

Australian Stock Exchange Announcement

SELLHEIM DEAL GIVES MAXIMUS OPPORTUNITY FOR RAPID MOVE TO ALLUVIAL PRODUCTION

27 October 2006

The Manager
Companies Announcements Office
Australian Stock Exchange
20 Bridge Street SYDNEY NSW 2000

HIGHLIGHTS

- *Maximus' main objective at Sellheim is to find and develop a major hardrock gold mine.*
- *Sellheim project area has recent profitable alluvial gold production which presents Maximus with a cash flow opportunity.*
- *Maximus intends to increase the previous gold production rate and recommence operations as soon as possible.*

Summary

Maximus today secured an option to purchase a 100% interest in the Sellheim project, a known alluvial goldfield in the Central Queensland Gold Province. The region is highly prospective for several styles of gold mineralisation (Figure 1). The property comprises granted Mining Leases (MLs), an Exploration Permit Minerals (EPM) and an EPM application together covering about 75 square kilometres.

The option agreement allows for cash and share payments to the vendors over a period of up to three years with a total exercise price of \$1.5 million. During the option period the vendors will retain the right to mine alluvials from four small defined areas and, if the option is exercised, will be entitled to a net smelter royalty of 1.5% on all future gold production.

Maximus is planning to define an alluvial gold resource and explore for potential bedrock sources of such gold. Our objective is to commence early production from alluvial gold areas while continuing to seek and delineate a significant hardrock gold resource for future development. In November, Maximus will commence bedrock exploration through a high resolution aeromagnetic survey and geological mapping program.

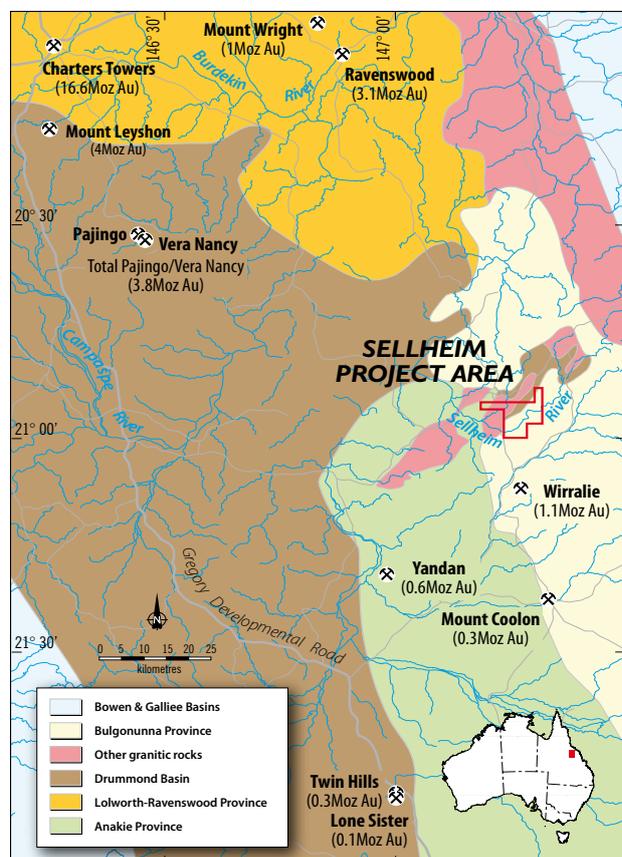


Figure 1. Location of Sellheim project area in relation to the Central Queensland Gold Province.

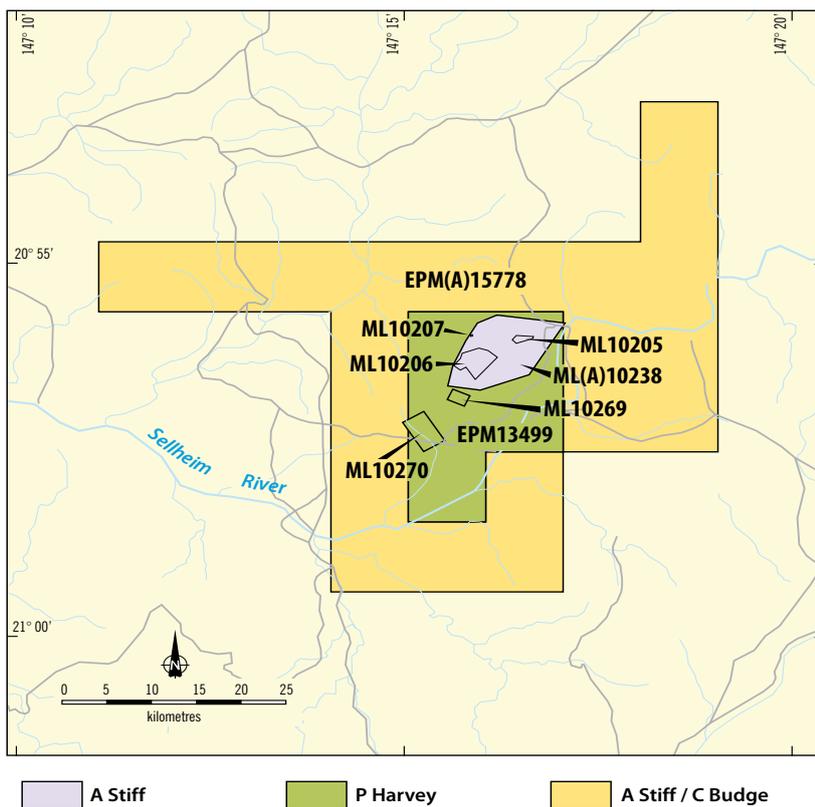


Figure 2. Sellheim Project Tenements.

Project Area

The project area consists of EPM 15778 and MLs 10205, 10206, 10207 and 10328 owned by Mr A Stiff and Ms C Budge, together with EPM 13499 and MLs 10269 and 10270 owned by Mr P Harvey (both vendors are non-related parties). Tenements are shown on Figure 2. The area is located in the northern part of the Drummond Basin which is part of the Central Queensland Gold Province containing six gold deposits of over one million ounces as shown on Figure 1.

The area has a history of gold production since the late 19th Century. The vendors have recently carried out profitable alluvial gold mining which has produced numerous coarse gold nuggets such as those illustrated in Figure 3.

Sellheim Agreement

The Sellheim Agreement was executed today and allows

Maximus an option to purchase a 100% interest in the project tenements for a total of \$1.5 million at any time over a three-year period. If Maximus exercises the option the vendors will receive a 1.5% net smelter return royalty from any future production from the project area. The vendors receive option payments over the three years which total \$200,000 in cash, 600,000 shares and further shares to the value of \$150,000. Maximus can terminate the agreement at any time after the first of three option payments is made. During the option period the vendors can continue to mine alluvial gold from four small defined areas on their existing MLs.

Alluvial Exploration Program

Maximus will immediately commence a program of resource definition over the area containing alluvial gold. The project is thought to have potential to produce over 10,000

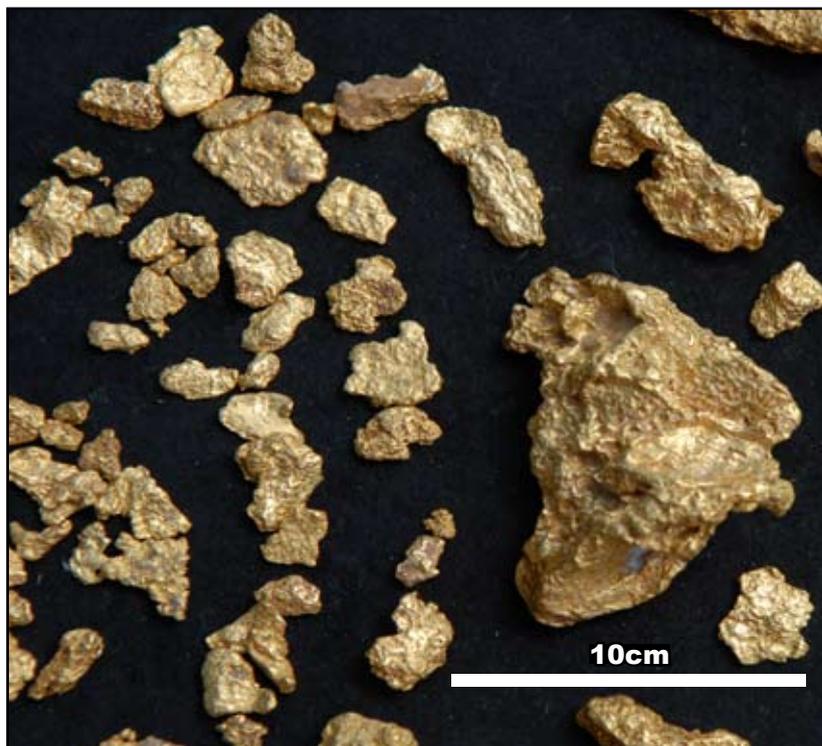


Figure 3. Alluvial gold nuggets from the Sellheim project area.



Figure 4. Copper-gold mineralised skarn at the Margarita Mine.

ounces of alluvial gold per annum. Immediate work will include repairing dams on the ML for a water supply after the wet season. Trenching, drilling and bulk sampling of alluvials will commence after the wet season in March 2007. It is intended that alluvial production will recommence in the second half of 2007.

Hard Rock Exploration Program

Maximus' main objective at Sellheim is to find and develop a

major hardrock gold mine. The project area contains several styles of primary gold and gold-copper mineralisation in skarns (mineralised limestone) as exposed at the Margarita copper-gold mine workings (Figure 4) and tourmaline breccias developed along the marginal zone of the Percy-Douglas Granite (Figure 5). Although there has been company exploration in the general area, there has been a lack of recent exploration on the vendors areas held under ML which totals 389 hectares.

Maximus' hard rock exploration program will focus on the ML areas and will commence in November with a detailed geological mapping and a helicopter borne high resolution aeromagnetic survey at a low altitude and at 50 metre line spacing. This work will provide a better geological understanding for a detailed bedrock geochemistry program to commence after the wet season in 2007. Any potentially economic zones will be followed up by reverse circulation drilling later in 2007.



Figure 5. Tourmaline breccia at Sellheim prospect.

Dr Kevin Wills

Managing Director

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For further information please contact

Kevin Wills on 08 8132 7960 or 0419 850 997

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr K Wills who is a Fellow of the Australasian Institute of Mining and Metallurgy and, through his company KJ Exploration Pty Ltd, acts as a geological consultant to Maximus Resources Limited. Dr Wills has more than five years relevant experience in the style of mineralisation and types of deposit under consideration and consents to inclusion of the information in this report in the form and context in which it appears. He qualifies as Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".