



Maximus Resources Ltd ABN 74 111 977

## SUMMARY

### PROJECT EVALUATION

- ▶ Analysis of projects for acquisition or Joint Venture continues
- ▶ Assessment of a small combined open pit / underground project in eastern Australia completed and discussions continue.
- ▶ Discussions are ongoing with the Administrator of a medium sized gold project in Eastern Australia

### WESTERN AUSTRALIA

#### NARNDÉE PROJECT

- ▶ Transfer of nine tenements to Maximus finalised in June quarter increasing the tenements held in the Narndee area to 13 for a total of 963 km<sup>2</sup>.
- ▶ Review of past exploration activities shows EM conductors that require on-ground follow-up

### SOUTH AUSTRALIA

#### MILLERS CREEK PROJECT

- ▶ Farm-in Joint Venture Agreement with Monax Alliance Pty Ltd terminated.
- ▶ Age analysis of drill core confirmed Hiltaba aged (1590 million years old) indicating the setting is correct for IOCG mineralisation
- ▶ Options currently being reviewed, including Joint venture considerations of tenement package



Figure 1 Location of Maximus Projects.

## DEVELOPMENT AND EXPLORATION ACTIVITIES

### SOUTH AUSTRALIA

#### MILLERS CREEK COPPER, GOLD PROJECT

*Maximus 100%*

Following the signing of the three year Farm-in Agreement with Monax Alliance Pty Ltd (Alliance) in January 2015, Alliance drilled a single diamond drill hole to a depth of 911 metres (planned depth of 1,250 metres) targeting a semi-coincident magnetic and gravity anomaly. Drilling was terminated early due to an assessment that the mineralisation encountered was not suitable to host an IOCG body. This is despite the hole not achieving the target depth, nor explaining the magnetic/gravity anomaly.

Three samples of core were cut and dispatched for assay analysis. No elevated assay results were returned.

Thin sections of core were prepared for analysis and dating (establishing age of rocks) during the period. The analysis confirmed the age of the rocks as Hiltiba aged rock with a date range of 1604 MA +/- 16 years (Hiltiba age 1590 MA). This date range is a positive sign for the presence of IOCG type deposits in the region.

During the quarter the company successfully applied for an additional tenement, ELA 2015/0051 located to the south of Oliffes Dam, covering an area of 83 km<sup>2</sup>. The company is now planning to undertake a review of the geophysical data to determine the presence of any IOCG targets.

As a result of the current focus of the company towards gold projects and the economic climate, the company has decided to solicit offers for a Joint Venture on the expanded Millers Creek project.

#### ADELAIDE HILLS PROJECT

*100% Maximus*

The planned review of the available data on the four remaining Adelaide Hills tenements was delayed until quarter 3, due to the project evaluation workload.

### NORTHERN GAWLER CRATON PROJECT

#### WELBOURN HILL

*Maximus 100%*

The Northern Gawler Craton Project consists of a single granted tenement, Welbourn Hill (EL 5248) located along the northern margins of the Gawler Craton in the Marla region of South Australia covering an area totalling 439 km<sup>2</sup>.

The plan to complete a geophysical review of the combined dataset then scope out a deep Induced Polarisation (IP) Survey to highlight zones of possible sulphide accumulation related to magnetite destructive zones remain in place. This review is currently on-hold whilst due diligence is completed on several projects under review.

The company has previously stated that it plans to promote this project to prospective Joint Venture parties as one with potential to host a significant copper target within the basement structure. A joint Venturer with a positive view of the prospectivity of this region could contribute to, or fund a deep drilling program on the tenement.

### WESTERN AUSTRALIA

#### NARNDÉE PROJECT

*Maximus 100%*

The review of past and recent exploration programs on Narndee has identified airborne Electromagnetic (EM) conductors that require on-ground follow-up. The focus in the near term will be on the southern portion of the tenement package (Milgoo project area), with a recommendation due in the September quarter on how to progress the northern gold prospective targets. To-date exploration has failed to identify suitable targets on the northern tenements.

The ground EM survey is now on hold, but may be incorporated into the revised exploration program on the southern tenement package once completed.

The transfer of nine tenements to Maximus from a private company was finalised in June 2015 following a 12 month process. These additional tenements increase the tenements held in the Narndee area to 13 for a total of 963 km<sup>2</sup>.

## YANDAL PROJECT

*Maximus 20%, 100% iron ore rights*

The Yandal project (also known as Ironstone Well) currently includes one contractual agreement whereby Orex Mining Pty Ltd (Orex) was proposing to progress the Flushing Meadows gold project in which Maximus retains a \$40 per ounce royalty interest. Following discussions with Orex in March, relating to financials of the Flushing Meadows project, Orex notified Maximus during the quarter that it does not intend progressing the Flushing Meadows gold project. Agreement has been reached between Orex and Maximus for Maximus to resume ownership of the Yandal project and reclaim 100% of the gold rights for a nominal charge.

## CORPORATE

### PROJECT EVALUATION

Maximus continues to search for and evaluate prospective projects and tenements with a view to bolster the exploration portfolio and continue to build on the prospectivity of the company's asset base.

Maximus conducted Due Diligence on a medium sized advanced development project in eastern Australia and commenced preliminary negotiations to acquire the project. The Current owner decided to fund the project internally and commence development of the underground component of the project in its own right. Maximus is maintaining an open dialogue with this company to ensure that should an opportunity present itself to re-activate negotiations on a Joint Venture or outright purchase basis, Maximus is the preferred party.

A second larger gold project based in the Eastern States has been assessed following the parent company being placed in Administration. Maximus became aware of the company being placed in Administration only recently and has held preliminary discussions with the Administrator.

The ASX listed company appointed an Administrator after poor gold recovery issues in the mill resulted in reduced income, resulting in financial distress.



**Kevin Malaxos**

*Managing Director*

31 July 2015

**For further information please contact:**

**Maximus Resources Limited,**  
on 08 7324 3172, or

**Investor relations:**

**Mr Duncan Gordon,**  
Adelaide Equity Partners,  
on 08 8232 8800 or 0404 006 444

*Further information relating to Maximus Resources Limited and its various projects can be found on its website:*

**[www.maximusresources.com](http://www.maximusresources.com)**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Kevin Malaxos who is a Member of the Australasian Institute of Mining and Metallurgy, and who has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activities being undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves (the JORC Code). This report is issued in the form and context in which it appears with the written consent of the Competent Person.*

**TENEMENT SCHEDULE**

as at 30 June 2015

Tenement Number	Tenement Name	Registered Holder/Applicant	Maximus Resources interest
<b>WESTERN AUSTRALIA</b>			
<b>NARNDEE PROJECT</b>			
E59/908	Narndee	Maximus Resources Ltd	100%
E59/1335	4 Corner Bore	Maximus Resources Ltd	100%
E59/1917	Bricky Bore	Maximus Resources Ltd	100%
E59/1918	Dromedary Hill	Maximus Resources Ltd	100%
E59/1829	Milgoo Peak 1	Maximus Resources Ltd	100%
E59/1830	Milgoo Peak 2	Maximus Resources Ltd	100%
E59/1831	Narndee Homestead	Maximus Resources Ltd	100%
E58/426	Naluthanna Hill	Maximus Resources Ltd	100%
E58/427	Paynesville	Maximus Resources Ltd	100%
E58/428	Kantie Murdana Hill	Maximus Resources Ltd	100%
E58/431	Mt Carron	Maximus Resources Ltd	100%
E58/452	Corner Well	Maximus Resources Ltd	100%
E59/1854	Boondanoo	Maximus Resources Ltd	100%

<b>SOUTH AUSTRALIA</b>			
<b>ADELAIDE HILLS PROJECT</b>			
EL 4641	Echunga	Maximus Resources Ltd	100%
EL 5351	Mount Monster	Maximus Resources Ltd	100%
EL 5354	Williamstown	Maximus Resources Ltd	100%
EL5135	Mount Rufus	Maximus Resources Ltd	100%
<b>MILLERS CREEK PROJECT</b>			
EL 4463	Billa Kalina	Maximus Resources Ltd	100%
EL 4899	Bamboo Lagoon	Maximus Resources Ltd	100%
EL 4854	Millers Creek	Maximus Resources Ltd	100%
EL 4898	Paisley Creek	Maximus Resources Ltd	100%
ELA 2015/00051		Maximus Resources Ltd	100%
<b>NORTHERN GAWLER CRATON PROJECT</b>			
EL 5248	Welbourn Hill	Maximus Resources Ltd	100%

# 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 June 2015

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(139)	(445)
(b) development	-	-
(c) production	-	-
(d) administration	(163)	(559)
(e) professional fees	(28)	(21)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	19	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
<b>Net Operating Cash Flows</b>	<b>(311)</b>	<b>(1,012)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(1)	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) Terramin Shares	-	1,603
(b) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
- Environmental Bond monies (Sellheim)	-	-
<b>Net investing cash flows</b>	<b>(1)</b>	<b>1,603</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(312)</b>	<b>591</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	<b>(312)</b>	<b>591</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Transaction costs relating to issues	-	-
	<b>Net financing cash flows</b>	<b>1</b>	<b>-</b>
	<b>Net increase (decrease) in cash held</b>	<b>(311)</b>	<b>591</b>
1.20	Cash at beginning of quarter/year to date	1,216	625
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>905</b>	<b>1,216</b>

**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	\$124
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director Fees \$120,462 Legal Fees (Minter Ellison): \$3,871
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**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

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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

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+ 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	200
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>350</b>

### 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	120	29
5.2 Deposits at call	785	1,187
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>905</b>	<b>1,216</b>

### 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			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

6.2 Interests in mining tenements acquired or increased	E59/1829	Acquired	0%	100%
	E59/1830			
	E59/1831			
	E58/426			
	E58/427			
	E58/428			
	E58/431			
	E58/452			
	E59/1854			

**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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	870,407,498	870,407,498		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	31,108	31,108	\$0.02	\$0.02
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>				
7.8 Issued during quarter				
7.9 Exercised during quarter	31,108	31,108	\$0.02	\$0.02

+ See chapter 19 for defined terms.



7.10	Expired during quarter	96,053,503		Exercise price of \$0.02 expired on 30 April 2015
7.11	<b>Debentures</b> <i>(totals only)</i>			
7.12	<b>Unsecured notes</b> <i>(totals only)</i>			

## 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: 31 July 2015

Print name: Rajita Alwis

## 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.