ASX Announcement

23rd May 2016

Maiden High Grade Lithium Discovery at Spargoville Project in WA

HIGHLIGHTS

- **First exploration program discovers High Grade Lithium bearing pegmatite at Lefroy Prospect**
- **Exceptional grades of Lithium up to 4.97% Li_20 returned from preliminary rock chip sampling**
- **Results average 3.55% Li_20 over 200m of strike length**
- **Further targets currently being investigated**

Maximus Resources Limited ("Maximus" or "the Company") is pleased to advise that it has discovered a significant Lithium bearing Pegmatite at Target 1 on the Lefroy Prospect. The discovery was made during the Company's first dedicated Lithium exploration field program designed to test a series of targets generated from auger drill results by previous explorers, detailed aerial photography interpretations and geophysical imaging. The discovery at Target 1 (See Figure 1) shows Lithium bearing mica (lepidolite) over a strike length of 200m with results averaging 3.55% Li_20, and a peak value of 4.97% Li_20.

The Lithium bearing pegmatite is hosted within a mafic-ultramafic complex, remains open in all directions and has not previously been drill tested.

Further east of Target 1, high Lithium values of up to 1.74% Li_20 have been returned from re-sampling of historical RC holes where pegmatite was intersected and logged during nickel and gold exploration programs.

X-Ray diffraction analysis will be undertaken on selected samples to determine the presence, and range of lithium bearing minerals present such as lepidolite, petalite and spodumene)

Maximus' exploration crew is currently in the field investigating several additional targets generated from the initial MXR review.

The Spargoville Lithium Project lies on the northern portion of the Southern Yilgarn Tantalum-Tin-Lithium Province, in the vicinity of two major Lithium Projects; Mt Marion (Neometals), and Lepidolite Hill (Lithium Australia) (see Figure 1). Neometals recently reported the Mt Marion total Indicated and Inferred Mineral Resources at 23.24Mt @ 1.39% Li_20 (NMT ASX release 29/01/2016) and is currently undergoing mine construction, with commissioning due mid-year. The Mt Marion project is situated approximately 20km north of the Company's Lefroy and Landor Lithium prospects.

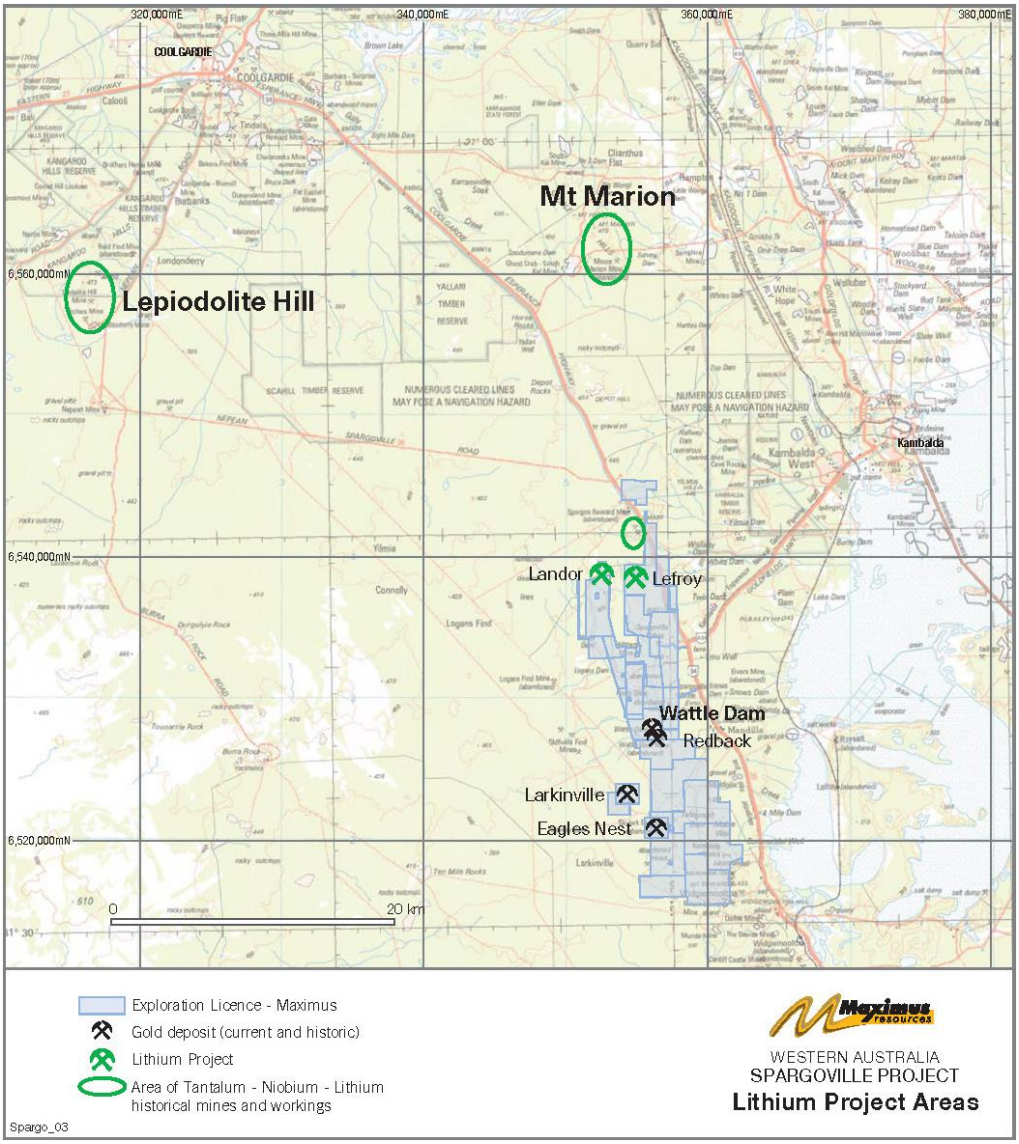

Figure 1:.Location of Lefroy and Landor Lithium prospects of which Maximus holds 100% interest

- **Plate 1**: Rock chip sample of outcropping pegmatite (LFR014) containing Lithium bearing mica. This sample returned assay results of 3.14% Li_20, and 34 ppm Ta_2O_5SN (see Note)

- **Plate 2**: Pegmatite sample (LFR015) containing Lithium bearing mica that returned assay grades of 3.55% Li_20, and 62 ppm Ta_2O_5. (see Note)

Note: In LCT pegmatite, Ta usually occurs as the mineral tantalite, which is highly resistant to a four acid attack used to assays these rock chips. It is likely the actual concentration of Ta in these samples is higher when assayed by a more appropriate fusion method.

Results of the recent rock chip sampling from Lefroy prospect are presented in Table 1;

Sample Number	Description	Easting	Northing	Li_2O (%)	Cs (ppm)	Ta_2O_5 (ppm)	Rb (%)
1	massive lepidolite	354648	6537728	***2.91***	***1442***	***38***	***1.57***
2	massive lepidolite	354608	6537733	***3.19***	***2213***	***54***	***1.85***
3	massive lepidolite	354588	6537741	***3.40***	***2300***	***54***	***1.96***
4	massive lepidolite	354548	6537751	***3.57***	***3314***	***89***	***1.99***
5	microcline feldspar	355061	6537554	0.04	179	2	0.58
6	WRC0022 116-118m from chip trays	355095	6537402	1.74	1988	48	0.88
7	HRC054 120m - 127m mica peg	355180	6537220	0.47	494	27	0.39
8	albite feldspar	354552	6537751	0.06	1344	1	1.35
9	albite feldspar	354552	6537751	0.08	62	4	0.05
10	albite feldspar	354552	6537751	0.03	25	20	0.02
11	albite feldspar	354552	6537751	0.07	1159	1	1.39
12	feldspar with spotted muscovite books.	354552	6537751	0.23	128	4	0.15
13	albite feldspar and beryl	354552	6537751	0.02	20	4	0.01
14	qtz-albite- cg lepidolite rock	354555	6537755	***3.14***	***1509***	***34***	***1.54***
15	qtz-albite- fg lepidolite rock float	354589	6537752	***3.55***	***2366***	***62***	***1.91***
16	qtz-musc-tormaline-gt pegmatite	354740	6537741	0.13	218	9	0.22
17	albite	354738	6537744	0.05	213	1	0.10
18	qtz-lepidolite rock, float	354747	6537732	***4.97***	***6858***	***178***	***1.72***

Table 1: Recent rock chip sampling results from Lefroy prospect.

The company continues to test this Lithium target and others through soil and rock chip sampling, and as further results are returned from all recent programs at Lefroy, the next, more detailed exploration program will be formulated.

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Further information relating to Maximus Resources Limited and its diversified exploration projects will be found on Maximus' website: *www.maximusresources.com*

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Stephen Hogan who is a Member of the Australasian Institute of Mining and Metallurgy, and who has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activities being undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves (the JORC Code). This report is issued in the form and context in which it appears with the written consent of the Competent Person.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	*Rock chip samples were collected at various locations within the company's granted tenements, specifically of pegmatite. Samples of approximately 1-1.5kg were collected, as multiple small fragments, from either outcrop or subcrop.*
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	*At each rock chip location the easting and northing were recorded by a handheld GPS, and noted. A brief sample description and additional comments as necessary were recorded at each sample location. All sampling protocols remained constant throughout the program.*
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	*1-1.5kg rock chip samples were collected from either outcrop, subcrop or float and placed inside individually uniquely numbered calico bags and secured. The bags were transported to Intertek Laboratories in Kalgoorlie, WA for sample preparation. Subsequent geochemical analysis was conducted by Intertek in Perth WA.* *In the laboratory, samples are crushed and pulverized to produce an homogenous subsample for analysis via a 4 acid digestion/ICP-OES & ICP-MS (Intertek code 4A/OM20) for Ag,Al,As,Ba,Be,Bi,Ca,Cd,Ce,Co,Cr,Cs,Cu, Dy,Er,Eu,Fe,Ga,Gd,Ge,Hf,Ho,In,K,La,Li,Lu, Mg,Mn,Mo,Na,Nb,Nd,Ni,P,Pb,Pr,Rb,Re,S,S b,Sc,Se,Sm,Sn,Sr,Ta,Tb,Te,Th,Ti,Tl,Tm,U, V,W,Y,Yb,Zn and Zr.* For Li results exceeding 5000ppm, are reanalyzed via sodium peroxide fusion and hydrochloric acid digestion in Teflon tubes and then analysed by ICP-MS

Criteria	JORC Code explanation	Commentary
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	*Not applicable as no drilling techniques are used during rock chip sampling.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	*Not applicable as no drilling techniques are used during rock chip sampling.*
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	*Not applicable as no drilling techniques are used during rock chip sampling.*
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	*Not applicable as no drilling techniques are used during rock chip sampling.*
	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	*Rock chip samples have been described geologically, but not to a level of detail suitable for Mineral Resource estimation, mining and metallurgical studies.*
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	*Logging was restricted to describing individual rock samples collected.*
Logging	*The total length and percentage of the relevant intersections logged.*	*Not applicable as no drilling techniques are used during rock chip sampling.*
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	*No core was collected.*
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	*Samples were collected from outcrop, subcrop and float and all samples were dry.*
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	*Samples were prepared at the Intertek Laboratory in Kalgoorlie. Samples were dried, and the whole sample pulverised to 85% passing 75um. The procedure is industry standard for this type of sample.*
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples	*No sub sampling occurred. The entire 1-1.5kg samples were crushed, pulverised and homogenised.*
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	*No field duplicate samples were collected.*
	Whether sample sizes are appropriate to the grain size of the material being sampled.	*Sample sizes are considered appropriate to give an indication of mineralisation for the exploration method.*
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	*Samples were analysed at the Intertek Laboratory in Perth. The analytical method used was 4 acid digestion/ICP-OES & ICP-MS (Intertek code 4A/OM20). Four acid digests with the inclusion of hydrofluoric acid targeting silicates, will decompose almost all mineral species and are referred to as "near-total digestions". Highly resistant minerals such as zircon, cassiterite, columbite-tantalite, rutile, barite and wolframite will require a fusion digest to ensure complete dissolution.*
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	*Not Applicable.*
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks)	*2 lab blank, 0 lab check, and 1 lab standards were inserted and analysed*

Criteria	JORC Code explanation	Commentary
	and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	*by Intertek Laboratories.*
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	*The geochemical results were checked by the Exploration Manager.*
	The use of twinned holes.	*Not applicable as no drilling techniques are used during rock chip sampling.*
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	*All field logging is carried out on paper logs. Logging data is entered into a spreadsheet, then electronically to the Database Geologist in the office. Assay files are received electronically from the Laboratory. All data is stored in a Access database system, and maintained by the Database Manager.*
	Discuss any adjustment to assay data.	*Lithium values have been adjusted by multiplying the raw value by 2.153, to report as Li20 Tantalum values have been adjusted by multiplying the raw value by 1.2211 to report as Ta2O5 which is standard industry practice.*
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	*Rock chip sample locations were determined by handheld GPS with an accuracy of 5m in Northing and Easting.*
	Specification of the grid system used.	*Grid projection is GDA94, MGA Zone 51.*
	Quality and adequacy of topographic control.	*No RL's were measured.*
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	*The rock chip samples are randomly located, based upon where prospective rocks occurred, in either outcrop, subcrop or float.*
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	*No mineral resource or reserve estimation has been undertaken. Rock chip sample results are not suitable for incorporation into mineral resource or ore reserve estimations.*
	Whether sample compositing has been applied.	*No sample compositing has been applied.*
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	*Rock chip sampling is of a reconnaissance nature only, and it is not possible to determine whether such sampling has achieved an unbiased sampling of possible structures.*
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	*No orientation based sampling bias has been determined.*
Sample security	*The measures taken to ensure sample security.*	*Pre-numbered calico sample bags were collected in plastic bags (ten calico bags per single plastic bag), sealed, and transported by company transport to the Intertek Laboratory in Kalgoorlie. Pulps were despatched by Intertek to their laboratory in Perth for assaying.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*Sampling and assaying techniques are industry-standard. No specific audits or reviews have been undertaken at this stage in the programme.*

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	*The work described in this report was undertaken on Mining Leases M1501323, M15/1448, M15/1770 and M15/1769, Exploration Licence E15/967 and Prospecting Licence P1504884, all held 90% by Maximus Resources. (except for M15/1448 held Maximus Resources 81%, Bullabuling 10%)*
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area	*The tenements are in good standing with the WA DMP.*
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*The Lefroy Prospect was first investigated by Ramelius Resources (ASX:RMS) in 2006 as mining commenced at the Wattle Dam gold mine. The prospect was identified from a routine 200m x 40m gold and nickel exploration auger drilling program. Multi element assays from this auger program returned approximately 100 times background results for Tantalum and Niobium, along with elevated Lithium values.* *Pegmatite sampling of available drill hole spoils and outcrop was conducted by Kinloch Resources in 2012. Mitchell, M.S., 2012, M15/1448 & M15/1770 Final Report. Unpublished report to Ramelius Resources.*
Geology	*Deposit type, geological setting and style of mineralisation.*	*The geology is dominated by Archean mafic/ultramafic and sedimentary lithologies, intruded by granites and pegmatite dykes.*
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	*A summary of all rock chip sampling referred to in this report is presented in Table 1.*
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	*Rock chip results are presented without any weighting and/or cut-off grades applied. Lithium values have been adjusted by multiplying the raw value by 2.153, to report as Li20 Tantalum values have been adjusted by multiplying the raw value by 1.2211 to report as Ta2O5 which is standard industry practice.*
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	*Rock chip results are presented without any weighting and/or cut-off grades applied.*

Criteria	JORC Code explanation	Commentary
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	*No metal equivalent values are used.*
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	*Widths of mineralisation have not been postulated.* *Not applicable, as no drilling has been conducted.* *Not applicable, as only rock chip results have been included in this report*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*Not Applicable, no drilling undertaken*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	*A summary of all rock chip sampling referred to in this report is presented in Table 1.*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*All relevant data has been included within this report.*
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*further surface sampling and drilling of prospective rock types to test for lateral and depth extensions.*