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# NEWS

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### **MAGNETITE-RICH ZONES AT W.A. PROJECT BOOST MAXIMUS' COMMERCIAL HOPES**

The discovery of three thick magnetite-rich zones of iron mineralisation has fuelled confidence that the Canegrass project near Windimurra in Western Australia will yield a broad variety of valuable commercial opportunities.

In an announcement today, Adelaide-based Maximus Resources Limited (ASX: "MXR") said preliminary drilling programs totalling 7,000 metres had confirmed the presence of three magnetite-enriched zones that would now be the focus of closer-spaced reverse circulation drilling targeting 280-500 million tonnes of iron ore.

The new target, covering two areas of Block 3 at Canegrass, is in addition to a previously reported target of 1.7-3.0 billion tonnes of 20-35% magnetite for Maximus' principal Block 1 target.

"Preliminary standard Davis Tube tests on these three zones have readily produced magnetic concentrates containing over 50% iron, with variations in composition that should enable a wide range of commercial opportunities," Maximus Resources' Managing Director, Dr Kevin Wills, said.

"These include high iron and vanadium with moderate titanium for a vanadium-rich concentrate, and high iron with moderate titanium and vanadium for an iron-rich concentrate," Dr Wills said.

"We are now preparing a program of more sophisticated metallurgical tests to determine how the extraction of these three valuable metals can be achieved cost effectively."

The Canegrass prospect, located 60 kilometres southwest of Mount Magnet, has yielded extensive magnetite concentrations over an area of more than 20 kilometres long and up to 3 kilometres wide.

"Our drilling at Canegrass is producing an ever richer picture, with the latest data pointing to the likelihood of continuous zones with abundant magnetite between the near-surface and 200 metres depth," Dr Wills said.

Maximus is currently awaiting heritage clearances and work program approvals for further broad spaced RC drilling on its five other blocks at Canegrass, which it hopes to commence in late September or October.

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**Competent Person Statement**

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr K Wills, who is an employee of Maximus Resources Limited, 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".

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