

MAXIMUS RESOURCES LIMITED

ABN 74 111 977 354

Entitlement Issue Prospectus

This Prospectus relates to a Non-Renounceable Entitlement Issue to Shareholders to subscribe for 2 (two) Shares (New Shares) for every 5 (five) existing Shares held. Persons issued New Shares will receive one free Attaching Option for every New Share issued.

The New Shares are offered at a price of \$0.003 (0.3 of a cent) each to raise approximately \$1,613,289 (before expenses). The Attaching Options are exercisable at \$0.006 (0.6 of a cent) on or before 31 May 2017.

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.

Corporate directory

Directors

Mr Robert Kennedy (Non-Executive Chairman)
Mr Kevin Malaxos (Managing Director)
Ms Leigh McClusky (Non-Executive Director)
Mr Ewan Vickery (Non-Executive Director)
Mr Nicholas Smart (Alternate Director)

Company Secretary

Ms Rajita Alwis

Registered office

Level 3, 100 Pirie Street
ADELAIDE SA 5000

Principal Place of Business

Level 3, 100 Pirie Street
ADELAIDE SA 5000
Phone: (08) 7324 3172

Website

www.maximusresources.com

Share Registry

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000

Stock Exchange Listing

Australian Securities Exchange
ASX Code: MXR

Chairman's Letter

Dear Shareholder,

On behalf of the directors of Maximus Resources Limited (Company), I am pleased to invite you to participate in a pro-rata non-renounceable rights issue on the basis of two (2) New Shares for every five (5) existing Shares held by Shareholders on the Record Date at an issue price of \$0.003 per New Share to raise approximately \$1,613,289 before costs. Persons issued New Shares will receive one free Attaching Option for every New Share issued.

The Company intends to apply the funds raised from the Offer as set out in Part 1 of this Prospectus.

The Offer provides Eligible Shareholders with the opportunity to increase their investment in the Company at an attractive price and demonstrate their commitment to the next phase of evaluation and development of the Company's projects primarily located at Spargoville and Narndee in Western Australia.

Eligible Shareholders may also apply for New Shares in excess of their Entitlement at the same price of \$0.003 per New Share under the Shortfall Offer. This is an opportunity for Eligible Shareholders to apply for additional New Shares in order to top up their holdings at the issue price which represents a 57% discount to the closing price on 12 April 2016.

You are encouraged to read this Prospectus and the accompanying Entitlement and Acceptance Form fully. If you have any queries in relation to the Offer, you should consult your stockbroker or other professional advisor.

The Prospectus contains important information about the Offer, including:

- a) details of the Offer, including key dates;
- b) actions required by Shareholders; and
- c) risk factors associated with the Offer.

Should you elect to participate in the Offer, you must complete the personalised Entitlement and Acceptance Form in accordance with the instructions provided.

Shareholders who have any queries about the Offer can contact the Company at any time from 9.00am to 5.00pm (Adelaide time) during the Offer period.

As an endorsement of our commitment to the Company, the Directors intend to participate in this Offer.

Yours faithfully,



Robert Kennedy
Chairman

Important Notices

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

This Prospectus is dated 13 April 2016. 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 13 months after the Prospectus date. No New Securities will be issued under this Prospectus after that date.

Key Risks

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

- Going concern
- Future capital requirements
- Exploration and development
- Loss of key personnel

Investors should note that detail relating to these key risk factors has not been repeated in the Important Notices.

Quotation of securities

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

Attaching Options will not be quoted on ASX.

Special meanings

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

Advice

This is an important document. Before deciding to apply for New Securities you should consider whether they are a suitable investment for you. Persons wishing to subscribe for New Securities offered by this Prospectus should carefully read this Prospectus and consult their professional adviser for the purpose of making an informed assessment of the effect of investing in the Company and the rights and liabilities attaching to, and the nature of, the New Securities offered by this Prospectus.

Jurisdiction

This Offer is only being made to members of the public within Australia and New Zealand. The Company has determined that it would be unreasonable to make an offer under this Prospectus to persons that are not residents of Australia and New Zealand having regard to the cost of complying with legal requirements in foreign countries. Neither this Prospectus nor the Entitlement and Acceptance Form constitute an offer or, an invitation by or on behalf of

the Company to subscribe for or purchase any of the New Securities in any jurisdiction or to any person to whom it is unlawful to make such an offer or invitation.

Entitlement and Acceptance Forms

Applications for New Securities may only be made using an Entitlement and Acceptance Form attached to or accompanying the Prospectus.

The Corporations Act prohibits any person from passing on to another person an Entitlement and Acceptance Form unless it is attached to or accompanies a printed copy of this Prospectus or the complete unaltered electronic version of this Prospectus.

Representations

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus, which is not contained in this Prospectus. Any information or representations not so contained may not be relied on as having been authorised by the Company in connection with this Offer.

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Summary of important dates

Lodgement of this Prospectus with ASIC	13 April 2016
“Ex” date	15 April 2016
Record Date to determine entitlement to New Shares and Attaching Options	18 April 2016
Prospectus and Entitlement and Acceptance Forms dispatched to Shareholders	21 April 2016
Opening date	21 April 2016
Closing date for acceptances	9 May 2016
Shares quoted on a deferred settlement basis	10 May 2016
Notification to ASX of under subscriptions	12 May 2016
Expected date of allotment of New Shares and Attaching Options	16 May 2016
Expected date of quotation of New Shares on ASX	17 May 2016

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

Part 1 – Investment Overview

What is the Rights Issue?

This is an offer of approximately 537,762,999 New Shares to our Eligible Shareholders who are registered on the Record Date. The New Shares are being offered on the basis of two New Shares for every five Shares then held. Persons that apply for New Shares will receive one free Attaching Option for every New Share for which they apply. The offer of Attaching Options is made under this Prospectus.

What is the issue price?

The issue price is \$0.003 (0.3 of a cent) per New Share and is payable in full on application.

Fractional entitlements

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

What is the purpose of the Rights Issue?

Under the Rights Issue, we are seeking to raise approximately \$1,613,289. No funds will be raised from the issue of the Attaching Options. Based on current information and budgets, the Company intends to apply the money raised from the Offer under this Prospectus as outlined in the table below.

Results of exploration will lead to an ongoing re-assessment of each project and work programs and budgets may be modified accordingly.

There is no minimum subscription under the Offer. If less than \$1,613,289 is raised, the Company intends to apply the amount raised first to expenses and costs of the Offer (detailed at item 5) and second to those activities that would be most beneficial for the progression of the projects. Those activities, in order of priority, are items 1, 2, 3 and 4 as set out in the below Use of Funds table.

Use of Funds	Amount
1. Wattle Dam target investigation including additional soil sampling, drilling and assaying, preliminary resource calculations for Eagles Nest and Redback and feasibility studies.	\$812,000
2. Lefroy and Landor Lithium projects investigation including further sampling, drilling and assaying.	\$237,000
3. Narndee electromagnetic survey on base metal targets and reverse circulation drill testing.	\$217,000
4. General working capital to cover office rental & outgoings (\$18,000), communications (\$2,000), director fees & office staff salaries (\$196,369) corporate costs (\$60,000) and office consumables (\$10,000).	\$286,369
5. Expenses of the Offer to cover ASIC filing fees \$2,320, legal fees \$10,000, Prospectus drafting fees \$4,000, corporate advisory charges \$16,000, Prospectus project management fees (including mailing and printing)\$22,000, and ASX quotation fees \$6,600.	\$60,920
TOTAL	\$1,613,289

Effect of the Offer on Capital Structure

The effect of the Offer on the capital structure of the Company is set out in the following table:

	Pre-Offer	Post-Offer (undiluted basis) (Assuming 537,762,999 New Shares are issued under the Offer)	Post-Offer (fully diluted basis) (Assuming 537,762,999 New Shares are issued under the Offer and 537,762,999 Options exercised)
Ordinary shares	1,344,407,498	1,882,170,497	2,419,933,496
Unlisted Options	-	537,762,999	-

Effect of the Offer on Control

The Offer is not expected to have any effect on the control of the Company.

The Company is not aware of any Shareholder as at the date of this Prospectus that has a relevant interest in Shares or Voting Power in the Company of 5 per cent or more.

Based on the Shareholdings in the Company as at the date of this Prospectus, even if the largest Shareholder took up all their Entitlement and no other Eligible Shareholder took up any of their Entitlement, the largest Eligible Shareholder's Voting Power would not increase to an extent that it would have an effect on the control of the Company. That is the case, even having regard to the combined percentage interest of ineligible Shareholders as at the date of this Prospectus, being shareholders with a registered address outside of Australia and New Zealand. (Ineligible Shareholders have a combined interest of only 0.7 per cent as at the date of this Prospectus).

There is a possibility that persons that apply for and are issued with New Shares under the Shortfall Offer could acquire a substantial interest in the Shares or Voting Power in the Company. However, the Company will ensure that no person will be issued New Shares that would result in their Voting Power in the Company exceeding 19.9 per cent.

Shareholder Dilution

Shareholders that choose not to participate in the Offer will have their shareholding diluted as a percentage of the overall shares on issue, due to the New Shares issued under the Offer.

The following scenarios illustrate the effect of potential dilution for a Shareholder that holds either 10,000,000 or 5,000,000 shares on the Record Date:

Current shareholding	5,000,000	10,000,000
Voting Power at Record Date	0.37%	0.74%
Entitlement	2,000,000	4,000,000
Offer fully subscribed with Shareholder participation	0.37%	0.74%
Offer 75% subscribed with Shareholder participation	0.40%	0.80%
Offer 50% subscribed with Shareholder participation	0.43%	0.87%
Offer 25% subscribed with Shareholder participation	0.47%	0.95%
Offer fully subscribed without Shareholder participation	0.27%	0.53%
Offer 75% subscribed without Shareholder participation	0.29%	0.57%

Offer 50% subscribed without Shareholder participation	0.31%	0.62%
Offer 25% subscribed without Shareholder participation	0.34%	0.68%

The above tables set out in Part 1 of this Prospectus relating to the Company's capital structure and Shareholder dilution do not include 25,000,000 Shares Tychean Resources Limited may be issued, which issue is subject to conditions being met under the Spargoville Second Sale and Purchase Agreement dated 17 February 2016.

Opening and Closing Dates

The Rights Issue will open for receipt of acceptances on the Opening Date and closes on the Closing Date. The Directors reserve the right to withdraw the Offer at any time, close the Rights Issue early or extend the Closing Date (subject to the Corporations Act and Listing Rules). You should lodge your Entitlement and Acceptance Form as soon as possible.

Rights Trading

The Rights to New Shares are non-renounceable, which means that Rights cannot be traded.

Acceptances

Shareholders may accept all or part of their Entitlement.

Instructions for completion are set out on the accompanying Entitlement and Acceptance Form. Acceptance must not exceed your Entitlement as shown on that form.

ASX Quotation

Application will be made within seven days after the date of the Prospectus for the New Shares offered under this Prospectus to be granted official quotation by the ASX. The granting by ASX for the official quotation of the New Shares is not guaranteed.

If application for admission of the New Shares to quotation is not made within seven days or the New Shares are not admitted to quotation on the ASX within 3 months after the date of this Prospectus, none of the New Shares offered under this Prospectus will be issued and allotted and all application monies will be refunded.

Application will not be made for the Attaching Options offered under this Prospectus to be granted official quotation by the ASX.

ASX takes no responsibility for the contents of this Prospectus.

What are the rights and liabilities attaching to the 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, 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.

What are the rights and liabilities attaching to the Attaching Options?

Terms of the Attaching Options are in Part 5 of this Prospectus.

Is there a minimum capital raising?

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

Shortfall in subscription

The Directors reserve the right to issue any shortfall in subscription for New Shares and Attaching Options at their discretion within 3 months after the close of the Offer (**Shortfall Offer**). Any New Shares and Attaching Options under the Rights Issue that are not taken up pursuant to the Offer by Eligible Shareholders will form the Shortfall Offer. Offers of shortfall are made as a separate offer under this Prospectus. Should the Directors decide to issue any shortfall, the Shortfall Offer will remain open after the Closing Date. The issue price for each New Share to be issued under the Shortfall Offer is \$0.003 (0.3 of a cent). In addition, one Attaching Option will be issued with each New Share issued under the Shortfall Offer.

The Shortfall Offer securities may be placed at the discretion of the Directors subject to the Listing Rules, Corporations Act and any other applicable law. It is your responsibility to ensure

that you will not breach the takeovers provisions in the Corporations Act by applying for Shortfall Offer securities and any allocation of the Shortfall Offer securities by the Directors will be subject to section 606 of the Corporations Act.

Overseas Shareholders

This Offer is only being extended to Shareholders with registered addresses in Australia and New Zealand. All other Shareholders (**Non-Resident Shareholders**) will not be offered Rights under this Prospectus. The Company has determined, in accordance with the Listing Rules, that it would be unreasonable to make an offer under this Prospectus to Non-Resident Shareholders having regard to:

the number of Shareholders in the places where the offer would be made;

the number and value of the Rights that would be offered; and

the cost of complying with the legal requirements in those places.

No Entitlement and Acceptance Forms are being sent to Non-Resident Shareholders.

Neither this Prospectus nor the Entitlement and Acceptance Form constitute an offer of, or an invitation by or on behalf of the Company to subscribe for or purchase any of the New Shares in any jurisdiction or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and Entitlement and Acceptance Form, and the offering of New Shares, in certain jurisdictions may be restricted by law. Persons into whose possession such documents come should inform themselves about and comply with those restrictions.

Taxation

Shareholders should be aware that there are taxation implications for subscribing for New Shares. These taxation implications will vary between different Shareholders and Shareholders should consult their own professional tax adviser in relation to the taxation implications.

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 Securities;
- take up all of your entitlement to New Securities and apply for any Additional Shares 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.

Payment for the Shares

Refer to the Entitlement and Acceptance Form for instructions on its completion. If you wish to take up your Entitlement, please follow the instructions carefully on the Entitlement and Acceptance Form. Should you wish to make payment for your Entitlement via BPAY® please follow the instructions carefully on the Entitlement and Acceptance Form. If you make your payment using BPAY® you do not need to return your Entitlement and Acceptance Form. By paying by BPAY® Bpay you will be deemed to have completed an Entitlement and Acceptance Form for the number of Shares the subject of your payment. If you wish to take up your Entitlement via cheque, bank draft or money order please send your completed Entitlement and Acceptance Form together with payment drawn on an Australian bank and made payable to “Maximus Resources Limited” for the total amount payable to reach the Company’s share registry by 5:00 pm (Adelaide time) on the Closing Date. Please ensure you allow sufficient time for the application form and funds to be received by the Closing Date.

Taking up any Additional Shares by Eligible Shareholders

If an Eligible Shareholder wishes to take up any Additional Shares offered on the basis of this Prospectus which are not taken up by other Eligible Shareholders, the 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.

Taking up New Shares under Shortfall Offer

Investors in Australia and New Zealand, 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 by the Company to investors upon request. Refer to the Shortfall Offer detailed in Part 1 of this Prospectus and the Shortfall Application Form for instructions on its completion. Shortfall Application Forms together with payment for the New Shares must be returned to the Company. Receipts will not be issued.

New Shares allotted under the Shortfall Offer, will not be issued on the same date as the New Shares and Additional Shares to Eligible Shareholders. Shortfall Shares will be issued to other investors once the Company has determined the number of New Shares (if any) available under the Shortfall Offer.

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 Closing Date. The offer of shortfall is made as a separate offer under this Prospectus.

Part 3 – Information about Us

Disclosing entity information

This Prospectus is issued under section 713 of the Corporations Act as a Prospectus for the offer of continuously quoted securities.

We are a "disclosing entity" for the purposes of the Corporations Act 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 (including us). Our announcements can be viewed on the ASX Market Announcements Platform via www.asx.com.au. 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 2015 Annual Report.
- Our December 2015 Half-year Financial Report.
- The following announcements lodged with ASX since the release of our 2015 Annual Report:

Date	Announcement
13/04/2016	Cleansing Notice and Appendix 3B
13/04/2016	Rights Issue and Placement
12/04/2016	Maximus advances Lithium potential in Western Australia
08/04/2016	Ceasing to be a substantial shareholder from TYK
06/04/2016	Change of substantial holding from TYK
11/03/2016	Appendix 3Y's
09/03/2016	Ceasing to be a substantial shareholder
08/03/2016	Becoming a substantial shareholder from TYK
29/02/2016	Maximus investigates Lithium potential at Spargoville
25/02/2016	Cleansing Notice and Appendix 3B
25/02/2016	Exploration Update
24/02/2016	Half Year Accounts
19/02/2016	MXR secures full ownership of WA Gold Project
18/02/2016	Cleansing Notice and Appendix 3B
29/01/2016	Quarterly Report and Appendix 5B
28/01/2016	Spargoville Drilling delivers High Grade Gold results
22/12/2015	Becoming a substantial shareholder
17/12/2015	Appendix 3Y's x 4
11/12/2015	Share Purchase Plan results
11/12/2015	Appendix 3B
08/12/2015	Eagles Nest Drilling Program Completed
03/12/2015	Drilling Update – Eagles Nest Gold Project
02/12/2015	Drilling commenced on Eagles Nest Gold Project
25/11/2015	Extension of SPP closing date to 4 December 2015
24/11/2015	Drilling on Eagles Nest gold project to commence in December
18/11/2015	Results of Meeting
18/11/2015	Managing Director's Presentation
18/11/2015	Chairman's Address to Shareholders

17/11/2015	Maximus achieves milestone on Spargoville gold project
13/11/2015	Share Purchase Plan
10/11/2015	Eagles Nest Exploration review – revised
30/10/2015	Appendix 4G and Corporate Governance Statement
30/10/2015	Quarterly Report and Appendix 5B
27/10/2015	Appendix 3B
27/10/2015	S708A Cleansing Notice
27/10/2015	Placement and Share Purchase Plan
26/10/2015	Eagles Nest Shallow Gold deposit identified

Market prices of Shares

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

- \$0.001 on 14 January 2016
- \$0.007 on 12 April 2016

The last sale price for Shares before the date of this Prospectus was \$0.007 on 12 April 2016.

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 \$1.61 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 537,762,999 to approximately 1,882,170,497 Shares;
- increase the number of options over unissued Shares by approximately 537,762,999.

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 half year ended 31 December 2015. The Pro Forma Consolidated Statement of Financial Position illustrates the effect of the Rights Issue as if the Rights Issue had occurred on 31 December 2015, fully subscribed.

	31-Dec-15	Changes	Pro-Forma 31-Dec-15
Current Assets			
Cash and cash equivalents	336,360	1,552,369	1,888,729
Trade and other receivables	24,682	-	24,682
Available for sale assets	17,434	-	17,434
Total current assets	378,476	1,552,369	1,930,845
Non-current assets			
Plant & Equipment	3,609	-	3,609
Exploration and evaluation expenditure	3,410,004	-	3,410,004
Total non-current assets	3,413,613	-	3,413,613
Total assets	3,792,089	1,552,369	5,344,458
Current liabilities			
Trade and other payables	160,026	-	160,026
Short term provisions	37,994	-	37,994
Total current liabilities	198,020	-	198,020
Non-current liabilities			
Provisions	17,340	-	17,340
Total non-current liabilities	17,340	-	17,340
Total liabilities	215,360	-	215,360
Net assets	3,576,729	1,552,369	5,129,098
Equity			
Contributed equity	35,852,017	1,552,369	37,404,386
Retained profits/(losses)	(32,275,288)	-	(32,275,288)
Total equity	3,576,729	1,552,369	5,129,098

** New issue is 537,762,999 ordinary shares at \$0.003 per security less \$60,920 expenses of the Offer*

Note: At 31 December the Company had cash and cash equivalents of \$336,360. Since 31 December 2015, the Company has expended further cash on exploration and for general working capital. As at 31 March 2016, the Company held cash and cash equivalents of \$68,809. On 13 April 2016, the Company completed placement to sophisticated investors for 70 million ordinary shares at \$0.003 per share raising \$210,000 (before costs).

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 us 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.

Key Risks

Going concern

The Company's external auditor noted in respect of the half-year financial report as at 31 December 2015 the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Future Capital Requirements

We will 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 and on terms acceptable to the Company 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. Failure to obtain sufficient further capital for the Company's activities, including new projects (if any) may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional funding will be available when needed or, if available, the terms of the funding might not be favourable to the Company and might involve substantial dilution to Shareholders.

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 (without limitation):

- geological conditions;
- limitations on activities due to seasonal 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, adverse weather conditions, 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 parties).

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.

Risks specific to the Company

Native Title and 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 operations.

Title, Environmental Bonds and 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.

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 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.

Risks specific to the Offer

Dilution Risk

Upon completion of the Rights Issue, assuming all Entitlements are accepted, the number of Shares in the Company will increase from 1,344,407,498 to 1,882,170,497 (on an undiluted basis). If you decide to take up only part of your Entitlement or not to accept any of your Entitlement, your Entitlement will lapse and your ownership of a Company will be diluted to that extent.

Attaching Options

There is no guarantee that the market price of the underlying Shares will trade above the exercise price of the Attaching Options. Accordingly, there is a risk that the Attaching Options could expire out of the money.

General Risks

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.

Part 5 – Additional Information

Terms of Attaching Options

The Attaching Options will be issued on the following terms:

1. Each option entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary share in the Company.
2. Each option is exercisable at any time from the date the option is granted until 31 May 2017 7pm AEST (**Expiry Date**) (inclusive of both dates) by delivering a properly executed notice of exercise of options in a form acceptable to the Company together with the Exercise Price in paragraph 3 of these terms in cleared funds. An option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The exercise price of each option is \$0.006 (**Exercise Price**).
4. Some or all of the options may be exercised at any one time or times prior to the Expiry Date provided that if the number of options held is less than 83,334 then all the options must be exercised at one time and if more than 83,334 options are held they must be exercised in parcels of at least 83,334.
5. The Company will not apply for quotation of the options on ASX.
6. Shares issued pursuant to the exercise of any option will rank in all respects on equal terms with the existing fully paid ordinary shares in the Company.
7. No adjustment to the number of Shares which each option entitles the Optionholder to subscribe will be made, except in accordance with paragraph 9 of these terms.
8. An option will not entitle the holder to participate in any new issue of Shares by the Company, unless the option has been duly exercised prior to the relevant Expiry Date.
9. If there is a reconstruction or reorganisation (including consolidation, sub-division, reduction or return) of the capital of the Company, the rights of the Optionholder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of restructure or reorganisation. Any changes to the terms of the options will not result in any benefit being conferred to the Optionholders which is not conferred on the Shareholders of the Company.
10. Application will be made by the Company to the ASX for permission for quotation to be granted in respect of Shares issued upon exercise of any of the options in the manner required by the Listing Rules.
11. The options will be fully transferable in accordance with the constitution of the Company and, for such time as the Company is listed, the Listing Rules.
12. Shares issued pursuant to the exercise of an option will be issued on a date which will not be more than 10 days after the receipt of a properly executed notice of exercise of option and the Exercise Price in respect of the exercise of the option.

Directors' Interests

Other than as set out below or elsewhere in this Prospectus:

1. no Director or proposed director has, or has had in the two years before the date of this Prospectus, any interest in:
 - 1.1 the formation or promotion of the Company;
 - 1.2 property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - 1.3 the Offer; and
2. no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to:
 - 2.1 any Director or proposed director to induce him or her to become, or to qualify as, a director of the Company; or
 - 2.2 any Director or proposed director for services which he or she has provided in connection with the formation or promotion of the Company or the Offer.

Interests in securities

The securities of the Company in which Directors and their associates have relevant interests as well as the respective Entitlements are:

Director	Shares	Options	Entitlement to New Shares under the Offer	Entitlement to unlisted Attaching Options under the Offer
Robert Kennedy	60,000,000	Nil	24,000,000	24,000,000
Kevin Malaxos	27,500,000	Nil	11,000,000	11,000,000
Ewan Vickery	25,000,000	Nil	10,000,000	10,000,000
Leigh McClusky	4,956,668	Nil	1,982,667	1,982,667
Nicholas Smart (Alternate)	37,500	Nil	15,000	15,000

Director fees

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

Director	Remuneration (inclusive of superannuation) (2015 – 2016 Financial Year)	Remuneration (inclusive of superannuation) (2014 – 2015 Financial Year)	Remuneration (inclusive of superannuation) (2013 – 2014 Financial Year)
Robert Kennedy	\$90,100	\$90,100	\$90,100
Kevin Malaxos	\$275,000	\$275,000	\$325,000
Ewan Vickery	\$54,500	\$54,500	\$54,500
Leigh McClusky	\$54,500	\$54,500	\$54,000
Nicholas Smart (Alternate)	Nil	Nil	Nil

Interests of Persons involved in the Offer

Other than as set out below or elsewhere in this Prospectus:

1. no promoter of the Company or person named in this Prospectus as having performed a function in a Professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has, or has in the two years before the date of this Prospectus had, any interest in:
 - 1.1 the formation or promotion of the Company;
 - 1.2 property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
 - 1.3 the Offer; and
 - 1.4 no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any promoter of the Company, underwriter to the Offer or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or provided in connection with the formation or promotion of the Company, or the Offer.

Underwriting

The Offer is not underwritten.

Expenses of the Rights Issue

On the assumption that the Rights Issue is fully subscribed, the total expenses connected with the Rights Issue including ASIC filing fees, legal fees, prospectus drafting fees, share registry, printing, mail out and ASX quotation fees are estimated to be approximately \$60,920. Further details in respect of the expenses of the Offer are set out in Part 1 of the Prospectus.

Consents

Computershare Investor Services Pty Ltd has consented to being named in this Prospectus as share registry for the Company in the form and context in which it is named and at the time of lodgement of this Prospectus, has not withdrawn consent. Computershare Investor Services Pty Ltd takes no responsibility for any part of this Prospectus other than references to its name. Computershare Investor Services Pty Ltd does not make any statement in this Prospectus nor is any statement based upon a statement by Computershare Investor Services Pty Ltd.

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 us; 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.

- **Additional Shares** means New Shares Eligible Shareholders apply for above their Entitlement.
- **ASIC** means the Australian Securities and Investments Commission.
- **ASX** means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange operated by it (as the context requires).
- **Attaching Options** means options over unissued Shares offered pursuant to this Prospectus on the terms in Part 5 of this Prospectus.
- **Closing Date** means the closing date of the Rights Issue listed in the “Summary of important dates” section of this Prospectus (as may be varied).
- **Company** means Maximus Resources Limited (ABN 74 111 977 354)
- **Corporations Act** means the *Corporations Act 2001* (Cth).
- **Directors** means the current directors of the Company.
- **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.
- **Entitlement** means the entitlement of an Eligible Shareholder to apply for a number of New Securities under the Offer.
- **Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Prospectus.
- **Listing Rules** means the Listing Rules of ASX.
- **New Securities** means the New Shares and Attaching Options offered pursuant to this Prospectus.
- **New Shares** means Shares in the Company issued pursuant to the Rights Issue.
- **Non-Resident Shareholders** has the meaning given to that term in Part 1 of this Prospectus.
- **Offer** means the offer of New Securities made on the basis of this Prospectus.
- **Opening Date** means the opening date of the Rights Issue listed in the “Summary of important dates” section of this Prospectus.
- **Option** means an option to acquire a fully paid share in the company at an exercise price of \$0.006 per share on or before 31 May 2017.
- **Prospectus** means this document.
- **Record Date** means the record date to determine the Shareholders entitled to participate in the Rights Issue determined in accordance with the Listing Rules and listed in the “Summary of important dates” section of this Prospectus.

- **Rights** means the rights to subscribe for New Securities under this Prospectus.
- **Rights Issue** means the offer of securities the subject of this Prospectus.
- **Shareholders** means a holder of Shares.
- **Shares** means fully paid ordinary shares in our capital.
- **Shortfall Application Form** means the shortfall form to be used by an applicant who is not a Shareholder to subscribe for New Securities pursuant to the Prospectus.
- **Shortfall Offer** has the meaning given to that term in Part 1 of this Prospectus.
- **Spargoville Second Sale and Purchase Agreement** means the agreement dated 17 February 2016 whereby the Company secured the remaining 10% of Tychean Resources Limited interest in the Spargoville tenement package.
- **Substantial Holding** has the meaning given in section 9 of the Corporations Act.
- **Tychean Resources Limited** means Tychean Resources Limited (ABN 40 119 031 864).
- **Voting Power** has the meaning given in section 9 of the Corporations Act.

Words used in this prospectus that are defined in the Corporations Act 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:



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Kevin J Malaxos