

5 September 2008

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

ASX ANNOUNCEMENT

CLARIFICATION OF PREVIOUS ANNOUNCEMENTS ON EXPLORATION TARGETS IN THE ADELAIDE HILLS

Maximus Resources Limited (Maximus) has received a request from ASX to provide clarification of several terms and phrases used in:

- its release dated 31 July 2008 and titled "Quarterly Report period ending 30 June 2008", (QRJ) and
- its announcement dated 8 August 2008 and titled "Recent Studies increase likelihood of Redevelopment of the Bird-in-Hand Gold Mine, SA" (BinH).

ASX's concerns relate to possible breaches of the Joint Ore Reserves Committee (JORC) code with respect to the use of the term exploration target and expressions made that relate to that term (JORC clause 18).

These concerns, the relevant page reference and the respective replies from Maximus are set out below.

Quarterly Report ending 30 June 2008

1. What is meant by the statement that the Bird-in-Hand exploration target¹ of 500,000 to 600,000 tonnes averaging 10 to 15 grams per tonne **has been fulfilled?** (QRJ, released 31 July 2008, Page 1, Highlights)

Maximus used the expression 'has been fulfilled' to state that the company is of the opinion it had reached this initial exploration target. The original exploration target of 500,000 to 600,000 tonnes at 10 to 15 g/t gold reported by Maximus was inclusive of the already defined inferred mineral resource of 421,000 tonnes at 12 /t gold. This original exploration target was also part

of the overall 2.5 to 3 million tonne exploration target at 10 to 15 g/t gold announced on 31 July 2008. As a result of the revised resource estimate of 598,000 tonnes (438,000 inferred and 160,000 indicated) at 12.3 g/t gold announced on 8 August 2008, the combined exploration target has been reduced by the corresponding amount and now stands at 1.9 to 2.4 million tonnes at a grade range of 10 to 15 g/t gold.

2. Clause 18 requires a detailed explanation for the basis of an exploration target statement. What is the basis for the exploration target of 2.5 to 3 million tonnes averaging 10 to 15 grams per tonne? (QRJ, released 31 July 2008, Page 1, Highlights and 6, Adelaide Hills)

Maximus is of the opinion that, by comparison with Bird-in-Hand where the historic recorded production figure of 10,000 ounces is paled by the now current new resource estimate of some 237,000 ounces of contained gold comprising 160,000 tonnes of Indicated and 438,000 tonnes of Inferred Mineral Resources at a grade of 12.3 g/t gold (a ratio of ~24:1) together with open file knowledge of recorded production at grades of up to 20 g/t gold from, and likelihood of additional gold mineralisation below, several other historic mines in the Adelaide Hills, there is good reason to believe that further depth extensions to other historic gold lodes will be discovered. Despite the gold boom of the 1980s and active gold exploration throughout Australia, basically no modern exploration of the Adelaide Hills Gold Province occurred before 1997 when Capricorn Resources Australia NL undertook a program of drilling in the Woodside Goldfield. Limited historic drilling on a few of these mines was undertaken in the period 1905 to 1935 and one of the several interesting historic intersections lay below the Bird-in-Hand mine (6.1

¹ All reference to an Exploration Target in this clarification statement is qualified by the statement that, as an Exploration Target, it is conceptual in nature and there is no certainty that further exploration will result in the estimation of a Mineral Resource.

metres at 14.2 g/t gold in SA Government hole BH-2). Other mines which have historic drilling of note are Deloraine (8 holes drilled 1934-35, 4 of which intersected lode values up to 125 g/t gold but failed to assay fringing mineralised rocks evident in the geological logs available), New Era (3 holes, 1905 with intersections of up to 4 metres at 15 g/t gold) and Eureka (2 holes, 1917 with intersections of lode assaying 2 g/t gold). Examples of past production from some historic mines include Deloraine where 48,700 tonnes at 20 g/t gold for 30,500 ounces is reported, Scott's Reef – 6,000 ounces², New Era – 15,300 tonnes at 11 g/t gold for 5,500 ounces and Eureka – 8,300 tonnes at 16.8 g/t gold for 4,500 ounces. These mines represent individual historic producing mines of some several hundred gold mines enclosed within just 3 of 7 goldfields under Maximus control from which recorded production exceeds 300,000 ounces². By comparison with Maximus' success at Bird-in-Hand and using a ratio of 20:1 on the total ounces of production for the previously 4 named mines, then converting this total production to a grade range of 10 to 15 g/t gold, the tonnage range would be 1.9 to 2.4 million tonnes.

3. The statement that “**there is strong belief that the ultimate combined exploration target of 2.5 to 3 million tonnes averaging 10 to 15 grams per tonne will be discovered, delineated and mined**” is not supported by sufficient information to warrant its inclusion in a Public Report. The statement that **fulfilment** of the exploration target of 2.5 to 3 million tonnes could support “**gold production over a period of at least 10 years**” is again not supported by sufficient information. (QRJ, released 31 July 2008, Page 1, Summary and Page 6, third paragraph, respectively)

As additional information in support of these statements, Maximus is of the opinion that, given the historic records of previous gold mining in the Adelaide Hills Gold Province mentioned in Point 2 above and further success in ongoing exploration, the overall Exploration Target discussed above will eventuate. However, in discussing the discovery, delineation and mining potential and implying a future rate of production over a period of time, Maximus has not considered any modifying factors such as mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors that could impact on whether mining is likely to occur. Maximus is using such rhetoric as a means of conveying to its shareholders its opinion of the potential for future

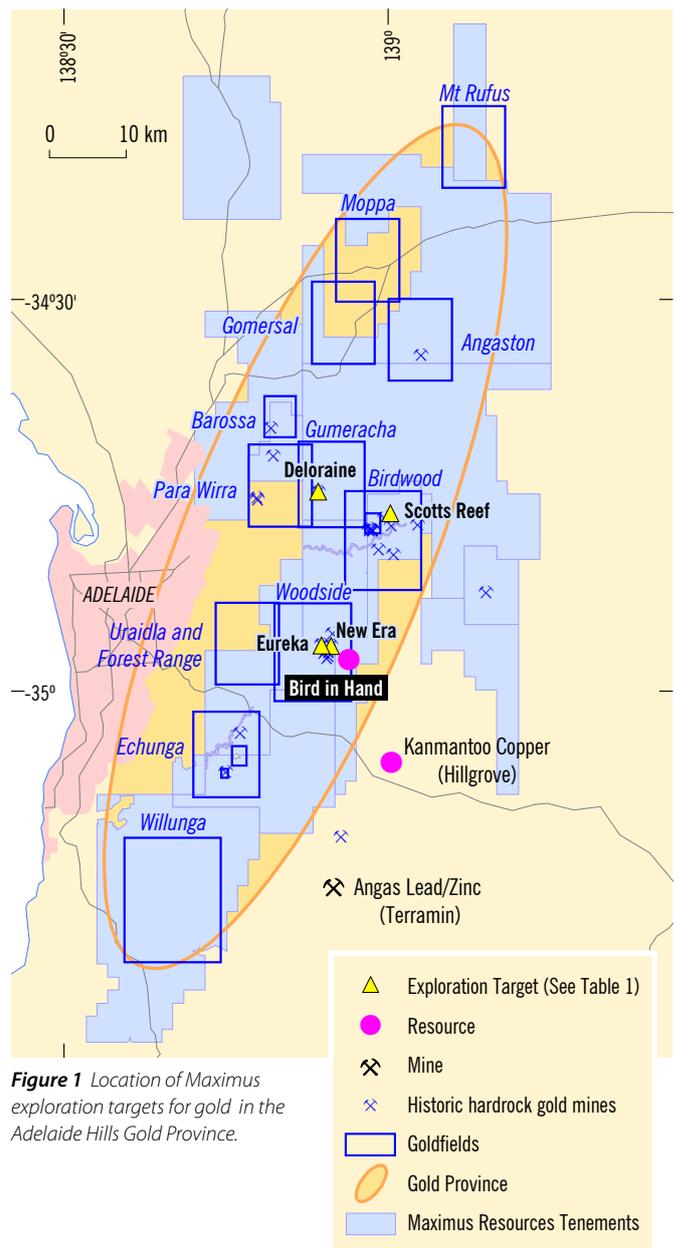


Figure 1 Location of Maximus exploration targets for gold in the Adelaide Hills Gold Province.

gold discovery and mining in the Adelaide Hills. It is emphasised that the company does not wish to imply that it has established all of the parameters that will ensure such discoveries will occur or will lead to a revival of gold mining in the Adelaide Hills.

Recent Studies increase Likelihood of Redevelopment of the Bird-in-Hand Gold Mine, SA

4. The announcement released 8 August 2008 contains the statement that “an exploration target of 750,000 contained ounces could be added to Adelaide Hills inventory”. Contained metal figures should not be reported unless a resource has been delineated since an exploration target does not confer a sufficient level of certainty to support the disclosure of gold content. (BinH, released 8 August 2008, Page 2, second paragraph)

² These historic production figures are as recorded in open files of Department of Primary Industries and Resources South Australia (PIRSA) and do not include the tonnes and grade information required under Clause 25 of the JORC Code.

Maximus apologises for this oversight in the summary of the original release whereas, when referring to the identical Exploration Target, the highlights and main text of the same release observes the use of a range to express this Exploration Target, as is required under Clause 18 of the JORC code.

5. It is not clear from the announcement whether the new Deloraine exploration target of 0.8 to 1.1 million tonnes at 15 to 20 g/t is included in the original exploration target of 2.5 to 3 million tonnes. (BinH, released 8 August 2008, Page 1, Highlights and Page 4, last paragraph)

The total Exploration Target of 2.5 to 3 million tonnes at 10 to 15 g/t gold for the Adelaide Hills Gold Province is Maximus' perception of potential and an objective for continuing exploration in that province. This Exploration Target is conceptual in both its tonnage and grade ranges. It included both the Deloraine Exploration Target and, inadvertently as corrected in Point 1 above, the initial Exploration Target at Bird-in-Hand (see Table 1).

Exploration Targets for the Adelaide Hills Gold Province

To avoid further confusion, the following Table 1 is a tabulation of individual Exploration Targets in the AHPG as was being considered for further exploration by Maximus at the time of the QRJ. No defined resources are included in these Exploration Target numbers. The location of these targets is shown in Figure 1. It is emphasised that such a list of Exploration Targets is a measure of perceived potential with in the Adelaide Hills and, therefore, subject to significant change as new data comes to hand and further research of historic

goldfields continues. The grades targeted are those considered, by comparison to similar gold operations elsewhere in Australia, as suitable for an underground mining operation. The tonnages targeted, even though at this conceptual stage they have not been subjected to any modifying factors such as mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors that could impact on whether mining is likely to occur, are those considered by comparison to other similar operations in Australia to be needed to ensure that a deposit, if discovered, would have a reasonable chance of being mined.

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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 Kevin Wills and Mr Gary Maddocks, who are a Fellow and a Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy, respectively. Dr Wills is an employee of Maximus and Mr Maddocks acts as a consultant to Maximus through his company, GEM Exploration Management Services. Each has more than five years relevant experience in the style of mineralisation and types of deposit under consideration and each consents to inclusion of the information in this report in the form and context in which it appears. Both qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".

Table 1. Maximus' exploration targets for specific historic gold mines in the Adelaide Hills Gold Province

Historic Mine	Exploration Target		Comments
	Tonnage Range	Grade Range	
Deloraine	1,300,000 - 1,500,000 ³ (800,000 - 1,100,000) ⁴	10 to 15 g/t gold ³ (15 to 20 g/t gold) ⁴	Based in part on historic production and long section of mining completed
Scott's Reef	240,000 - 360,000	10 to 15 g/t gold	Based on historic production records
New Era	200,000 - 300,000	10 to 15 g/t gold	Based on historic production records
Eureka	160,000 - 240,000	10 to 15 g/t gold	Based on historic production records
TOTAL	1,900,000 - 2,400,000 ⁵ (1,400,000 - 2,000,000) ⁶	10 to 15 g/t gold (10 to 20 g/t gold)	Combined Exploration Target for AHPG based on historic production outlined in Point 2 above

³ Based on lower grade range for Deloraine than gold values recorded during historic mining.

⁴ Based on grade for Deloraine related to that recorded during historic mining and equating with the Deloraine Exploration Target expressed in ASX release dated 8 August, 2008.

⁵ Residual Total Exploration Target as per Point 1 above.

⁶ Target if higher grade range used for Deloraine Exploration Target.