



28 October 2008

## NON-RENOUNCEABLE RIGHTS ISSUE

### Dear Fellow Shareholder

On 24 October 2008, the Directors of Maximus Resources Limited ("Maximus") announced a one for two pro-rata non-renounceable rights issue ("Rights Issue").

The Rights Issue seeks to raise approximately \$3.84 million (before costs) through the issue of up to 76,837,191 new fully paid ordinary shares in Maximus.

### 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.

## DETAILS OF THE OFFER

Each shareholder eligible to participate in the Rights Issue will be entitled to subscribe for one New Ordinary Share in the capital of the Company for every two existing ordinary shares registered in their name at 5.00 pm Adelaide Time on Friday, 7 November 2008 ("the Record Date"). Every share allotted under the Rights Issue 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.

The New Ordinary Shares will be issued at a cost of 5 cents per share, which is at a 28.6% discount to the last sale price of 7 cents recorded on the Australian Stock Exchange Limited ("ASX") prior to the date of the announcement of the Rights Issue.

Maximus shareholders whose registered address on the Record Date is in Australia or New Zealand will be eligible to participate. All other overseas registered shareholders will not be eligible to participate.

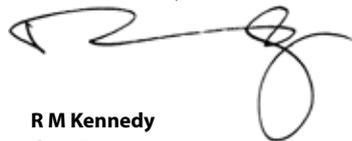
Full details of the Rights Issue are contained in the Prospectus dated 24 October 2008, which was lodged with the Australian Securities & Investments Commission and the ASX on Friday, 24 October 2008. The Prospectus together with an Entitlement and Acceptance Form will be mailed to all eligible shareholders on Thursday, 13 November 2007. A copy of this Prospectus is available on the ASX website.

Key dates which shareholders should note are as follows:

Announcement of Rights Issue	24 October 2008
Securities quoted on an ex-basis	31 October 2008
Record Date to determine entitlements to New Shares	7 November 2008
Despatch of Prospectus and Acceptance Forms and Offer Opens	13 November 2008
Last day for acceptance and payment in full	27 November 2008
New Shares quoted on deferred settlement basis	28 November 2008
Allotment and dispatch by the Company of holding statements for New Shares	10 December 2008

These dates are indicative only and, subject to the Corporations Act 2001 and the ASX Listing Rules, may be varied as the directors of Maximus decide.

Yours faithfully



**R M Kennedy**  
CHAIRMAN

### For further information please contact:

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\* *This Exploration Target is partly conceptual it is uncertain if further exploration will result in the determination of a Mineral Resource.*

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".