



ASX Announcement

Wednesday 13th April 2016

ENTITLEMENT ISSUE – NON-RENOUNCEABLE RIGHTS ISSUE AND PLACEMENT

Maximus Resources Ltd (ASX:MXR) (**Company**) is pleased to announce that it will be undertaking a non-renounceable rights issue (**Rights Issue**) to raise approximately \$1.61 million (before costs) through an offer of up to a maximum of 537,762,999 ordinary fully paid shares (**New Shares**). In addition, the Company completed a Placement to Sophisticated Investors with the issue of 70 million ordinary shares for \$210,000

The funds raised by the Rights Issue, together with Maximus' existing cash reserves, will be used to fund exploration and development, including:

- Ongoing exploration on Spargoville gold prospects
- Ground EM survey and follow-up drilling on Narndee Nickel-Copper prospects
- Further investigation and drilling on Spargoville Lithium prospects; and
- working capital purposes.

The Company has achieved significant progress on several projects in the past 18 months and accomplished several milestones.

Maximus acquired 25% equity in the Spargoville suite of tenements near Kalgoorlie in Western Australia from Tychean Resources Ltd (**Tychean**) with the ability to earn up to 90% of Tychean's holding. A significant soil sampling program immediately commenced upon finalising the transaction in August 2015, followed by 2 RC drilling programs testing high priority gold targets and the current review of lithium potential on the northern Spargoville tenements.

Maximus subsequently negotiated the acquisition of the remaining 10% (100% in total) of the Tychean interest in the Spargoville tenements in February 2016.

The company is also preparing a ground EM survey to be followed by an RC drilling program to test for Nickel-Copper Sulphides within an airborne Electromagnetic conductor previously identified on the tenements.

The Rights Issue is being offered on the basis of two New Shares for every five ordinary fully paid shares held in the Company on 18th April 2016 (**Record Date**) at an issue price of \$0.003 per share. Persons who apply for New Shares will receive one free Attaching Option for every New Share issued. The options will have an exercise price of \$0.006, with an expiration date of 31 May 2017. The options will not be quoted on the ASX.

Shareholders with an address in Australia or New Zealand on the Company's register at 7:00pm (AEST) on the Record Date will be eligible to participate in the Rights Issue (**Eligible Shareholders**).

The Rights Issue price reflects an approximately 19% discount to the 30-day volume weighted average price (VWAP) of the Company's shares for the period ending on 12 April 2016.

The Placement of 70 million shares was completed at \$0.003 which represents a 14% discount to the 15 day VWAP of the Company's share price for the period ending 12 April 2016 (19% discount to

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the 30 day VWAP). No Options were issued to the sophisticated investors under the placement.

The directors reserve the right to place any remaining shortfall at their discretion within three months after the close of the offer. Eligible Shareholders' entitlements pursuant to this Rights Issue are non-renounceable and accordingly Eligible Shareholders may:

- take up their rights in full or in part;
- do nothing in which case their rights will lapse; or
- take up their rights in full and apply for additional new shares.

Full details of the Rights Issue will be set out in the Prospectus lodged by the Company with ASIC and ASX on 13th April 2016. The shares under the Rights Issue will rank equally with existing ordinary shares on issue.

The proposed timetable for the Rights Issue is as follows:

Announcement of Rights Issue. Appendix 3B lodged	13 April 2016
Prospectus and Appendix 3B lodged with ASIC and ASX	13 April 2016
Notice of Offer sent to Shareholders	14 April 2016
Shares quoted on an 'ex' basis	15 April 2016
Record Date	7.00 pm (AEST) 18 April 2016
Despatch of Rights Issue Documents to Eligible Shareholders	
Offer Period Opens	21 April 2016
Offer Period Closes	9 May 2016
Shares quoted on a deferred settlement basis	10 May 2016
Notification of under-subscriptions to ASX (if any)	12 May 2016
New Shares entered into Shareholders' security holdings – Allotment date	16 May 2016
Deferred settlement trading ends	
Trading of New Shares on ASX commences	17 May 2016

Subject to the *Corporations Act 2001* and the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares. These dates are indicative only.

The Company has decided that it is unreasonable to make the offer to shareholders who have a registered address in a country outside of Australia or New Zealand, having regard to the number of shareholders in such places, the number and value of the New Shares they would be offered and the substantial costs of complying with the legal and regulatory requirements in those jurisdictions.

If after the Closing Date, all allotted shares have not been subscribed for by Eligible Shareholders, the Directors of the Company may seek bids from shareholders, institutions and other prospective investors for the shares comprising the shortfall. Provision will be made for Eligible Shareholders to make application for additional shares beyond their entitlement on the Entitlement and Acceptance Form, which is expected to be despatched on 21st April 2016. Allocation of any or all shortfall shares remains at the discretion of the Board of Directors.

Yours faithfully,



Mr Kevin Malaxos
Managing Director
Maximus Resources Ltd