices ranging from \$0.12 to \$0.25.

The Offer is being extended to shareholders with registered addresses in Australia and New Zealand on the record date for the offer, which is Tuesday, 16 June 2009] (**Eligible Shareholders**). Shareholders with a registered address outside of Australia and New Zealand will not be eligible to participate in the Offer. As the Offer is non-renounceable Eligible Shareholders will not be able to sell or otherwise transfer their entitlements.

The Offer is fully underwritten by Veritas Securities Limited (Underwriter), who is entitled to an underwriting and management fee of 6.5% of the underwritten amount. In addition, the Company has agreed, following completion of the Offer and subject to obtaining all necessary shareholder approvals, to issue to the Underwriter 3,500,000 options, exercisable at \$0.08 each on or before 31 July 2010.

The Offer is being made without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Cth) (**Corporations Act**), in accordance with section 708AA of the Corporations Act. Full details of the Offer will be contained in an Offer Document to be lodged with ASX (and available from ASX's website at [www.asx.com.au](http://www.asx.com.au)) and to be dispatched to Eligible Shareholders in accordance with the timetable set out below. The Offer Booklet will also be available on the Company's website at [www.activex.com.au](http://www.activex.com.au).

#### **Bonus issue**

Following completion of the Offer the Company intends to make a bonus issue of options to Shareholders on the basis of 1 option for every 5 Shares held at the record date for the bonus option issue. The bonus options will be exercisable at \$0.08 per bonus option and will have an expiry date of 31 July 2010. The Company will apply to ASX for official quotation of the bonus option. The Company will provide shareholders with further details of the bonus options issue in due course.

#### **Indicative Offer timetable**

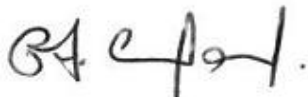
Key dates for the Offer are set out below. The dates are indicative only and the Company reserves the right to vary them in consultation with the Underwriter, subject to requirements of the ASX Listing Rules.

Announcement of the Offer	Friday, 5 June 2009
Shares trade 'ex-entitlement' to participate in the Offer	Wednesday, 10 June 2009
Record Date to determine entitlements under the Offer	Tuesday, 16 June 2009
Anticipated despatch of Offer Document and Entitlement and Acceptance Forms	Wednesday, 17 June 2009
Offer opening date	Wednesday, 17 June 2009
Offer closing date (last day for lodgement of Entitlement and Acceptance Forms and payment in full application money)	Wednesday, 1 July 2009
Expected date for despatch of holding statements	Thursday, 9 July 2009
Expected date for commencement of trading of New Shares on ASX	Friday, 10 July 2009

#### **Further information**

More information regarding the Offer will be set out in the Offer Document, to be mailed to Eligible Shareholders shortly. Together with this announcement, the Company has lodged with ASX an Appendix 3B, under which the Company has applied for quotation on ASX of the New Shares to be issued pursuant to the Offer, and a "cleansing notice" under the Corporations Act. These documents are available from the websites of the Company and ASX.

Yours faithfully  
**ActivEX Limited**



Paul Crawford  
Company Secretary