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Companies Announcements Office
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ASX ANNOUNCEMENT

DRILLING COMMENCES TO TEST MAJOR GRAVITY ANOMALY AT CANEGRASS IRON ORE PROSPECT, WESTERN AUSTRALIA

HIGHLIGHTS

- *Maximus has commenced exploratory core drilling of the magnetite iron ore and vanadium potential at its Canegrass Iron Ore Prospect.*
- *Reverse circulation traverse drilling is expected to commence in latter part of June.*

NARNDEE PROJECT, WESTERN AUSTRALIA

CANEGRASS IRON ORE PROSPECT

Maximus predominantly 100%

The 20 kilometre long Canegrass Magnetite Zone (CMZ) is part of the extensive Windimurra layered mafic complex, 97% of which is under tenements held by Maximus.

The hole will test the geology of the exploration target of 1.7 to 3.0 billion tonnes of magnetite rich gabbro containing 20 to 35% magnetite that was described in an ASX announcement dated 9 May 2008. The target size is not an estimate of a Mineral Resource as it has been estimated by geophysical modelling. There has not yet been sufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of any Mineral Resource.

The CMZ lies immediately west of the developing Windimurra Vanadium operation, which is owned by Windimurra Vanadium Limited (WVL – formerly Precious Metals Australia Limited) and Noble Resources Limited (Figure 1).

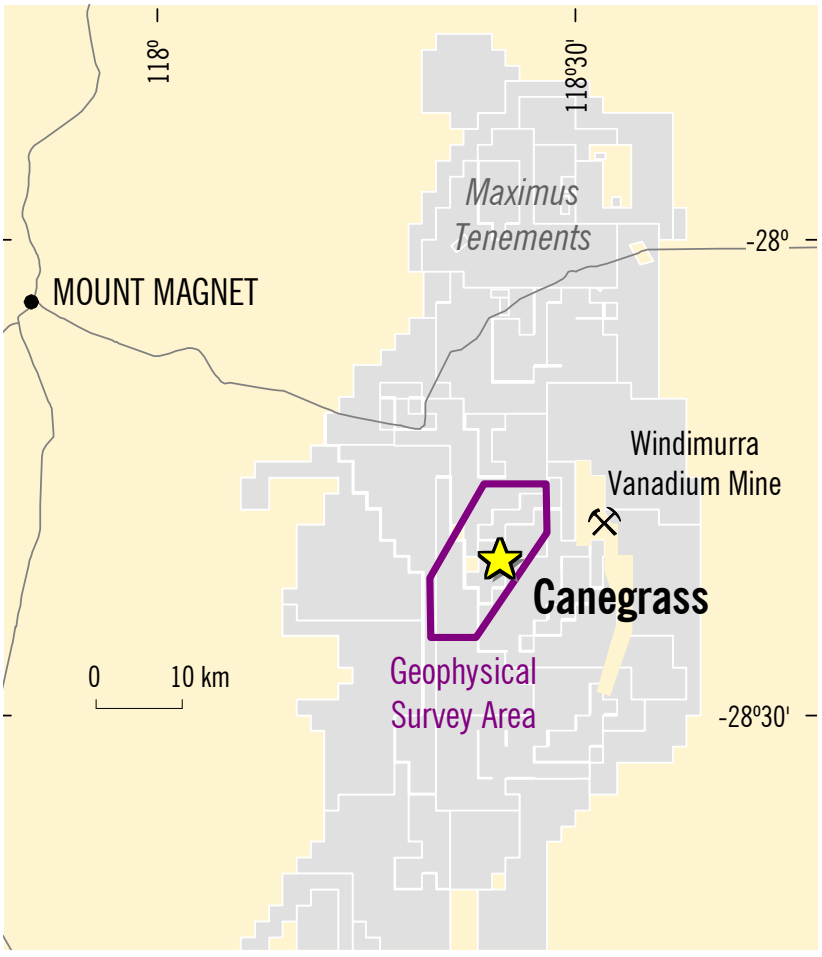

Figure 1 *Regional location showing Canegrass Geophysical Survey Area.*

Drilling

Following the May 9 announcement of a significant exploration target based on the interpretation of detailed aeromagnetic and gravity data, Maximus is pleased to announce that drilling has commenced on the most significant gravity target, Block 1 (Figure 2).

This hole, designated MND1, will be cored to approximately 600 metres total depth and is designed to test the magnetite content of the Windimurra layered sequence interpreted to be the principal cause of the gravity target. The core will be used to undertake both geophysical measurements useful in further interpretation of the various data sets available over Canegrass and, if considered to contain sufficient concentrations of magnetite, preliminary metallurgical test work.

Additional core drilling will include drill testing of locations near well developed layering of magnetite in the host gabbro and will be dependant on the visual inspection of and physical results from this initial drill hole.

Proposed Reverse Circulation Drilling

In June, a second drilling contractor will provide a reverse circulation (RC) drill rig to undertake at least 5000 metres of drilling on traverses selected to test several of the geophysical anomalies considered to have potential for significant concentrations of magnetite (Figure 3). This drilling is expected to determine the locations with sufficient magnetite to warrant more intensive drilling programs for the estimation of an initial inferred mineral resource at the Canegrass Magnetite Zone.

Dr Kevin Wills
Managing Director
28 May 2008

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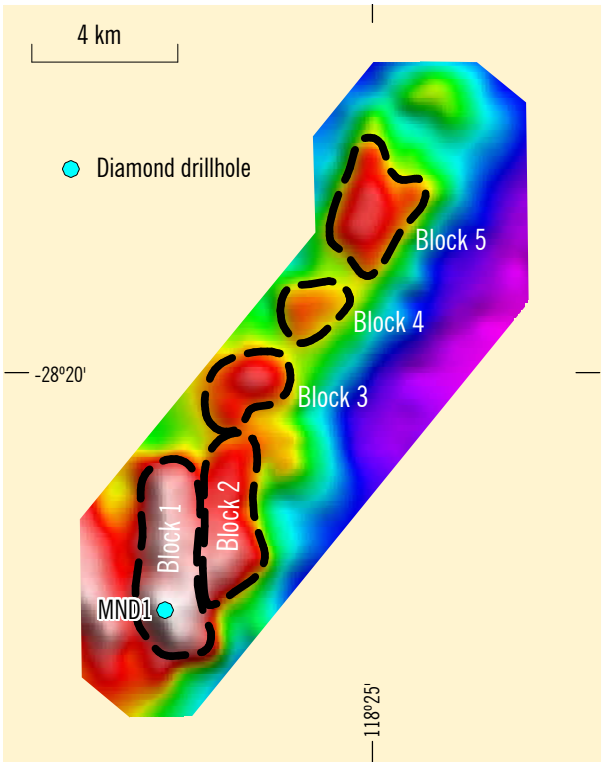

Figure 2 *Drill hole underway, shown on a gravity image of the Canegrass Magnetite Zone.*

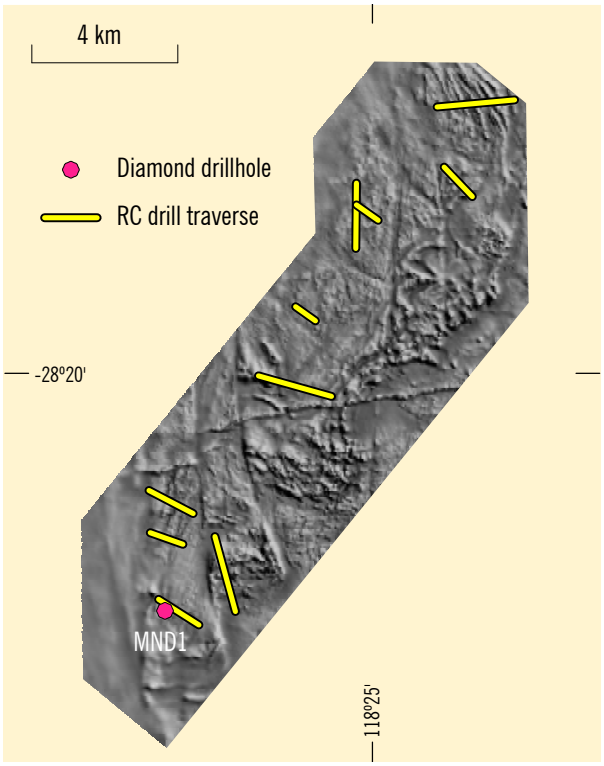

Figure 3 *RC Drill traverses planned to commence in June, shown on a magnetic image of the Canegrass Magnetite Zone.*

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr K Wills, an employee of Maximus who is a fellow of the Australasian Institute of Mining and Metallurgy. He has more than five years of 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 a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".