NORTHERN TERRITORY

EL 26440 - LAUGHLEN

ANNUAL TECHNICAL REPORT

For the period 14 April 2008 – 13 April 2009

ALICE SPRINGS
1:250 000 Map Sheet

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1. SUMMARY

Maximus Resources Limited (MXR) lodged an application for EL26440 on 17 September 2007. Due to revised exploration strategies MXR later in 2007 actively sought a joint venture partner to manage exploration on EL26440, EL23592, EL 9529, EL 22759 and MCS38.

On 23 January 2008 an option/farm-in agreement was executed with Minotaur Exploration Limited (MEL) over these tenements.

EL26440 was granted on 14 April 2008 for a six year period. Work in the first year of tenure was limited to data review and participation in the Northern Territory Government's regional gravity program throughout the Arunta Province. The gravity results were interpreted by MEL geophysicists.

2. LOCATION AND ACCESS

EL26440 is located about 70km northeast of Alice Springs on the LAUGHLEN (5751) 1:100 000 map sheet. Access is via the Stuart Highway north of Alice Springs for 45 km, then east along the Arltunga Tourist Road until the southern part of the project area is reached, commencing 40 km east of the Stuart Highway turnoff. The Pinnacles Bore turnoff is another 15 km further east along the Arltunga Tourist Road. From there it is possible to access the Plenty Highway 25 km to the north via The Pinnacles – Mud Tank beef road (Figure 1).

The project area covers part of The Garden pastoral lease. The Alice Springs to Darwin railway passes about 50 km west of the project area.

3. TENURE AND EXPENDITURE

EL26440 was granted on 14 April 2008 for a period of six years and covers an area of about 25 sq km (8 blocks). Expenditure for the 12 month period 14 April 2008 to 13 April 2009 was as follows:

Communications		$	38.86
Computer Expenses		$	196.00
Field Expenses		$	70.00
Wages		$	3169.00
Admin Overheads (15%)		$	613.00
	Sub-total	**$**	**3781.86**

4. NATIVE TITLE

A joint ILUA and Exploration Agreement between the Central Land Council (CLC) and Flinders Mines Limited (FMS), satisfying all native title requirements, was executed on 13 November 2002. A subsequent Deed of Assumption between the CLC, FMS and MXR was executed on 10 October 2006. These agreements included the area of EL26440 which was previously part of EL23592.

Following the expiry of a number of Indigenous Land Use Agreements (ILUA) with the Central Land Council (CLC) in November 2008, MXR together with FMS and Tanami Exploration NL negotiated a new Exploration Agreement over a package of tenements in the so-called Strangway, Woolanga and Rankin project areas which includes EL26440. This document is currently being prepared by the CLC for immediate execution by the three tenement holders.

5. GEOLOGY

EL26440 is underlain by high grade metamorphic rocks of the Central Province of the Arunta Block. The Strangways Range Metamorphic Complex, originally a sequence of sedimentary and volcanic rocks of early Proterozoic age, was deformed and metamorphosed 1700 to 1800 million years ago by regional metamorphism and associated igneous intrusion.

On adjacent EL23592 the Johnnies Reward gold-copper prospect is hosted within a north striking, moderately east dipping quartzose gneiss. The lode unit is a stratabound body of diopside-tremolite-magnetite rock, which at surface extends about 200m along strike and is up to 50m wide. Mineralised lode rock is characterised by up to 30% magnetite.

Two types of mineralisation are present, a copper-lead (zinc-silver-gold) assemblage restricted to the lode rock and a gold (copper) assemblage extending from the base of the lode rock into the underlying quartz-garnet-biotite gneiss.

6. 2008-09 EXPLORATION

Exploration in the first year of tenure was limited to data review, participation in the Northern Territory Government's regional gravity program throughout the Arunta Province (only 2 stations on EL26440 (Figure 3) and interpretation of the gravity results by MEL geophysicists.

The regional Central Arunta 4 km Bouguer Anomaly image shows broad scale features reflecting large geological formations (Figure 4). The Bouguer Anomaly image is dominated by a large gravity low in the western part of the survey area which reflects a granite intrusion or a basin. The gravity low is bounded to the south by a large east-west oriented gravity high which also has a strong magnetic association and is thus thought to be due to a mafic unit. On the eastern margin of the interpreted granite pluton a NW-SE oriented structure is apparent in the gravity data and passes just to the east of the Johnnies Reward Prospect. There are several other parallel structures located further to the east. To the south of the mafic unit or gravity high lies another prominent gravity low which is also interpreted to be due to a granite intrusion.

The elevation data recorded during the survey shows that the project tenements lie on a regional topographic high (Figure 5). The 1VD gravity image enhances shallow gravity features (Figure 6) and also helps to resolve structures that are not as clear in the Bouguer Anomaly data.

7. CONCLUSIONS

The regional and detailed gravity surveys over the project area have not resolved any targets typical of IOCG alteration or massive sulphide mineralisation. The gravity surveys were, however, able to resolve both regional and local structures that may assist in the targeting of potential mineralisation in this area. Although no isolated gravity anomalies of interest were identified in the gravity data, several gravity highs can be observed but generally correlate with magnetic features and are not thought to be prospective. No further gravity work is planned on EL26440.

8. REFERENCES.

Newton, A.W., 2008. *Johnnies Reward project Northern Territory EL 23592 annual technical report for the period 12 February 2007 – 11 February 2008*, unpublished report to DPFIM.

Otterman, D. W.,2005. Independent Geologist's Report in Maximus Resources Ltd Prospectus dated 8 September, 2005.

Mayer, T.E., Thompson A. and Burdett, M., 2009 *Johnnies Reward Project, Northern Territory, EL 23592, annual technical report for the period 12 February 2008 – 11 February 2009,* unpublished report to DPFIM

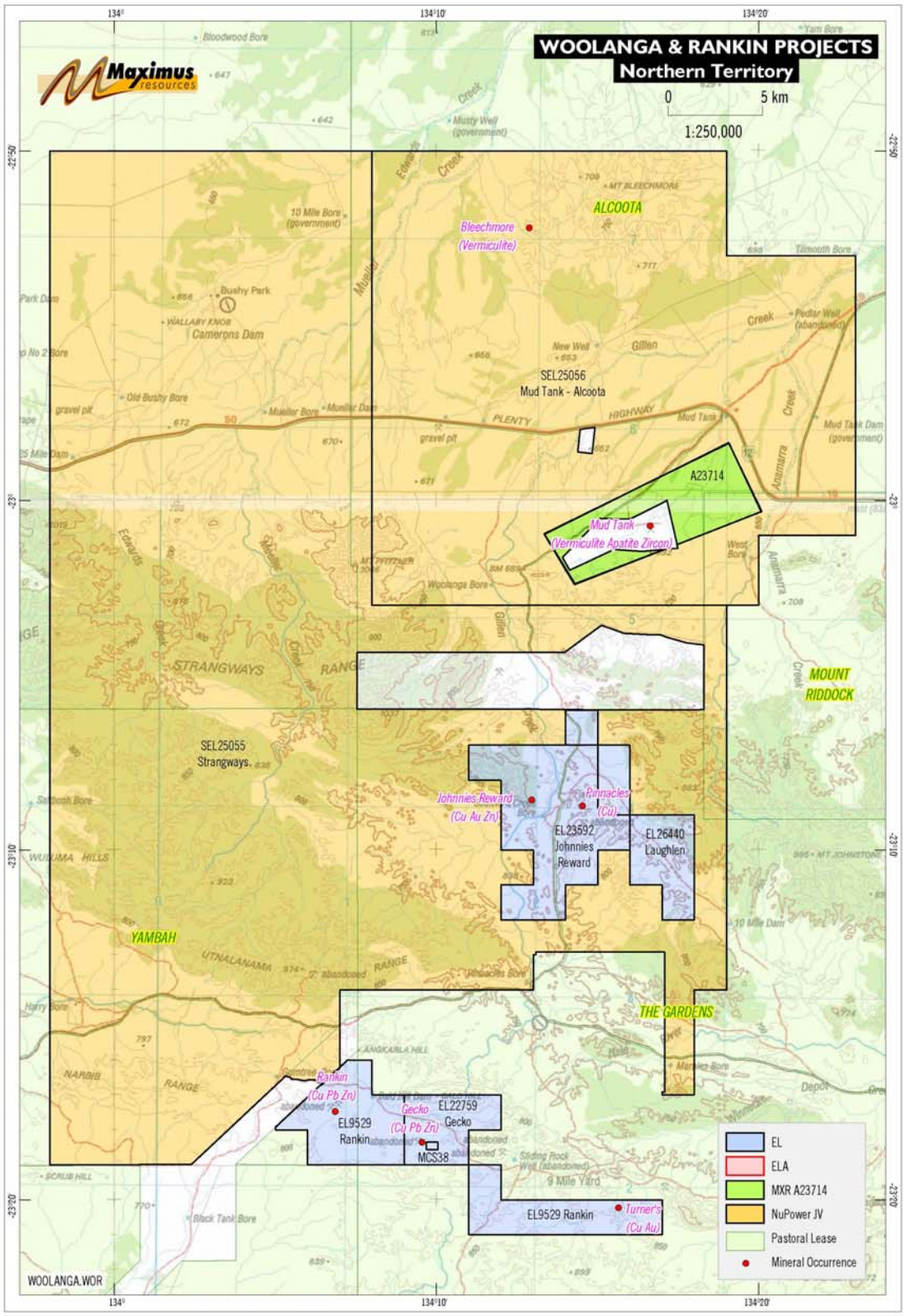

Figure 1. EL26440 Location Plan

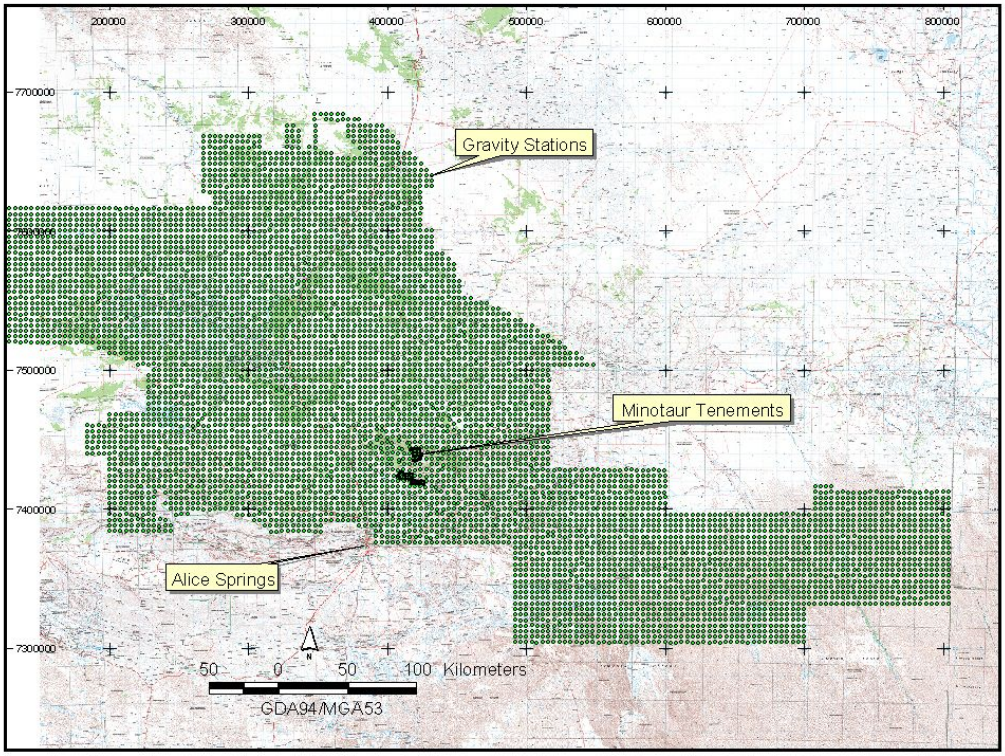

Figure 2. Central Arunta gravity stations

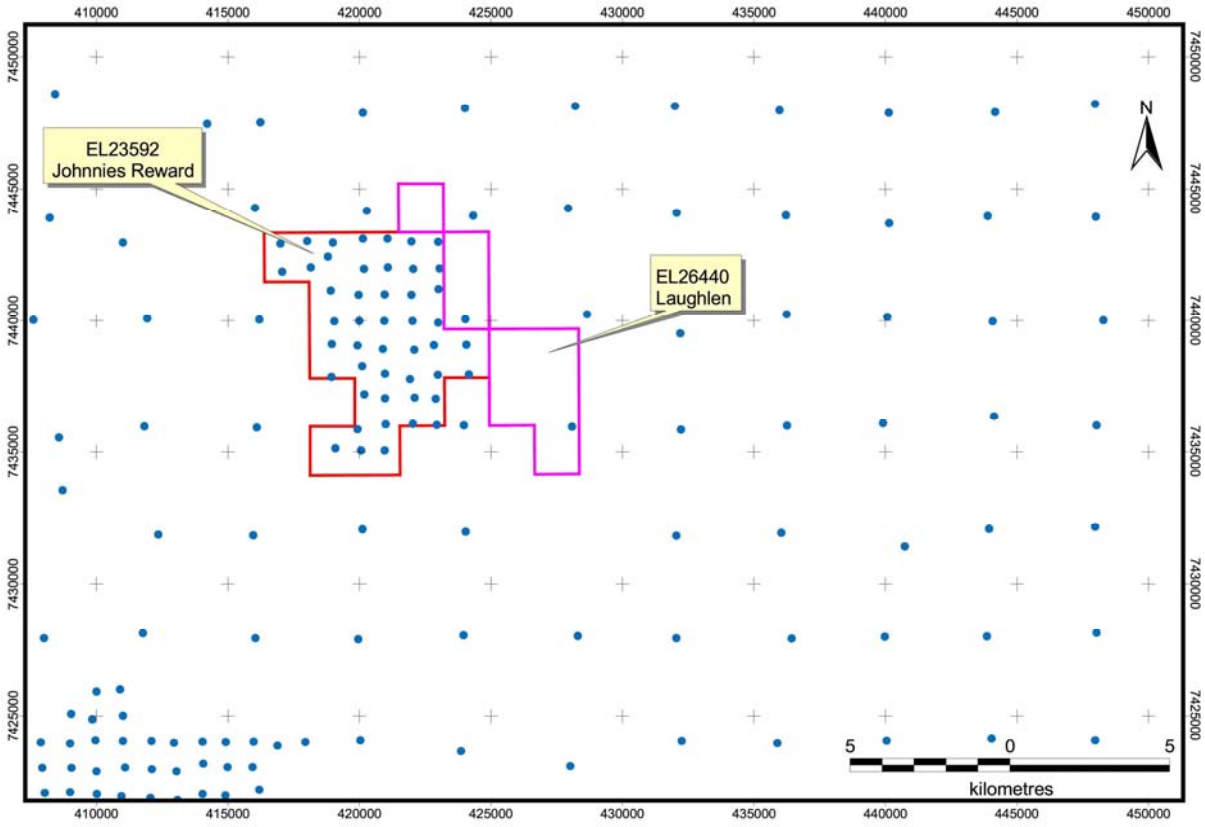

Figure 3. EL26440 Regional gravity stations

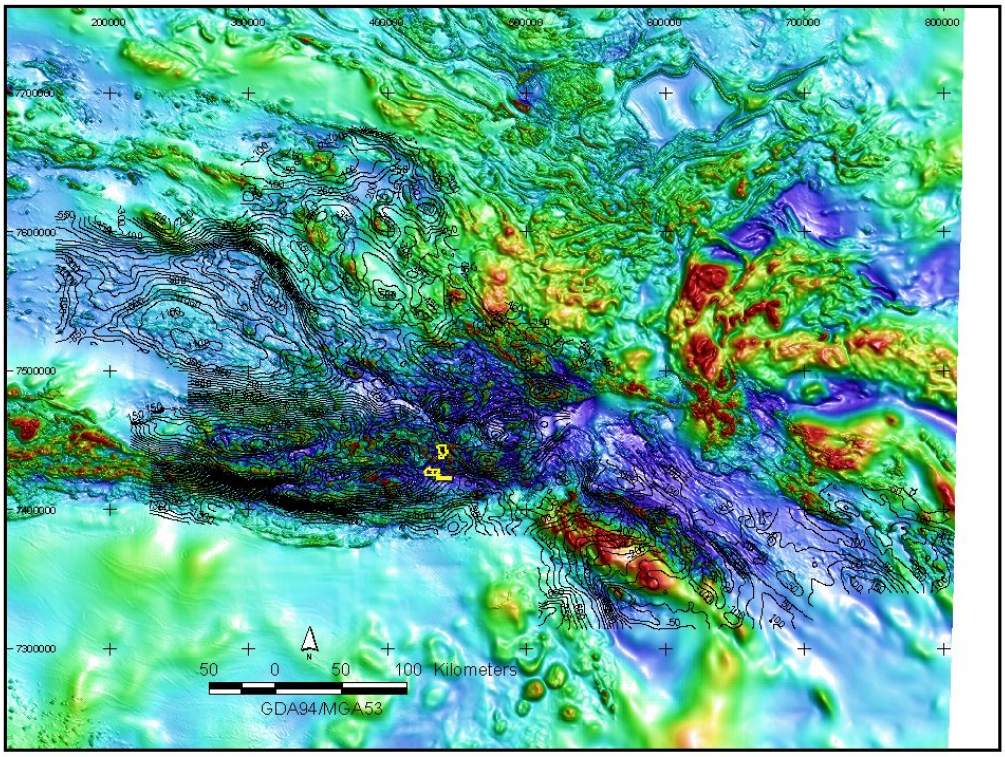

Figure 4. Central Arunta Bouguer Anomaly gravity contours over RTPTMI image

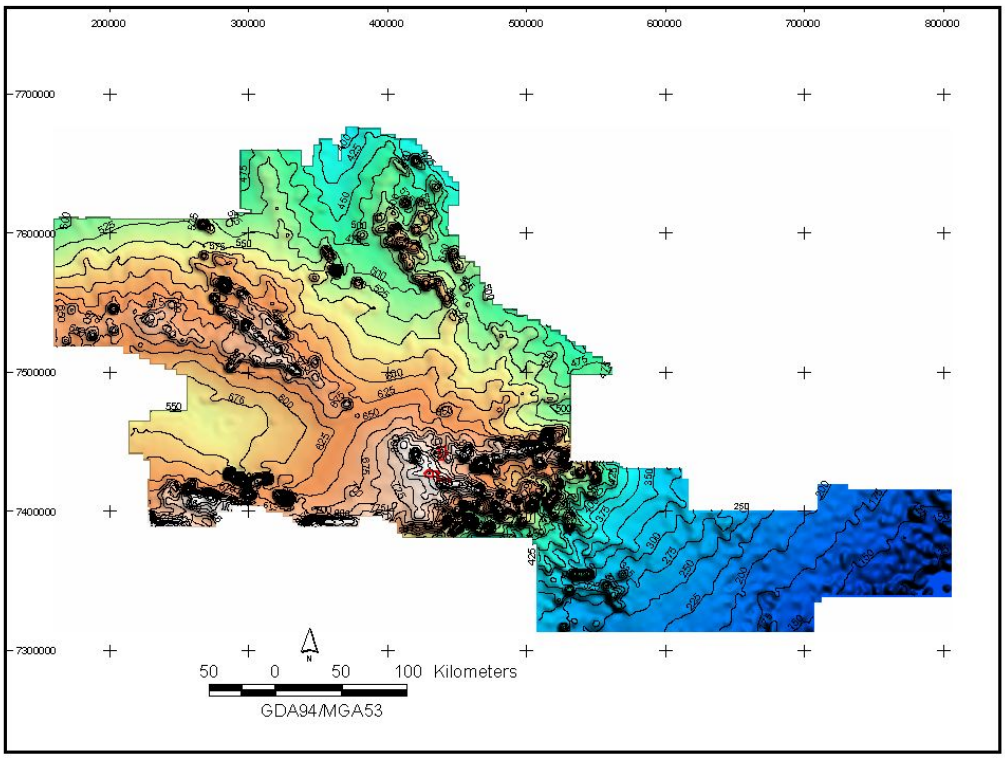

Figure 5. Central Arunta gravity survey elevation image

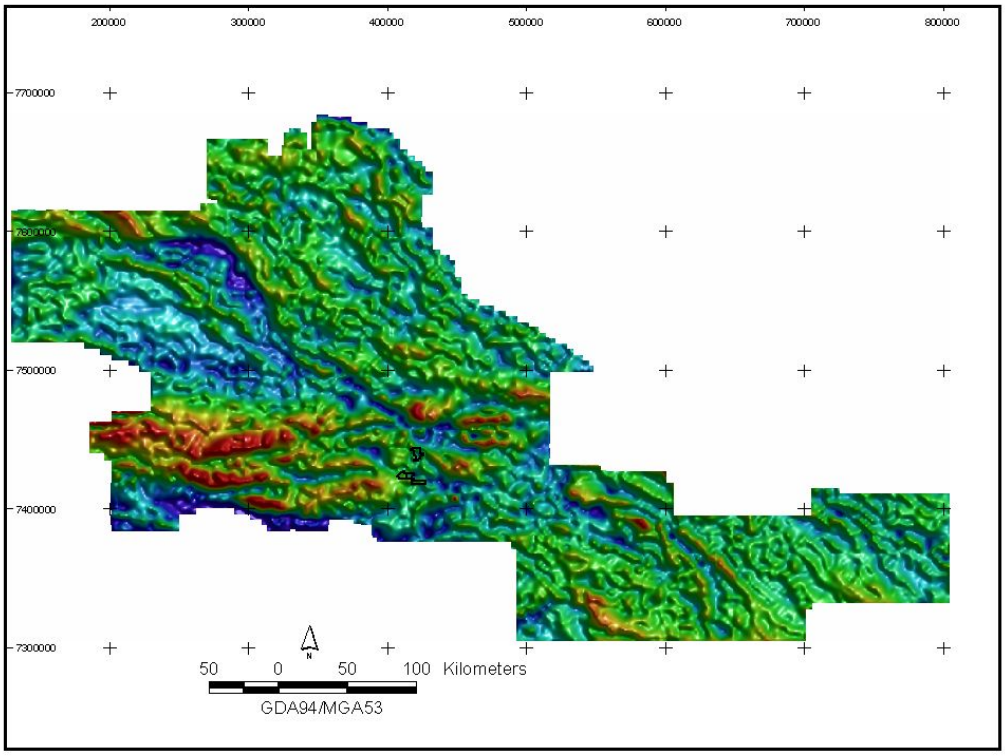

Figure 6. Central Arunta 1VD gravity image

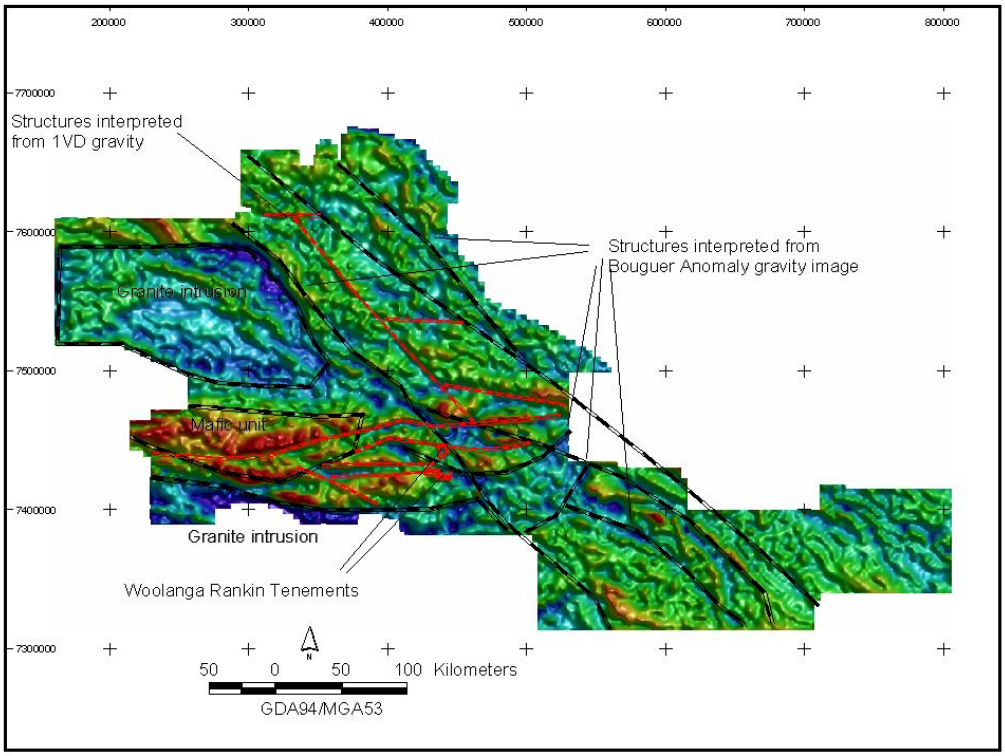

Figure 7. Regional interpretation of Central Arunta gravity data over 1VD gravity image

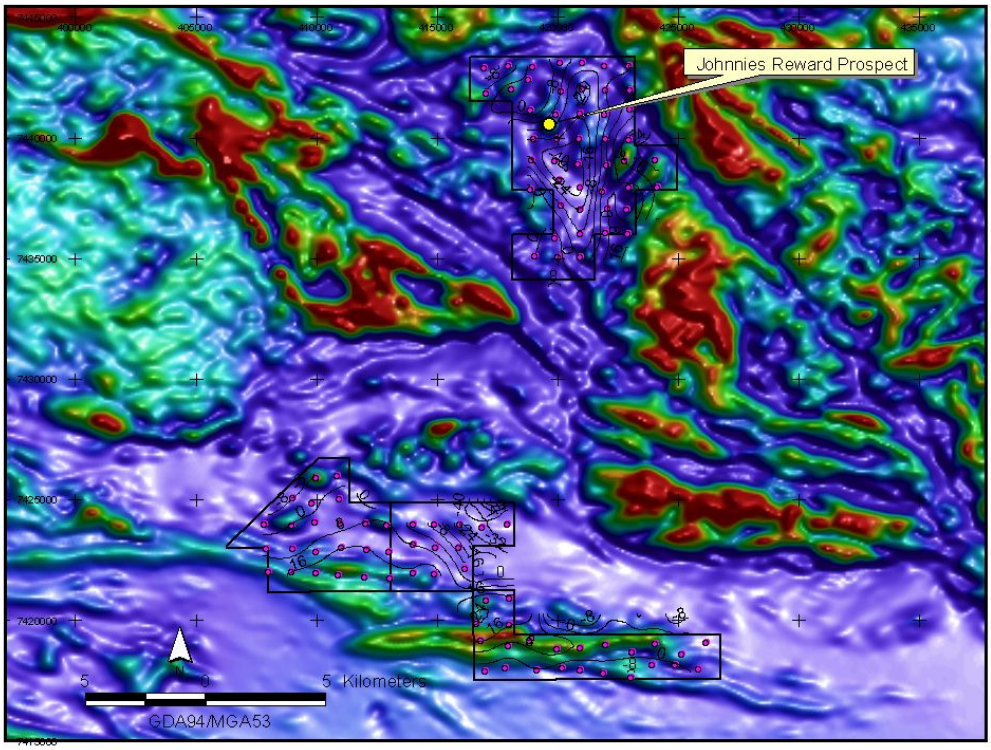

Figure 8. Woolanga-Rankin residual gravity contours over RTPTMI image