
NEWS

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MAXIMUS SHAREHOLDERS VOTE YES FOR
\$15 MILLION EROMANGA URANIUM FLOAT

Australia's newest uranium float – a proposed A\$15 million capital raising by Eromanga Uranium Limited (ERO) - is to go ahead next month after securing approval today from shareholders in Maximus Resources Limited.

Shareholders in Maximus voted overwhelmingly at a meeting in Adelaide today to vend selected uranium assets in the Company into Eromanga ahead of that company's proposed capital raising and listing on the ASX.

The yes vote was necessary before the formal Eromanga Initial Public Offer (IPO) could proceed.

The decision will see Eromanga list on the ASX possibly by September as a uranium-only explorer, with exploration assets in South Australia and the Northern Territory.

"The vote also means Maximus – a multi-commodity mining explorer – will retain a strong exposure to the uranium sector," the Company's Chairman, Mr Bob Kennedy, said today.

"The vote outcome means increased exposure for our shareholders to the current upside in uranium while we continue to focus on our emerging gold, copper, nickel and platinum opportunities in three states," Mr Kennedy said.

Maximus will continue to own uranium assets at Windimurra/Narndee in WA not vended by it into Eromanga, the Company's Managing Director, Dr Kevin Wills said.

"We will also be involved in two uranium joint ventures in SA with Eromanga, with a 30% interest in the Eromanga Basin Joint Venture and a 50% stake in the Billa Kalina Joint Venture," Dr Wills said.

Shareholders in Maximus, and ASX-listed explorer, Flinders Diamonds Limited, which has associated interests in Maximus – and who are on the share register of either company at close of business on Wednesday 9 August, will receive priority rights in the Eromanga IPO.

Potentially Australia's largest uranium float

The proposed new Eromanga uranium float has set a target of A\$15 million with an allowance to push out to \$20 million through oversubscriptions.

If subscribed to this level, the proposed offering would be the country's largest uranium float.

"The way is now clear to release our prospectus by around 14 August with the aim of listing on the ASX by 23 September," Eromanga's Managing Director, Mr Kevin Lines, said today.

"The Offer will come into a market more informed and appreciative of the emerging global dynamics for such energy stocks," Mr Lines said.

"These dynamics include unsatisfied, expanding and viable, longer-term demand for uranium-based energy opportunities," he said.

"This is a marked shift in sentiment from less than 12 months ago.

"The change is being driven by welcome, more sensible debate at the political level on nuclear energy - and recognition domestically and internationally of the potential for Australia's uranium resources to service selected demand.

"The Eromanga IPO is therefore timely and relevant."

Although the prospectus is still being finalised, Mr Lines said he expected little structural change from earlier announced proposals for an issue of 60 million 25 cent shares to raise up to \$15 million, with a minimum subscription of \$10 million. Provision would be made for a maximum issue of 80 million shares, raising \$20 million.

Eromanga will have interests in vast uranium exploration licence areas including the Eromanga Basin region of SA and the NT and the Billa Kalina prospect near the giant Olympic Dam mine in SA.

Mr Lines said Eromanga planned to spend \$7 million over at least the next six years to manage and earn a 70% interest in the Eromanga Basin project from Maximus.

This consists of 18 exploration licence areas covering 16,216 square kilometres in SA and the NT.

The Eromanga Basin JV involves exploration licences 3573 to 3579, 3590, 3591 and 3599 to 3602 plus licence application 30/06 totalling 12,748 square kilometres in SA and exploration licence applications EL 25161 to EL 25163 and EL 25166 totalling 3,468 square kilometres in the NT.

A 50% interest will be earned in the Billa Kalina prospect through the expenditure of \$3 million on exploration there over the next three years with the remaining 50% held by Maximus.

This JV area - including exploration licences 3170, 3337, 3338, 3525 and 3526 totalling 4084 square kilometres in SA - was originally acquired by Flinders Diamonds as part of its diamond exploration program on the Gawler Craton.

The project is located on a line joining the Olympic Dam mine and the Prominent Hill development project, about 70 kilometres from Olympic Dam and 50 kilometres from Prominent Hill.

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