



24 October 2008

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

ASX ANNOUNCEMENT

CAPITAL RAISING TO INCREASE GOLD PRODUCTION AND EXPLORATION EFFORTS

HIGHLIGHTS

- *1 for 2 Non-Renounceable Rights Issue at 5 cents per share to raise \$3.84 Million*
- *1 for 1 Free Attaching Option for all shares allotted under Rights Issue*
- *Strong focus on increase in production at Sellheim alluvial gold operations*
- *Major operational restructure aimed at reducing cash burn and targeting priority projects*

RIGHTS ISSUE

Maximus Resources Limited (Company or Maximus) announces its intention to give eligible shareholders the opportunity to subscribe for shares pursuant to a non-renounceable rights issue on the basis of one (1) share for every two (2) shares held at the Record Date at an issue price of five (5) cents per share (Rights Issue). Every one share allotted will have one free attaching option to subscribe for one share at an exercise price of 10 cents per share and expiring on 29 May 2009.

Shareholders eligible to participate in the Rights Issue are those registered as a holder of shares in the Company and having an address in Australia or New Zealand recorded in the Company's share register on 7 November 2008 (Record Date).

The Rights Issue seeks to raise approximately \$3.84 million (before expenses) from the issue of 76.8 million shares.

The Company is intending to lodge a Prospectus with ASIC and ASX shortly which will include full details of the Rights Issue.

The shares issued under the Rights Issue will rank equally with existing ordinary shares on issue.

A summary of key dates for the Rights Issue follows:

Event	Date
Prospectus lodged with ASIC	24 October 2008
Record date to identify shareholders eligible to participate in the issue	7 November 2008
Opening of offer	13 November 2008
Last day for acceptance and payment in full	27 November 2008
Despatch of holding statements for shares and attaching options	10 December 2008

These dates are indicative only and, subject to the Corporations Act 2001 and the ASX Listing Rules, the Directors of the Company reserve the right to amend the Record Date and timetable without prior notice.

The terms and conditions of all options currently on issue do not entitle option holders to participate in the Rights Issue.

To participate in the Rights Issue, option holders must exercise their options in time for the new shares to be allotted prior to the record date of 7 November 2008.

ASX granted to the Company, at the Company's request, a waiver of the ASX Listing Rules to the extent that they would otherwise require the Company to send notice of the Rights Issue to option holders. ASX granted the waiver on conditions that:

- this notice be provided to the Company Announcements Office of ASX; and
- if the market price of Ordinary Shares exceeds 10.5 cents before the Record Date, the Company must immediately send notice of the Rights Issue to option holders.

Unless the market price of shares in the Company exceeds 10.5 cents before the Record Date, separate notice of the Rights Issue will not be sent to option holders.

The waiver was granted because the likelihood of option holders exercising options in order to participate in the Rights Issue was too remote to justify the cost of sending notices.

USE OF FUNDS

In light of the current volatile worldwide market conditions, Maximus conducted a thorough review of its operations program with a focus on reducing unnecessary cash burn and adding immediate value across its asset base.

Maximus is considering opportunities to farm out several projects and the company will continue to conduct its own exploration and development operations on specific assets. Net proceeds from the Rights Issue will be used predominantly in the following areas:

Sellheim Gold

QUEENSLAND

Higher than expected gold recoveries and a high proportion of gold nuggets have recently given Maximus a high degree of confidence that an increase in production throughput will generate strong cashflows for the Company. To that extent, Maximus will move into full-scale production at Sellheim and commence website marketing of gold nuggets. The Company is securing a lease arrangement over production plant and equipment that will operate alongside existing facilities.

Rights issue proceeds will be used to provide for working capital requirements as production increases.

Bird in Hand Gold

Adelaide Hills

SOUTH AUSTRALIA

Maximus will continue with essential work on its pre-feasibility study on the Bird in Hand Gold Mine in the Adelaide Hills where an Inferred Gold Resource of 598,000 tonnes at 12.3 gram per tonne has been outlined. Drilling is also planned to establish the presence of an extension to the largest previous gold mine in the Adelaide Hills at Deloraine.

Canegrass Magnetite/Vanadium

WESTERN AUSTRALIA

Maximus will retain its previously stated intentions to delineate an inferred mineral resource at Canegrass. The 2.0 to 3.5 billion tonne Exploration Target* at 20-40% iron identified at Canegrass is considered to be of immense strategic value for the Company and Maximus expects to add significant value to shareholders once this resource is defined.

Dr Kevin Wills
MANAGING DIRECTOR

For further information please contact:

Kevin Wills, Ph: 08 8132 7960 or 0419 850 997, Email: kwills@maximusresources.com

Duncan Gordon, Investor relations, Ph: 08 8232 8800,

Email: dgordon@adelaideequity.com.au

** This Exploration Target is partly conceptual and it is uncertain if any resource will result after further exploration.*

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 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".