Maximus Resources Ltd
ABN 74 111 977 354

telephone 08 8132 7960
facsimile 08 8132 7999

www.maximusresources.com

email info@maximusresources.com

62 Beulah Road Norwood
South Australia 5067

PO Box 3126 Norwood
South Australia 5067

10 june 2008

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

ASX ANNOUNCEMENT

FIRST DRILLHOLE AT CANEGRASS INTERSECTS ABUNDANT MAGNETITE

HIGHLIGHTS

- *MND1 drill core contains long intersections of abundant magnetite.*
- *This confirms previous interpretations based on geophysical modelling that resulted in a target of 1.7 to 3.0 billion tonnes of magnetite rich gabbro at Canegrass.*
- *Estimates based on visual logging and geophysical measurements average 20-30 vol % magnetite over 190 metres. This includes two zones of about 50 metres averaging 30 to 40 vol % magnetite.*
- *Layering implies magnetite will be present at shallow depth about one kilometre to south of MND1.*

NB: Due to the high density of magnetite (5.2 gm/cc), 30-40 volume % magnetite is equivalent to 44-55 weight % magnetite in Canegrass gabbro which is equivalent to about 32-40 weight % iron in Canegrass magnetite gabbro rock.

CANEGRASS IRON ORE PROSPECT (MAXIMUS 100%)

WESTERN AUSTRALIA

Current Drill Hole MND1

Due to significant results, Maximus has decided to issue a drilling progress report on hole MND1 (field designation MNDD0001) prior to its completion. Following the May 28 ASX release that diamond core drilling had commenced at Canegrass, the first new cored hole has intersected abundant disseminated and banded magnetite gabbro. The gabbro is part of the Windimurra layered mafic complex which is in the emerging Mid West iron ore province (Figure 1). These magnetite intersections confirm the interpretation from geophysical modelling completed in early May.

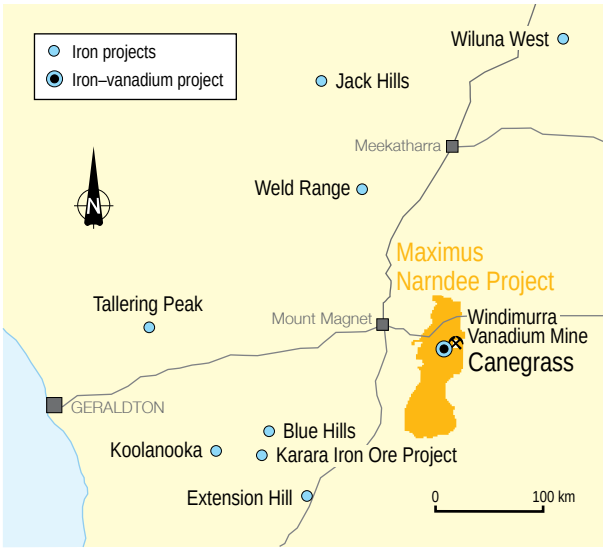

Figure 1 *The Mid-west Iron Ore Province showing Canegrass Iron Ore Prospect, Narndee Project, Western Australia.*

Figure 2 *Drill rig on site at MND1.*

To date, the intersection of magnetite rich gabbro occurs over an interval of 190 metres from approximately 330-520 metres depth and the average content of magnetite over this interval is visually estimated at 20 to 30 vol %, the zone includes two zones of about 50 metres downhole from 375 to 425 and from 460 to 510 metres averaging 30 to 40 vol % magnetite.

Interpretation of Results

Hole MND1 (Figure 2) is the first in Maximus' campaign to investigate through drilling an 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 is based on interpretion of detailed geophysical surveys completed in May 2008. There has still 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 drill hole is targeted at the peak gravity response in Block 1 from a recent detailed gravity survey (Figure 3). Block 1 is the subject of the 1.7 to 3 billion tonne iron ore exploration target and there are five gravity anomalies to test giving rise to significant total upside tonnage potential.

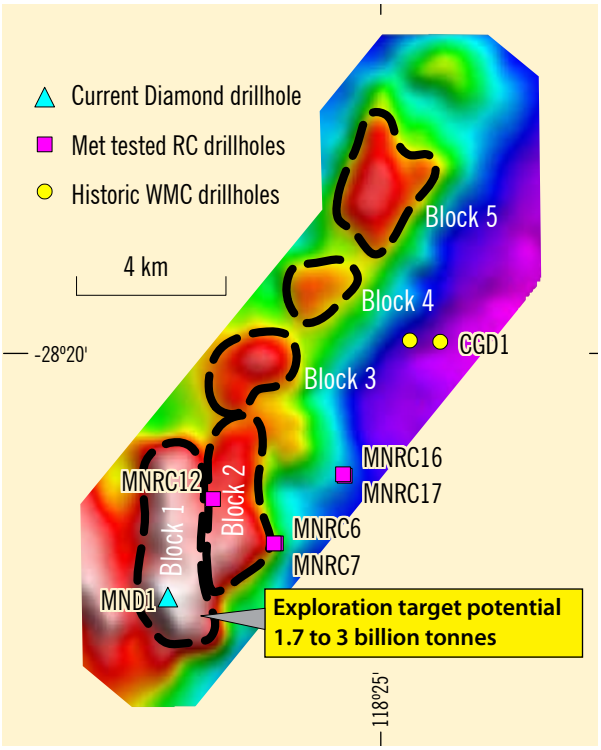

Figure 3 *Current diamond drillhole and previous drilling, shown on a gravity image of the Canegrass Magnetic Zone.*

Visual estimates of volume magnetite in the gabbro range from 20 to 80 percent (Figures 4A & 4B). These visual estimates are supported by geophysical measurements (magnetic susceptibility) which aid estimation of the amount of magnetite in the rock (Figure 5).

The magnetite layering observed in this drill hole suggests a regional dip of about 10 to 15 degrees to the north. Therefore, the magnetite layers of interest can be expected to occur at shallow depth approximately 1 kilometre to the south of the collar of MND1 (Figures 6 & 7).

Figure 4A *MND1: Depth 371.20m – 40-60% magnetite.*

Figure 4B *MND1: Depth 506.25m – 90% magnetite adjacent to very coarse-grained magnetite gabbro.*

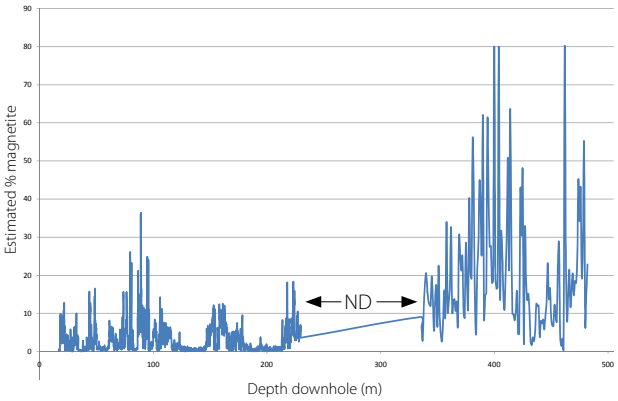

Figure 5 *Magnetic susceptibility readings on core converted to % magnetite content. (ND - no data currently available)*

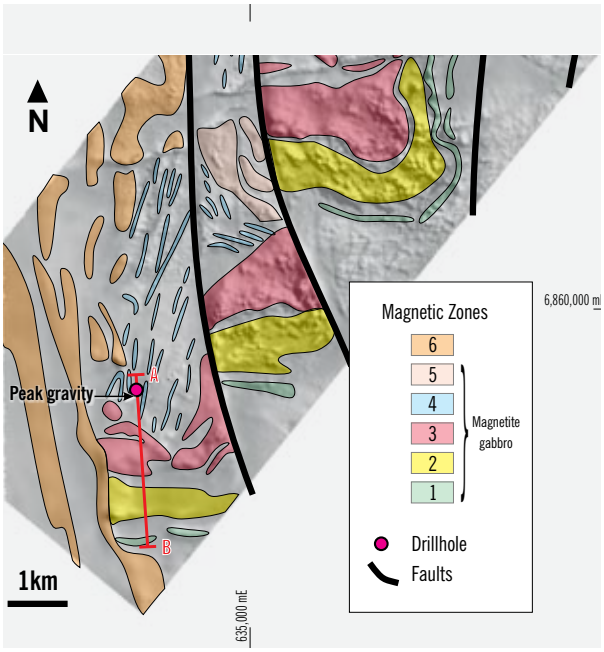

Figure 6 *Geological interpretation of SE Canegrass Magnetic Zone showing position of cross section A–B (Figure 7).*

Further Work on Drill Core samples

It is emphasised that further work on chemical analyses and metallurgical tests are required to confirm the amount and composition of magnetite that can be separated from the magnetite rich gabbro intersected in MND1. However, Maximus has recently shown that iron, titanium and vanadium grades at potential commercial levels were obtained from metallurgical work on samples from RC holes drilled at Canegrass last December and reported to ASX on 29 May, 2008.

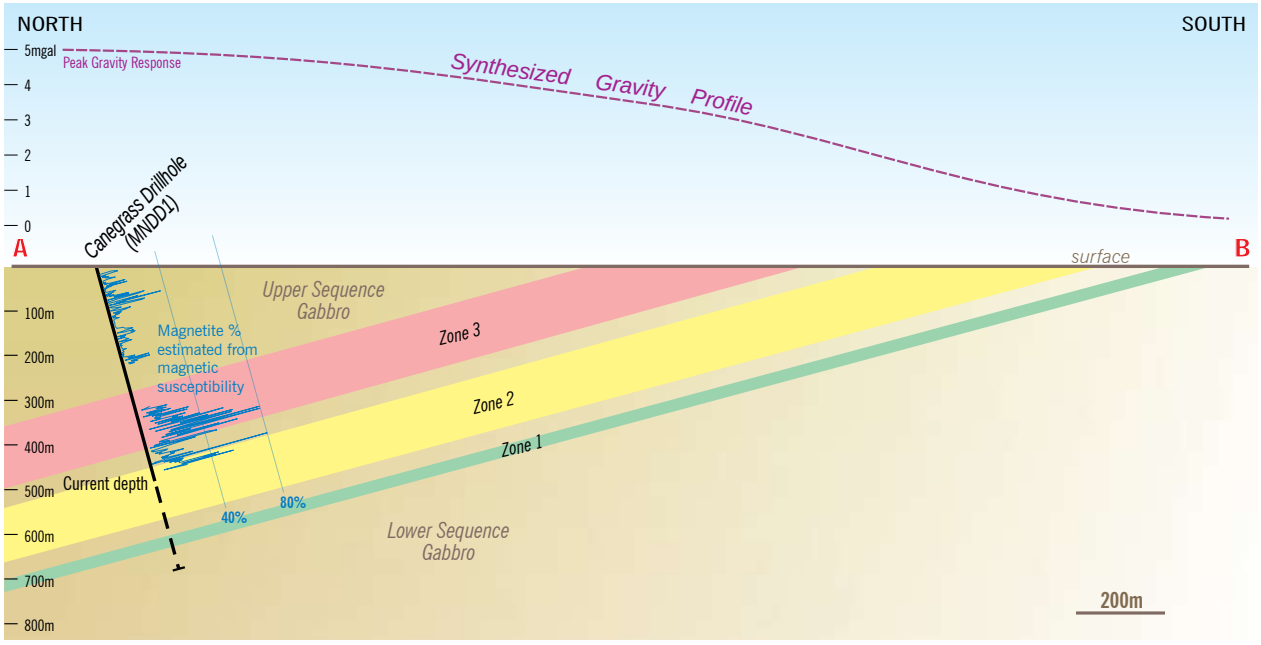

Figure 7 *Current diamond drillhole in progress showing magnetic susceptibility readings on geological cross section A–B.*

Forward Program

Maximus will complete hole MND1 then continue with further diamond drilling at Canegrass to provide samples for geological and geophysical understanding and analytical and metallurgical testing. All results will be reported as soon as practical after they are received.

A reverse circulation drilling program at Canegrass is due to commence on Wednesday 11 June. This program is aimed to begin definitions of an Inferred Resource of magnetite gabbro at Canegrass.

Dr Kevin Wills
Managing Director
10 June 2008

For further information please contact:

Kevin Wills, Ph: 08 8132 7960 or 0419 850 997

Duncan Gordon, Investor relations, Ph: 08 8232 8800

Email: kwills@maximusresources.com.au

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 an employee of Maximus Resources Limited, and 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".