



10 July 2008

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



## ASX ANNOUNCEMENT

# MAXIMUS PURCHASES OUTSTANDING GROUND AT CANEGRASS IRON ORE PROSPECT, WA

### HIGHLIGHTS

- Maximus has purchased 15 small tenements in the Canegrass area for a consideration of \$25,000 in cash, 1 million ordinary shares and 1 million 50 cent options.
- The acquisition gives Maximus complete mineral tenure coverage over the area where it is locating significant quantities of magnetite iron ore.

### CANEGRASS IRON ORE PROSPECT

WESTERN AUSTRALIA  
(MAXIMUS 100%)

#### Tenement Acquisition

Maximus has purchased 15 small tenements totalling 12.95 square kilometres in area from Mr JP Legendre, Mr BA Melville and Legend Resources Pty Ltd. Total consideration was \$25,000 in cash, 1 million ordinary Maximus shares and 1 million Maximus options exercisable before 2 July 2012 at 50 cents each. Fourteen of the tenements (E58/307-308, P58/1300-1302, P58/1327-1331, P58/1352-1353 and P58/1405-1406) are located in the general Canegrass Magnetic Zone area as shown on Figure 1. The 15<sup>th</sup> tenement, P59/1856, is located in the Milgoos area about 60 kilometres south of the CMZ.

Being narrow tenements, most of the areas acquired are unlikely to hold major resources, but E58/307 (Figure 1) covers part of the Block 3 Gravity anomaly and could contain a significant resource. It is also a strategic and practical advantage to hold all the ground in an area where mining operations are being considered.

#### Background

Maximus Resources Limited (Maximus) has recently been focussing its iron ore exploration efforts on the Canegrass Magnetic Zone (CMZ). The CMZ is part of the Windimurra/Narndee Complex located about 75 kilometres east of Mount Magnet in Western Australia. ASX releases on activities have been made on 23 April, 9, 27 and 29 May and 10, 13 and 25 June.

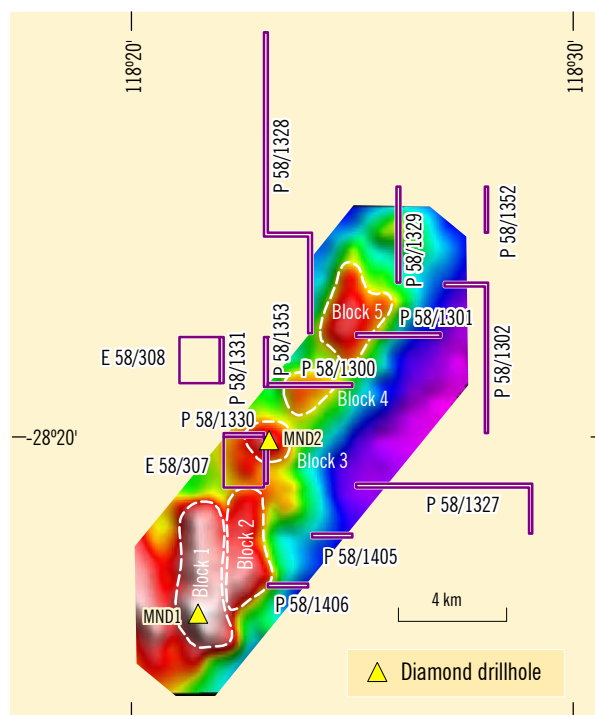


Figure 1 Canegrass Magnetite Zone gravity image showing tenements purchased in this agreement. (Remaining area held by Maximus)

The net effect of recent activities has been the outlining of geophysical anomalies thought to be caused by significant quantities of magnetite rich gabbro. To date two areas containing long intersections of magnetite-rich gabbro have been located under Blocks 1 and 3 gravity anomalies by holes MND1 and MND2 (Figure 1). An intersection of 54 metres at 35% iron was returned from Block 3.

Maximus holds exploration rights to over 97% by area of the outcropping Windimurra and Narndee Complexes. In a few areas small tenements such as the approximately 140 metres wide prescribed prospecting licences created by the change in map datum from AGD84 to GDA94 were not held.

#### **Forward Program**

Maximus' RC drilling program in the CMZ is ongoing and the diamond drill rig has returned to commence drilling of the third and fourth diamond drill holes.



#### **Dr Kevin Wills**

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10 July 2008

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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 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".