



MAXIMUS RESOURCES LIMITED

ACN 111 977 354

AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT

For the half-year ended

31 December 2007

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DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007

Your directors submit the interim financial report of the consolidated entity for the half-year ended 31 December 2007.

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 Willson (Alternate for GE Maddocks, resigned 14 August 2007)
- Mr Nicholas John Smart (Alternate for EJ Vickery)

Review of Operations

During the half year to 31 December 2007, Maximus expended a total of \$3.8 million on exploration operations which was \$1.7 million more than the half year to December 2006. This expenditure level of almost \$2 million per quarter has enabled Maximus to carry out three significant concurrent exploration programs. These are a multicommodity program at the Windimurra/Narndee Complex in Western Australia, and gold programs in the Adelaide Hills of South Australia and the Drummond Basin in Central Queensland. The results of this active program are the establishment of inferred resources for uranium at Windimurra and gold at Yandal, both in Western Australia, and gold at Bird-in-Hand in the Adelaide Hills.

The Windimurra/Narndee Complex is Australia's largest layered mafic igneous complex with similarities to the Bushveld Complex in South Africa. Maximus has four sub-programs in operation here. The first, and most important, is the magnetite iron ore program in the Canegrass and Shephards zones. An exploration target of up to or exceeding 200 million tonnes of magnetite rich gabbro has been recognised and will be the subject of active exploration in 2008. The second is the base metal program. The complexes have potential for major deposits of nickel-copper and copper-zinc, both in the form of sulphide deposits. Being conductive, such deposits can be located by electromagnetic surveys and Maximus plans to carry out a major airborne REPTM survey commencing in April 2008.

The third program consists of exploration for Platinum Group Metals (PGMs) such as platinum, palladium, rare earths and possible associated chromium. By comparison with the Bushveld Complex deposits of platinum, palladium and chromium may be present at Windimurra. The fourth program is for uranium. In December it was announced that Maximus had located an inferred resource of 19 million tonnes at an average grade of 180 parts per million U₃O₈. The deposit is hosted by shallow calcrete and to only 6 metres depth contains an estimated 7.5 million pounds of U₃O₈. Maximus is not planning any further work on this uranium ore body unless the WA Government changes its policy on uranium mining.

Maximus has a strong ground position in the Adelaide Hills, controlling the gold and base metal rights to over 3000 square kilometres of ground. The company has been actively drilling at the Bird in Hand Mine where over 162,000 ounces of gold have been located to date. Work during the December quarter focussed on infill and extension drilling with results that more clearly outline the main lode. It is expected that with holes drilled in the first quarter of 2008, there will be sufficient information to justify commencement of a pre-feasibility in the second quarter of 2008. Maximus is also investigating a number of other old gold mines in the Adelaide Hills with a view to drilling holes to test for lode extensions in 2008.

DIRECTORS' REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007

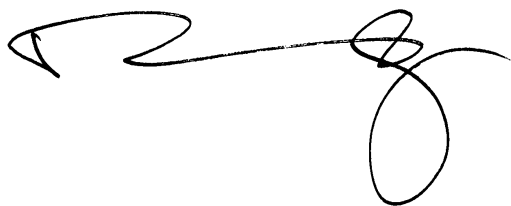
At Sellheim in the Drummond Basin of central Queensland, Maximus has been busy during the quarter bulk-testing 5 cubic metre alluvial gold samples. A total of 120 alluvial samples have now been tested which have outlined three gold-rich areas where alluvial gold mining can commence. Sufficient information is available to estimate an inferred resource in accordance with the JORC guidelines and then to carry out a feasibility study into alluvial gold mining. This work is expected to be complete in the first quarter of 2008 and pre-production activities are due to commence in the second quarter.

On 23 October, the Company announced a rights issue to all shareholders on the basis of one (1) share for every five (5) shares held at an issue price of 20 cents per share to raise \$9.48 million before costs. On December 4, Maximus announced the successful completion of this Issue which raised \$9.48 million before costs. Net proceeds from the Issue will be used to fund exploration and development activities on the Company's existing portfolio of projects and for working capital purposes. As a follow up to the Rights Issue, on January 17, 2008, Maximus announced the issue of a 1:5 Bonus Option to all shareholders registered as at the close of business on January 31, 2008 (the Record Date). Each option will provide the option holder to subscribe for one fully paid share in Maximus at an exercise price of 20 cents on or before June 30, 2009. These options are listed on the Australian Stock Exchange.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Grant Thornton, to provide the directors of Maximus Resources 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 14th of March 2008

Grant Thornton South Australian Partnership

ABN: 27 244 906 724

Level 1,

67 Greenhill Rd

Wayville SA 5034

GPO Box 1270

Adelaide SA 5001

DX 275 Adelaide

T 61883726666

F 61883726677

E info@gttsa.com.au

W www.grantthornton.com.au

**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 2007, 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 review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J Gray
Partner

Signed at Adelaide this 14th day of March 2008

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

**CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007**

	31 December 2007	31 December 2006
	\$	\$
Revenue	419,450	308,609
Marketing expenses	(57,431)	(293,900)
Administration expenses	(282,865)	(255,883)
Finance costs	(397)	(1,590)
Loss on disposal of exploration assets	(157,115)	-
Exploration expenditure	(151,850)	(344,123)
	<hr/>	<hr/>
Profit / (Loss) before income tax	(230,208)	(586,887)
Income tax expense	(242,143)	-
	<hr/>	<hr/>
Profit / (Loss) for the period	(472,351)	(586,887)
Profit / (Loss) attributable to outside equity interest	34,071	(44,840)
	<hr/>	<hr/>
Profit / (Loss) for the period attributable to shareholders of the parent entity	(506,422)	(542,047)
	<hr/> <hr/>	<hr/> <hr/>
Basic earnings / (loss) per share (cents)	(0.51)	(8.28)
Diluted earnings / (loss) per share (cents)	(0.51)	(8.28)

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

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

**CONSOLIDATED INTERIM BALANCE SHEET
AS AT 31 DECEMBER 2007**

	31 December 2007 \$	30 June 2007 \$
CURRENT ASSETS		
Cash & cash equivalents	18,955,443	12,354,511
Trade & other receivables	528,732	633,010
Other current assets	38,500	36,000
TOTAL CURRENT ASSETS	<u>19,522,675</u>	<u>13,023,521</u>
NON-CURRENT ASSETS		
Property, plant & equipment	743,233	674,444
Exploration & evaluation expenditure	21,123,245	11,085,151
Investments accounted for using the equity method	2	2
TOTAL NON-CURRENT ASSETS	<u>21,866,480</u>	<u>11,759,597</u>
TOTAL ASSETS	<u>41,389,155</u>	<u>24,783,118</u>
CURRENT LIABILITIES		
Trade & other payables	980,587	632,076
Short-term provisions	23,505	18,377
TOTAL CURRENT LIABILITIES	<u>1,004,092</u>	<u>650,453</u>
TOTAL LIABILITIES	<u>1,004,092</u>	<u>650,453</u>
NET ASSETS	<u>40,385,063</u>	<u>24,132,665</u>
EQUITY		
Issued capital	25,920,807	10,133,983
Reserves	1,072,663	156,408
Retained earnings	(1,876,254)	(1,369,832)
Parent interest	25,117,216	8,920,559
Outside equity interest	15,267,847	15,212,106
TOTAL EQUITY	<u>40,385,063</u>	<u>24,132,665</u>

The consolidated balance sheet is to be read in conjunction with the 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 2007**

	Issued Capital \$	Share Option Reserve \$	Retained Earnings \$	Outside Equity Interest \$	Total \$
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)
Shares issued during the period	390,000	-	-	-	390,000
Loss attributable to outside equity interest	-	-	-	(44,840)	(44,840)
Balance at 31 December 2006	<u>9,089,079</u>	<u>83,667</u>	<u>(1,201,202)</u>	<u>15,239,492</u>	<u>23,211,036</u>
Balance at 1 July 2007	10,133,983	156,408	(1,369,832)	15,212,106	24,132,665
Loss for the period	-	-	(506,422)	-	(506,422)
Profit attributable to outside equity interest	-	-	-	34,071	34,071
Options issued during the period	-	916,255	-	21,670	937,925
Shares issued during the period	<u>15,786,824</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,786,824</u>
Balance at 31 December 2007	<u><u>25,920,807</u></u>	<u><u>1,072,663</u></u>	<u><u>(1,876,254)</u></u>	<u><u>15,267,847</u></u>	<u><u>40,385,063</u></u>

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

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

**CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007**

	31 December 2007	31 December 2006
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	543,728	207,631
Payments to suppliers and employees	(383,231)	(569,653)
	<u>160,497</u>	<u>(362,022)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(132,367)	(92,137)
Payment for exploration activities	(6,722,429)	(1,818,840)
Proceeds from sale of exploration assets	135,000	-
Cash acquired through acquisition of subsidiary	-	14,692,735
	<u>(6,719,796)</u>	<u>12,781,758</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	13,374,325	-
Capital raising costs	(214,094)	(831,152)
	<u>13,160,231</u>	<u>(831,152)</u>
Net cash provided by / (used in) operating activities		
Net cash provided by / (used in) investing activities		
Net cash provided by / (used in) financing activities		
Net increase in cash held	6,600,932	11,588,584
Cash at beginning of period	<u>12,354,511</u>	<u>4,089,053</u>
Cash at end of financial period	<u><u>18,955,443</u></u>	<u><u>15,677,637</u></u>

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

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

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007**

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 2007 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 2007 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 2007.

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 2007.

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

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2007**

NOTE 2 - ISSUED CAPITAL

	31 December 2007	30 June 2007
143,198,561 (30 June 2007: 74,792,087) fully paid ordinary shares	<u>\$25,920,807</u>	<u>\$10,133,983</u>
Ordinary Shares	Shares	\$
At the beginning of the period	74,792,087	10,133,983
Shares issued during the year		
- 2 July 2007	7,500,000	2,902,500
- 12 July 2007	31,400	6,280
- 25 July 2007	11,000,000	3,410,000
- 26 July 2007	31,250	6,250
- 31 July 2007	519,300	103,860
- 31 July 2008	35,000	4,900
- 14 August 2007	442,650	88,530
- 20 September 2007	406,674	126,069
- 3 October 2007	5,000	1,000
- 2 November 2007	50,000	7,000
- 2 November 2007	283,019	75,000
- 9 November 2007	530,500	106,100
- 7 December 2007	47,381,681	9,476,336
- 11 December 2007	190,000	38,000
Issue costs net of tax effect		(565,001)
At reporting date	<u>143,198,561</u>	<u>25,920,807</u>

- On 2 July 2007 7,500,000 shares were issued at \$0.387 to the vendors of WA tenements acquired by Maximus
- On 12 July 2007 31,400 shares were issued at \$0.20 as a result of the exercise of options
- On 25 July 2007 11,000,000 shares were issued to sophisticated investors at \$0.31 under a share placement
- On 26 July 2007 31,250 shares were issued at \$0.20 as a result of the exercise of options
- On 31 July 2007 519,300 shares were issued at \$0.20 as a result of the exercise of options
- On 31 July 2007 35,000 shares were issued at \$0.14 as a result of the exercise of employee options
- On 14 August 2007 442,650 shares were issued at \$0.20 as a result of the exercise of options
- On 20 September 2007 406,674 shares were issued at \$0.31 under a Rights Issue
- On 3 October 2007 5,000 shares were issued at \$0.20 as a result of the exercise of options
- On 2 November 2007 50,000 shares were issued at \$0.14 as a result of the exercise of employee options
- On 2 November 2007 283,019 shares were issued at \$0.265 as consideration to extend the Selheim option
- On 9 November 2007 530,500 shares were issued at \$0.20 as a result of the exercise of options
- On 7 December 2007 47,381,681 shares were issued at \$0.20 under a Rights Issue
- On 11 December 2007 190,000 shares were issued at \$0.20 as a result of the exercise of options

Ordinary shares participate in dividends and the proceeds on winding up of the entity in proportion to the number of shares held.

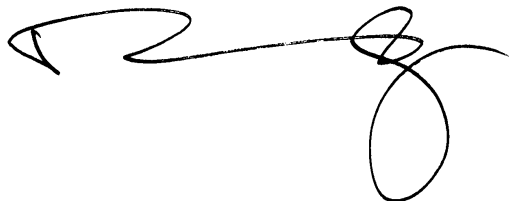
At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2007

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 2007 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 14th day of March 2008

Grant Thornton South Australian Partnership

ABN: 27 244 906 724

Level 1,

67 Greenhill Rd

Wayville SA 5034

GPO Box 1270

Adelaide SA 5001

DX 275 Adelaide

T 61883726666

F 61883726677

E info@gttsa.com.auW www.grantthornton.com.au**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MAXIMUS RESOURCES LIMITED AND CONTROLLED
ENTITIES****Report on the half-year financial report**

We have reviewed the accompanying half-year financial report of Maximus Resources Limited (the Company) and the entities it controlled (the consolidated entity), which comprises the consolidated balance sheet as at 31 December 2007, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, a description of accounting policies, and other selected explanatory notes. The consolidated entity comprises both the Maximus Resources Limited (the Company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the Maximus Resources Limited are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards including the Australian Accounting Interpretations and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year 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.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement 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, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the Corporations Regulations 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.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MAXIMUS RESOURCES LIMITED AND CONTROLLED
ENTITIES (cont)**

Auditor's responsibility (cont)

A review of a half-year 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 complied with the independence requirements of the Corporations Act 2001.

Conclusion

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

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date.
- b complying with Accounting Standard AASB 134: *Interim Financial Reporting* and Corporations Regulations 2001.

GRANT THORNTON
South Australian Partnership
Chartered Accountants



S J Gray
Partner

Signed at Adelaide this 14th day of March 2008