

Maximus Resources Ltd  
ABN 74 111 977 354

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28 December 2011

The Manager  
Company Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**Despatch of Prospectus and Entitlement and Acceptance Form**

Please find attached copies of the following documents that were today despatched to shareholders of Maximus Resources Limited who are eligible to participate in the non-renounceable rights issue announced on 9 December 2011:

- Prospectus
- Entitlement and Acceptance Form (sample only attached)

Yours faithfully  
Maximus Resources Limited

A handwritten signature in blue ink, appearing to read 'Rajita Alwis', with a horizontal line underneath.

Rajita Alwis  
Company Secretary

# **MAXIMUS RESOURCES LIMITED**

**ABN 74 111 977 354**

## **Prospectus**

For a 1 for 1 non-renounceable rights issue at \$0.005 per New Share to raise approximately \$1.926 million (before costs).

**This document is important and requires your immediate attention. You should read all of it. Ask your stockbroker or other professional adviser for advice if you are not sure what to do.**

## **About this prospectus**

This prospectus is issued by Maximus Resources Limited (“we”, “our”, “us”).

This prospectus is dated 12 December 2011. A copy of this prospectus was lodged with ASIC and ASX on that date. ASIC and ASX take no responsibility for the contents of this prospectus. The expiry date of this prospectus is 12 January 2013. No securities will be issued under this prospectus after that date.

## **Risks**

Some of the risks involved with investing in our securities are summarised in Part 4. The key risks follow.

- General market conditions
- Future capital requirements
- Exploration and development
- Loss of key personnel
- Native title and Aboriginal heritage
- Title and Environment
- Resource Estimates
- Agreements with third parties

## **Quotation of securities**

We have applied for official quotation of the Shares on ASX.

## **Only an offer in Australia and New Zealand**

We are only making an offer of Shares to people with an address on our register of members in Australia or New Zealand. We are relying on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand) to make this offer in New Zealand. This prospectus is not an offer in any place in which, or to any person to whom, it would not be lawful to make an offer.

## **Information about the Rights Issue**

The only information about the Rights Issue that has been authorised by us, is the information contained in this prospectus. You must not rely on any other information about the Rights Issue.

## **Special meanings**

Some of the words in this prospectus have special meanings. Those meanings are in Part 5. All financial amounts shown in this prospectus are in Australian dollars, unless stated otherwise.

## Contents

<b>Part 1 – General Information.....</b>	<b>1</b>
<b>Part 2 – How to Apply .....</b>	<b>3</b>
<b>Part 3 – Information about Us.....</b>	<b>4</b>
<b>Part 4 – Summary of Risks.....</b>	<b>7</b>
<b>Part 5 – Additional Information.....</b>	<b>10</b>

## Summary of important dates

Lodgement of this prospectus with ASIC	12 December 2011
Record date to determine entitlement to New Shares	20 December 2011
Opening Date	28 December 2011
Closing Date	17 January 2012
Expected date of allotment of New Shares	25 January 2012
Expected date of quotation on ASX	27 January 2012

These dates are indicative only. We reserve the right to vary the dates without prior notice, subject to the *Corporations Act 2001* (Cth) and the Listing Rules.

## **Part 1 – General Information**

### **What is the Rights Issue?**

This is an offer of approximately 385,291,923 New Shares to our Eligible Shareholders who are registered on the Record Date. The New Shares are being offered on the basis of one New Share for every one Share then held.

Fractional entitlements will be rounded up to the nearest whole New Share. The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

### **What is the issue price?**

The issue price is \$0.005 per New Share and is payable in full on application.

### **What is the purpose of the Rights Issue?**

Under the Rights Issue, we are seeking to raise approximately \$1.926 million (before expenses).

The net proceeds from the Rights Issue will be used to fund exploration and development, including detailed exploration activities on the Narndee Tenements near Mt Magnet in Western Australia and for working capital purposes.

### **Opening and Closing Dates**

The Rights Issue will open for receipt of acceptances on the Opening Date and closes on the Closing Date. Our directors reserve the right to close the Rights Issue early or extend the Closing Date. You should lodge your Entitlement and Acceptance Form as soon as possible.

### **Can you sell your right to New Shares?**

The rights to New Shares are non-renounceable, which means that rights may not be traded.

### **What are the rights attached to New Shares?**

New Shares will be issued on the same terms as our Shares that are already on issue. Full details of the rights attached to Shares are set out in our constitution. You can inspect a copy of our constitution at our registered office.

A summary of the rights attached to Shares follows.

- Voting rights

Subject to any rights or restrictions attached to any class of Shares, at a meeting of our members: on a show of hands each member has one vote; and on a poll each member has one vote for each fully paid Share they hold, and a fraction of a vote for each partly paid Share they hold.

- Dividends

Subject to the terms on which Shares are on issue, the directors may pay dividends as they see fit.

- Future issues of Shares

Subject to the Corporations Act 2001 (Cth), the Listing Rules and our constitution, the Company may issue Shares and grant options over unissued Shares, under the

control of our directors. We may issue preference shares on terms approved by special resolution. We may reduce our share capital, buy-back Shares and convert Shares into a larger or smaller number.

- Share transfers

Subject to our constitution and the Listing Rules, a shareholder may transfer a Share by an instrument of transfer in any common form or other form approved by the directors.

- Variation of rights

The rights and privileges attaching to Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by at least 75% of the votes cast by members entitled to vote on the resolution.

- Rights on Winding Up

If on a winding up there are enough assets to repay all capital to shareholders, all capital must be repaid to the shareholders and any surplus must be distributed among the shareholders in proportion to the amounts paid on their respective shares before the winding up began.

Subject to any special rights or restrictions attached to Shares, on a winding up, the liquidator may, with the sanction of a special resolution of shareholders, distribute among the shareholders the whole or any part of our property (in its actual state) and decide how to distribute the property as between the shareholders or different classes of shareholders.

### **Is there a minimum capital raising?**

There is no minimum limit to the amount of capital to be raised under this Rights Issue.

### **Shortfall in subscription**

Our directors reserve the right to issue any shortfall in subscription for New Shares at their discretion within 3 months after the close of the Rights Issue.

## Part 2 – How to Apply

### What you may do

The number of New Shares to which you are entitled is shown in the accompanying Entitlement and Acceptance Form. You may:

- take up all of your entitlement to New Shares;
- take up all of your entitlement to New Shares and apply for any entitlement not taken up by other Eligible Shareholders;
- take up part of your entitlement and allow the balance to lapse; or
- not take up any of your entitlement and allow it to lapse.

### Complete and return the Entitlement and Acceptance Form

Refer to the Entitlement and Acceptance Form for instructions on its completion. Please send your completed Entitlement and Acceptance Form together with payment for the total amount payable to reach the Company's share registry by 5:00 pm (Adelaide time) on the Closing Date.

If you wish to take up all of your entitlement, please complete and return the accompanying Entitlement and Acceptance Form in accordance with the instructions on it. Return your completed Entitlement and Acceptance Form (together with payment for your New Shares in full) to reach the Company's share registry by not later than 5.00pm (Adelaide time) on the Closing Date.

### Taking up any shortfall

#### Eligible Shareholders

If an Eligible Shareholder wishes to take up any New Shares offered on the basis of this Prospectus which are not taken up by other Eligible Shareholders, Eligible Shareholders must, in addition to completing the portion of their Entitlement and Acceptance Form which relates to their entitlement, complete the portion of the Form relating to the additional shares they wish to take up.

#### Non-Shareholders

Investors in Australia other than Eligible Shareholders that wish to take up any New Shares offered on the basis of this Prospectus not taken up by Eligible Shareholders must complete a Shortfall Application Form.

Shortfall Application Forms will be provided to investors on request. Refer to the Shortfall Application Form for instructions on its completion. Shortfall Application Forms together with payment for the New Shares must also be returned before the Closing Date. Receipts will not be issued.

### Entitlements not taken up

If you decide to take up only part of your entitlement or not to accept any of your entitlement, your entitlement will lapse to that extent and may be placed by the Directors within 3 months after the close of the Rights Issue.

## Part 3 – Information about Us

### Disclosing entity information

This prospectus is issued under section 713 of the *Corporations Act 2001* (Cth) as a prospectus for the offer of continuously quoted securities.

We are a "disclosing entity" for the purposes of the *Corporations Act 2001* (Cth) and as such are subject to regular reporting and disclosure obligations. Specifically, as a listed company, we are subject to the Listing Rules which require continuous disclosure to the market of any information we have which a reasonable person would expect to have a material effect on the price or value of our Shares.

ASX maintains files containing publicly disclosed information about all listed companies. Our file is available for inspection at ASX in Adelaide during normal working hours. In addition, copies of documents lodged with ASIC in relation to us may be obtained from, or inspected at, any ASIC regional office.

### What information will we make available?

We will provide a copy of each of the following documents to you free of charge, if you request it during the application period under this prospectus.

- Our 2011 Annual Report.
- The following announcements lodged with ASX since the release of our 2011 Annual Report:

Date	Announcement
09/12/2011	Narndee update and rights issue
08/12/2011	Constitution
29/11/2011	Results of Meeting
29/11/2011	MD Presentation at AGM
29/11/2011	Chairman's Address to Shareholders
11/11/2011	Narndee Project Update - Gravity Survey
31/10/2011	Amended Quarterly Activities Report and Appendix 5B
31/10/2011	Quarterly Activities Report and Appendix 5B
28/10/2011	Notice of Annual General Meeting/Proxy Form

### Market prices of Shares

The lowest and highest market sale prices of Shares on ASX during the 3 months immediately before the date of this prospectus, and the respective dates of those sales were:

- \$0.007 on 5 December 2011
- \$0.011 on 13 December 2011

The last sale price for Shares on ASX before the date of this prospectus was \$0.009 on 9 December 2011.

## Effect of the Rights Issue on us

The principal effects of the Rights Issue on the Company will be, if it is fully subscribed, to:

- increase cash reserves by approximately \$1.926 million (before expenses of the Rights Issue are taken into account) to enable the Company to pursue its objectives;
- increase the number of issued Shares by approximately 385,291,923 to approximately 770,583,846 Shares.

These amounts do not take into account the effect of the exercise of any options over unissued Shares that may occur prior to the Record Date.

## Statement of Financial Position

Set out below is a Pro Forma Consolidated Statement of Financial Position taking into account the Rights Issue. It is based on financial statements for the year ended 30 June 2011. The Pro Forma Consolidated Statement of Financial Position illustrates the effect of the Rights Issue as if the Rights Issue had occurred on 30 June 2011, fully subscribed.

	30-Jun-11	Changes*	Pro-Forma Balance Sheet
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	74,038	2,294,233	2,368,271
Trade and other receivables	509,207		509,207
Inventories	-		-
Available-for-sale assets	-		-
Other current assets	122,457		122,457
<b>Total Current assets</b>	<b>705,702</b>	<b>2,294,233</b>	<b>2,999,935</b>
<b>Non-Current Assets</b>			
Investments accounted for using the equity method	1,071,071		1,071,071
Property, plant & equipment	637,087		637,087
Exploration and evaluation	14,491,983		14,491,983
Mine Properties	373,358		373,358
Security deposit	-		-
<b>Total non-current assets</b>	<b>16,573,499</b>	<b>-</b>	<b>16,573,499</b>
<b>Total assets</b>	<b>17,279,201</b>	<b>2,294,233</b>	<b>19,573,434</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	174,662		174,662
Provisions	18,297		18,297
<b>Total current liabilities</b>	<b>192,959</b>	<b>-</b>	<b>192,959</b>
<b>Non current liabilities</b>			
Provisions	6,308		6,308

<b>Total non-current liabilities</b>	6,308	-	6,308
<b>Total liabilities</b>	199,267	-	199,267
<b>Net assets</b>	17,079,934	2,294,233	19,374,167
<b>EQUITY</b>			
Contributed equity	32,694,827	2,294,233	34,989,060
Reserves	-	34,563	34,563
Retained earnings/(losses)	-	15,580,330	- 15,580,330
Capital and reserves attributable to owners of Maximus Resources Limited	17,079,934	2,294,233	19,374,167
Non-controlling interests	-	-	-
<b>Total equity</b>	17,079,934	2,294,233	19,374,167

\* Includes \$432,432.16 raised in Rights Issue (July 2011)

## Part 4 – Summary of Risks

Like all investments, the market price of our Shares may fall as well as rise.

Our potential returns are subject to risks specific to it and to general risks.

You should consider all risks before you make a decision about this Rights Issue. It is impossible to identify all risks, but we draw your attention to the following.

### General Market Conditions

The price of the Shares on ASX may rise or fall due to numerous factors including:

- general economic conditions, including inflation rates and interest rates;
- variations in the local and global markets for listed shares in general, or for mining stocks in particular;
- changes to government policy, legislation or regulation;
- competition in the industry in which the Company operates; and
- general operational and business risks.

There can also be no guarantee that an active market in our Shares will develop or that the price of the Shares will increase. There may be relatively few, or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares, and the prevailing market price at which shareholders are able to sell their Shares.

The matters set out above may result in you receiving a price for your Shares that is more or less than the price under this offer.

The demand for and price of commodities is influenced by a variety of factors including the level of forward selling by producers, costs of production, general economic conditions, the level of inflation, interest rates and exchange rates.

### Future Capital Requirements

We may require additional capital to fund further exploration/development of our existing or new projects. Our ability to raise sufficient further capital within an acceptable time frame and on terms acceptable to it will vary according to a number of factors including (without limitation) the prospects of new projects (if any), the results of exploration and subsequent feasibility studies, stock market and industry conditions and the price of relevant commodities.

### Exploration and Development

Exploration by its nature contains elements of significant risk. Ultimate success depends on the discovery of economically recoverable resources, obtaining the necessary titles and governmental regulatory approvals and obtaining and servicing of funding for mining operations if and when a decision to mine is made.

There can be no assurance that our existing projects or any other projects or tenements that we may acquire in the future will result in the discovery of significant resources. Even if significant resources are identified, there can be no guarantee that they will be able to be economically exploited.

Our current and future operations, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- limitations on activities due to seasonal or unseasonal weather patterns;
- alterations to joint venture programmes and budgets;
- the availability of drilling rigs and other machinery necessary for the Company to undertake its activities;
- unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment; and
- prevention or restriction of access by reason of political unrest, outbreak of hostilities, and inability to obtain consents or approvals (including clearance of work programs pursuant to existing, and any future access agreements entered into with indigenous people).

### **Loss of Key Personnel**

Our success depends on the competencies of our directors and senior management. The loss of one or more of our directors or senior management could have a materially adverse effect on our business, financial position and results of operations. The resulting impact from such an event would depend on the quality of any replacement.

### **Native Title & Aboriginal Heritage**

Some of our tenements are located within areas that are the subject of claims or applications for native title determination. The Native Title Act 1993 (Cth) and related State native title legislation and aboriginal heritage legislation may affect our ability to obtain access to certain of its exploration areas or to obtain mining production titles. Settling any such claims will incur costs to us. The degree to which this may impact on our activities will depend on a number of factors, including the status of particular tenements and their locations. At this stage, we are not able to quantify the impact, if any, of such matters on its operations.

### **Title, Environmental Bonds & Conditions**

All mining tenements which we may acquire either by application, sale and purchase or farm-in are regulated by applicable state mining legislation. There is no guarantee that applications will be granted as applied for. Various conditions may also be imposed as a condition of grant. In particular, we have interests in tenements in the Adelaide Hills region of South Australia, covering areas situated close to private residences. Although we have taken every reasonable step to apply for all relevant authorisations at the earliest opportunity, the proximity of the areas covered by the tenements to private residences increases the risk of delay.

**Environment**

Our projects are subject to State and Federal laws and regulations regarding environmental matters. Many of our activities and operations cannot be carried out without prior approval from and compliance with all relevant authorities. Resource activities can be environmentally sensitive and can give rise to substantial costs for environmental rehabilitation, damage control and losses. We intend to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws.

**Resource Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when made, may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should we encounter mineralisation or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted and mining plans altered in a way which could impact adversely on our operations.

**Agreements with Third Parties**

We are and will be subject to various contracts and agreements with third parties. There is a risk of financial failure or default by a counterparty to these arrangements. Any breach or failure may lead to penalties or termination of the relevant contract. In addition, our interest in the relevant subject matter may be jeopardised.

## Part 5 – Additional Information

### Interests in securities

Our directors have relevant interests in the following securities in it.

Director	Shares	Incentive Rights	Options
Robert Kennedy	15,764,706	-	-
Kevin Malaxos	2,000,000	3,000,000	-
Ewan Vickery	3,225,867	-	-
Leigh McClusky	433,334	-	-
Nicholas Smart (Alternate)	-	-	-

Holders of Shares in which our directors have relevant interests will receive an entitlement to New Shares under this prospectus.

Some of our directors (or entities they control) have also signed underwriting agreements with it, under which they have agreed to apply for Shares in the following amounts:

Director	Controlled Entity (if applicable)	Shares
Robert Kennedy	Triple Eight Gold Pty Ltd	470,588
Kevin Malaxos	Kenny Investments Pty Ltd ATF K&G Malaxos Family Trust	6,000,000
Ewan Vickery	EJ & HC Vickery ATF Vickery Super Fund	3,548,265
Leigh McClusky		800,000
Nicholas Smart (Alternate)	-	-

Each underwriting agreement is in the same terms, summarised as follows:

- If there is a shortfall in the subscription for Shares under the Rights Issue of at least 10,818,853 Shares, each director (or their controlled entity) (**Underwriter**) must apply for the number of shares specified above.
- The Underwriter must apply for and pay for the Shares, and we must allot and issue the Shares, on 25 January 2011
- The issue price for the Shares will be \$0.005 each, and the Shares will otherwise be issued pursuant to this prospectus.

## Director fees

We have paid or agreed to pay the following fees to our directors.

Director	Remuneration (inclusive of superannuation) (2010 – 2011 Financial Year)	Remuneration (inclusive of superannuation) (2012 Financial Year - YTD)
Robert Kennedy	\$6,888	\$89,411
Kevin Malaxos	\$69,054	\$152,455
Ewan Vickery	\$4,542	\$49,958
Leigh McClusky	\$4,542	\$49,958
Nicholas Smart (Alternate)	-	-

Mr Kennedy and Mr Malaxos have provided unsecured loans to the company on arms length terms, and have been paid \$503 and \$470 interest on those loans respectively.

## Expenses of the Issue

The total expenses connected with this Rights Issue, including legal and other advisory fees, listing, printing and other miscellaneous expenses are estimated to be approximately \$65,000.

## Taxation

The potential tax effects relating to the Rights Issue will vary between shareholders. You should satisfy yourself of possible tax consequences by consulting your own professional tax advisers.

## Privacy

We collect, hold and use our shareholders' personal information in order to: service their needs as shareholders; provide facilities and services that they request or that are connected with their interests in securities in it; and to carry out appropriate administration.

We may also use or disclose the information to: people inspecting our register of members; bidders for our securities; regulatory bodies; authorised brokers; print service providers; and mail houses.

Under the *Privacy Act 1988* (Cth), you may request access to your personal information held by us or on our behalf. You can request access to your personal information by telephoning or writing to us.

## Glossary

In this prospectus, the following words have the meanings set out below, unless the context otherwise requires.

- ASIC means the Australian Securities and Investments Commission.
- ASX means ASX Limited ABN 98 008 624 691.
- Closing Date means the closing date of the Rights Issue listed in the “Summary of Important Dates” section of this prospectus.
- Eligible Shareholder means a holder of Shares at 7pm Adelaide time on the Record Date having an address on our register in Australia or New Zealand.
- Listing Rules means the Listing Rules of ASX Limited ABN 98 008 624 691.
- New Shares means Shares in the Company issued pursuant to the Rights Issue.
- Opening Date means the opening date of the Rights Issue listed in the “Summary of Important Dates” section of this prospectus.
- Record Date means the record date to determine the shareholders entitled to participate in the Rights Issue determined in accordance with the ASX Listing Rules, listed in the “Summary of Key dates” section of this prospectus.
- Rights Issue means the non-renounceable rights issue the subject of this prospectus.
- Shares means fully paid ordinary shares in our capital.

Words used in this prospectus that are defined in the Corporations Act 2001 have the meanings given in that Act.

## Consent

Each of our directors has consented to the lodgment and issue of this prospectus.

Signed under section 351 of the Corporations Act 2001:



.....  
 Kevin Malaxos  
 Managing Director

## **Corporate directory**

Maximus Resources Ltd

ABN 74 111 977 354

### **Registered office:**

Level 3, 100 Pirie Street

ADELAIDE SA 5000

### **Directors:**

Mr Robert Kennedy (Non Exec. Chairman)

Mr Kevin Malaxos (Managing Director)

Ms Leigh McClusky (Non Exec. Director)

Mr Ewan Vickery (Non Exec. Director)

Mr Nicholas Smart (Alternate Director)

### **Secretary:**

Ms Rajita Alwis



**Maximus Resources Limited**  
ABN 74 111 977 354



MR JOHN SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**For all enquiries:**

 **Phone:**  
(within Australia) 1300 556 161  
(outside Australia) 61 3 9415 4000

 **Web:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

**Make your payment:**



See over for details of the Offer and how to make your payment

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## Non-Renounceable Rights Issue — Entitlement and Acceptance Form

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 **Your payment must be received by 5:00pm (ACDT) 17 January 2012**

This is an important document that requires your immediate attention. It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

### Step 1: Registration Name

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. Enter the number of new securities you wish to apply for and the amount of payment for those securities.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Prospectus dated 12 December 2011.

Choose one of the payment methods shown below.

**BPAY®:** See overleaf. Do not return the slip with BPAY payment

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to Maximus Resources Limited. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

**Turn over for details of the Offer →**

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Maximus Resources Limited Non-Renounceable Rights Issue  
Payment must be received by 5:00pm (ACDT) 17 January 2012

