

ASX Announcement

20th April 2016

Eagles Nest Exploration update in Western Australia

HIGHLIGHTS

- Encouraging assay results warrant further exploratory drilling
- Gold to a maximum of 0.87g/t returned in first round drill results on targeted lodes
- Follow-up drilling to target strike and down-plunge extension to southern orebody
- Lack of HG assay results does not detract from areas strong HG potential

Maximus Resources Limited (“MXR” or “the Company”) is pleased to advise that it has completed an exploration drilling program of the northern portion of the Eagles Nest tenement, M15/1475, with interesting and encouraging results.

This northern drilling program was not designed to follow up previously reported wide zones of gold mineralisation intersected in the southern half of the Eagles Nest tenement as reported to the ASX on 28th January 2016 (“Spargoville Drilling Delivers High Grade Gold Results”).

The 14 hole exploration drilling program was completed in March for a total of 900 metres and was designed to test for the bedrock source of the historical Golden Eagle Nugget and several smaller nuggets, recorded down the Eagles Gully. The source of this coarse gold is considered to be associated with one of the several “blues lodes” (graphite schist units) within the target area.

The distribution of the anomalous gold trends to the north, confirmed in this drilling program are consistent with the overall NS striking gold mineralisation systems at Eagles Nest. The mineralised system, which is much stronger to the south, returned an intersection of 24m @ 3.1g/t (ASX: 28 January 2016)

The results received to date from this northern area are anomalous in gold, and confirm some of the key indications for gold mineralisation in the wider area, although no intersections of >1g/t gold were returned from this drilling program (See table 2). This result does not diminish the areas potential for hosting a HG ore source, similar to the HG Wattle Dam orebody also associated with a “Blue lode” further to the north. This is demonstrated by the number and size of nuggets found on this tenement over the past 100 years. Nuggets continue to be found by prospectors in this area to this day

Exploration drilling at Wattle Dam in several progressive drilling campaigns by previous explorers was ultimately completed down to drill densities of 10m x 10m, before contiguous and consistent ore blocks

were routinely recorded which ultimately provided the confidence to undertake a trial mining program.

In addition, early exploration drilling at Wattle Dam confirmed the presence of the preserved high grade colluvium nugget blanket which provided the confidence to continue with the infill drilling programs to a density of 10 metres x 10 metres. Unfortunately, this colluvium nugget blanket at Eagles Nest has been removed by decades of historic mining, thereby removing one of the key drilling vectors, to bedrock mineralisation. The current drilling density at Eagles Gully is approximately on a 35 to 40 metre by 10 metre pattern. Further infill drilling is required to fully investigate the northern area of the Eagles Nest tenement (see figure 1)

Department of Mines & Petroleum records indicate in excess of 2,000 Ozs of gold was produced from Eagles Gully, with a note from the Mines Inspector of the time that he believe double this amount was recovered but never reported.

The company will now advance its initial internal resource calculation of the southern area of the Eagles Nest project, before conducting further drilling.

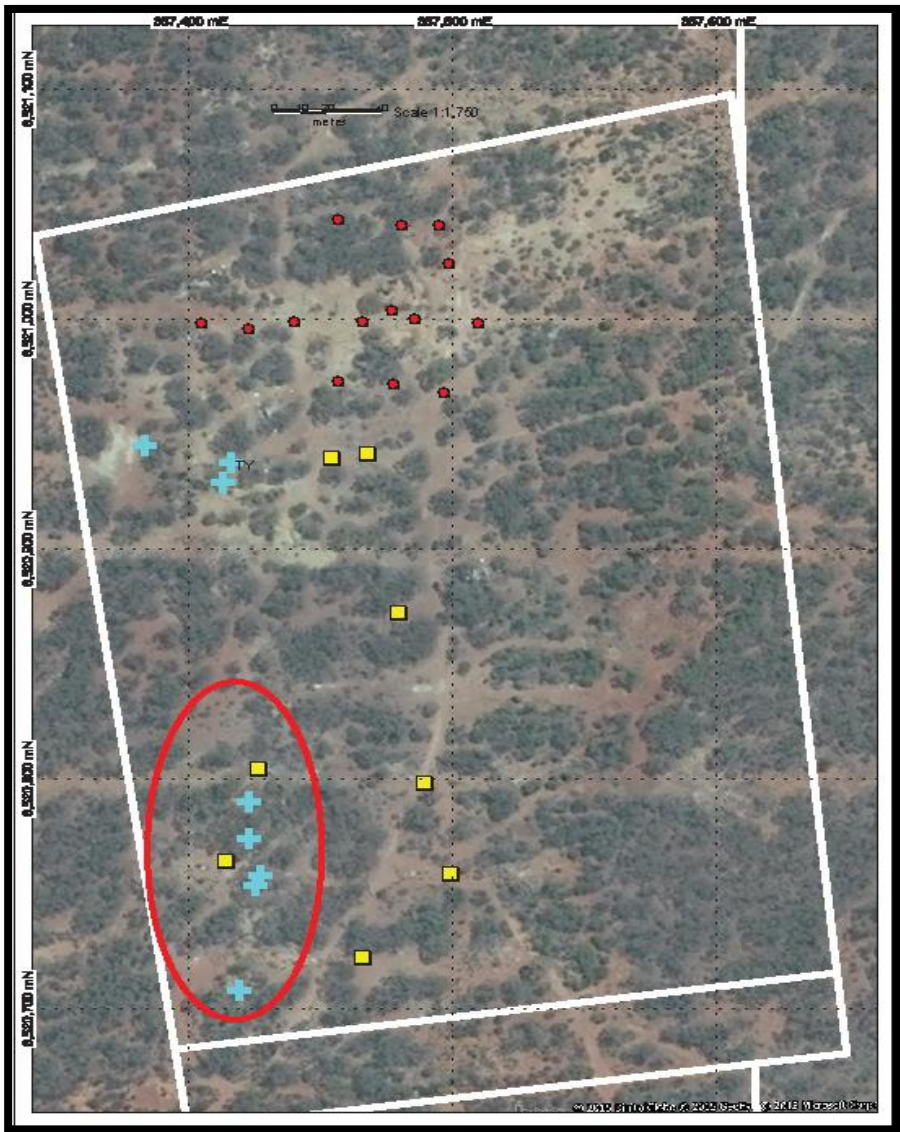


Figure 1: Eagles Nest recent drill collar locations (red circles) and previous MXR drilling to the south (yellow squares)

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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 undertaken, 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	<i>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.</i>	The sampling has been carried out using Reverse Circulation (RC) Drilling. Fourteen holes were drilled in this reported programme. All drill holes had samples collected on the drilling rig via a mounted cone splitter at intervals of every one metre.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Sampling was carried out under Maximus' protocols and QAQC procedures as per industry best practice. See further details below.
	<i>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.</i>	RC holes were drilled with a 4.75 inch face-sampling bit, 1m samples collected through a cyclone and splitter, to form a 2-3kg sample. For mineralised samples the entire 1m sample was sent to the laboratory for analysis. All samples were fully pulverised at the lab to-75um, to produce a 50g charge for Fire Assay with ICP-OES finish.
Drilling techniques	<i>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).</i>	An RC drilling rig, owned and operated by Kennedy Drilling, was used to collect the samples. The face-sampling RC bit has a diameter of 4.75 inches (12.1 cm).
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	All samples were dry with no significant ground water encountered during drilling and no water egress into holes recorded. Samples recoveries were estimated for each metre of sample based upon a expected volume of sample recovered. All recovery estimates are noted in the logs. Samples recoveries were >90%.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC face-sample bits and dust suppression were used to minimise sample loss. RC samples are collected through a cyclone and cone splitter, the rejects deposited in a plastic bag, and the lab samples up to 3kg collected, to enable a full sample pulverisation.
	<i>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.</i>	All RC samples were dry with no significant water encountered. No sample bias or material loss was observed to have taken place during drilling activities. There was no discernable change in the sample recoveries between mineralised, and unmineralised samples.

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	<i>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.</i>	All chips were geologically logged by Maximus geologists using the Maximus logging scheme. No geotechnical logging was undertaken.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of RC chips records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples All samples are wet-sieved and stored in a chip tray.
Logging	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No core was collected.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	One-metre drill samples from a rig mounted cyclone are channelled through a splitter, and an average 2-3 kg sample is collected in a pre-numbered calico bag, and positioned on top of the green plastic bag containing the bulk reject for that metre sample.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were prepared at the Intertek Laboratory in Kalgoorlie. Samples were dried, and the whole sample pulverised to 85% passing 75um. A nominal 50g was used for the analysis by Fire Assay. The procedure is industry standard for this type of sample.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples</i>	A duplicate field samples was at a rate of approximately 1 in 50 samples. At the laboratory, regular Repeats and Lab Check samples are assayed.
	<i>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.</i>	One metre samples are split on the rig using riffle-splitter, of sample returned from the cyclone. Samples are collected to weigh less than 3kg to ensure total preparation at the pulverisation stage.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are considered appropriate to give an indication of mineralisation given the particle size and the preference to keep the sample weight below a targeted 3kg mass.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were analysed at the Intertek Laboratory in Perth. The analytical method used was a 50g Fire Assay with ICP-OES finish for gold only, which is considered to be appropriate for the material and mineralisation. The method gives a near total digestion of the material intercepted in RC drilling.

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	<i>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.</i>	Not Applicable.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	<p>Maximus protocol for RC programmes is for Field Standards (Certified Reference Materials) and Blanks inserted at a rate of 2 Standards per 100 samples, and one blank per 100 samples Field Duplicates are generally inserted at a rate of approximately 1 in 50.</p> <p>For the programme reported the relevant assays were part of a total sample submission of 946 samples. This included 9 Field Blanks, 19 Field Standards and 18 Field Duplicates.</p> <p>At the Lab, regular assay Repeats Lab Standards, Checks and Blanks are analysed.</p> <p>Results of the Field and Lab QAQC were checked on assay receipt using QAQCR software. All assays passed QAQC protocols, showing no significant level of contamination or sample bias. Analysis of field duplicate assay data suggests appropriate levels of sampling precision, with less than 10% pair difference.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant results were checked by the Exploration Manager.
	<i>The use of twinned holes.</i>	No twin holes were employed during this part of the programme.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	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.
	<i>Discuss any adjustment to assay data.</i>	No assay data was adjusted. The lab's primary Au field is the one used for plotting and resource purposes. No averaging is employed.
Location of data points	<i>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.</i>	RC locations were determined by handheld GPS with an accuracy of 5m in Northing and Easting.
	<i>Specification of the grid system used.</i>	Grid projection is GDA94, MGA Zone 51.

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	<i>Quality and adequacy of topographic control.</i>	No RL's were measured.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The drillholes are spaced along traverses 25m to 40m apart.
	<i>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.</i>	This is not considered relevant at this early stage in the programme.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The orientation of the drill lines (270 degrees azimuth) is approximately perpendicular to the strike of the regional geology. 13 holes were drilled approximately -60 degrees angled to the west (270°), while one hole were drilled approximately -60 degrees angled to the north (360°),
	<i>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.</i>	It is considered that holes have been drilled relatively perpendicular to a moderately east dipping mineralised structure (approximately 65 to 75 degrees to the east) and as such the reported intersection lengths are considered to be a close approximation of the true thickness of mineralisation. The true thickness are estimated to be not less than 85% of the reported down hole intersections.
Sample security	<i>The measures taken to ensure sample security.</i>	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	<i>The results of any audits or reviews of sampling techniques and data.</i>	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	<i>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</i>	The RC drilling occurred within tenement M15/1475, which is owned 51% by Maximus Resources, and 49% by Tychean Resources.

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	<i>national park and environmental settings.</i>	Maximus has signed a binding agreement to move to 100% ownership.
	<i>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</i>	The tenement is in good standing with the WA DMP.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>The ML has a long, sporadic history of mining dating back to the late 1800s. Work consisting of the sinking several, timbered shafts to 10m in depth, on the identified gold lodes. Production records of this period are unknown, however several large nuggets, ie 70oz, 1130oz are reported in 1930, and another 10oz nugget in 2015</p> <p>Aircore and RC drilling was completed by Ramelius Resources in the period 2007-2012 and assay data was incorporated into the design of this drilling program undertaken by Maximus Resources.</p>
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The geology is dominated by Archean mafic/ultramafic and sedimentary lithologies. Hydrothermal vein and shear related gold mineralisation is being targeted by exploration. The geological setting, rock types, alteration, and nature of the gold are suggestive of a Wattle Dam style of mineralisation.
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p><i>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.</i></p>	Hole locations are identified in Table 1. Holes with significant mineralisation (>1.0g/t Au) are tabulated in Table 1. All RC holes are drilled angled at 60 degrees to the west (270), except holes number 19, angled 60 degrees to the north.
Data aggregation methods	<i>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.</i>	Grades are reported as down-hole length-weighted averages of grades above 1 ppm Au, with maximum internal dilution of 2 metre and minimum width of 2 metres. No top cuts have been applied to the reporting of the assay results.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should</i>	Higher grade intervals are included in the reported grade intervals. In addition, composite internal intervals

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	<i>be stated and some typical examples of such aggregations should be shown in detail.</i>	above 1 ppm and 10 ppm, are also reported separately, with a minimum width of 1 metres with from and to depths recorded.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	The geometry of the mineralisation is not known with certainty at this stage, however it is interpreted mineralisation is hosted in steeply east dipping shear zones.
Diagrams	<i>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.</i>	Not Applicable, not a significant discovery.
Balanced reporting	<i>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.</i>	All results above 1 ppm, and 10 ppm have been reported.
Other substantive exploration data	<i>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.</i>	Not Applicable for this drilling program.
Further work	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	DGPS pickup of collar locations will be completed along with downhole gyro and optical televiewer surveying. Follow-up RC drilling will be completed to determine extent of mineralisation along strike and down dip.

Table 2 – Drill hole details

Hole_id	MGA_94_Z51 E	MGA_94_Z51 N	RL	Azi	Dip	EOH	Au>1g/t
MXENRC09	357405	6520998	355	270	60	60	-
MXENRC10	357423	6520996	355	270	60	60	-
MXENRC11	357440	6520999	355	270	60	60	-
MXENRC12	357466	6520999	355	270	60	60	-
MXENRC13	357486	6521000	355	270	60	60	-
MXENRC14	357510	6520998	355	270	60	80	-
MXENRC15	357457	6521043	355	270	60	60	-
MXENRC16	357481	6521041	355	270	60	60	-
MXENRC17	357495	6521041	355	270	60	80	-
MXENRC18	357499	6521024	355	270	60	80	-
MXENRC19	357477	6521004	355	0	60	60	-
MXENRC20	357457	6520973	355	270	60	40	-
MXENRC21	357478	6520972	355	270	60	60	-
MXENRC22	357497	6520968	355	270	60	80	-

Table 2 – Drill hole information on Eagles Nest Northern drill program. No results returned above 1 g/t.