

ASX Announcement

17th August 2016

**Extensive stacked pegmatite system identified
at Spargoville Lithium Project**

HIGHLIGHTS

- **Extensive Pegmatite System discovered on Lefroy Prospect**
- **4 pegmatites each of 12-18m width(a combined width of 100m) with a strike extent of up to 300m and open at depth**
- **Drilling to commence late August**

Maximus Resources Limited (“MXR” or “the Company”) is pleased to update the market on progress at the Spargoville Lithium Project located 50km south of Coolgardie, in Western Australia, see figure 1.

The Company enlisted the services of Dr Bryan Smith, a highly regarded geological consultant, to conduct a field review of its Lefroy Lithium Project. Dr Smith brings a vast knowledge of Lithium expertise, having worked on the Mt Marion Deposits for Western Mining Corporation in 1974, and more recently for NeoMetals since 2009. Dr Smith lead the geological mapping and structural studies on the Mt Marion deposits and developed the geological framework that resulted in the significant increase in the resource base from some 1.5Mt in 1974 to in excess of 60Mt in 2016 (Neometals ASX release 5 July 2016, “Mineral Resources Estimate increases 160% to 60.5Mt.”)

Dr Smith was commissioned to undertake a field review of the company’s lithium bearing pegmatites and formulate further work programs, including identifying priority targets for drill testing in the most prospective areas.

During his visit, Dr Smith noted a series of four stacked pegmatites, which were subsequently mapped and showed surface widths of between 12m and 18m over a combined width of 100 metres. The pegmatites appear to be essentially flat lying to shallow dipping to the west, resulting in individual true thickness of 7-8m (See Figure 2 & 3).

In addition Dr Smith noted a north south trending parallel body of granodiorite that extends up to the Depot Granodiorite at Mt Marion. The Depot Granodiorite is considered to be the source of the Lithium bearing pegmatites at Mt Marion.

Dr Smith recommended drilling the Maximus pegmatite system (target 8) in addition to the areas where recent rock chip samples returned high grade lithium results averaging 3.55% Li₂O over a 200m strike length (ASX announcement dated 23/05/2016, “Maximus discovers High Grade Lithium deposit in WA”).

The company recently received approval for its second Program of Works to drill test the newly identified stacked pegmatite system in addition to the previously identified drill targets. Drilling is scheduled to commence in late August 2016.

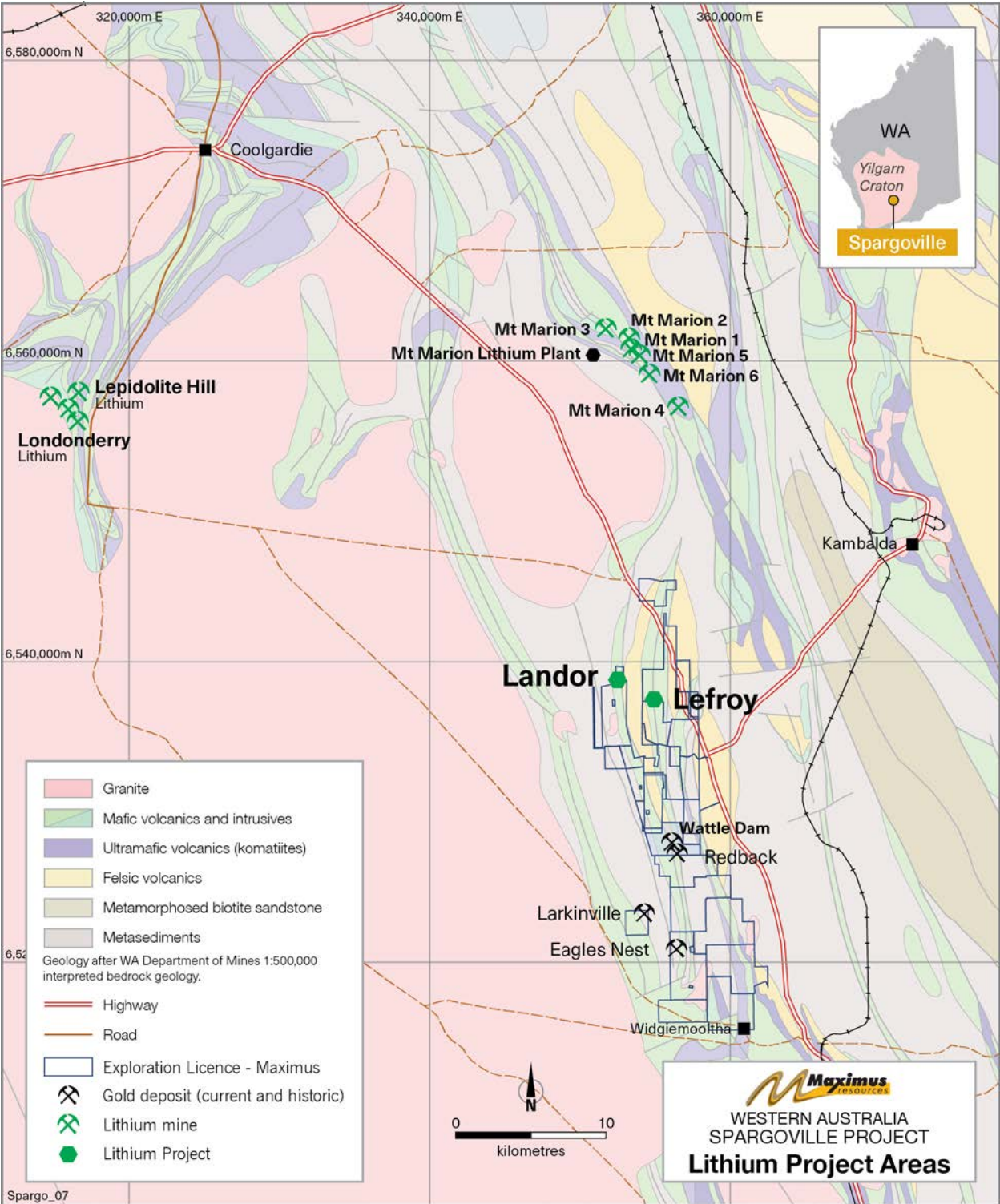


Figure 1: Location of Lefroy and Landor Lithium prospects controlled by Maximus

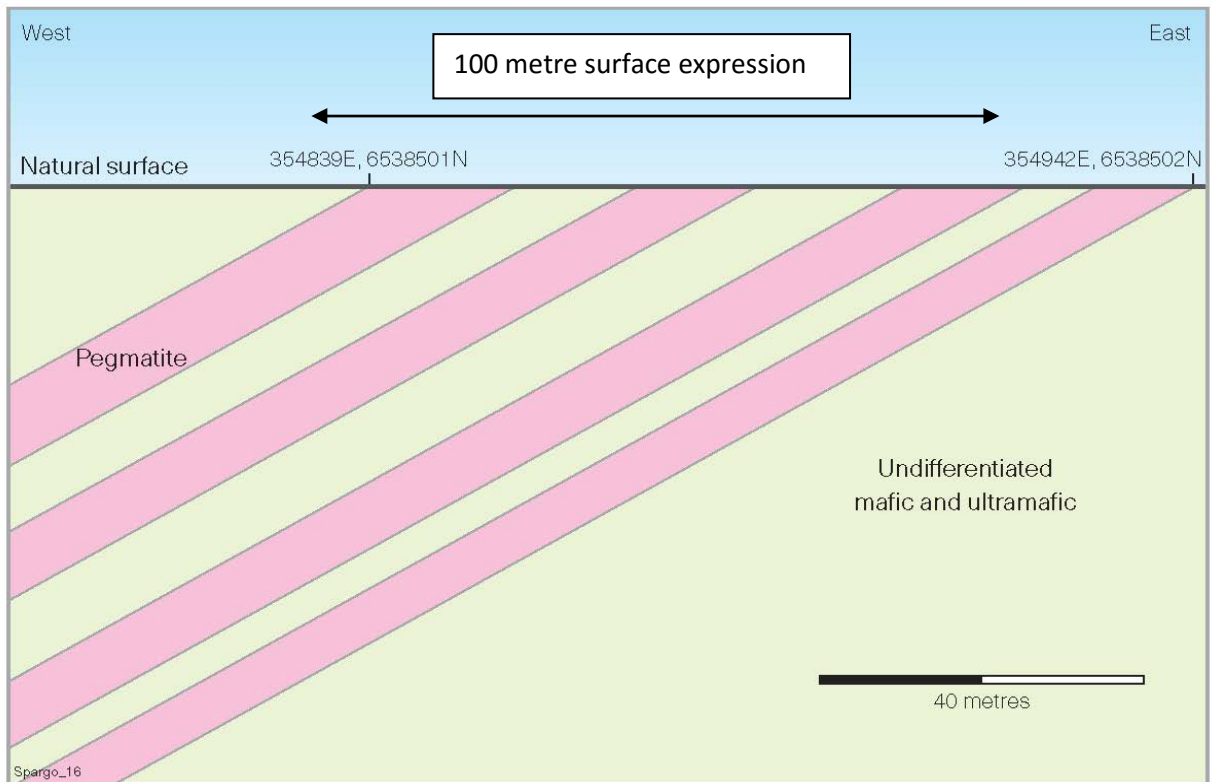


Figure 2: Interpreted cross section at Target Area 8, showing mapped surface extent of pegmatites to be drilled.



Figure 3: Lefroy Lithium Target Area 8: Several shallow dipping pegmatite outcrops exposed along old drill line, looking west. Target 8 to be drill tested late August.

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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 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.