

MAXIMUS RESOURCES LIMITED

ABN 74 111 977 354

PROSPECTUS

For a renounceable rights issue of approximately 18.7 million New Shares at an issue price of 31 cents each on the basis of 1 New Share for every 5 Ordinary Shares held to raise approximately \$5.8 million (before expenses).

This document is important and requires your immediate attention. It should be read in its entirety. If you are in doubt as to the course you should follow, you should consult your stockbroker or other professional adviser.

Please read the instructions on the accompanying Entitlement and Acceptance Form if you wish to subscribe for the New Shares to be issued pursuant to this Prospectus.

CORPORATE DIRECTORY

Directors/Senior Management

Mr Robert Kennedy (Non Exec. Chairman)
Dr Kevin Wills (Managing Director)
Mr Gary Maddocks (Exploration Director)
Mr Ewan Vickery (Non Exec. Director)

Company Secretary/CFO

Mr Richard Willson

Registered Office

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Underwriter & Lead Manager

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Auditor

Grant Thornton South Australian Partnership
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Solicitor

DMAW Lawyers
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Share Registry

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Stock Exchange Listing

ASX

ASX Code: MXR

TABLE OF CONTENTS

1.	KEY TERMS OF THE RIGHTS ISSUE.....	1
2.	HOW TO PARTICIPATE IN THE RIGHTS ISSUE.....	4
3.	INFORMATION ABOUT THE COMPANY.....	7
4.	SUMMARY OF RISKS	12
5.	RIGHTS AND LIABILITIES ATTACHING TO SHARES.....	16
6.	EFFECT OF THE RIGHTS ISSUE ON THE COMPANY	17
7.	INTERESTS AND FEES OF CERTAIN PEOPLE INVOLVED IN THE OFFER	19
8.	ADDITIONAL INFORMATION	21
	GLOSSARY.....	26

IMPORTANT NOTICES

This Prospectus is dated 23 July 2007. A copy of this Prospectus was lodged with the ASIC on 23 July 2007. The ASIC takes no responsibility as to the contents of this Prospectus.

No securities will be allotted or issued on the basis of this Prospectus after the expiry date of 23 August 2008.

This is an important document. Before deciding to apply for the New Shares you should consider whether they are a suitable investment for you. Persons wishing to subscribe for New Shares should carefully read this Prospectus and consult their professional advisers for the purpose of making an informed assessment of the effect of the Rights Issue on the Company and the rights and liabilities attaching to, and the nature of, the New Shares offered by this Prospectus.

A copy of this Prospectus can be downloaded from the website of the Company at www.maximusresources.com.au. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be a Shareholder with a registered address in Australia or New Zealand and must only access the Prospectus from within Australia or New Zealand. The Corporations Act prohibits any person distributing the Entitlement and Acceptance Form or Shortfall Application Form unless it is included in or accompanies a paper copy of this Prospectus, which may be obtained by contacting the Company.

SUMMARY OF IMPORTANT DATES

Announcement of Rights Issue	13 July 2007
Securities quoted on an ex-basis and rights trading starts	26 July 2007
Record Date to determine entitlements to New Shares	1 August 2007
Despatch of Prospectus and Acceptance Forms and Offer Opens	3 August 2007
Rights trading ends	13 August 2007
New Shares quoted on deferred settlement basis	14 August 2007
Last day for acceptance and payment in full	20 August 2007
Allotment and dispatch by the Company of holding statements for New Shares	28 August 2007

NOTE

These dates are indicative only. Subject to the Corporations Act and the ASX Listing Rules, the Company reserves the right to vary the Closing Date without prior notice.

1. KEY TERMS OF THE RIGHTS ISSUE

1.1 The Offer

This is an offer of approximately 18.7 million New Shares to the Shareholders of the Company who are registered on the register of members of the Company on the Record Date. The New Shares are being offered on the basis of one New Share for every five Ordinary Shares then held.

Under this Prospectus, the Company is seeking to raise approximately \$5.8 million (before costs).

1.2 Issue Price

The issue price is 31 cents per New Share and is payable in full on application.

1.3 Entitlements

The number of New Shares to which Eligible Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form.

The Rights Issue is made on a renounceable basis. This means that Shareholders who do not wish to take up their Rights may sell their Rights on ASX. Trading of Rights on ASX is expected to commence on 26 July 2007 and end on 13 August 2007. Shareholders wishing to sell their Rights should refer to Section 2.1 of this Prospectus for full instructions.

The Rights Issue is underwritten to the extent of \$5,784,109 by Patersons Securities Limited (refer to Section 8.1 for full details). Pursuant to the Underwriting Agreement, the Company will pay Patersons Securities Limited a management and underwriting commission equal to 5% of the aggregate funds underwritten under the Rights Issue. A summary of the material terms of the Underwriting Agreement including rights of termination are set out in Section 8.1.

Eligible Shareholders may take up any Shares offered on the basis of this Prospectus which are not taken up by other Eligible Shareholders. To do this, Eligible Shareholders must, in addition to completing the portion of their Entitlement and Acceptance Form that relates to their entitlement, complete the portion of the Form relating to the additional shares they wish to take up.

Any Shares offered on the basis of this Prospectus that are not taken up by Eligible Shareholders may also be taken up by investors that are not Eligible Shareholders. To subscribe for any shortfall, these other investors must complete and return a Shortfall Application Form.

The Underwriter in consultation with the Directors reserves the right to accept, scale back or refuse any application for additional New Shares in excess of a Shareholder's entitlement or any application in excess of the shortfall available for issue under the Rights Issue. Any excess application money will be refunded without interest.

The Company currently has approximately 20.5 million listed options on issue. Option holders may participate in the Rights Issue by exercising any or all of these options before the Record Date. The exercise of any options prior to the

Record Date will increase the issued capital of the Company and may increase the number of New Shares issued under the Rights Issue and the total amount raised under the Rights Issue. Option holders cannot participate in the Rights Issue without first exercising their options.

1.4 Purpose of the Rights Issue

The net proceeds from the Rights Issue will be used as working capital to finance the further exploration and development of projects in the Company's existing portfolio as well as to look for new project opportunities. The main thrust of the Company's current activities will be as follows:

- in Western Australia, to continue programs locating uranium, nickel and vanadium mineralisation in the large Windimurra/Nardee Project near Mount Magnet. A new airborne electromagnetic survey is also being planned over the Windimurra/Nardee Project area;
- in South Australia, to continue to explore for new gold deposits near old gold mines in the Adelaide Hills Gold Province and to continue exploration and mine development studies at the Bird-in-Hand Gold Mine;
- in Queensland, at the Sellheim Gold Project, work will continue towards outlining an alluvial gold resource in conjunction with a basement hard-rock exploration program.

1.5 Opening and Closing Dates

The Rights Issue will open for receipt of acceptances on 3 August 2007 and will close at 5:00 pm (Adelaide time) on 20 August 2007. The Directors reserve the right to close the Rights Issue early or to extend the Closing Date. Investors are urged to lodge their Entitlement and Acceptance Forms (and any Shortfall Application Forms) as soon as possible.

1.6 Stock Exchange Listing

Application has been made for the New Shares offered under this Prospectus to be granted official quotation by the ASX.

If the New Shares are not admitted to quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares offered under this Prospectus will be issued and allotted. In these circumstances, the Company will refund all application monies without interest within the time prescribed by the Corporations Act.

The ASX takes no responsibility for the contents of this Prospectus.

1.7 Rights Attaching to Shares

The New Shares issued will rank equally with existing Ordinary Shares on issue. The rights and liabilities attaching to the New Shares offered under this Prospectus are set out in the Constitution of the Company and in the Corporations Act.

The principal rights and liabilities attaching to the New Shares and existing Ordinary Shares are summarised in section 5.

1.8 **Minimum Capital Raising**

There is no minimum limit to the amount of capital to be raised under the Rights Issue.

1.9 **Shortfall in subscription**

The Underwriter in consultation with the Directors reserves the right to issue any shortfall in subscription for New Shares at its discretion within 3 months after the close of the Rights Issue.

1.10 **Overseas Shareholders**

This Offer is only being extended to Shareholders with registered addresses in Australia and New Zealand. All other Shareholders (**Non-Resident Shareholders**) will not be offered Rights under this Prospectus. The Company has determined, in accordance with the Listing Rules, that it would be unreasonable to make an offer under this Prospectus to Non-Resident Shareholders having regard to:

1.10.1 the number of Shareholders in the places where the offer would be made;

1.10.2 the number and value of the rights that would be offered; and

1.10.3 the cost of complying with the legal requirements in those places.

No Entitlement and Acceptance Forms are being sent to Non-Resident Shareholders, and this Prospectus may be sent to them for information purposes only.

Neither this Prospectus, the Entitlement and Acceptance Form nor the Shortfall Application Form constitute an offer of, or an invitation by or on behalf of the Company to subscribe for or purchase any of the New Shares in any jurisdiction or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and Entitlement and Acceptance Form, and the offering of New Shares, in certain jurisdictions may be restricted by law. Persons into whose possession such documents come should inform themselves about and comply with those restrictions.

The Company will appoint a nominee to arrange for the sale of the Rights that would have been given to Shareholders with registered addresses outside Australia and New Zealand and to account to them for the net proceeds of the sale.

1.11 **Taxation**

Shareholders should be aware that there are taxation implications for subscribing for New Shares. These taxation implications will vary between different Shareholders and Shareholders should consult their own professional tax adviser in relation to the taxation implications.

2. HOW TO PARTICIPATE IN THE RIGHTS ISSUE

2.1 What you may do

The number of New Shares to which you are entitled is shown in the accompanying Entitlement and Acceptance Form. You may:

- take up all of your entitlement to New Shares;
- sell all of your entitlement;
- take up part of your entitlement and sell the balance on the ASX;
- transfer all or part of your entitlement to another person other than on the ASX;
- take up part of your entitlement and allow the balance to lapse; or
- not take up any of your entitlement and allow it to lapse.

2.2 Take up all of your entitlement

If you wish to take up all of your entitlement, please complete the accompanying Entitlement and Acceptance Form in accordance with the instructions on it. Forward your completed Entitlement and Acceptance Form (together with your cheque or bank draft for the amount shown on that form) to reach the Company's share registry, Computershare Investor Services Pty Limited, by not later than 5.00pm (Adelaide time) on 20 August 2007. Cheques should be made payable to "Maximus Resources Ltd – Rights Issue Account" and crossed "not negotiable".

2.3 Sale of entire entitlement

If you wish to sell all of your entitlement, fill in the section on the back of the accompanying Entitlement and Acceptance Form marked "Instruction to Your Stockbroker/Agent" and lodge the form with your stockbroker. Quotation of Rights on ASX will commence on 26 July 2007. The sale of your entitlement must be effected by 13 August 2007, the date on which Rights trading ceases.

2.4 Take up part of your entitlement and sell the balance on the ASX

If you wish to sell part of your entitlement and take up the balance:

insert in the accompanying Entitlement and Acceptance Form the number of the New Shares for which you want to subscribe;

- complete the section on the back of the Entitlement and Acceptance Form marked "Instruction to Your Stockbroker/Agent" in respect of that part of your entitlement which you wish to sell; and
- lodge your completed Entitlement and Acceptance Form, together with your cheque or bank draft for the amount due in respect of the New Shares you have accepted, with your stockbroker. Cheques should be

made payable to “Maximus Resources Ltd – Rights Issue Account” and crossed “not negotiable”.

Quotation of rights on ASX will commence on 26 July 2007. The sale of part of your entitlement must be effected by 13 August 2007, when Rights trading ceases.

2.5 Transfer of entitlement other than on ASX

If you wish to transfer all or part of your entitlement to another person other than on ASX, forward a completed and stamped standard renunciation form (obtainable from your stockbroker or Computershare Investor Services Pty Limited), together with your Entitlement and Acceptance Form, to Computershare Investor Services Pty Limited not later than 5.00pm (Adelaide time) on 13 August 2007.

2.6 Entitlements not taken up

Shareholders are not obliged to accept any of their Rights or make any other application for New Shares. In this event, Shareholders should consider selling their Rights rather than allowing them to lapse. All Rights not accepted will form part of the Shortfall which will be dealt with at the discretion of the Underwriter in consultation with the Directors and those Shareholders will receive no benefit.

It is therefore important that, if you wish to receive a benefit, you take action either to accept or sell your Rights. If you are in any doubt as to the action you should take, please consult your professional adviser.

The number of Ordinary Shares you hold and the rights attaching to those Ordinary Shares will not be affected if you choose not to accept any of your Rights. However, your shareholding in the Company will be diluted with the subsequent issue of the New Shares.

2.7 Taking up any shortfall

If an Eligible Shareholder wishes to take up any New Shares offered on the basis of this Prospectus which are not taken up by other Eligible Shareholders, Eligible Shareholders must, in addition to completing the portion of their Entitlement and Acceptance Form which relates to their entitlement, complete the portion of the Form relating to the additional shares they wish to take up.

Investors other than Eligible Shareholders that wish to take up any New Shares offered on the basis of this Prospectus which are not taken up by other Eligible Shareholders must complete a Shortfall Application Form.

Shortfall Application Forms will be provided to investors on request. Refer to the Shortfall Application Form accompanying this Prospectus for instructions on its completion.

Shortfall Application Forms together with payment for the Shares by cheque must also be sent to the address specified on the form before the Closing Date. Receipts will not be issued.

To the extent that Shareholders do not take up their Entitlement in full, the resultant Shortfall will be allocated at the discretion of the Underwriter in consultation with the Company and in accordance with the provisions of the Underwriting Agreement. In the event that applications for the Shortfall cannot be filled in full or in part, application monies (without interest) will be refunded by the Company in accordance with the provisions of the Corporations Act. Neither the Company nor the Underwriter guarantees that you will receive any shares applied for in the Shortfall.

Any application money returned by the Company in relation to a shortfall application will be returned without interest.

3. INFORMATION ABOUT THE COMPANY

3.1 Company & Project Overview

Maximus Resources Limited is a South Australian based mineral exploration company with interests in precious metals, base metals and uranium exploration projects in Western Australia, South Australia, Queensland and the Northern Territory. The Company originally listed on the ASX on 26 October 2005 and within 10 days commenced drilling at the Bird-in-Hand gold mine in the Adelaide Hills. In July 2007, an inferred resource of 421,000 tonnes of ore at a grade of 12 grams per tonne containing 162,000 ounces of gold was reported for Bird-in-Hand. Since listing the Company has carried out many of the stated objectives in its IPO Prospectus and has taken on one new gold project at Sellheim in Northeast Queensland.

The Company's flagship project is the Windimurra/Narndee Project in Western Australia. In the IPO the Company had agreed to spend a total of \$3 million to earn a 70% interest in this project. Since then further agreements have led to the situation where Maximus now has a 90 to 100% interest in title to 97% of the geologically defined Windimurra/Narndee Complexes. The project area of about 5,500 square kilometres is prospective for commodities associated with layered basic igneous complexes such as nickel, copper, chromium, vanadium, platinum and palladium. It is also prospective for gold and base metals. There are three current areas of particular interest. These are the Windimurra Uranium Prospect where drilling of calcrete uranium mineralisation is being undertaken, the Milgoo Nickel Prospect where electrically conductive "EM" anomalies are being investigated and the Canegrass vanadium prospect where interesting vanadium values up to 1.5% have recently been outlined.

The Company also owns the gold and base metal rights for an area of over 3,800 square kilometres in the Adelaide Hills of South Australia. The tenements cover most of the Adelaide Hills Gold Province. Maximus has so far focussed on the Bird-in-Hand gold mine near Woodside where the 162,000 ounces of gold have been located. This resource is continuing to expand. The Company is hoping to be able to commence a pre-feasibility study into a possible underground gold mine development early in 2008. Elsewhere in the Adelaide Hills, other old gold mines are being investigated with a view to further exploration aimed at locating additional gold resources which could also be developed.

In late 2006, the Company negotiated an option to purchase a group of tenements totalling 78 square kilometres at Sellheim in northeast Queensland. The area was assessed to have high potential for both alluvial and hard rock basement gold mineralisation. A program of evaluation is underway with an objective of commencing alluvial gold production should results prove favourable.

In early 2006, Maximus applied for mineral tenure for some large areas on the edge of the Eromanga Basin in a search for new sedimentary uranium deposits. The concept is to locate mineralisation in a similar geological setting to that at the Beverley and Honeymoon deposits. It was soon decided to put these projects into a new specialist Uranium exploration company.

Thus Eromanga Uranium Limited (**Eromanga**) was conceived and listed on the ASX on 31 October 2006. Maximus has retained a 35.4% interest in the capital of Eromanga and is also involved in two joint ventures. In the Eromanga Basin JV, Eromanga is spending \$7 million to earn a 70% interest, and in The Billa Kalina JV Eromanga is spending \$3 million to earn a 50 % interest. New Drilling programs are underway at both of these joint ventures and initial results are expected in the September quarter of 2007.

3.2 **Disclosing Entity**

This Prospectus is issued pursuant to section 713 of the Corporations Act as a prospectus for the offer of continuously quoted securities.

The Company is a "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, the Company is subject to the Listing Rules of the ASX which require continuous disclosure to the market of any information the Company has which a reasonable person would expect to have a material effect on the price or value of the Company's shares.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX in Adelaide during normal working hours. In addition, copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, any Regional Office of the ASIC.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. It does not contain all the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on ASX.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes it has complied with the general and specific requirements of ASX (as applicable from time to time throughout the 12 months before the issue of this Prospectus) which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company believes there is no other information that shareholders or investors would reasonably require for the purposes of making an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the New Shares under this Prospectus, which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules and would reasonably be expected for investors and their professional advisers to find in the Prospectus.

3.3 Information Available to Shareholders and Prospective Investors

The Company will provide a copy of each of the following documents free of charge, to any Shareholder or prospective investor who so requests during the application period under this Prospectus:

- 3.3.1 the 2006 Annual Report of the Company;
- 3.3.2 the 2007 Half Year Report of the Company; and
- 3.3.3 the following announcements lodged with the ASX since release of the 2006 Annual Report:

Date	Announcement
1/11/2006	Notice of Annual General Meeting
3/11/2006	IDO: Latest Drilling Results at Bird-in-Hand Gold Mine
3/11/2006	Appendix 3B
3/11/2006	Assay Results Imply Extension of BIH Lode to at Least 270m
7/11/2006	Appendix 3B - Release from Escrow
9/11/2006	Second Hole Completed & Third Hole Underway at Bird In Hand
24/11/2006	IDO: Sale of Bird-In-Hand Gold Mine SA
24/11/2006	Secures 100% ownership of Bird-In-Hand Gold Resource
24/11/2006	FDL: Flinders Secures 100% of Diamond Rights for Lobethal EL
28/11/2006	Additional Information to Notice of AGM
28/11/2006	Results of Meeting
28/11/2006	Chairman's Address to Shareholders
28/11/2006	AGM Presentation
28/11/2006	CRJ's ann: Secures Joint Venture at Kapunda
29/11/2006	Appendix 3B
29/11/2006	Secures Joint Venture Partner for Copper at Kapunda
7/12/2006	Kapunda JV - Additional Information
8/12/2006	Third Hole at Bird In Hand Intersects Mineralisation
23/01/2007	Bird-in-Hand - Encouraging Results Continue
25/01/2007	Second Quarter Activities Report
29/01/2007	Second Quarter Cashflow Report
26/02/2007	Towards 2007 Gold Production - Presentation
26/02/2007	News Release - New W.A. Nickel Deposit Prospects Boosted
26/02/2007	Strong EM Anomaly Nickel/PGM Target Discovered in Nardee
1/03/2007	Bird-In-Hand - Encouraging Results for 300 Metres Level
6/03/2007	Yandal Greenstone Belt - Drilling Underway to Upgrade
9/03/2007	ERO's News Release: Eromanga Discovers Large Channel System
9/03/2007	ERO ann: Airborne Survey Results
14/03/2007	Half Year Accounts
22/03/2007	Uranium Anomaly Located in Marree Project JV with ERO
22/03/2007	ERO: Marree Project - Radiometric Anomaly Identified
10/04/2007	Placement of Shares
10/04/2007	SAREIC Presentation
12/04/2007	Change of Director's Interest Notice
12/04/2007	Appendix 3B
17/04/2007	Appendix 3B

Date	Announcement
20/04/2007	Becoming a substantial holder
30/04/2007	Third Quarter Activities & Cashflow Report
4/05/2007	ERO: Airborne EM Surveys/Billa Kalina Drilling
9/05/2007	New Maxiumus Drill Results for WA Gold Prospect
9/05/2007	Yandal Ironstone Well - Flushing Meadows Drill Results
14/05/2007	Notice of General Meeting
14/05/2007	Media Release - WA Government Grants Exploration License
14/05/2007	Exploration Licence - Windimurra Uranium Prospect Granted
22/05/2007	Trading Halt
23/05/2007	News Release: Acq to control key WA Mineral Expl Assets
23/05/2007	AXM: Narndee JV Restructure
23/05/2007	Three new agreements over Windamurra-Narndee complex
28/05/2007	Windimurra Uranium Drilling Underway
6/06/2007	Appendix 3B
7/06/2007	Sellheim Operations Approved
13/06/2007	Audio Broadcast
13/06/2007	News Rel: Update to Bird-In-Hand Gold Resource
13/06/2007	More High-Grade Gold Intersections From Bird-In-Hand
15/06/2007	Audio Broadcast
15/06/2007	Meeline Deal Gives Control of 97% of WNC area in WA
18/06/2007	Change of Director's Interest Notice
20/06/2007	Exploration Update
27/06/2007	Change of Director's Interest Notice
28/06/2007	Results of Meeting
28/06/2007	Exploration Update - Uranium/Nickel/Copper & Gold
29/06/2007	Audio Broadcast
29/06/2007	Bird In Hand Drill Results Triple
29/06/2007	Bird In Hand-Inferred Gold Resource Significantly Increased
2/07/2007	Appendix 3B
3/07/2007	New Bird-In-Hand Drilling Program
6/07/2007	Exploration Update-Uranium/Nickel/Copper/Gold/Vanadium
9/07/2007	Trading Halt
11/07/2007	Voluntary Suspension
13/07/2007	2007 Placement and Rights Issue Presentation
13/07/2007	Appendix 3B
13/07/2007	Appendix 3B
13/07/2007	Appendix 3B
13/07/2007	\$9 million Capital Raising to Further Develop Projects
13/07/2007	Maximus to Raise \$9.2 Million
13/07/2007	Reinstatement to Official Quotation
13/07/2007	Appendix 3B
16/07/2007	Audio Broadcast
17/07/2007	Audio Broadcast
19/07/2007	Letter to Option Holders
20/07/2007	Visible Gold in Latest Drill Hole at Bird In Hand
20/07/2007	SACOME Presentation

3.4 **Market Prices of the Company's Shares on ASX**

The highest and lowest market sale price of the Company's shares on the ASX during the 3 months immediately preceding the date of this Prospectus, and the respective dates of those sales, and the last sale on the ASX trading day immediately preceding the date of this Prospectus were as follows:

	Price	Dates
Highest	\$0.47	29 June 2007
Lowest	\$0.185	24 April 2007
Latest	\$0.32	20 July 2007

4. **SUMMARY OF RISKS**

As with all investments, investors should be aware that the market price of Shares may fall as well as rise. The potential returns of the Company will be exposed to risks specific to the Company and to general investment risks. While it is impossible to identify all risks, the attention of investors is drawn to the following particular risks:

4.1 **General Market Conditions**

The price of the Shares on ASX may rise or fall due to numerous factors including:

- general economic conditions, including inflation rates and interest rates;
- variations in the local and global markets for listed shares in general, or for mining stocks in particular;
- changes to government policy, legislation or regulation;
- competition in the industry in which the Company operates; and
- general operational and business risks.

In particular, the share prices of many companies have in recent times been subject to wide fluctuations, which in many circumstances arise by reason of matters outside the control of the Company, including global hostilities and tensions and the general state of the economy. Such market fluctuations may materially adversely affect the market price of the New Shares.

There can also be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few, or many potential buyers or sellers of the New Shares on ASX at any given time. This may increase the volatility of the market price of the New Shares, and the prevailing market price at which shareholders are able to sell their New Shares.

The matters set out above may result in Shareholders receiving a price for their New Shares that is more or less than the Offer price.

The demand for and price of commodities is influenced by a variety of factors including the level of forward selling by producers, costs of production, general economic conditions, the level on inflation, interest rates and exchange rates.

4.2 **Future Capital Requirements**

The Company may require additional capital to fund further exploration/development of its existing or new projects. The Company's ability to raise sufficient further capital within an acceptable time frame and on terms acceptable to it will vary according to a number of factors including (without limitation) the prospects of new projects (if any), the results of

exploration and subsequent feasibility studies, stock market and industry conditions and the price of relevant commodities.

4.3 Exploration and Development

Exploration by its nature contains elements of significant risk. Ultimate success depends on the discovery of economically recoverable resources, obtaining the necessary titles and governmental regulatory approvals and obtaining and servicing of funding for mining operations if and when a decision to mine is made.

There can be no assurance that the Company's existing projects or any other projects or tenements that the Company may acquire in the future will result in the discovery of significant resources. Even if significant resources are identified, there can be no guarantee that they will be able to be economically exploited.

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- limitations on activities due to seasonal weather patterns;
- alterations to joint venture programmes and budgets;
- the availability of drilling rigs and other machinery necessary for the Company to undertake its activities;
- unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- mechanical failure of operating plant and equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and other force majeure events;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and
- prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals (including clearance of work programs pursuant to existing, and any future access agreements entered into with future registered Aboriginal Land Council and native title claimants).

4.4 Loss of Key Personnel

The Company's success depends on the competencies of its Directors and senior management. The loss of one or more of the Directors or senior management could have a materially adverse effect on the Company's business, financial position and results of operations. The resulting impact from such an event would depend on the quality of any replacement.

4.5 Native Title & Aboriginal Heritage

Some of the Company's tenements are located within areas that are the subject of claims or applications for native title determination. The *Native Title Act 1993* (Cth) and related State native title legislation and aboriginal heritage legislation may affect the Company's ability to obtain access to certain of its exploration areas or to obtain mining production titles. Settling any such claims will incur costs to the Company. The degree to which this may impact on the Company's activities will depend on a number of factors, including the status of particular tenements and their locations. At this stage, the Company is not able to quantify the impact, if any, of such matters on its operations.

4.6 Title, Environmental Bonds & Conditions

All mining tenements which the Company may acquire either by application, sale and purchase or farm-in are regulated by applicable state mining legislation. There is no guarantee that applications will be granted as applied for. Various conditions may also be imposed as a condition of grant. In particular, as mentioned in section 3.1, the Company has interests in tenements in the Adelaide Hills region of South Australia, covering areas situated close to private residences. Although the Company has taken every reasonable step to apply for all relevant authorisations at the earliest opportunity, the proximity of the areas covered by the tenements to private residences increases the risk of delay. In addition the relevant minister may need to consent to any transfer of a tenement to the Company.

4.7 Environment

The Company's projects are subject to State and Federal laws and regulations regarding environmental matters. Many of the activities and operations of the Company cannot be carried out without prior approval from and compliance with all relevant authorities. Resource activities can be environmentally sensitive and can give rise to substantial costs for environmental rehabilitation, damage control and losses. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws.

4.8 Resource Estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when made, may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted and mining plans altered in a way which could impact adversely on the operations of the Company.

4.9 Agreements with Third Parties

The Company is and will be subject to various contracts and agreements with third parties. There is a risk of financial failure or default by a counterparty to

these arrangements. Any breach or failure may lead to penalties or termination of the relevant contract. In addition, the Company's interest in the relevant subject matter may be jeopardised.

4.10 Regulation of the Uranium Mining Industry

Changes to laws and regulations that apply to the Company from time to time could materially adversely impact the Company's business, financial performance, and ultimately, potential returns to prospective investors.

Some of the Company's tenements have potential for uranium. Uranium mining is subject to regulation by State and Federal governments in relation to a range of matters.

The Australian Government and the Australian Labour Party (**ALP**) separately announced new policies with respect to uranium on 28 April 2007. Policies of both parties appear to favour increased exploration for, mining and export of uranium.

Specifically, the Australian Government announced the development of major work plans including an appropriate nuclear energy regulatory regime, skills and technical training to address any identified gaps and needs to support a possible expanded nuclear industry, enhanced research and development and communication strategies with the public to assist in raising an understanding of the needs of the uranium industry in Australia.

These plans were put forward by the Australian Government in an effort to increase uranium exports and prepare for an expansion of the nuclear industry in Australia from 2008.

There can be no guarantee that the proposed policies of the Australian Government, or the opposition, will be enacted as legislation. Further, although governments in South Australia and the Northern Territory have expressed support for an expansion of uranium mining operations, the State governments in Western Australia and Queensland have policies against the development of uranium mines. As mentioned in section 3.1, the Company has interests in properties with potential for uranium in Western Australia.

Even if the Company is successful in locating a uranium resource, there can be no guarantee that the necessary authorisations will be able to be obtained in order for the uranium to be mined and sold.

5. **RIGHTS AND LIABILITIES ATTACHING TO SHARES**

All Shares issued under this Prospectus will be issued on the same terms as each other and as Shares in the Company already on issue. Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which may be inspected at the Company's registered office (refer to the Corporate Directory). Holders of Shares also have common law and statutory rights. A summary of the rights and liabilities attaching to Shares follows.

Voting rights

At a general meeting every shareholder present in person by proxy, attorney or representative has one vote on a show of hands and every shareholder present in person or by proxy, attorney or representative has one vote for each Share on a poll.

Dividends

Dividends are declared by the Directors at their discretion and subject to any special rights (at present there are none) are payable on all Shares in proportion to the amount of capital for the time being paid up or credited as paid up on those Shares.

Transfer of Shares

Generally, Shares are freely transferable. Where the Listing Rules or the law require the Company to do so, the Directors must decline to register a transfer. If Shares are subject to a restriction agreement entered into by the Company and shareholder, except as permitted by the Listing Rules, a shareholder may not dispose of the Shares and the Directors and the Company will not register a dealing in the Shares.

Future increases in capital

The allotment or issue of any shares of the Company is under the control of the Directors who may, subject to the Corporations Act and the Listing Rules, allot or otherwise dispose of them on such conditions as they see fit.

Variation of rights

The rights and privileges attaching to Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting.

Rights on winding up

In the event of a winding up of the Company:

- any surplus will be divided among the shareholders in the proportion that the amount paid up on the shares bears to the total amount paid up on all shares of the Company on issue;
- surplus assets in kind may, with the sanction of a special resolution, be divided among shareholders in such proportion as the liquidator may determine.

6. EFFECT OF THE RIGHTS ISSUE ON THE COMPANY

6.1 Effect of the Rights Issue

The principal effect of the Rights Issue on the Company will be, if it is fully subscribed, to:

- 6.1.1 increase cash reserves by approximately \$5.8 million (before expenses of the Rights Issue) to enable the Company to pursue its objectives;
- 6.1.2 increase the number of issued shares by approximately 18.7 million to 112.0 million.

These amounts do not take into account the effect of the exercise of any options over unissued Shares that may occur prior to the Record Date.

6.2 Statement of Financial Position

Set out on the following page is a Pro Forma Consolidated Balance Sheet of the Company. It is based on consolidated financial statements for the half year ended 31 December 2006 as lodged by the Company with ASX on 14 March 2007. The Pro Forma Consolidated Balance Sheet illustrates the effect of the following transactions as if they had occurred on 31 December 2006, fully subscribed.

- April 2007 Placement of 7,346,666 shares at 15 cents raising \$1.04 million after costs (including brokerage and placement costs) of approximately \$66,120.
- July 2007 Placement of 11 million shares at 31 cents raising \$3.21 million after costs (including brokerage and placement costs) of approximately \$205,000.
- One for five Renounceable Rights Issue at 31 cents raising \$5.32 million after costs (including brokerage and rights issue expenses) of approximately \$467,000.

MAXIMUS RESOURCES LIMITED
ACN 111 977 354

PRO FORMA
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2006

	31 December 2006 \$	Changes \$	Pro Forma 31 December 2006 \$
CURRENT ASSETS			
Cash & cash equivalents	15,677,637	9,558,388	25,236,025
Trade & other receivables	283,288		283,288
TOTAL CURRENT ASSETS	15,960,925		25,519,313
NON-CURRENT ASSETS			
Property, plant & equipment	201,103		201,103
Exploration & evaluation expenditure	7,365,581		7,365,581
Investments accounted for using the equity method	1		1
TOTAL NON-CURRENT ASSETS	7,566,685		7,566,685
TOTAL ASSETS	23,527,610		33,085,998
CURRENT LIABILITIES			
Trade & other payables	314,754		314,754
Short-term provisions	1,820		1,820
TOTAL CURRENT LIABILITIES	316,574		316,574
TOTAL LIABILITIES	316,574		316,574
NET ASSETS	23,211,036		32,769,424
EQUITY			
Issued capital	9,089,079	9,558,388	18,647,467
Reserves	83,667		83,667
Retained earnings	(1,201,202)		(1,201,202)
Parent interest	7,971,544		17,529,932
Outside equity interest	15,239,492		15,239,492
TOTAL EQUITY	23,211,036		32,769,424

7. INTERESTS AND FEES OF CERTAIN PEOPLE INVOLVED IN THE OFFER

7.1 Directors' Interests

Other than as set out below or elsewhere in this Prospectus:

- (a) no director or proposed director has, or has had in the two years before the date of this Prospectus, any interest in:
- the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - the Offer; and
- (b) no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to:
- any director or proposed director to induce him or her to become, or to qualify as, a director of the Company; or
 - any director or proposed director for services which he or she has provided in connection with the formation or promotion of the Company or the Offer.

Interests in securities

The securities of the Company in which Directors have Relevant Interests are:

Director	Shares	Options
R M Kennedy	2,750,001	1,375,000
K J A Wills	3,150,001	1,575,000
G E Maddocks	2,500,001	1,250,000
E J Vickery	2,985,001	1,462,500
N J Smart (Alternate director)	25,000	512,500
R W C Willson (Alternate director)	57,000	100,000

Director fees

The Company has agreed to pay annual director fees to the Directors as follows:

Director	Remuneration (inclusive of superannuation)
	(2006 – 2007 Financial Year)
R M Kennedy	\$80,000
K J A Wills	\$1,000 per day
G E Maddocks	\$850 per day
E J Vickery	\$45,000
N J Smart (Alternate director)	\$Nil
R W C Willson (Alternate director)	\$Nil

7.2 Interests of persons involved in the Offer

Other than as set out below or elsewhere in this Prospectus:

- (a) no promoter of the Company or person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or has in the two years before the date of this Prospectus had, any interest in:
- the formation or promotion of the Company;
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - the Offer; and
- (b) no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any promoter of the Company, underwriter to the Offer or a financial services licensee involved in the Offer or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or provided in connection with the formation or promotion of the Company, or the Offer.

DMAW Lawyers has provided legal services to the Company in respect of the Prospectus, the Offer and the Due Diligence Program and will be paid approximately \$20,000 for those services. In the past two years, DMAW Lawyers has been paid approximately \$152,824 for legal services provided to the Company.

Grant Thornton South Australian Partnership reviewed the Pro Forma Statement of Financial Position contained in section 6.2. In the past two years, Grant Thornton South Australian Partnership has been paid approximately \$34,405 for audit services provided to the Company.

Patersons Securities Limited, in addition to the services provided pursuant to the Underwriting Agreement disclosed in section 8.1 below, provided services to the Company in relation to the Company's share placement announced to ASX on 13 July 2007. For those services, the Company has agreed to pay Patersons Securities Limited \$170,500.

7.3 Expenses of the Rights Issue

On the assumption that the Rights Issue is fully subscribed, the total expenses connected with the Rights Issue, including legal and other advisory fees, listing, printing and other miscellaneous expenses (excluding the underwriting and management fee referred to in section 8.1) are estimated to be approximately \$120,000.

8. ADDITIONAL INFORMATION

8.1 Underwriting Agreement

The Company has entered into an Underwriting Agreement dated 23 July 2007 with Patersons Securities Limited (**Underwriter**). Patersons has been appointed by the Company to act as Underwriter and Lead Manager to the Rights Issue. Pursuant to the Underwriting Agreement, Patersons will underwrite the Rights Issue to the extent of \$5,784,109 (**Underwritten Amount**).

The Company will pay the Underwriter an Underwriting and Management fee equal to 5% of the Underwritten Amount raised (exclusive of GST). The Underwriter will pay all sub-underwriting commissions out of its fees. In addition, the Company must pay, indemnify and keep indemnified the Underwriter for all costs incurred by the Underwriter in connection with the Rights Issue, including legal fees and disbursements and the reasonable costs of advertising, printing and distributing the Prospectus.

The Company has given warranties and covenants to the Underwriter which are usual in an agreement of this nature.

The Underwriting Agreement provides that the Underwriter may terminate the Underwriting Agreement and its obligations thereunder at any time without cost or liability to the Underwriter upon the occurrence of any one or more of the termination events (**Termination Event**) including (but not limited to):

- 8.1.1 any of the S&P/ASX 200 Index or the S&P/ASX 300 Metal and Mining Index as published by ASX is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or
- 8.1.2 the Prospectus or the Offer is withdrawn by the Company; or
- 8.1.3 it transpires that the Prospectus does not contain all the information required by section 713 of the Corporations Act; or
- 8.1.4 it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes or misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- 8.1.5 the Company is prevented from allotting the New Share within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- 8.1.6 there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- 8.1.7 a director or senior manager of a Relevant Company is charged with an indictable offence;
- 8.1.8 any of the Company Sub-Underwriters that are introduced by the Company do not comply with its obligations under the sub-underwriting agreements or threaten to not comply with its respective obligations under the sub-underwriting agreements;
- 8.1.9 if the underwriter forms the view, acting reasonably and in good faith, the occurrence of one of the following events is likely to have, or two or more of the following events together have or are likely to have a Material Adverse Effect or could give rise to a liability of the Underwriter under the Corporations Act or otherwise:
 - (a) default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

- (b) any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
- (c) a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (d) an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (e) it transpires that any of the Due Diligence Results or any part of the Verification Material was false, misleading or deceptive or that there was an omission from them;
- (f) a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (g) without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Prospectus;
- (h) any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (i) the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation";
- (j) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (k) a Prescribed Occurrence occurs;
- (l) the Company suspends payment of its debts generally;
- (m) an Event of Insolvency occurs in respect of a Relevant Company;

- (n) a judgment in an amount exceeding \$25,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (o) litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against any Relevant Company, other than any claims foreshadowed in the Prospectus;
- (p) there is a change in the composition of the Board or a change in the senior management of the Company before Completion without the prior written consent of the Underwriter;
- (q) there is a material change in the major or controlling shareholdings of a Relevant Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (r) there is a delay in any specified date in the Timetable which is greater than 3 Business Days;
- (s) a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (t) a Relevant Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (u) any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus;
- (v) any of the material contracts is terminated or substantially modified;
- (w) any person is appointed under any legislation in respect of companies to investigate the affairs of a Related Company;
- (x) a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets; or
- (y) the Company is removed from the Official List or the Shares become suspended from Official Quotation and that suspension is not lifted within 24 hours following such suspension.

8.2 Consents

The following parties have given, and have not before lodgement of this Prospectus withdrawn, their written consents in accordance with the Corporations Act with respect to this Prospectus in both paper and any electronic form to be named in the form and context in which they are included:

- Patersons Securities Limited consents to being named as Underwriter and Lead Manager for the Rights Issue;
- DMAW Lawyers consents to being named as the Company's solicitor and to having provided legal services to the Company;
- Grant Thornton South Australian Partnership consents to being named as the Company's auditor in the form and context in which it is named;
- Computershare Investor Services Pty Ltd consents to being named as the Share Registry to the Company.

Each of the parties referred to in this Section 8.2:

- has not authorised or caused the issue of this Prospectus;
- has not made any statement in this Prospectus, or any statement on which a statement in the Prospectus is based, other than as specified in this Section;
- makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Rights Issue;
- were not involved in the preparation of this Prospectus or any part of it except where expressly attributed to that person; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any material in, or omission from, this Prospectus other than the reference to its name.

8.3 Directors' Authorisation and Consent

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent. Signed in accordance with a resolution of the Directors.



Kevin J A Wills
Managing Director

GLOSSARY

In this Prospectus, unless the context otherwise requires:

\$ means Australian dollars (and references to cents are to Australian cents);

Adelaide time means South Australian Standard Time;

ASIC means the Australian Securities and Investments Commission;

ASX means Australian Stock Exchange Limited;

ASX Listing Rules means the Listing Rules of the Australian Stock Exchange Limited;

Corporations Act means *Corporations Act 2001* (Cth);

Directors means the Directors of the Company;

Due Diligence Program means the legal, accounting, commercial and other investigations of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company (or any subsidiary) (including its future business plans and financial forecasts) conducted in the period up until the date on which allotment of the last of the New Shares, as implemented by the planning memorandum adopted pursuant to a resolution of the Directors;

Due Diligence Results means the results of the investigations which make up the Due Diligence Program, as maintained by the Company including but not limited to all due diligence reports and reports of the due diligence committee (established in connection with the Offer), including all supporting documents and working papers to which the Due Diligence Program relates;

Eligible Shareholders means on the Record Date, Shareholders recorded on the register of members of the Company as holders of Ordinary Shares;

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Prospectus;

Force Majeure means any act of God, war, revolution, or any other unlawful act against public order or authority, an industrial dispute, a governmental restraint, or any other event which is not within the control of the parties to the Underwriting Agreement;

Insolvency Provision means any act relating to insolvency, sequestration, liquidation or bankruptcy (including any act relating to the avoidance of conveyances in fraud of creditors or of preferences, and any act under which a liquidator or trustee in bankruptcy may set aside or avoid transactions), and any provision of any agreement, arrangement or scheme, formal or informal, relating to the administration of any of the assets of any person;

Issue means the issue of New Shares pursuant to the Prospectus;

Material Adverse Effect means:

- (a) a material adverse effect on the outcome of the Offer or on the subsequent market for the New Share (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in New Share); or
- (b) a material adverse effect on the assets, condition, trading or financial position, performance, profits and losses, results, prospects, business or operations of the Company and its Subsidiaries either individually or taken as a whole; or
- (c) the Underwriter's obligations under the Underwriting Agreement becoming materially more onerous than those which exist at the date of the Underwriting Agreement; or
- (d) a material adverse effect on the tax position of either;
 - (i) the Company and its Subsidiaries either individually or taken as a whole; or
 - (ii) an Australian resident shareholder in the Company.

New Shares means Ordinary Shares in the Company issued pursuant to the Rights Issue;

Official Quotation means the grant by ASX of "Official Quotation" (as that term is used in the Listing Rules) of all the New Shares when allotted which if conditional may only be conditional on the allotment of the New Shares;

Offer means the offer of New Shares under this Prospectus;

Ordinary Shares means fully paid ordinary shares in the Company;

Prescribed Occurrence means:

- (a) a Relevant Company converting all or any of its shares into a larger or smaller number of shares;
- (b) a Relevant Company resolving to reduce its share capital in any way;
- (c) a Relevant Company:
 - (i) entering into a buy-back agreement or;
 - (ii) resolving to approve the terms of a buy-back agreement under section 257C or 257D of the Corporations Act;
- (d) a Relevant Company making an issue of, or granting an option to subscribe for, any of its shares, or agreeing to make such an issue or grant such an option, other than an issue or agreement to issue in accordance with the Offer or the terms of the Underwriting Agreement;
- (e) a Relevant Company issuing, or agreeing to issue, convertible notes;
- (f) a Relevant Company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;

- (g) a Relevant Company charging, agreeing to charge, the whole, or a substantial part, of its business or property;
- (h) a Relevant Company resolving that it be wound up;
- (i) the appointment of a liquidator or provisional liquidator to a Relevant Company;
- (j) the making of an order by a court for the winding up of a Relevant Company;
- (k) an administrator of a Relevant Company, being appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) a Relevant Company executing a deed of company arrangement; or
- (m) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of a Relevant Company.

Prospectus means this document dated 23 July 2007;

Record Date means the record date to determine the Shareholders entitled to participate in the Rights Issue, being close of business on 1 August 2007;

Relevant Company means the Company and any subsidiary;

Relevant Interest has the meaning given in the Corporations Act;

Rights means the rights to subscribe for New Shares under this Prospectus;

Rights Issue means the renounceable rights issue the subject of this Prospectus;

Shareholders means a holder of Ordinary Shares;

Subsidiary has the meaning given in the Corporations Act;

Timetable means the timetable for the Offer set out in the Underwriting Agreement as varied from time to time by written agreement of the Company and the Underwriter; and

Verification Material means the material maintained by the Company being the documents and information provided by the Company in verification of statements made in the Prospectus.