



**Maximus Resources Limited**  
ABN 74 111 977 354

**Financial report**  
**for the Half-Year ended 31 December 2012**

**Maximus Resources Limited ABN 74 111 977 354**  
**Financial report - 31 December 2012**

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These financial statements cover the consolidated financial statements for the consolidated entity consisting of Maximus Resources Limited and its subsidiaries. The financial statements are presented in the Australia currency.

Maximus Resources Limited is a company limited by shares, incorporated and domiciled in Australia. The registered office and principal place of business is:

Maximus Resources Limited  
Level 3  
100 Pirie Street  
Adelaide  
SA 5000

The financial statements were authorised for issue by the directors on 13<sup>th</sup> March 2013. The Directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All press releases, financial reports and other information are available on our website: [www.maximusresources.com](http://www.maximusresources.com)

## Directors' report

Your Directors present their report on the consolidated entity consisting of Maximus Resources Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2012.

### Directors

The following persons were Directors of Maximus Resources Limited during the whole of the half-year and up to the date of this report:

Robert Michael Kennedy (Chairman)  
Kevin John Malaxos (Managing Director)  
Ewan John Vickery (Non-Executive Director)  
Leigh Carol McClusky (Non-Executive Director)  
Nicholas John Smart (Alternate for E J Vickery)

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Review of Operations

The six months to 31 December 2012 was a period of continued focus on achieving our stated goals including consolidation of the extensive tenement holdings, targeting exploration on the highest priority targets on Narndee (WA), divest under-performing assets, and simplify the cross-holdings of mineral rights on several tenement packages.

### **WESTERN AUSTRALIA**

A second drilling campaign commenced at Narndee (WA) in September 2012 on the highest priority tenement to follow-up on encouraging results obtained in the stage 1 drill program. A total of 10 holes were completed and again produced very encouraging results. Significant Zinc and Copper grades were intersected in several holes completed with widths of up to 11 metres Downhole recorded. Elevated gold and silver grades were also encountered in the drilling campaign. Additional analysis is planned including further soil sampling to pinpoint the optimum location for a third drilling campaign on this tenement. In addition, surface reconnaissance is planned on two tenements in the northern sector of the tenement package targeting gold, following a review of historical information relating to the tenements and several recorded nugget finds. A preliminary drilling campaign on these tenements is also planned in 2013.

The Narndee tenement package has reduced during the period due to under-expenditure on several tenements during the 5 year tenure of the tenement package. However, the company has applied for several exploration licenses over tenements previously held to ensure each tenement undergoes sufficient exploration prior to being permanently relinquished if required. The current tenement holding consists of 6 tenements and 3 additional applications pending, which contain the majority of the 18 high priority targets identified in the extensive review of tenements undertaken in 2010/11.

## Review of Operations (cont)

### **SOUTH AUSTRALIA**

Maximus Resources (MXR) now holds a total of 11 tenements in the Adelaide Hills region of South Australia after successful negotiations with Flinders Mines Limited (FMS) transferred ownership of 6 tenements to MXR at minimal cost. Maximus previously held 5 tenements directly and held the non-diamond rights on the 6 FMS tenements. Ownership was transferred to MXR in November 2012, with FMS retaining the diamond mineral rights on the 6 tenements transferred. Discussions remain ongoing with FMS on transfer of the diamond mineral rights to MXR, allowing completion of the Joint Venture agreement on these tenements, thus allowing MXR complete control of the assets and all mineral rights.

A planned comprehensive review of the Adelaide Hills tenements shall commence in 2013. This review will focus on identifying additional gold resources to add to the significant Bird in Hand resource totaling 237,000 ounces. Identification of additional resources at Deloraine, where drilling is being conducted in Q1, 2011, Eureka, Cromer or other locations within the significant Adelaide hills tenement package will create a significant gold precinct that should justify a central processing facility. The review will also identify areas of low Prospectivity, which will be divested to rationalize holding costs of the extensive tenement package.

Discussions commenced with several interested parties on a potential Joint Venture on the Bird in Hand project. The project remains an excellent near term proposition requiring a modest capital injection to finalise the hydrological modeling required to recommence the statutory approval process. The company believes that introducing a Joint Venture partner will provide the necessary short term capital to recommence the approval process and benefit both Joint Venturers with an earlier return on their investment facilitated by near-term approval and project development. Discussions remain very positive and ongoing.

Significant progress was made in relation to access onto the Billa Kalina tenements located within the north eastern region of the Gawler Craton in South Australia. Discussions continued throughout the period with the Federal Government and Department of Defence personnel to facilitate access onto the Woomera Prohibited Area (WPA) containing the Billa Kalina tenements hosting the Peeweena Dam anomaly. Access was eventually granted in November 2012 and a Deed of Access – Exploration approved. Our Joint Venturer in the project and project Manager, ERO Mining Limited (ERO) finalised plans to undertake a ground gravity survey over the Peeweena Dam anomaly to confirm the existence of the gravity anomaly first identified in the 1970's by the State Geological. The ground gravity survey was undertaken in January 2013 and failed to confirm the dataset showing the previous gravity anomaly. ERO is reviewing its future action plan on the tenement and what other targets to pursue.

MXR retains one tenement, Marree in the Eromanga Basin region in South Australia, east of the Billa Kalina tenements. This tenement originally formed part of the Eromanga Basin JV with ERO Mining Ltd, however this JV was finalized during the reporting period by ERO. MXR has commenced a review of this tenement prior to finalizing an action plan.

## Review of Operations (cont)

### ***NORTHERN TERRITORY***

MXR retains two tenements, the Woolanga tenements in the Northern Territory. These tenements are in Joint Venture with Central Australian Phosphate Limited (CEN - previously Nupower Resources Limited). CEN failed to complete any additional exploration activities on the tenements and notified MXR that it has changed the company's mineral focus and intends exiting the Joint Venture. As at 31 December 2012, no formal notification had been received from CEN. MXR intends gauging interest from other Rare Earth minerals focused companies on Joint Venturing or purchasing this significant tenement holding.

Successful negotiations with a private group of investors resulted in the divestment of the Sellheim Alluvial gold operation in north Queensland in August 2012. The sale included all tenements and assets associated with the project which in turn allowed personnel to focus on our two assets; the Narndee poly-metallic tenements in Western Australia and the Adelaide Hills gold tenements in South Australia.

Maximus intends focusing on its two core assets; being the Adelaide Hills gold tenements and the Narndee base metals and gold tenements in WA, whilst investigating new tenements or Joint Venture opportunities as they arise.

### **Auditors Independence Declaration**

The lead Auditor's independence declaration for the half year ended 31 December 2012 has been received and can be found on page 4.

Dated at Adelaide this 13<sup>th</sup> day of March 2013 and signed in accordance with a resolution of the Directors.



Robert M Kennedy

Director

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

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 2012, 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*

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP  
Chartered Accountants



S J Gray  
Partner

Adelaide, 13 March 2013

**Maximus Resources Limited**  
**Consolidated statement of profit or loss and comprehensive income**  
**For the half-year ended 31 December 2012**

	Notes	Consolidated 31 December 2012	31 December 2011
		\$	\$
Other Income		16,513	14,531
Marketing Expense		(3,507)	(11,188)
Administration Expense		(360,201)	(491,458)
Finance Costs		(569)	(974)
Impairment of exploration assets		(813,063)	(509,159)
Impairment of financial assets		(2,281,437)	-
(Loss) on sale of development assets		(384,512)	-
(Loss) on sale of assets		(8,723)	-
<b>(Loss) before income tax</b>		<u>(3,835,499)</u>	<u>(998,248)</u>
Income tax (expense)/benefit		-	199,966
(Loss) from continuing operations		<u>(3,835,499)</u>	<u>(798,282)</u>
(Loss) from discontinued operation	3	<u>(28,743)</u>	<u>(286,003)</u>
<b>(Loss) for the half-year</b>		<u>(3,864,242)</u>	<u>(1,084,285)</u>
Other comprehensive income		-	(446,571)
<b>Total comprehensive loss for the half-year</b>		<u>(3,864,242)</u>	<u>(1,530,856)</u>
 (Loss) is attributable to:			
Total comprehensive income attributable to members of the parent entity:			
Continuing operations		(3,835,499)	(1,244,853)
Discontinuing operations		(28,743)	(286,003)
		<u>(3,864,242)</u>	<u>(1,530,856)</u>
		Cents	Cents
 <b>Earnings per share for (loss) from continuing operations attributable to ordinary equity holders of the parent entity</b>			
Basic earnings per share		(0.498)	(0.334)
Diluted earnings per share		(0.498)	(0.334)
 <b>Earnings per share for (loss) from discontinued operations attributable to ordinary equity holders of the parent entity</b>			
Basic earnings per share		(0.004)	(0.080)
Diluted earnings per share		(0.004)	(0.080)

*The above consolidated statement of profit or loss and comprehensive income should be read in conjunction with the accompanying notes.*

**Maximus Resources Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2012**

		<b>Consolidated</b>	
		<b>31 December 2012</b>	<b>30 June 2012</b>
<b>ASSETS</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents		419,974	751,054
Trade and other receivables		1,403	8,714
Other current assets		28,419	99,294
Assets classified as held for sale	4	-	350,000
<b>Total current assets</b>		<b>449,796</b>	<b>1,209,062</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	10,676	475,839
Exploration and evaluation assets		14,631,585	15,002,860
Available for sale assets		178,429	178,429
<b>Total non-current assets</b>		<b>14,820,690</b>	<b>15,657,128</b>
<b>Total Assets</b>		<b>15,270,486</b>	<b>16,866,190</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		77,904	66,891
Provisions		9,967	14,194
Liabilities directly associated with assets classified as held for sale	5	-	33,845
<b>Total current liabilities</b>		<b>87,871</b>	<b>114,930</b>
<b>Non-current liabilities</b>			
Provisions		13,750	7,090
<b>Total non-current liabilities</b>		<b>13,750</b>	<b>7,090</b>
<b>Total liabilities</b>		<b>101,621</b>	<b>122,020</b>
<b>Net Assets</b>		<b>15,168,865</b>	<b>16,744,170</b>
<b>EQUITY</b>			
Contributed equity	9	35,011,843	35,004,343
Reserves	10	1,403,096	(878,341)
Retained losses		(21,246,074)	(17,381,832)
<b>Total Equity</b>		<b>15,168,865</b>	<b>16,744,170</b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**Maximus Resources Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2012**

<b>Consolidated</b>		<b>Issued Capital</b>	<b>Reserves</b>	<b>Retained Losses</b>	<b>Total Equity</b>
	Notes	\$	\$	\$	\$
Balance at 1 July 2011		32,694,827	(34,563)	(15,580,330)	17,079,934
<b>Total Comprehensive income for the half-year as reported in the 2011 financial statement</b>					
Profit/(Loss) for the period		-	(446,571)	(1,084,285)	(1,530,856)
<b>Transactions with owners in their capacity as owners</b>					
Contributions of equity		432,432	-	-	432,432
Incentive rights			32,117	-	32,117
		432,432	32,117		464,549
Balance at 31 December 2011		33,127,259	(449,017)	(16,664,615)	16,013,627

<b>Consolidated</b>		<b>Issued Capital</b>	<b>Reserves</b>	<b>Retained Losses</b>	<b>Total Equity</b>
	Notes	\$	\$	\$	\$
Balance at 1 July 2012		35,004,343	(878,341)	(17,381,832)	16,744,170
<b>Total Comprehensive income for the half-year as reported in the 2012 financial statement</b>					
Profit/(Loss) for the period		-	-	(3,864,242)	(3,864,242)
<b>Transactions with owners in their capacity as owners</b>					
Available for sale reserves		-	2,281,437	-	2,281,437
Contributions of equity					
Incentive rights	9	7,500	-	-	7,500
		7,500	2,281,437	-	2,288,937
Balance at 31 December 2012		35,011,843	1,403,096	(21,246,074)	15,168,865

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**Maximus Resources Limited**  
**Consolidated statement of cash flow**  
**For the half-year ended 31 December 2012**

	<b>Consolidated</b>	
	<b>31 December 2012</b>	<b>31 December 2011</b>
<b>Cash flows from operating activities</b>		
Interest received	16,184	2,031
Receipts from operating activities	-	246,674
Payments to suppliers and employees	(395,949)	(382,541)
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(379,765)</b>	<b>(133,836)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	-	(1,290)
Payments for exploration and evaluation	(441,788)	(363,771)
Proceeds from sale of development assets	490,473	-
<b>Net cash inflows/(outflows) from investing activities</b>	<b>48,685</b>	<b>(365,061)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares and other equity securities	-	432,432
Proceeds from related loans	-	30,000
<b>Net cash inflows/(outflows) from financing activities</b>	<b>-</b>	<b>462,432</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(331,080)</b>	<b>(36,465)</b>
Cash and cash equivalents at the beginning of the half year	751,054	74,038
<b>Cash and cash equivalents at the end of the half year</b>	<b>419,974</b>	<b>37,573</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

## 1 Summary of significant accounting policies

### Basis of preparation of half-year financial report

#### Reporting entity

Maximus Resources Limited (the “Company”) is a company domiciled in Australia. The consolidated financial report of the Company as at and for the half year ended 31 December 2012 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 2012 is available upon request from the Company’s registered office at Level 3, 100 Pirie Street Adelaide SA 5000 or at [www.maximusresources.com.au](http://www.maximusresources.com.au).

#### Statement of compliance

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Maximus Resources Limited and its controlled entities during the half-year in accordance with continuous requirements arising under the Corporations Act 2001.

The accounting policies applied by the entities in the consolidated group in this half-year financial report are consistent with those applied by the consolidated financial report for the year ended 30 June 2012.

The interim financial statements have been approved and authorised for issue by the Board on 13<sup>th</sup> March 2013.

#### Reporting Basis and Conventions

The half year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### Amendments to AASB 134 Interim Financial Reporting

The amendments clarified certain disclosures relating to events and transactions that are significant to an understanding of changes in the Group’s circumstances since the last annual financial statement. The Group’s interim financial statements as of 31 December 2012 reflect these amended disclosures requirements, where applicable.

**New and revised accounting standards applicable for the first time to the current half-year reporting period**

The Group has adopted all new and revised Australian Accounting Standards and Interpretations that became effective for the first time and are relevant to the Group, including:

*AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* which requires entities to group items presented in Other Comprehensive Income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently, and changes the title of „statement of comprehensive income’ to „statement of profit or loss and other comprehensive income’.

The adoption of the new and revised Australian Accounting Standards and Interpretations has had no significant impact on the Group’s accounting policies or the amounts reported during the current half-year period. The adoption of AASB 2011-9 has resulted in changes to the Group’s presentation of its half-year financial statements.

**3. Loss from discontinued operation**

	Consolidated	
	31 December 2012	31 December 2011
	\$	\$
Sales revenue		
Gold sales	-	234,174
	<u>-</u>	<u>234,174</u>
<i>Cost of goods sold</i>		
Cost of gold extraction	(28,743)	(496,819)
Amortisation and impairment of development assets	-	(23,358)
Loss for the year	<u>(28,743)</u>	<u>(286,003)</u>

**4. Assets classified as held for sale**

	Consolidated	
	31 December 2012	30 June 2012
	\$	\$
Development Assets	-	350,000
	<u>-</u>	<u>350,000</u>

The development asset relates to the carrying value of the Sellheim alluvial project. At 30 June 2012 the company classified the project as a discontinued operation. The Company completed the sale of the Sellheim alluvial project to a private consortium for \$400,000 on 4 September 2012.

**5. Liabilities associated with assets classified as held for sale**

	Consolidated	
	31 December 2012	30 June 2012
	\$	\$
Trade payables	-	11,008
Credit cards	-	833
Provisions	-	22,004
	<u>-</u>	<u>33,845</u>

Trade payables relates to trade creditors that are directly attributable to the Sellheim operation and were outstanding at 30 June 2012. The provisions relates to annual leave and long service leave of employees who were directly employed at the Sellheim operation.

## 6. Non-current assets – Plant & Equipment

Consolidated	Plant and equipment \$	Furniture, fittings and equipment \$	Machinery and vehicles \$	Computer equipment and software \$	Total \$
<b>Year ended 30 June 2012</b>					
Opening net book amount	551,797	9,948	74,763	579	637,087
Additions	-	1,290	-	-	1,290
Disposals	-	-	(35,772)	-	(35,772)
Depreciation charge	(112,503)	(2,536)	(11,235)	(492)	(126,766)
Closing net book amount	<u>439,294</u>	<u>8,702</u>	<u>27,756</u>	<u>87</u>	<u>475,839</u>
<b>At 30 June 2012</b>					
Cost or fair value	903,985	19,481	73,349	67,908	1,064,723
Accumulated depreciation	(464,691)	(10,779)	(45,593)	(67,821)	(588,884)
Net book amount	<u>439,294</u>	<u>8,702</u>	<u>27,756</u>	<u>87</u>	<u>475,839</u>
<b>Half Year ended 31 December 2012</b>					
Opening net book amount	439,294	8,702	27,756	87	475,839
Additions	-	-	-	-	-
Disposals	(406,101)	(2,465)	(16,521)	-	(425,087)
Depreciation charge	(28,520)	(234)	(11,235)	(87)	(40,076)
Closing net book amount	<u>4,673</u>	<u>6,003</u>	<u>-</u>	<u>-</u>	<u>10,676</u>
<b>At 31 December 2012</b>					
Cost or fair value	16,007	12,913	-	65,955	94,875
Accumulated depreciation	(11,334)	(6,910)	-	(65,955)	(84,199)
Net book amount	<u>4,673</u>	<u>6,003</u>	<u>-</u>	<u>-</u>	<u>10,676</u>

The disposal during the half-year is due to plant & equipment being disposed off as part of the sale of the Sellheim Alluvial Gold project.

## 7. Segment information

### (a) Description of segments

#### Identification of reportable segments

Maximus Resources Limited has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Maximus Resources Limited is managed primarily on the basis of geographical area of interest, since the diversification of Maximus Resources Limited operations' inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with the respect to the following:

- External regulatory requirements
- Geographical and geological styles

### Mining

The Sellheim segment is an alluvial gold site. Further listed segmented assets for Maximus Resources Limited including development costs and costs associated with the mining lease are reported on this segment. During the half year, the Sellheim alluvial gold project was sold to a private consortium.

### Accounting policies developed

Unless stated otherwise, all amounts reported to the Board of Directors as chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of Maximus Resources Limited.

### (b) Business segments

Period ending 31 December 2012	Sellheim \$	Adelaide Hills Province \$	Narndee \$	Other \$	Total \$
<b>Segment revenue</b>	-	-	-	-	-
<b>Adjusted EBITDA</b>	-	-	-	-	-
Cost of goods Sold	28,743	-	-	-	28,743
Impairment	-	-	-	813,063	813,063
<b>Segment assets for the period ending 31 December 2012</b>					
<b>Total</b>	-	8,182,536	6,449,048	-	14,631,584
<b>Segment asset movements for the period</b>					
Capital expenditure	-	35,091	367,259	39,438	441,788
Disposals	(350,000)	-	-	-	(350,000)
Impairment	-	-	-	(813,063)	(813,063)
<b>Total Movement for the year</b>	(350,000)	35,091	367,259	(773,625)	(721,275)
<b>Total Segment assets</b>	-	-	-	-	14,631,585
Unallocated assets	-	-	-	-	638,901
<b>Total assets</b>	-	-	-	-	15,270,486

**7. Segment information - Continued**

**(b) Business segments**

Period ending 31 December 2011	Sellheim	Adelaide Hills Province	Narndee	Other	Total
	\$	\$	\$	\$	\$
<b>Segment revenue</b>	238,138	-	-	-	238,138
<b>Adjusted EBITDA</b>	(565,301)	-	-	-	(565,301)
Cost of goods Sold	(628,692)	-	-	-	(628,692)
Amortisation	-	-	-	-	-
Impairment	(23,358)	-	-	(516,445)	(539,803)
<b>Segment assets for the period ending 30 June 2012</b>	350,000	8,147,445	6,081,789	773,626	15,352,860
<b>Total</b>	350,000	8,147,445	6,081,789	773,626	15,352,860
<b>Segment asset movements for the period</b>					
Capital expenditure	-	78,804	430,621	517,897	1,027,322
Capital expenditure impaired	-	-	-	(516,445)	(516,445)
<b>Total movement for the year</b>	-	78,804	430,621	1,452	510,877
<b>Total Segment assets</b>		-	-	-	15,352,860
Unallocated assets	-	-	-	-	1,513,330
<b>Total assets</b>	-	-	-	-	16,866,190

**8. Contingencies**

**Contingent Liabilities**

There have been no changes in contingent liabilities since the last reporting date.

**9. Contributed equity**

	31 December 2012 Share No.	30 June 2012 Share No.	31 December 2012 \$	30 June 2012 \$
<b>(a) Share Capital</b>				
Ordinary Shares Fully Paid	773,291,725	771,791,725	35,011,843	35,004,343

**9. Contributed equity (cont)**

**(b) Movements in ordinary share capital:**

Date	Details	No. of Shares	Issue Price	\$
1 July 2011	Opening Balance	342,048,706		32,694,827
24 August 2011	Non-Renounceable Rights Issue	39,854,605	\$0.01	398,546
2 September 2011	Non-Renounceable Rights Issue – underwriting	3,388,612	\$0.01	33,886
14 December 2011	Incentive Rights	1,500,000	-	-
6 February 2012	Non-renounceable Rights Issue	177,380,948	\$0.005	886,905
13 February 2012	Non-renounceable Rights Issue - underwriting	10,818,853	\$0.005	54,094
20 February 2012	Non-renounceable Rights Issue - shortfall	196,800,001	\$0.005	984,000
	Less: Transaction costs arising on share issue	-		(68,450)
	Deferred tax credit recognised directly in equity	-		20,535
30 June 2012	Closing Balance	<u>771,791,725</u>		<u>35,004,343</u>
14 December 2012	Incentive Rights	<u>1,500,000</u>		<u>7,500</u>
31 December 2012	Less: Transaction costs arising on share issue			<u>35,011,843</u>
	Closing Balance	<u>773,291,725</u>		<u>35,011,843</u>

**10. Reserves**

	31 December 2012 \$	30 June 2012 \$
<b>Reserves</b>		
Available for sale	-	(2,281,436)
Share-based payments	1,403,096	1,403,095
	<u>1,403,096</u>	<u>878,341</u>

The available for sale reserve relates to the investment in ERO Mining Ltd shares. At 31 December 2012 the shares were written down to a value of \$178,429. This is based on a market price of \$0.004 per shares. The movement in market value was permanently impaired during the half year due to the low potential for market conditions to change significantly in the immediate future.

**11. Events occurring after the reporting period**

There are no circumstances that have occurred subsequent to the end of the reporting period that have or will significantly affect the operations of the Group.

## 12. Going Concern

The financial report has been prepared on the basis of going concern.

The cash flow projections of the consolidated entity evidence that the entity will require positive cash flows from capital raising for continued operations.

The consolidated entity's ability to continue as a going concern is contingent upon obtaining additional capital. If additional capital is not obtained, the going concern basis may not be appropriate, with the result of the company may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and in amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

In the Directors' opinion:

- a) The financial statements and notes set out on pages 5 to 16 are in accordance with the *Corporations Act 2001*, in:
  - i. Complying with the Accounting Standard AASB 134: Interim Financial Reporting, and
  - ii. Giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date, and
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

This declaration is made in accordance with a resolution of the Directors.



Robert M Kennedy

Director

Adelaide

13<sup>th</sup> March 2013

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MAXIMUS RESOURCES LIMITED**

We have reviewed the accompanying half-year financial report of Maximus Resources Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2012, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

### **Directors' responsibility for the half-year financial report**

The directors of Maximus Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Maximus Resources Limited consolidated entity's financial position as at 31 December 2012 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.

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 2012 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**Material uncertainty regarding going concern**

Without qualification to the conclusion expressed above, we draw attention to Note 12 to the half-year financial statements which indicate that the consolidated entity incurred a net loss of \$3,864,242 for the half-year ended 31 December 2012 and cash used in operating and investing activities of \$331,080. These conditions, as set out in Note 12, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business at the amounts stated in the half-year financial report.

*Grant Thornton*

GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP  
Chartered Accountants



S.J. Gray  
Partner

Adelaide, 13 March 2013