



Maximus Resources Ltd ABN 74 111 977

SUMMARY

QUEENSLAND GOLD

SELLHEIM PROJECT

- ▶ *Production ramp up continued. Plant performance has improved during the quarter, although hampered by unseasonably wet weather which lead to 15 lost production shifts. Plant recovery of 171 ounces gold doré at an average grade of 0.58 g/lcm (loose cubic metres), as forecast in the mine plan. This represents an improvement in grade of 65% over the previous quarter.*
- ▶ *Subsequent to the end of the quarter, the Company recovered a 404 g nugget (approximately 13 ounces), from the Jacks Patch production area. This is the largest nugget yet recovered by the Company.*

SOUTH AUSTRALIAN GOLD

ADELAIDE HILLS GOLD PROJECT

- ▶ *Diamond drilling program at Deloraine intersects 3 metres at 30.3 grams per tonne gold confirming potentially significant depth extension of the previous mining operations.*

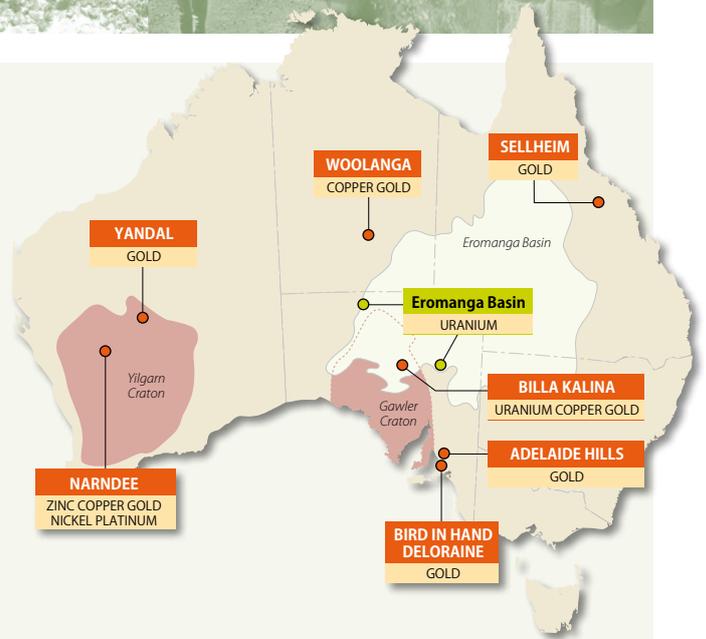


Figure 1 Location of Maximus Projects.

DEVELOPMENT and EXPLORATION ACTIVITIES

QUEENSLAND

SELLHEIM GOLD PROJECT

Maximus 100%

The Sellheim Gold Project covers some 75 square kilometres of tenements in a known alluvial-hardrock gold province on the northern portion of the highly prospective Drummond Basin in north Queensland (Figures 1 and 2).

Following Board approval to commence trial production, final modifications were completed on the existing test plant to bring it to production capability. During the September quarter, 9,234 lcm were treated for the recovery of 171 ounces of gold doré. This production equates to a recovered grade of 0.58 g/lcm which is on forecast with the mine plan. A total of 15 days production was

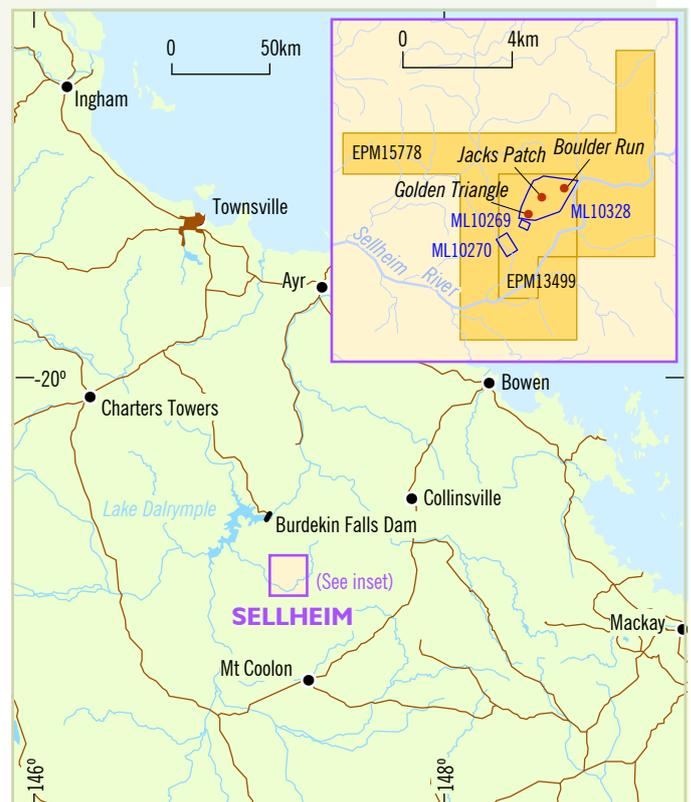


Figure 2 Location of Sellheim Project showing tenement holdings and estimated resources.

lost due to unseasonable wet weather conditions. Gold fineness is consistently around 91–92% for both Jacks Patch and Golden Triangle whilst Boulder Run has a slightly higher silver content reducing gold fineness to around 89.5%. Gold sales for the quarter totalled 109 ounces gold bullion at an average price of \$42.97 per gram. No nugget sales were made during the quarter.

Despite the unusually wet conditions, average plant throughput has shown a progressive increase during the quarter from 22 lcm/hr in July to 24 lcm/hr in September. Similarly, recovered grade has improved during the same period. Work continues to improve plant performance.

Subsequent to the end of the quarter, the Company recovered a 404 gram nugget (pictured), approximately 13 ounces, from the Jacks Patch production area. This is the largest nugget yet recovered by the Company. At Sellheim, nuggets of this size are considered quite rare and the Company will consider a separate sale of this specimen.

SOUTH AUSTRALIA

ADELAIDE HILLS PROJECT

100% Maximus

The Adelaide Hills project, located immediately east and north of Adelaide, comprises some 3,500 square kilometres of contiguous exploration licences and applications covering numerous gold and base metal occurrences (Figures 1 and 3) and also includes the Company's wholly owned high grade gold resource at the Bird in Hand deposit. The intent of the current drilling program is to identify additional resource potential to supplement the previously reported high grade resource of 237,000 ounces at 12.3 g/t Au (ASX release on 8 August 2008) at the Company's Bird in Hand deposit at Woodside.

Subsequent to the end of the quarter, the Company was pleased to announce assay results for the first two holes drilled at its wholly owned Deloraine gold prospect in the Adelaide Hills, South Australia. The initial results were from the first drilling program by Maximus on the Deloraine and Deloraine Queen Mines which operated between 1909 and 1941 with reported production of 33,270 ounces of gold from 48,700 tonnes at a grade of approximately 20 grams per tonnes (g/t) gold (Au) with by-product copper and silver.

Hole No. 1 was designed to intersect the southerly plunging Central Shoot approximately 60 m down plunge from where historical development ceased. This hole intersected a quartz chalcopyrite vein and returned an intersection of one metre (m) at 1.07 g/t Au.

The deeper Hole No. 2 was designed as an aggressive depth step-out to determine if mineralisation persists at depth, and targeted a position approximately 150 m to 200 m beneath the historic working. Results from this hole included an intersection of 3 m at 30.3 g/t Au. Coarse disseminated gold was observed associated within quartz–carbonate–chalcopyrite veins within a wider interval of altered, brecciated, and quartz carbonate veined metamorphosed sedimentary rocks.

Hole No. 3 targeted the Southern Shoot, and intersected quartz–carbonate–chalcopyrite vein over a one metre interval. Assay results are awaited.

The fourth hole of the initial program is designed to intersect the Northern Shoot, beneath the deepest of the historical workings. This hole is currently in progress.

At this early stage, the Company is pleased that the initial results broadly in line with the modelled parameters for grade and



404 gram nugget recovered from Jacks Patch production area (actual size).

thickness of mineralisation. Further work is required to better understand the distribution and controls on mineralisation and location of high grade gold bearing shoots within the mineralised system at Deloraine. Equally important, the Company is encouraged with the apparent strong mineralisation encountered at depth in Hole No. 2.

At the Company's Eureka project located approximately two kilometres from the Bird in Hand deposit, two rock chip samples of mullock heap spoil returned the following results:

Sample No.	Au	Ag	Pb	Zn
	g/t	g/t	%	%
16305	1.22	62	4.64%	1.08%
16306	2.74	23	2.23%	0.62%

These results indicate a more polymetallic nature to the mineralisation style at Eureka.

Excessive winter rainfall at Eureka has prevented the Company from completing the necessary access track and drill pad construction to allow drilling to commence. The Company therefore decided to defer drilling at Eureka. Drilling is likely to commence towards the end of the year, in conjunction with further drilling at Deloraine, once all results have been received and programs finalised.

KAPUNDA JOINT VENTURE

Maximus diluting to 25% subject to Kapunda JV Agreement

The Kapunda Joint Venture covers the NW portion of the Adelaide Hills Gold Province and the historic copper mining area of Kapunda (Figure 3). Joint Venture manager, Copper Range Limited (CRJ), has advised that no activities were undertaken during the Quarter.

BILLA KALINA PROJECT

Maximus diluting to 50% subject to Billa Kalina JV Agreement

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

The area of interest lies approximately 12.5 km south of the 30 degree south latitude and therefore falls within the recently defined Restricted Zone of the larger Woomera Prohibited Area. Under newly formulated guidelines the Joint Venture operator, ERO Mining, has submitted a request to undertake a small gravity survey to confirm, and better define, the anomaly and if justified to complete a single drillhole to evaluate the target for IOCGU mineralisation. The Company is awaiting a response from the Defence Department on the joint venture's application.

EROMANGA SEDIMENTARY URANIUM PROJECT

Maximus diluting to 30% subject to Eromanga JV Agreement

The Eromanga joint venture project areas, comprising Abminga, Marree and Kingoonya projects, are situated along the margins of the Eromanga Basin in South Australia and Northern Territory (Figure 1).

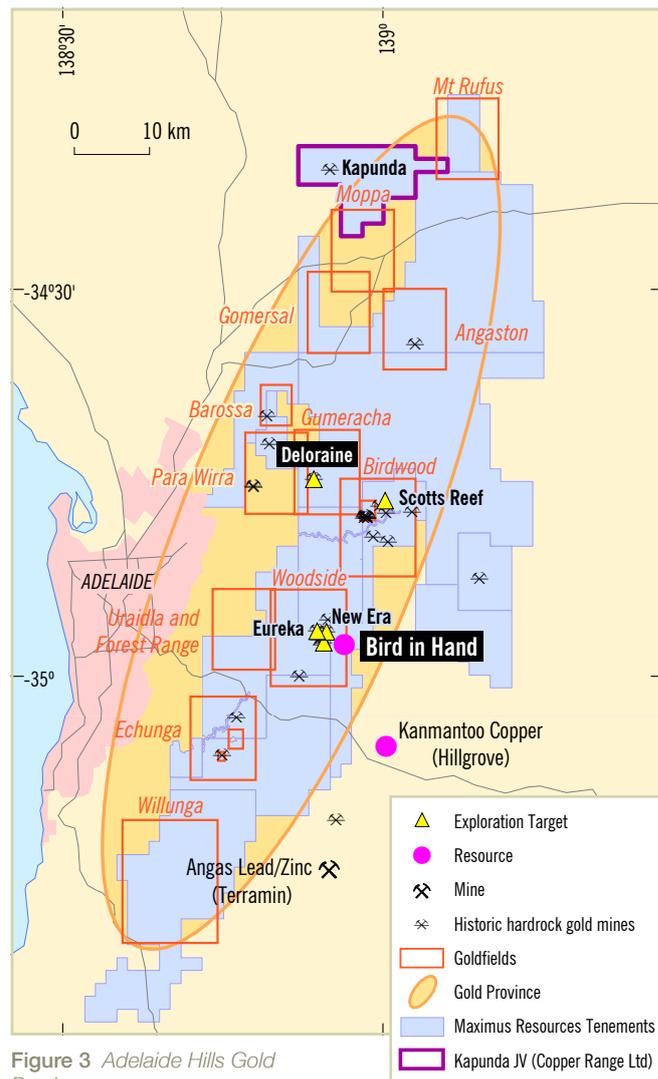


Figure 3 Adelaide Hills Gold Province.

Abminga and Marree Projects

The joint venture operator, ERO Mining, reported no significant ground based exploration activities were undertaken at the Abminga and Marree Projects during the quarter.

WESTERN AUSTRALIA

NARNDÉE PROJECT

Maximus 90% to 100%

The project area is located in the Mt Magnet region of Western Australia and comprises a comprehensive package of tenements covering a total area of approximately 2,649 square kilometres over the mineral rich Narndee and Windimurra layered mafic complexes (Figures 1 and 4).

Planning of the ground EM survey program has been finalised and a contractor secured. This program will follow up selected anomalies identified from the extensive airborne EM survey and will initially focus on the first 12 anomalies. Equipment to be utilised will include a high DC current transmitter coil and long recording lines to maximise the detection of EM targets beneath conductive units and/or at depths up to 500 m. The ground surveys are expected to commence within the next two weeks.

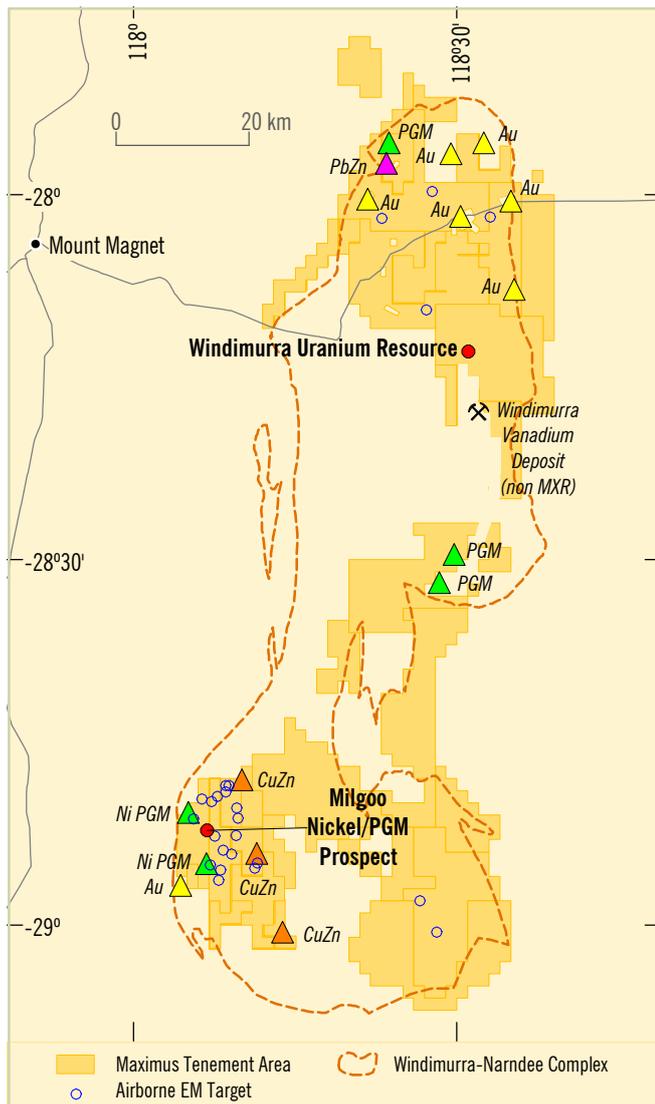


Figure 4 Nardee base metals and uranium tenements.

YANDAL

90% Maximus

The Yandal project area comprises two tenement packages situated near Wiluna and located within the highly prospective Yandal Greenstone Belt (Figure 1).

During the quarter negotiations were held with several parties regarding possible divestment.

NORTHERN TERRITORY

WOOLANGA PROJECT

Maximus 100%, diluting in part to 51%, subject to the Strangways Agreement

The Woolanga project area comprises five exploration licences covering 1700 square kilometres that are located 100 km northeast of Alice Springs (Figure 1). Part of the tenure is the subject of an 'Energy Metals' specific exploration agreement with NuPower Resources Limited (NuPower).

NuPower has advised that, during the reporting period, no activities were undertaken on the Strangways joint venture area. Subsequent to 30 June 2010, the agreement was amended to include all minerals, other than diamonds. With this amendment to the agreement, Maximus anticipates work will re-commence shortly.

CORPORATE

During the quarter, the Managing Director, Mr Simon Booth announced his resignation for personal reasons. Mr Kevin Malaxos, previously Chief Operating Officer of Centrex Metals Limited, will replace Mr Booth as Managing Director in mid-December 2010. Mr Malaxos has 25 years experience in the resources sector in senior management and executive roles, managing surface and underground mining operations and he brings a wealth of experience in project evaluation and development, project approval and Government liaison.

Subsequent to the completion of the quarter, Maximus received a rebate of \$332,000 under the Federal Government's Research and Development Tax Concession Program. This rebate reflects research and development conducted in 2008-2009 by the Company on several of its projects, in particular Sellheim in Queensland and our Bird in Hand project in the Adelaide Hills.

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr S Booth who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Booth is employed by Heathfield Resource Consultants and is currently consulting to the Company and has more than five years relevant experience in the style of mineralisation and types of deposit under consideration. Mr Booth consents to inclusion of the information in this report in the form and context in which it appears. He qualifies as a Competent Person 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

Robert M Kennedy
Chairman

29 October 2010

For further information please contact

Duncan Gordon

Executive Director

Adelaide Equity Partners

on 08 8232 8800 or 0404 006 444

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Maximus Resources Limited

ABN

74 111 977 354

Quarter ended ("current quarter")

30 September 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	145	145
1.2 Payments for		
(a) exploration & evaluation	(436)	(436)
(b) development		
(c) production	(45)	(45)
(d) administration	(390)	(390)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	18	18
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	(708)	(708)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(8)	(8)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities	75	75
1.12 Other (provide details if material)		
Net investing cash flows	67	67
1.13 Total operating and investing cash flows (carried forward)	(641)	(641)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(641)	(641)
	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	(641)	(641)
1.20	Cash at beginning of quarter/year to date	1,336	1,336
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	695	695

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	53
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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

	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	28
4.2 Development	
4.3 Production	110
4.4 Administration	60
Total	198

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	195	236
5.2 Deposits at call	500	1,100
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	695	1,336

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			

+ 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	261,245,035	261,245,035		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	380,000 3,000,000 3,000,000 605,000 1,735,000		<i>Exercise price</i> \$0.14 \$0.50 \$0.05 \$0.18 \$0.04	<i>Expiry date</i> 20/03/2012 02/07/2012 26/08/2012 17/03/2013 03/02/2014
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter	2,000,000		\$0.50	07/07/2010
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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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.

Sign here:



(Company Secretary)

Date: 29 October 2010

Print name: David W Godfrey

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.

+ See chapter 19 for defined terms.