

Quarterly Report

period ending 31 December 2006

Highlights

Bird-in-Hand Gold, South Australia

- Project now 100% Maximus.
- Recent drill intersections of up to 2 metres at 27.2 grams gold per tonne imply significant down dip potential to the inferred 53,000 ounce gold resource.

Queensland Gold

- Sellheim Project alluvial gold testing to commence March Quarter and potential for alluvial production by September Quarter.
- Bedrock gold exploration underway with completion of initial helimag aeromagnetic survey of tenements.

Western Australian Uranium

- Water bore radiometric probing confirms significant uranium values to 0.3 Kg eU3O8/tonne over 1.1 metres within Windimurra palaeochannel (Narndee Project).

Western Australian Nickel

- Electromagnetic geophysical survey to commence at Milgoo (Narndee Project).

Eromanga Uranium Spin-off

- Eromanga Uranium Limited (ERO) was successfully ASX listed on 31 October after Initial Public Offering raised \$14.75 million.
- Joint venture exploration airborne electromagnetic survey flown over the Eromanga Basin Maree tenements.
- Drilling of Billa Kalina gravity target is expected for March Quarter.

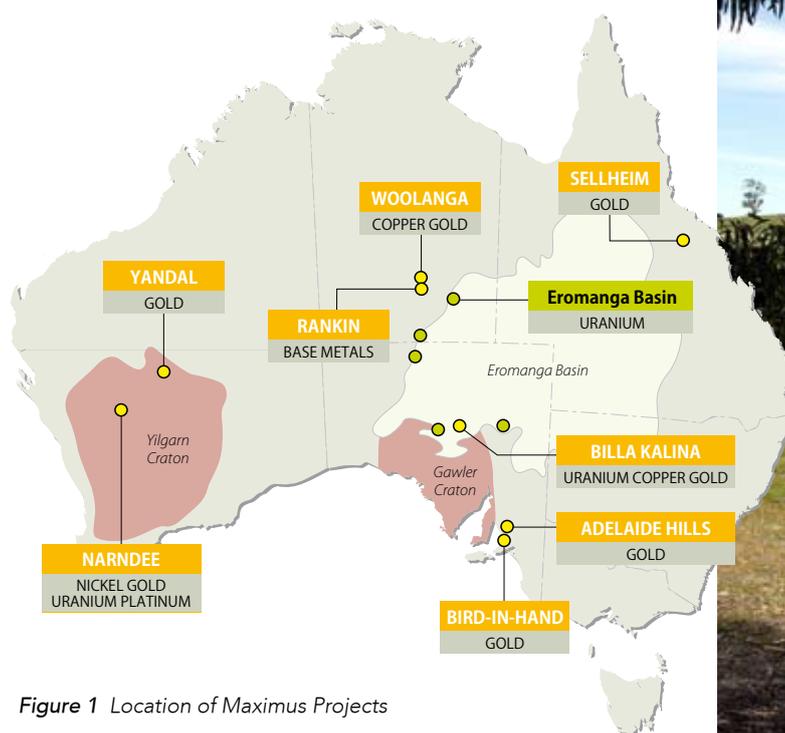


Figure 1 Location of Maximus Projects



Drilling BH 24 - October 2006

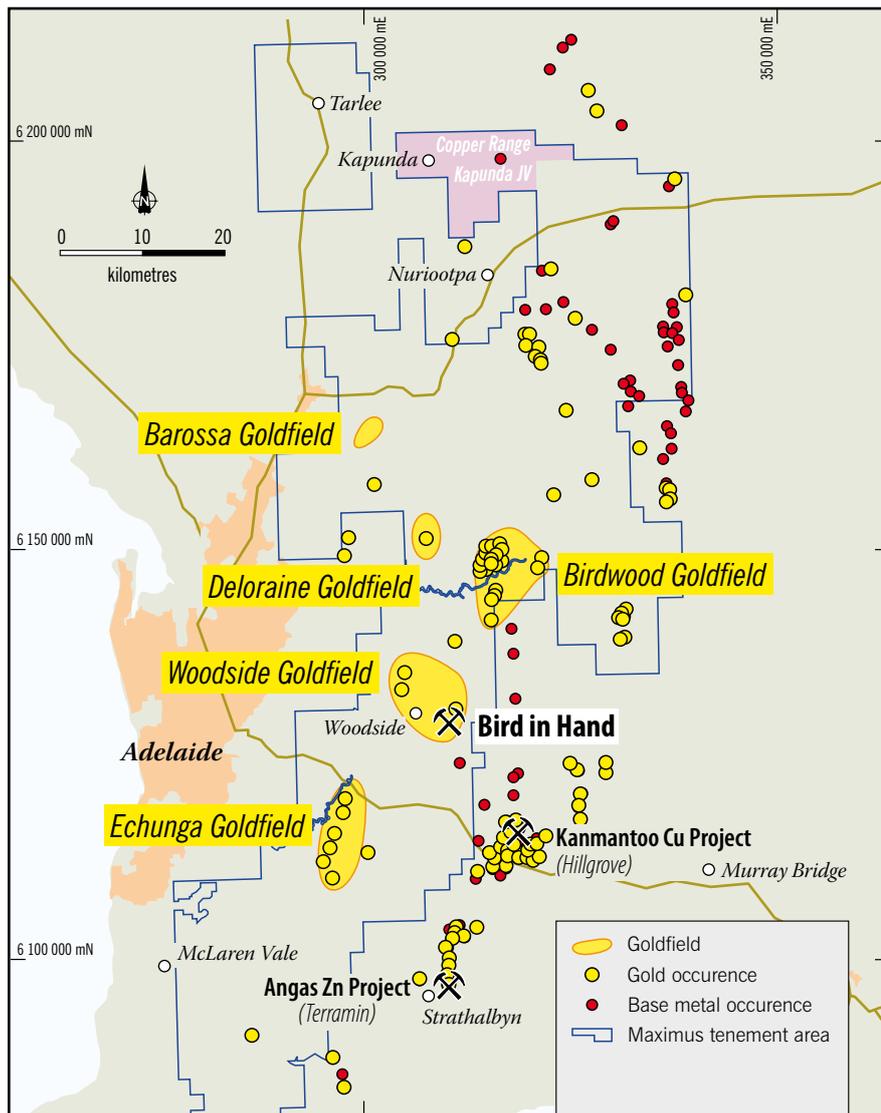


Figure 2 Location of Adelaide Hills goldfields

EXPLORATION ACTIVITIES

Adelaide Hills Project, South Australia

100% Maximus

Through negotiation to purchase the remaining 25% interest in the Lobethal Joint Venture, Maximus Resources Limited (Maximus) now holds 100% equity for all metalliferous minerals in seven exploration licences within the Adelaide Hills (Figures 1 & 2)..

The Lobethal Joint Venture Agreement (JVA) was dissolved following acceptance by the partners, Indo Mines Limited and Statelink Holdings Pty Ltd, of an offer of 1.8 million Maximus shares and 900,000 Flinders Diamonds Limited shares for their 25% interest in the project. The Lobethal JVA tenement includes the historic Bird-in-Hand gold mine where the Joint Venture had previously announced an estimated inferred resource of 53,000 ounces of gold grading 14.2 grams per tonne.

Bird-in-Hand Gold Mine

Drilling targeting the down dip projection of the reef structure approximately 100 metres below the inferred gold resource and 300 metres

Table 1

Summary Results for current Maximus Drilling at Bird-in-Hand Gold Mine, Woodside, South Australia.

Drill Hole No.	Collar Easting (MGA54 metres)	Collar Northing (MGA54 metres)	Collar Azimuth	Core Size	From (metres)	To (metres)	Interval (metres)	Gold (grams/tonne)
BH-24	309153	6129562	288/-73	NQ core	272.5	283.5	11.0	6.56
						Including	3.0	11.9
BH-25	309135	6129526	288/-73	NQ core			NSA	
BH-26	309182	6129572	292/-70	NQ core	291.5	294.0	2.5	3.2
					298.3	307.0	8.7	7.6
						Including	2.0	27.2

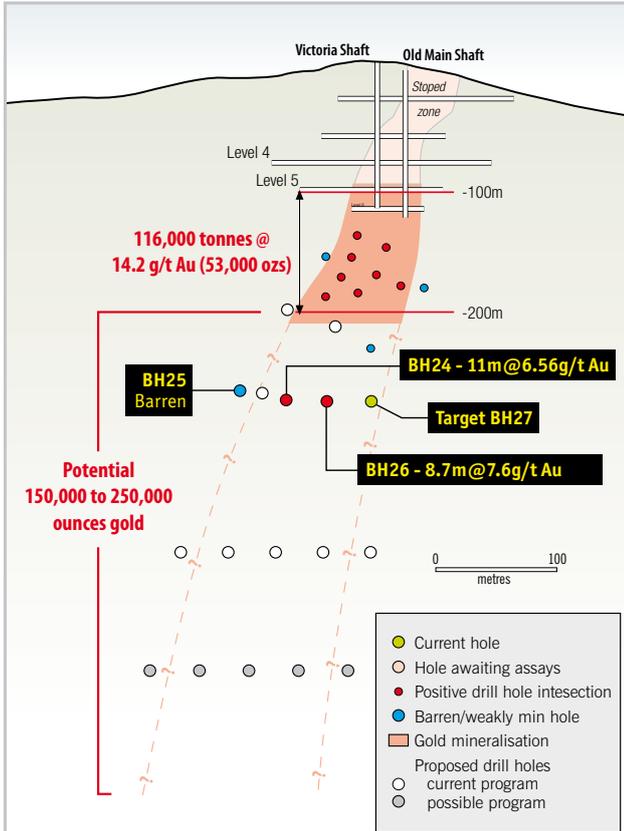


Figure 3 Long section at Bird in Hand Gold Mine.

below surface has continued through the December Quarter. Further drilling to test the reef structure at approximately 400 metres below surface is planned to commence during the March Quarter. This deeper drilling program will determine the depth extent, grade and thickness of gold mineralisation in the reef structure, thereby outlining its overall mineral potential before more expensive infill drilling is considered.

Three holes of the initial 12 hole program have been completed for a total of 997 metres and a fourth is well advanced (Figures 3 and 4). Assay results for three of those four holes have been previously announced and gold results for the fourth should be available by late February (Table 1).

The first hole (BH-24), which was drilled under a South Australian Government PACE grant awarded in late 2005, intersected two reef positions, that of the Bird-in-Hand lode and a lower 'Back Reef' position (Figure 4). Assay results for the Bird-in-Hand lode indicated an encouraging 11 metres from 272.5 metres down hole averaging 6.56 grams gold per tonne and included a higher grade zone of 3 metres from 277.8 metres grading 11.9 grams per tonne. Estimated true widths for these intersections are 7.7 and 2.1 metres, respectively. No gold

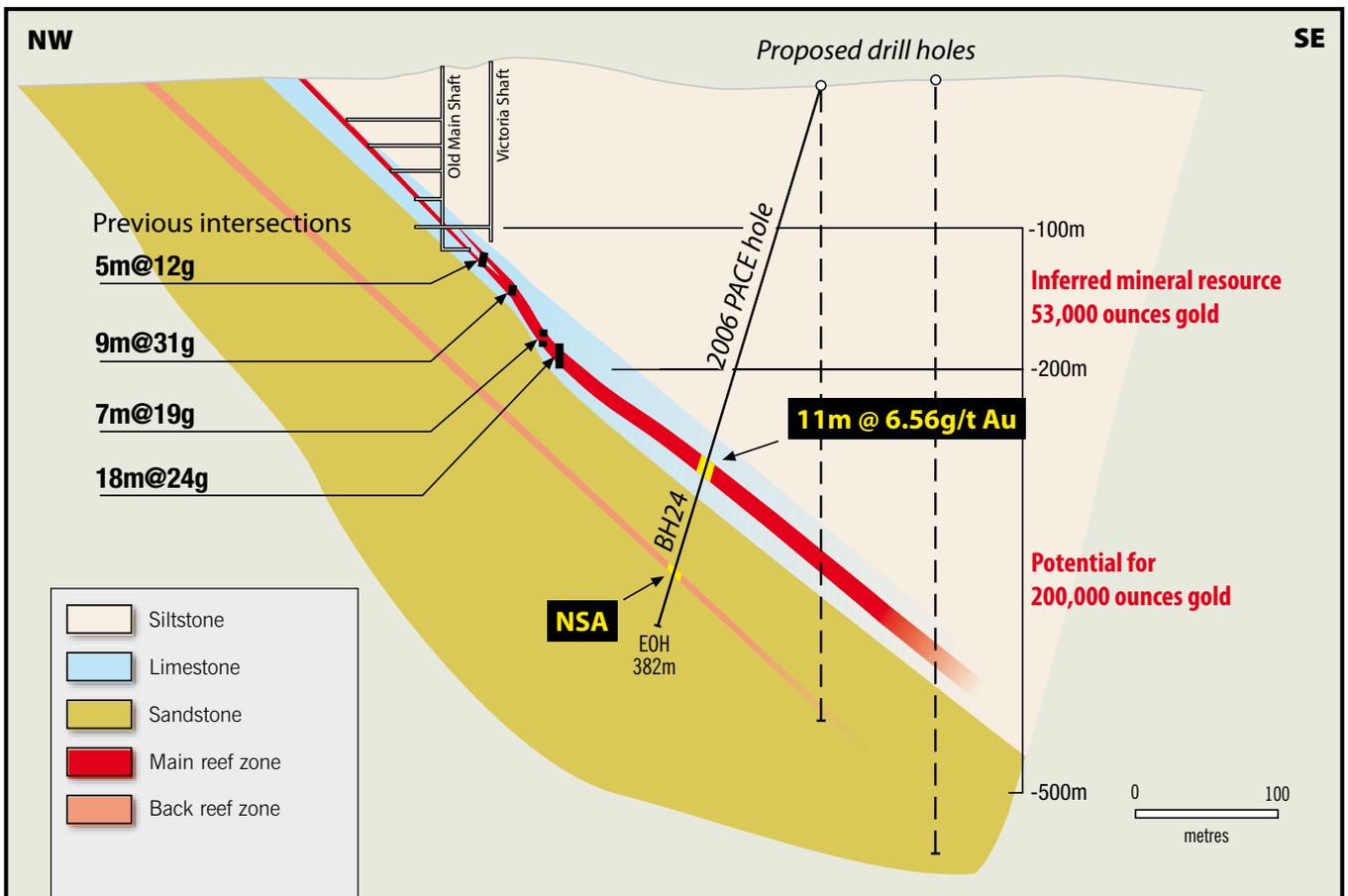


Figure 4 Cross section at Bird in Hand Gold Mine.

mineralisation was recorded in assays for the interval of Back Reef.

Hole BH-25 was collared 40 metres southwest of BH-24 but failed to intersect any reef or mineralisation. The hole is interpreted as being marginal to the reef structure encountered in previous drilling (Figure 3).

Hole BH-26, targeted to intersect the reef approximately 30 metres northeast of BH-24, recorded an upper zone of 2.5 metres from 291.5 metres down hole grading 3.2 grams gold per tonne followed by a higher grade 8.7 metres from 298.3 metres at 7.6 grams gold per tonne. The lower zone includes 2 metres at 27.2 grams gold per tonne associated with fresh sulphides. Estimated true widths of the upper and lower zones are 1.75 and 6.1 metres, respectively.

Hole BH-27 was collared to intersect the reef 40 metres northeast of BH-26 and is expected to intersect target and be completed before the end of January.

While BH-27 remains to be completed, drilling of the 300 metres below

surface tier has now indicated at least 50 metres strike length of gold mineralisation at that depth. Initial interpretation of these 300 metre tier results infers potential for a down dip doubling of the previously inferred resource (Figure 3), provided infill drilling between these holes and that resource confirms continuity of grade and width of the gold mineralisation.

Investigation of the reef structure at 400 metres below surface and approximately 200 metres down dip from the estimated inferred gold resource is due to commence with the collaring of hole BH-28 in early February (Figure 3).

Community Consultation

A public meeting to discuss the exploration activities of Maximus at Bird-in-Hand was held at nearby Woodside on November 15, 2006. It is expected that these public consultations will become a regular occurrence to update the community on the progress of exploration at Bird-in-Hand and other exploration sites within the historic Woodside Goldfield.

Adelaide Hills Gold Province

Following reviews of specific historic producers in other goldfields, initial field visits were made to several Adelaide Hills mineral occurrences and some preliminary sampling undertaken. Specific exploration programs at some localities are expected to be undertaken during 2007.

Kapunda Joint Venture

On November 29, Maximus and Copper Range Limited (CRL) announced execution of the Kapunda Joint Venture Agreement under which CRL's wholly owned subsidiary, Copper Range (SA) Pty Ltd (CRSA), has the right to secure up to 75% interest in the western portion of Exploration Licence 3064 (Figure 2). CRSA has committed to staged expenditure of up to \$1,000,000 over ten years and must expend a minimum of \$100,000 in the first eighteen months. The joint venture will explore for copper within the project area and CRSA has advised that exploration is expected to commence during the March Quarter.



Narndee JV Project, Western Australia

Maximus earning 70% under Apex JV Agreement

The project area is located in the Mt Magnet region of Western Australia and covers some 3000 square kilometres of the mineral rich Narndee and Windimurra mafic complexes (Figures 1 & 5).

Windimurra Uranium

Radiometric probing of accessible water bores in the Windimurra palaeochannel area undertaken in the reporting period have confirmed the anomalous uranium nature of the calcrete horizon. Although few of the bores were within the +0.1kg eU₃O₈/tonne area (Windi U prospect) identified by the 1970s Western Mining Corporation (WMC) exploration, a best probe value of 0.3 kg eU₃O₈/tonne over 1.1 metres from surface was obtained from that area (Figure 6). Granting of the relevant tenure over this area has been impeded by Native Title related matters which have now been resolved, and finalisation of the grant of an exploration licence is now imminent. Maximus has an infill aircore drill program of approximately 120 holes for the Windi U prospect ready to commence as soon as the licence is granted.

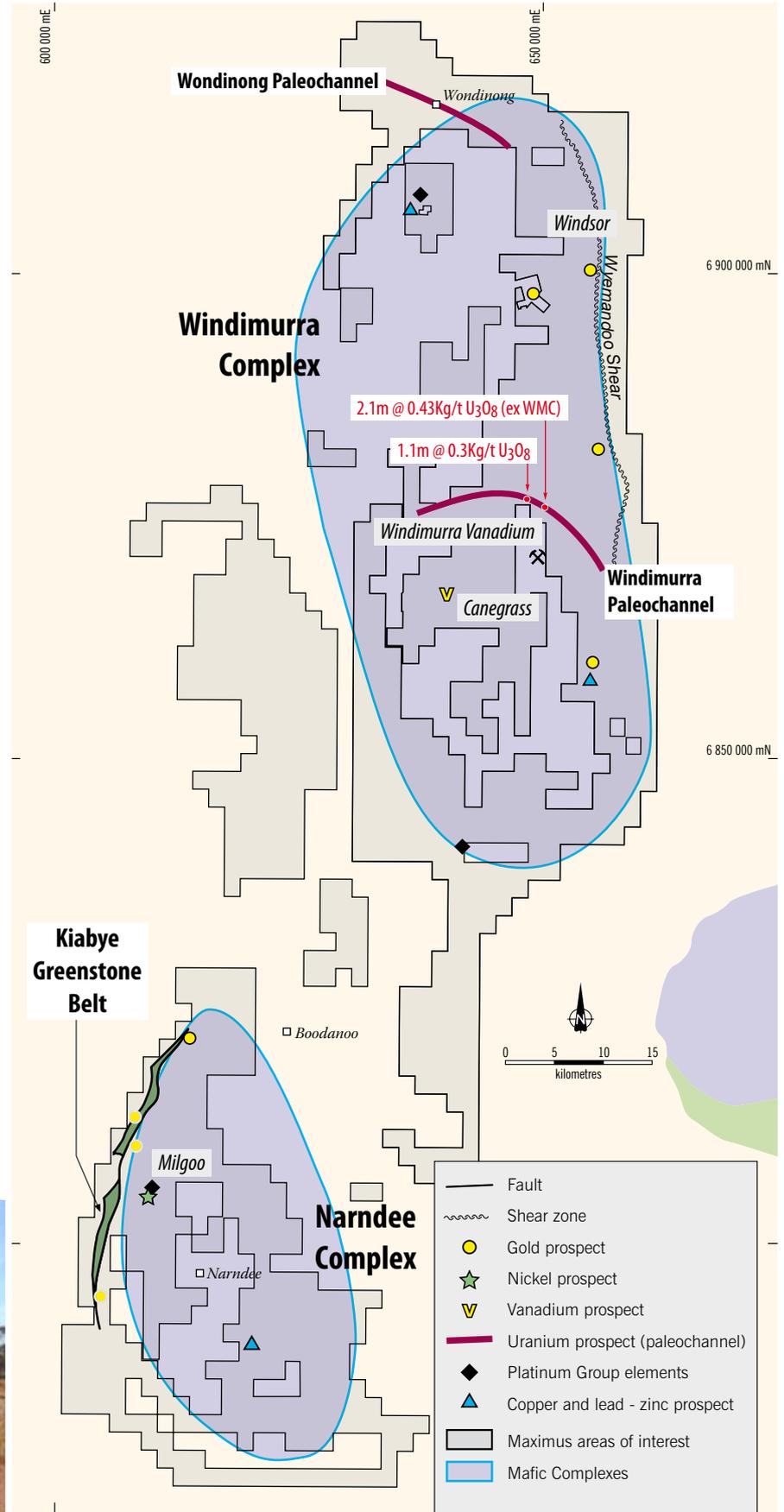


Figure 5 Narndee JV Project tenements and prospects.

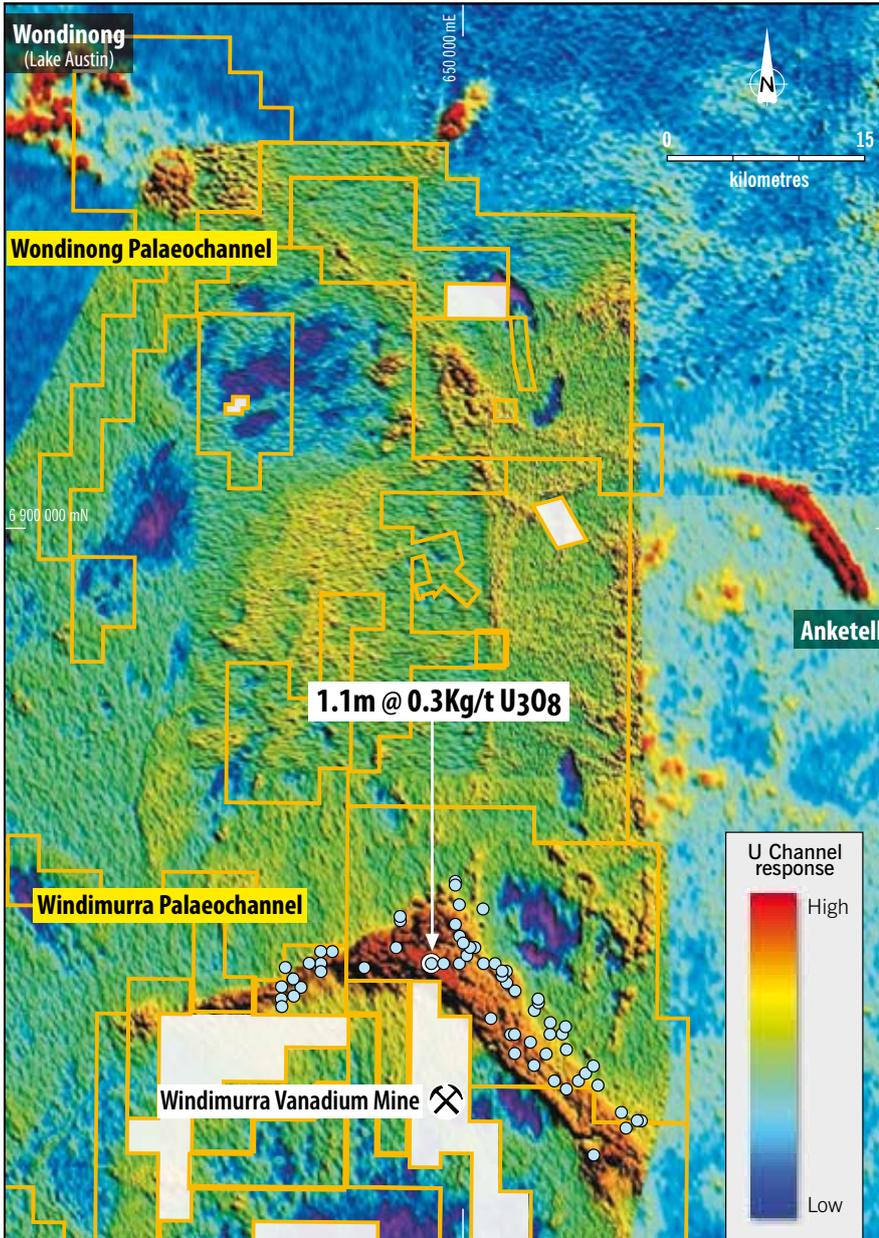


Figure 6 Water bores radiometrically probed, Windimurra Palaeochannel.

Canegrass Vanadium

Reconnaissance mapping and sampling of titaniferous magnetite horizons in the Canegrass Bore area has indicated potential for a significant vanadium mineralisation. Previous 1970s exploration drilling by WMC intersected up to 20 metres of 1% V₂O₅ in open folds but failed to continue evaluation of the prospect area. Analytical results for surface sampling by Maximus have indicated up to 1.3% V₂O₅ in folded outcrops that can be traced for hundreds of metres. Further exploration of the Canegrass prospect area awaits the anticipated granting of tenure.

Milgoo Nickel

At the Milgoo prospect, a ground electromagnetic survey for nickel is scheduled to be completed in early February. Any anomalies resulting will be drill tested as soon as a suitable contractor can be retained.

Kiabye Gold

Soil sampling results in the vicinity of previous RAB hole MNRB122 (up to 0.5 ppm Au) and the southern Kiabye Greenstone Belt indicated few anomalous gold values. No specific follow up activities are planned for this area in the forthcoming period.



Billa Kalina, South Australia

Maximus diluting to 50% subject to Billa Kalina JV Agreement

The Billa Kalina project area comprises five exploration licences located 70km northwest of the Olympic Dam copper-uranium-gold deposit and 45 km east of the Prominent Hill copper-gold deposit (Figure 1).

Eromanga Uranium Limited, in its capacity as joint venture manager, is expecting to commence drilling a gravity target to test for Olympic Dam style copper-uranium-gold mineralisation during the March Quarter.

Yandal, Western Australia

90% Maximus

The Yandal project area comprises two tenement packages situated near Wiluna (Figure 1) located within the highly prospective Yandal Greenstone Belt. The Maximus tenements include five zones of known gold mineralisation.

Mineability of the previously estimated inferred resource of 1.1 million tonnes at 1.7 grams gold per tonne at Flushing Meadows was investigated by an independent mining consultant. The consultant's report has indicated that an increase in grade or significantly more tonnage would be required before mining of this mineralisation could be viable. As a consequence, Maximus is reconsidering its target concept and is re-examining the available drill data for opportunities to define higher grade pods within the overall zone of gold mineralisation at Flushing Meadows. Exploration drilling of such pods may lead to the discovery of lodes of the type that have made both the nearby Bronzewing and Jundee mining operations so successful.



Field exploration activities on the Yandal project await the granting of tenure over the Ironstone Well area, which is expected to occur during the March Quarter.

Woolanga, Northern Territory

100% Maximus

The Woolanga project area comprises five exploration licences located 100 kms northeast of Alice Springs (Figure 1).

During the reporting period an airborne electromagnetic survey of the Johnnies Reward ironstone hosted copper-gold prospect and nearby Pinnacles copper prospect was completed. Data from this survey is still to be interpreted.

Rankin Project, Northern Territory

95% Maximus

Letter agreement has been reached with Tanami Gold NL's subsidiary, Tanami Exploration NL, for Maximus to undertake exploration on their Rankin and Gecko base metal prospects, located 100 kilometres north of Alice Springs (Figure 1). Transfer of a 95% interest in the two exploration licences awaits finalisation of a formal agreement and TENL will retain a 5% interest in the tenements free carried to a bankable feasibility study.

Maximus has commenced exploration with the completion of airborne electromagnetic surveys over the Rankin and Gecko prospects. Data from these surveys is still to be interpreted.

Eromanga Sedimentary Uranium Project, South Australia & Northern Territory

Maximus diluting to 30% subject to Eromanga JV Agreement

ERO has commenced planned regional airborne geophysical surveys seeking to identify palaeochannels prospective for sandstone uranium deposits with the flying of an electromagnetic survey over the Maree tenement package (Figure 1). Interpretation of this data is in progress.

Sellheim Gold Project, Queensland

Maximus Option to purchase 100%

The Sellheim project tenements cover some 75 square kilometres in total of a known alluvial gold province on the northern portion of the Drummond Basin (Figure 1). Granting of Mining Lease 10328 in December will allow Maximus to get testing of the overall alluvial gold potential underway during the March Quarter.

Exploration for a bedrock source to the alluvial goldfield has commenced with reconnaissance mapping and a helimag aeromagnetic survey of the tenement package has been completed. An initial mineralogical study of alluvial gold nuggets from the area showed the nuggets as including

fresh sulphide and litho fragments indicative of a proximal bedrock source.

Construction of a water catchment dam was completed ahead of Queensland wet season rains. Maximus is currently procuring sufficient alluvial mining equipment to test the alluvial gold potential during the March Quarter with a view to commencing gold production in the September Quarter.

Corporate Activities

Eromanga Uranium Limited

Eromanga Uranium Limited (ERO) commenced trading on the Australian Stock Exchange on October 31 after a successful Initial Public Offering which raised \$14.75 million. Maximus retains 44 million vendor shares in or 35.4 % of ERO and holds ongoing joint venture interests in ERO's current tenement package.

Finance

As at December 31, 2006, Maximus had available funds of \$2,032,000 of which the majority is held in term deposits with an Australian bank. During the December Quarter, total net cash expenditure by the Company was \$1,187,000.

Exploration activities during the March Quarter will include the continuation of deeper core drilling beneath the Bird-in-Hand gold mine, South Australia, exploration and alluvial gold testing on the Sellheim gold project, Queensland, and further exploration on the Narndee JV project, Western Australia. The estimate for March Quarter exploration expenditure totals \$950,000. .

Dr Kevin J A Wills

Managing Director

25 January 2007

For further information please contact Kevin Wills on 08 8132 7960 or 0419 850 997

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Dr K Wills and Mr G Maddocks who are a Fellow and a Chartered Professional Fellow respectively of the Australasian Institute of Mining and Metallurgy and, through their respective companies, KJ Exploration Pty Ltd and GALEAP Pty Ltd act as consultants to Maximus Resources Limited. Between them, each has more than five years relevant experience in the style of mineralisation and types of deposit under consideration and consent to inclusion of the information in this report in the form and context in which it appears. They both qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".

Further information relating to Maximus Resources Limited and its diversified exploration projects will be found on Maximus' website:

www.maximusresources.com

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Maximus Resources Limited

ABN

74 111 977 354

Quarter ended ("current quarter")

31 December 2006

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(992)	(1,822)
(b) development		
(c) production		
(d) administration	(145)	(297)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	60	123
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(1,077)	(1,996)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments	(75)	(75)
(c) other fixed assets	(25)	(28)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities	(10)	42
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(110)	(61)
1.13 Total operating and investing cash flows (carried forward)	(1,187)	(2,057)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,187)	(2,057)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows		
	Net increase (decrease) in cash held	(1,187)	(2,057)
1.20	Cash at beginning of quarter/year to date	3,219	4,089
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,032	2,032

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	135
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Sale of 100% of the shares in Eromanga Uranium Resources Pty Ltd for consideration of 44,357,143 shares in Eromanga Uranium Limited and 8,035,714 options to acquire shares in Eromanga Uranium Limited.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	950
4.2 Development	
Total	

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	20	19
5.2 Deposits at call	2,012	3,200
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,032	3,219

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased	EL 3215	Joint Venture	75%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	67,377,921	45,152,921		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,400,000	2,400,000	\$Nil (tenement acquisition)	\$Nil (tenement acquisition)
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	12,612,500 1,000,000	20,609,580	<i>Exercise price</i> \$0.20 \$0.20	<i>Expiry date</i> 30/6/2008 12/4/2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Richard W C Willson
(Company secretary)

Date: 19 January 2006

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.