



MAXIMUS RESOURCES LIMITED

ACN 111 977 354

AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

For the half-year ended

31 December 2006

INDEX

Directors Report	2
Auditors Independence Declaration	4
Consolidated Interim Income Statement	5
Consolidated Interim Balance Sheet	6
Consolidated Interim Statement of Changes in Equity	7
Consolidated Interim Cash Flow Statement	8
Condensed Notes to the Consolidated Interim Financial Report	9
Directors Declaration	11
Independent Review Report	12

MAXIMUS RESOURCES LIMITED AND CONTROLLED ENTITIES
ACN 111 977 354

DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

Your directors submit the interim financial report of the consolidated entity for the half-year ended 31 December 2006.

Directors

The names of directors who held office during or since the end of the half-year:

- Mr Robert Michael Kennedy (Chairman)
- Dr Kevin John Anson Wills
- Mr Ewan John Vickery
- Mr Gary Eric Maddocks
- Mr Richard Walter Cumming Wilson (Alternate for GE Maddocks)
- Mr Nicholas John Smart (Alternate for EJ Vickery)

Review of Operations

The six months to 31 December 2006 were particularly active for Maximus Resources Limited (MXR) with drilling continuing at Bird-in-Hand in South Australia, exploration in the Narndee Project of Western Australia and the identification of the Sellheim project in Queensland which has alluvial gold production potential.

During the period Maximus' spin-off uranium company, Eromanga Uranium Limited (Eromanga) completed its IPO and listed on the Australian Stock Exchange on 31 October 2006. Eromanga raised \$14.75 million and will explore two major uranium projects. These are the Eromanga Basin Project in which MXR will retain 30% equity and the Billa Kalina Project in which MXR will retain 50%. Maximus now owns 44.4 million shares in ERO which represents 35.4% of Eromanga's issued capital.

At the Bird-in-Hand Mine in the Adelaide Hills, Maximus has been drilling since November 2005, and in May 2006 announced it had located an inferred resource of 116,00 tonnes at 14.2 grams per tonne gold containing 53,000 ounces. The latest round of drilling commenced in September 2006 and four diamond drill holes, BH 24 to BH 27, totalling 1,340 metres were completed during the period. While hole 25 was barren, holes 24, 26 and 27 intersected the main lode and showed that mineralisation continues to a depth of 300 metres below the surface. This will potentially double the gold resource when further infill holes are completed. Also during the period, Maximus purchased the 25% equity it did not already own in the gold and base metal rights in the Lobethal EL 3215, which contains the Bird-in-Hand gold Mine. The consideration was 1.35 million MXR shares to Indo Mines Limited (Formerly AKD Limited) and 450,000 MXR shares to Statelink holdings Pty Ltd.

At the Narndee JV in Western Australia with Apex Minerals NL, MXR carried out a short drilling program for uranium in the Wondinong Paleochannel. This program was not successful, but water holes drilled into the Windimurra Paleochannel by Precious Metals Australia for water, did intersect significant uranium mineralisation. A MXR calcrete uranium drilling program is planned as soon as access is possible. At MXR's Ironstone Well Project in the Yandal belt of Western Australia assessment of previous exploration drilling enabled the estimation of an inferred resource of 1.1 million tonnes at 1.7 grams per tonne gold containing 59,000 ounces.

During the half year period, Maximus heard of the availability of a new gold project at Sellheim in the Northern Drummond Basin of Central Queensland. After an intense investigation, MXR secured an option to purchase the property for \$1.5 million. After further field visits and the completion of a helicopter borne air magnetic survey, it was concluded that the area has excellent hard rock gold potential and also presents the possibility of commencing alluvial gold production in the September quarter of 2007. Such production would enable Maximus to develop a cashflow to fund its ongoing activities.

DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Grant Thornton, to provide the directors of Eromanga Uranium Limited with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is made on the following page.

Signed in accordance with a resolution of the directors.



.....
Robert M Kennedy
Chairman

Signed at Adelaide this 13th day of March 2007

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MAXIMUS RESOURCES LIMITED & CONTROLLED ENTITIES**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Maximus Resources Limited for the half-year ended 31 December 2006, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J GRAY
Partner

Signed at Adelaide this 13 day of March 2007

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**MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES**

**CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	31 December 2006 \$	31 December 2005 \$
Revenue	308,609	80,133
Marketing expenses	(293,900)	(77,304)
Occupancy expenses	(58,292)	(5,780)
Administrative expense	(197,591)	(140,950)
Finance costs	(1,590)	(1,451)
Exploration expenditure written off	(344,123)	(37,405)
	<hr/>	<hr/>
Loss before income tax	(586,887)	(182,757)
Income tax expense	-	-
	<hr/>	<hr/>
Loss for the period	(586,887)	(182,757)
Loss attributable to outside equity interest	(44,840)	-
	<hr/>	<hr/>
Loss for the period attributable to shareholders of the parent entity	(542,047)	(182,757)
	<hr/> <hr/>	<hr/> <hr/>
Basic earnings / (loss) per share (cents)	(0.83)	(0.55)
Diluted earnings / (loss) per share (cents)	(0.83)	(0.55)

**The consolidated income statement is to be read in conjunction with the condensed notes
to the consolidated interim financial report.**

**MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES**

**CONSOLIDATED INTERIM BALANCE SHEET
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	31 December 2006 \$	30 June 2006 \$
CURRENT ASSETS		
Cash & cash equivalents	15,677,637	4,089,053
Trade & other receivables	283,288	222,010
TOTAL CURRENT ASSETS	<u>15,960,925</u>	<u>4,311,063</u>
NON-CURRENT ASSETS		
Property, plant & equipment	201,103	119,169
Exploration & evaluation expenditure	7,365,581	4,097,697
Investments accounted for using the equity method	1	1
TOTAL NON-CURRENT ASSETS	<u>7,566,685</u>	<u>4,216,867</u>
TOTAL ASSETS	<u>23,527,610</u>	<u>8,527,930</u>
CURRENT LIABILITIES		
Trade & other payables	314,754	404,339
Short-term provisions	1,820	-
TOTAL CURRENT LIABILITIES	<u>316,574</u>	<u>404,339</u>
TOTAL LIABILITIES	<u>316,574</u>	<u>404,339</u>
NET ASSETS	<u>23,211,036</u>	<u>8,123,591</u>
EQUITY		
Issued capital	9,089,079	8,699,079
Reserves	83,667	83,667
Retained earnings	(1,201,202)	(659,155)
Parent interest	7,971,544	8,123,591
Outside equity interest	15,239,492	-
TOTAL EQUITY	<u>23,211,036</u>	<u>8,123,591</u>

The consolidated balance sheet is to be read in conjunction with the condensed notes to the consolidated interim financial report

MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	Issued Capital \$	Share Option Reserve \$	Retained Earnings \$	Outside Equity Interest \$	Total \$
Balance at 1 July 2005	75,004	-	(127)	-	74,877
Loss for the period	-	-	(182,757)	-	(182,757)
Shares issued during the period	8,396,284	-	-	-	8,396,284
IFRS valuation of options	-	75,167	-	-	75,167
Balance at 31 December 2005	8,471,288	75,167	(182,884)	-	8,363,571
Balance at 1 July 2006	8,699,079	83,667	(659,155)	-	8,123,591
Outside equity interest on acquisition	-	-	-	15,284,332	15,284,332
Loss for the period	-	-	(542,047)	-	(542,047)
Loss attributable to outside equity interest	-	-	-	(44,840)	(44,840)
Shares issued during the period	390,000	-	-	-	390,000
Balance at 31 December 2006	9,089,079	83,667	(1,201,202)	15,239,492	23,211,036

The statement of changes in equity is to be read in conjunction with the condensed notes to the interim financial report.

**MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES**

**CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	31 December 2006 \$	31 December 2005 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	207,631	20,420
Payments to suppliers and employees	(569,653)	(111,606)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(362,022)	(91,186)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(92,137)	-
Payment for exploration activities	(1,818,840)	(963,682)
Cash acquired through acquisition of subsidiary	14,692,735	-
	<hr/>	<hr/>
Net cash provided by (used in) investing activities	12,781,758	(963,682)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	7,533,755
Capital Raising Costs	(831,152)	(759,305)
	<hr/>	<hr/>
Net cash provided by (used in) financing activities	(831,152)	6,774,450
Net decrease in cash held	11,588,584	5,719,582
Cash at beginning of period	4,089,053	1,256
	<hr/>	<hr/>
Cash at end of financial period	15,677,637	5,720,838
	<hr/> <hr/>	<hr/> <hr/>

The cash flow statement is to be read in conjunction with the condensed notes to the interim financial report

**MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES**

**CONDENSED NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

NOTE 1 - BASIS OF PREPARATION

Reporting entity

Maximus Resources Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 31 December 2006 comprises the Company and its subsidiaries (together referred to as the "consolidated entity") and the consolidated entity's interests in associates and jointly controlled entities.

The consolidated annual financial report of the consolidated entity as at and for the year ended 30 June 2006 is available upon request from the Company's registered office at 62 Beulah Road, Norwood SA or at www.maximusresources.com.au.

Statement of compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134: Interim Financial Reporting and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report as at and for the year ended 30 June 2006.

Significant accounting policies

The accounting policies applied by the consolidated entity in this consolidated interim financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2006.

NOTE 2 - SALE OF SUBSIDIARY

Pursuant to a contract between the Company and Eromanga Uranium Limited (Eromanga), and with the satisfaction of the conditions within the contract, on 31 October 2006 the Company sold 100% of the issued capital in Eromanga Uranium Resources Pty Ltd to Eromanga in exchange for shares and options in Eromanga. Eromanga Uranium Resources Pty Ltd holds interests in Joint Ventures in Uranium exploration tenements.

The sale had the following effect on the Company:

Sales Consideration	No. of shares	Fair Value	\$
Ordinary shares in Eromanga	44,357,143	\$0.20	8,870,000
Options in Eromanga	8,035,714	\$0.09	690,000
			<u>9,560,000</u>
Assets disposed of:			
- Shares in Eromanga Uranium Resources Pty Ltd			<u>1</u>
Profit on disposal			<u>9,559,999</u>

MAXIMUS RESOURCES LIMITED
ACN 111 977 354 & CONTROLLED ENTITIES

CONDENSED NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

NOTE 3 - BUSINESS COMBINATIONS

Through the transaction identified in Note 2, the Company holds 35.36% of the issued capital of Eromanga. Additionally, three of the Company's directors have been appointed to the board of Eromanga. Therefore, Eromanga has been consolidated for the purposes of this financial report.

Details of the fair value of assets and liabilities acquired from Eromanga as at 31 October 2006 are as follows:

Cash and cash equivalents	14,712,235
Trade and other receivables	42,733
Exploration and evaluation expenditure	10,926,654
Trade and other payables	<u>(817,790)</u>
Net assets	<u>24,863,832</u>
Outside equity interest	<u>(15,284,332)</u>
Net identifiable assets acquired	<u>9,579,500</u>
Represented by the following purchase consideration:	
- Fair value of tenement rights	9,560,000
- Associated transaction costs	<u>19,500</u>
	<u><u>9,579,500</u></u>

**MAXIMUS RESOURCES LIMITED AND CONTROLLED ENTITIES
ACN 111 977 354**

**DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

In the opinion of the directors of Maximus Resources Limited (the company):

1. The financial statements and notes, as set out on pages 5 to 10, are in accordance with the Corporations Act 2001 including:
 - (a) Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



.....
Robert M Kennedy
Director

Signed at Adelaide this 13th day of March 2007

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF MAXIMUS RESOURCES LIMITED & CONTROLLED ENTITIES****Scope****Report on the financial report**

We have reviewed the accompanying interim financial report of Maximus Resources Limited and Controlled Entities, which comprises the consolidated interim balance sheet as at 31 December 2006, the income statement, statement of changes in equity, cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' responsibility for the Financial Report

The directors' of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on the interim financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the interim financial report is not presented fairly, in all material respects, in accordance with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. As the auditor of Maximus Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Maximus Resources Limited is not in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance for the half-year ended on that date; and
- ii. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J GRAY
Partner

Signed at Adelaide this 13 day of March 2007