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ASX ANNOUNCEMENT

NEW GEOPHYSICAL SURVEYS REVEAL SIGNIFICANT GRAVITY IRON ORE TARGETS AT CANEGRASS, WINDIMURRA WA

HIGHLIGHTS

- Detailed gravity and high resolution aeromagnetic geophysical surveys over Canegrass iron ore — vanadium prospect reveals significant new gravity anomaly drill targets.
- Gravity and magnetic modelling of large new targets is nearly complete
- Exploratory drilling of magnetite rich zones expected to commence in May

NARNDÉE PROJECT WESTERN AUSTRALIA

CANEGRASS IRON ORE – VANADIUM PROSPECT

Maximus 100%

Introduction

The Canegrass Iron Ore – Vanadium Prospect is part of the extensive Windimurra layered magnetite gabbro complex and lies immediately west of the Windimurra Vanadium Project — owned by Windimurra Vanadium Limited, Figure 1.

Maximus reported the vanadium-rich iron ore potential of the Windimurra Complex in an announcement dated 27 September 2007. Maximus' quickly moved to carry out a reconnaissance reverse circulation (RC) drilling program in November and December 2007 which proved that the area of interest is underlain by widespread vanadiferous magnetite-bearing gabbro. A best intersection of 16 metres from 8 metres down hole at 44% iron and 1.2% vanadium pentoxide was returned in drillhole MNRC16 (Figure 2A).

In order to decide which areas to focus on within the Canegrass zone, it was decided to significantly upgrade the quality of the geophysical database. Since the target mineral magnetite is both magnetic and dense, modern high resolution surveys have the potential to help locate the main areas of interest and result in a more cost-effective exploration program.

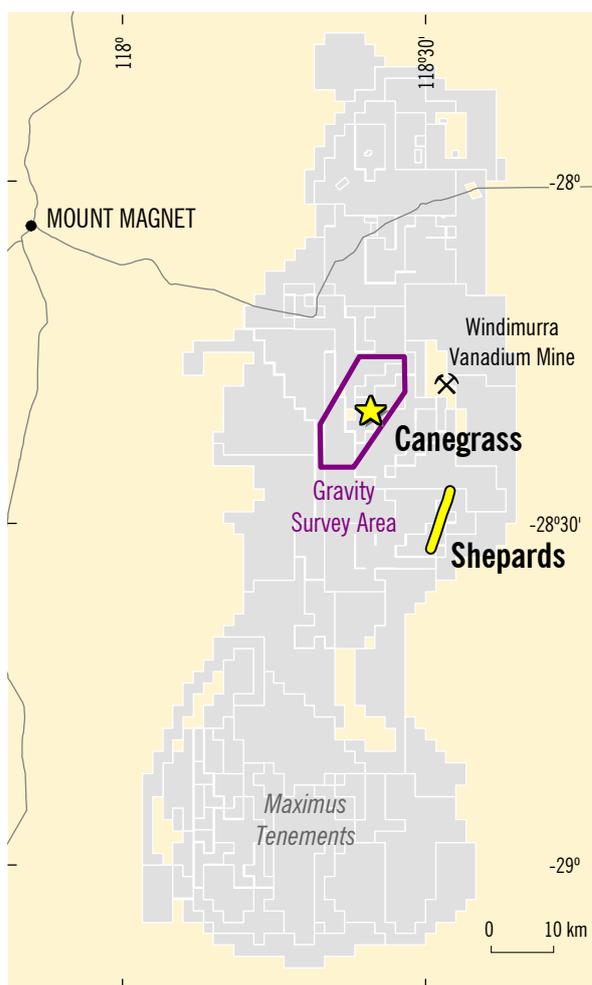


Figure 1 Regional Location showing Canegrass Gravity Survey Area.

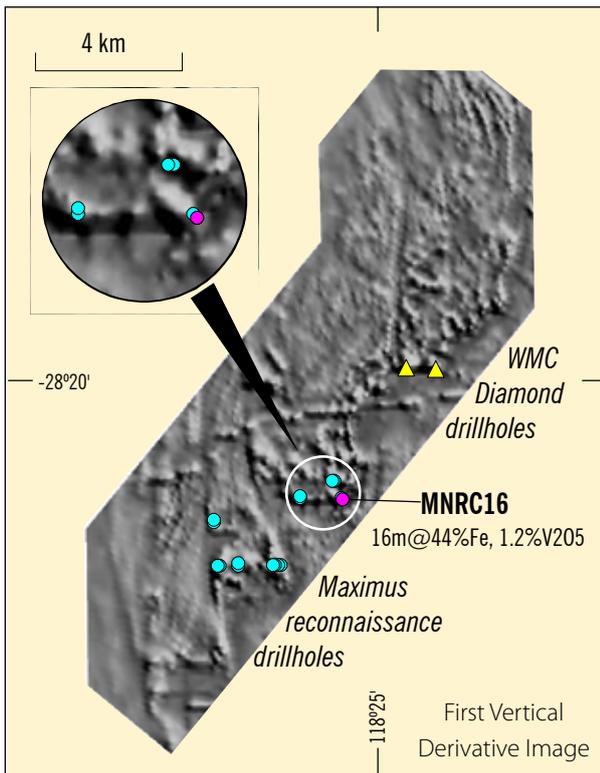


Figure 2A Early aeromagnetic image of Canegrass area showing previous exploration drilling.

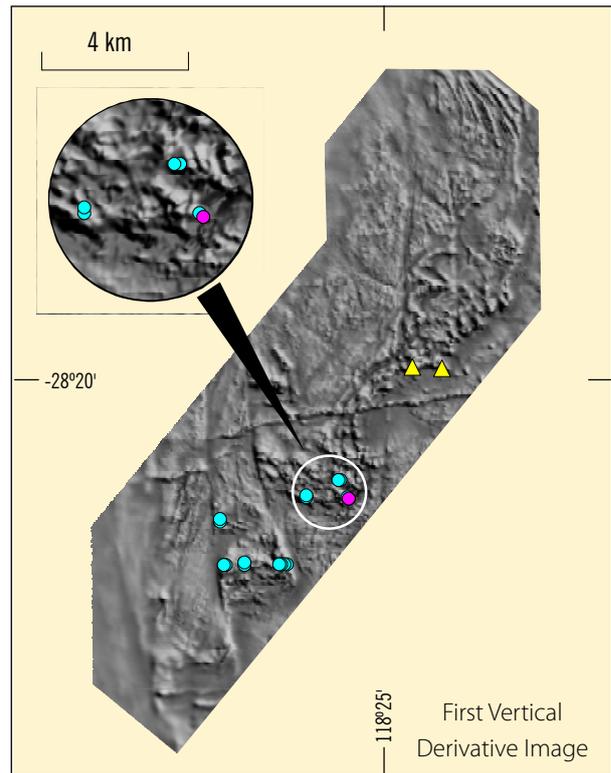


Figure 2B New aeromagnetic image of Canegrass area showing previous exploration drilling.

Magnetic Surveys

The existing magnetic coverage only dates from 2003 and consists of 200 meter spaced lines flown in an east-west

direction. A new magnetic survey with lines flown at a line spacing of 40 metres in a northwesterly direction was flown in February 2008. The new data enables a much more detailed geological understanding of the geology of the area as is illustrated by the comparison between Figure 2A and Figure 2B. The magnetic data for the whole survey area is still being interpreted.

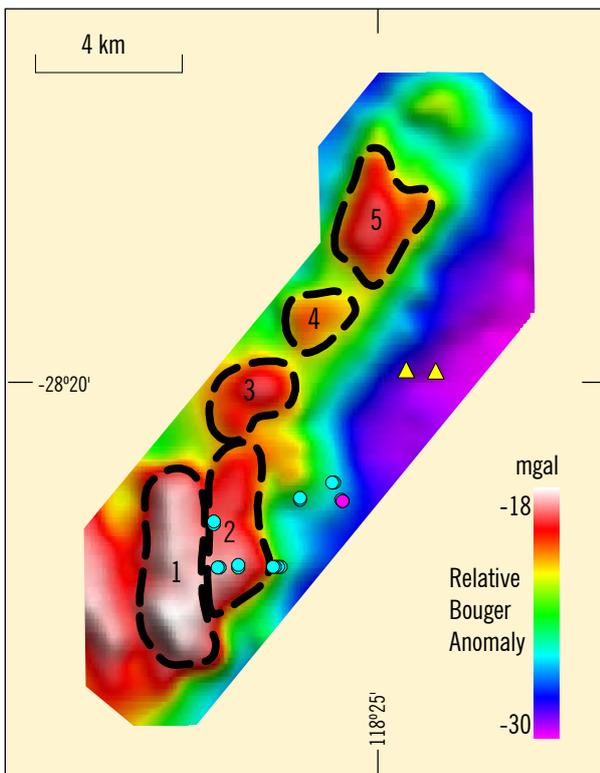


Figure 3 Detailed Gravity Survey image of Canegrass area showing anomalous blocks and previous exploration drilling.

Gravity Surveys

Existing gravity coverage of Windimurra was limited to regional surveys at 7km or more line spacing and of no use for targeting iron ore. Maximus undertook a new 500-metre spaced gravity survey over the whole 20-kilometre long Canegrass zone in February and March, 2008. From the initial results significant gravity anomalies of up to 5 milligals were discovered. Infill gravity stations to 100 metres spacing over the most significant Block 1 and 2 anomalies was also carried out (Figure 3).

The whole Canegrass zone was found to consist of a gravity high (Figure 3) and five significant gravity anomalies (Blocks 1 to 5) are present along the trend. Interestingly, these anomalies lie to the west and north of areas with known magnetite exposures and, to Maximus' current knowledge none have been effectively tested by any previous exploratory drill holes in the area.

Geophysical Modelling

Geophysical modelling of the new data is a complex technical task and has been underway for three weeks. This work is nearing completion and will be released as soon as Maximus is confident with the geophysical and geological models determined. The work has involved measuring the physical properties of the rocks available from recent RC drill chips and from diamond core drilled by WMC in the 1970s and subsequently stored in the core library of the WA Department of Industry and Resources.

Proposed Drilling

The most interesting target area, Blocks 1 and 2 is about 4 kilometres long and between 1 and 2 kilometres wide (Figure 3). It is planned to drill at least one diamond drill hole of 500-600 metres length to properly test this target.

A more comprehensive RC drill program to determine the content of vanadiferous magnetite under the gravity anomalies Blocks 1-5 in the layered gabbro complex is also being planned. Drill rigs have been contracted to commence as soon as heritage and work program approvals are obtained, probably in mid to late May. It is anticipated that this drilling program will lead to a better understanding of the iron ore potential and will enable Maximus to focus on the most likely area that could contain a significant resource at Canegrass.

Shepards Zone

Recent work on drilling at the Shepards Zone south of the Windimurra Vanadium mine did not produce significant results. Details of this program be described up the upcoming March Quarterly Report due to be released before April 30.

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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".



Magnetite outcrop at Canegrass area.