



Corporate Directory

Directors

Ewan Vickery Non-executive Acting
Chairman
Kevin Malaxos Managing Director
Leigh McClusky Non-executive Director
Nicholas Smart Alternate for Mr Vickery

Company Secretary

Justin Nelson

Registered Office

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Adelaide, South Australia 5000

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Share Registry

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Minter Ellison Lawyers
Level 10, 25 Grenfell Street
Adelaide, South Australia 5000
Telephone +61 8 8233 5555
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Auditor

Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street
Adelaide, South Australia 5000

Banker

National Australia Bank
48 Greenhill Road
Wayville, South Australia 5034

Stock Exchange Listing

Australia Securities Exchange (Adelaide)
Maximus Resources Limited shares are
listed on the
Australian Securities Exchange

ASX code: MXR

Website

www.maximusresources.com

The website includes information about the Company, its strategies, projects, reports and ASX announcements.

Maximus Resources Limited ABN 74 111 977 354

Annual Report

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

Maximus Resources Limited is a company limited by shares, is listed on the Australian Securities Exchange (ASX) under the code "MXR" and is 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

Registered postal address is:

Maximus Resources Limited
GPO Box 1167
Adelaide
SA 5001

A description of the nature of the Company's operations and its principal activities is included in the directors' report on pages 5 to 7.

The financial statements were authorised for issue by the directors on 5 October 2018. 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.

Maximus Resources Limited ABN 74 111 977 354

Chairman's Letter

Dear Fellow Shareholders

Before we begin the official part of the meeting, on behalf of the Board of Maximus Resources Limited (Maximus) I would like to pay tribute to our Late Chairman, Robert (Bob) Kennedy who passed away in March this year, after a relatively short illness. Bob was the inaugural Chairman of Maximus when he established the company back in 2005, and led the Company since that time. As many of you know, Bob was forthright in his pursuits on behalf of the company, and at times his energy knew no bounds. He oversaw many exploration programs and several project reviews, and made sure that decisions were made with the shareholders' best interests at the forefront on every occasion. The Board looks forward to continuing his legacy, as we grow the business.

On behalf of the Board of Directors, I present to you the 2018 Annual Report of Maximus Resources Limited.

Operationally, your Company has made noteworthy strides to progress from an explorer to a producer during the year. With the refurbishment of the Burbanks Mill now finalised, attention turned to the successful commissioning of the plant and securing long term consistent ore supply. The Mill allows for a streamlined process from exploration success, resource and reserve development and ultimately to production.

After some initial delays due to unplanned maintenance and a lower than expected ore supply from Empire Resources Ltd (Empire) resulting in a temporary stand-down of the Burbanks Mill, your Company signed multiple toll treatment agreements to secure consistent ore leading into the latter part of the financial year. Maximus currently has three agreements in place to supply up to 280,000 tonnes with the possibility of extending by an additional 300,000 tonnes leading into the 2018-19 financial year. Maximus is also negotiating an additional large tonnage Toll agreements for the supply of an additional 100,000 tonnes with the ability to extend for a further 200,000 tonnes from 2018/19, providing consistent supply moving forward. Having multiple Toll agreements locked in should protect the company from interruptions to continuous ore supply resulting from production and weather delays affecting our customers, as has occurred in the past.

As a result to the strong demand for mill capacity, the Company is reviewing its current capacity milling with a view of increasing throughput in 2019.

Burbanks production increased steadily throughout FY18 with 34,346 tonnes treated during the June quarter. This increase has delivered FY18 revenue of \$3.38m which is expected to increase significantly through FY19 with 12 months of continuous feed.

Your Company continues to undertake gold exploration within the Spargoville tenements, with a proven resource base of 1.45 million tonnes for 112,000 JORC compliant ounces across five projects areas.

The company has identified two proximal tier one targets with similar geophysical characteristics as Wattle Dam. Maximus has obtained drilling approvals for these targets and intends to utilize ground based electromagnetic (EM) and induced polarization (IP) surveys along the Spargoville Shear to further investigate their potential.

Lithium-focused explorer, Lepidico entered into a heads of Agreement with your Company in 2017 to explore for Lithium minerals on the Spargoville tenements, with Maximus retaining the rights to other minerals. Exploration drilling undertaken by Lepidico intercepted significant nickel sulphide mineralization in shallow drilling on parts of the Company's Spargoville tenements. Maximus holds 80% of the nickel rights to this discovery. As the mineralization is comparable to other komatiite-hosted nickel sulphide deposits located around the Kambalda dome, we consider these results to be significant, and accordingly a Program of Works was submitted and approved by the WA Department for Mines and Petroleum for future investigation.

Your Company aims to fund exploration activities using the Burbanks Mill revenue while operating on minimal overheads. Revenue from Toll milling operations will also enable the company to evaluate Toll milling throughput expansion if required and target suitable acquisitions when they become available.

Our management team has achieved significant improvements in the performance of our Burbanks Mill, while expanding exploration and building towards future production of Maximus ore. I have confidence that our management team will be able to take the necessary steps to achieve this.

I thank all our shareholders, staff and contractors for their assistance and support during the past year, and look forward to a year of continued exploration success, growth from our toll milling operation and your continued support for Maximus in the coming year.

Ewan Vickery
ACTING CHAIRMAN

Maximus Resources Limited ABN 74 111 977 354

Managing Director's Report

Burbanks Mill

The year began with an enormous amount of excitement and anticipation as the refurbishment of the Burbanks gold treatment plant, acquired in August 2016, was coming to a conclusion, and recommissioning imminent. The first Toll treatment Agreement was signed in July 2017, with first ore delivered at the end of that month. Commissioning of the plant began in September, and processing of the first commercial (or Toll) parcel of ore commenced in October 2017. Performance of the plant increased steadily, after some minor teething issues with the plant, to be expected after sitting idle for 3 years. Forecast throughput and recoveries were achieved throughout late October and November.

Delays to the delivery of ore by the customer in late November resulted in the plant being placed on standby, until the delivery of additional ore tonnes were scheduled to re-commence milling. The Toll milling agreement was terminated in December, with the final parcel completed on 21 December 2017. Efforts turned to sourcing alternative supplies of ore feed for Toll milling to replace the terminated Empire Resources Ltd Agreement. Three small parcels of ore were processed during the first quarter of 2018.

Two substantial Toll Milling Agreements were finalised in early 2018, with first ore delivered in April. The mill performed extremely well throughout the June quarter producing gold recovery levels of 95% and mill availability of 91%. A total of 34,346 tonnes were processed during the June quarter, with a total of 77,388 tonnes processed since commissioning.

Significant improvements were identified and completed during the past year to improve Plant safety, reduce downtime and reduce operating costs. The Company modified the cyanide storage facility, moving to a bulk liquid storage and distribution system to eliminate manual mixing of cyanide, increase safety within the facility. A new water-bore was drilled and equipped to provide a consistent water supply, increasing mill efficiency and reducing down-time.

The Burbanks facility represents a significant addition to the Maximus asset base, as the Company now generates cashflows which are reinvested into exploration and project development. The performance of the Burbanks processing plant is heavily reliant of the performance of its customers and the delivery of consistent tonnes to the mill. Interruptions to the supply of consistent ore feed to the mill result in reduced recovery performance and reduce revenue. It is these factors that continue our focus to source long term ore supply contracts with a minimum of two producers. Consistent ore supply is also a significant reminder in our quest to acquire mining projects or progress Maximus projects through the approval process into production.

The Company currently has three signed Agreements for up to 280,000 tonnes, with the ability to increase this contracted tonnage by an additional 300,000 tonnes, leading into the 2018-19 financial year. Maximus is also negotiating an additional large tonnage Toll agreements for the supply of an additional 100,000 tonnes with the ability to extend for a further 200,000 tonnes from 2018/19, providing consistent supply moving forward.

The Company generated \$3.38 million revenue in 2017-18, providing capital for exploration purposes, which is forecasted to increase by 70-80% in the current financial year. The Company is also reviewing current mill capacity (180,000 tonnes per year), with a view to expanding mill treatment capacity in 2019, due to heightened interest in Toll Milling capacity in the area.

Spargoville

The Company continued to progress exploration drilling and analysis at the Spargoville tenement package near Coolgardie in the Eastern Goldfields of Western Australia where the total JORC (2012) complaint resource estimate currently stands at 1,448,100 tonnes @ 2.41 g/t for 112,280Ozs across five project sites. The Company is focusing on converting this existing resource base to reserves while conducting further metallurgical recovery trials, initial put optimisation analysis and higher level economic analysis to determine a preferable mining schedule. Progress on project evaluation slowed during the second half of the year as a result of tonnage shortfalls through the Burbanks plant resulted in reduced cashflows against forecast.

Maximus commenced a thorough assessment of potential blind, short strike length high grade Wattle Dam type gold deposits during 2018-19. Targets were identified to the North and South of Wattle Dam which display similar geophysical characteristics as the Wattle Dam Gold Mine. These targets have been named S13 and S5, respectively. While Ramelius Resources Ltd conducted some traverse drilling in the general area, the conductive sediment was not directly tested or intersected and the existing drill spacings are too broad to intersect a short strike-length target similar to Wattle Dam. Maximus plan to conduct detailed ground electromagnetic (EM) surveys at S13 and D5 to locate conductive sediments and drilling approval has also been obtained.

In August 2017, Maximus signed a binding term sheet with Lepidico Ltd (Lepidico), under which Lepidico could earn up to a 75% interest in the Company's lithium rights across a suite of tenements at Spargoville. Exploration completed by Lepidico returned significant nickel sulphide mineralization in shallow drilling on Maximus' Sherlock Nickel Project, southwest of Kambalda in Western Australia. These results include 1m @ 1.87% nickel, and 6m @ 0.6% nickel in separate drill traverses. The Company considers these results to be significant and warrant further investigation. A Program of Works was submitted and approved by the WA DMIRS for a future drilling program.

Lepidico paid a total of \$200,000 to Maximus for the exploration rights and subsequently relinquished its exploration rights on the tenement package in late July 2018, prior to the final payment. Maximus retain all rights to lithium on the tenement package.

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Managing Director's Report

Samples were collected from Reverse Circulation (RC) drilling conducted by others on the Atomic Three lithium prospect in December 2017. The tenements are held by Estrella Resources Ltd (Estrella) and Maximus owns the gold rights. A total of 254 RC drill samples were obtained from 10 holes consisting of a total of 1019 drilled metres. The Atomic Three Prospect lies along strike and directly north of the Widgiemooltha gold project held by Mincor Resources which has reported a global resource estimate of 267,000 ounces of gold.

Flushing Meadows

Maximus retains a \$40 per ounce gold royalty interest in the Yandal Gold Project (also known as Flushing Meadows) in respect of previously granted mining leases and exploration licences. This royalty obligation by Yandal Resources Ltd to Maximus consists of \$40 per ounce of gold for the first 50,000 ounces of gold produced from the tenement area and \$20 per ounce of gold in excess of 50,000 ounces and less than 150,000 ounces. The current Flushing Meadows mineral resource estimate stands at 1.549 million tonnes at 1.6g/t gold for 81,000 ounces. The combined royalty is capped at \$4 million.

Adelaide Hills

The Company retains entitlement to two contingent \$1 million payments (totalling \$2 million) plus a gold production royalty in accordance with the Bird in Hand Sale Agreement with Terramin Australia Limited (Terramin). The first payment due upon the environmental approval to mine (PEPR) from the South Australian Department for State Development (DSD) and the second payment is payable on the commencement of bullion production from the site.

Maximus also retains a 0.5% gross royalty on gold produced in excess of 50,000 Oz mined and continues to liaise with Terramin and monitor progress of the approval process. Terramin has announced the approvals process is well advanced and low start-up capital is required.

The Bird in Hand Gold Project has a resource base of 588,000 tonnes at 13.3g/t for 252,000 ounces of gold, potentially making it one of the highest grade gold mines in Australia if production is commenced.

Corporate

Following cessation of the Toll Milling Agreement with Empire Resources Ltd in December 2017, Empire commenced resolution proceedings in March 2018 against Eastern Goldfields Milling Services (EGMS), a wholly owned subsidiary of Maximus Resources, regarding the quantum of gold recovered during the Empire toll milling campaign in 2017. The Company continues to defend its position regarding the quantum outstanding and is confident that a resolution can be achieved in the near future.

MXR was advised by the ATO in May 2018 that its application to participate in the Exploration Development Incentive Scheme (EDI) was accepted. As a result, the Company was able to forego a portion of its carried forward tax losses due to Greenfields exploration and consequently passed on tax credits to eligible shareholders on 29 June 2018. The Total EDI credits available for the 2016/17 tax year (to apply in the 2017/18 financial year) totalled \$341,048. The Company also submitted an application for the Junior Exploration Incentive Credits scheme for the 2017/18 financial year.

Summary

The Company continues to search for, and evaluate potential gold projects and tenements within economic trucking distances of the Burbanks treatment plant near Coolgardie with a view to bolstering the exploration portfolio and build on the Company's asset base. Confidential discussions continue on various projects for Joint Venture or acquisition.

Kevin Malaxos
Managing Director

MAXIMUS RESOURCES LIMITED - TENEMENT SCHEDULE			
Tenement Number	Tenement Name	Registered Holder/Applicant	Maximus Resources interest 30/06/2018
SPARGOVILLE PROJECT			
M15/1475	Eagles Nest	Maximus Resources Ltd	100.00%
P15/5545	Eagles Nest	Maximus Resources Ltd	100.00%
L15/128	Kambalda West	Tychean Resources Ltd	100.00%
L15/255	Kambalda West	Tychean Resources Ltd	100.00%
M15/395	Kambalda West	Tychean Resources Ltd	100.00%
M15/703	Kambalda West	Tychean Resources Ltd	100.00%
P15/5953	Kambalda West	Tychean Resources Ltd	100.00%
M15/1448	Hilditch	Maximus Resources Ltd & Bullabulling Pty Ltd	90.00%
M15/1449	Larkinville	Maximus Resources Ltd & Pioneer Resources Ltd	75.00%
P15/5912	Larkinville	Maximus Resources Ltd & Pioneer Resources Ltd	75.00%
M15/1101	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1263	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1264	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1323	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1338	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1474	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1769	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1770	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1771	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1772	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1773	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1774	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1775	Wattle Dam	Maximus Resources Ltd	100.00%
M15/1776	Wattle Dam	Maximus Resources Ltd	100.00%
BURBANKS PROJECT			
G15/10	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
G15/11	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
G15/12	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
G15/13	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
G15/25	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
L15/109	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
L15/110	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
L15/189	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
L15/234	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
L15/284	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
M15/1273	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
M15/1369	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%
M15/1370	Burbanks	Eastern Goldfields Milling Services Pty Ltd	100.00%

Estimation Governance Statement

The Company ensures that all Mineral Resource estimates are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons.

The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2012.

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Stephen Hogan who is a Member of the Australasian Institute of Mining and Metallurgy. The information that relates to the Mineral Resource Estimate has been compiled by Dr Graeme McDonald who is a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Hogan and Dr McDonald have sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activities being undertaken, to qualify as a Competent Persons as defined in the 2012 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 Persons.

Directors' report

Your directors present their report on Maximus Resources Limited and its controlled entities (referred to hereafter as the Group) for the year ended 30 June 2018

Directors

The following persons were directors of the Group during the whole of the financial year and up to the date of this report unless otherwise indicated:

Ewan John Vickery (Non-executive Acting Chairman)

Kevin John Malaxos (Managing Director)

Leigh Carol McClusky (Non-executive Director)

Nicholas John Smart (Alternate director for E J Vickery) (resigned 24 August 2018)

Robert Michael Kennedy (Non-executive Chairman) (ceased as at 20 March 2018)

*The Company notes with great sadness the passing of Mr Robert Kennedy on 20 March 2018

Principal activities

During the year the principal activities of the Group consisted of completing the refurbishment of the Burbanks Mill and commencing commercial toll milling services of gold ore.

Dividends

There were no dividends declared or paid during the year (2017: Nil).

OPERATIONAL AND FINANCIAL REVIEW

1. Operating results and financial position

The net result of operations of the Company for the financial year was a loss of \$1,410,844 (2017: \$3,893,139).

The net assets of the Company have decreased by \$1,074,432 during the financial year from \$3,579,422 at 30 June 2017 to \$2,504,990 at 30 June 2018.

2. Review of Operations

Burbanks Mill

On 2 August 2016 the Company signed a binding Share Sale Agreement with Ramelius Resources Limited to purchase the Burbanks Processing Facility for \$2.5 million through the acquisition of Eastern Goldfields Milling Services Pty Ltd (formerly Ramelius Milling Services Pty Ltd). The consideration involved staged payments over a 24 month period. Negotiations were finalised with Ramelius to address the outstanding \$750,000 plus interest payment as a \$3.00 royalty per tonne milled (see note 26). A final Milestone payment of \$1 million was due in August 2018.

The facility is located 60 kilometers from the Spargoville tenements and within trucking distance of numerous gold development projects. Significant refurbishment of the mill was completed in September 2017, and commercial Toll milling activities commenced in October 2017. Capital improvements, including upgrading the cyanide handling facility and completion of a production water bore, increased the mill's reliability, reduced production costs and improved the safety systems at site. Ongoing capital improvements are part of our long term strategy for future consistent performance and cost efficacy.

In line with the Company's growth strategy, the Company explored its growth opportunities with the signing of various new toll milling agreements during the current financial year to generate cash flow to fund the future potential project development. Total revenue for the year, from the commencement of Toll milling in October 2017 was \$3.24 million.

Spargoville (WA)

The Company continues to focus on converting the five Mineral Resource gold estimates to Reserve category, conducting metallurgical recovery trials, undertaking initial pit optimisation analysis and higher level economic analysis to determine the optimum mining schedule. Following economic analysis of each project, permitting requirements and project development scheduling can be evaluated, which will determine potential mine development sequencing. All resources are situated on granted Mining Leases so the lead time to production is expected to be short.

Nickel deposits in the Spargoville area are comparable to that of other komatiite-hosted deposits located around the Kambalda Dome to the east, and the Widgiemooltha Dome to the south. Several nickel sulphide deposits were discovered and subsequently mined by others. The company considers the results obtained from the recent drilling program are significant and warrant further detailed exploration. A Program of Works has been submitted to the WA DMP.

Maximus signed a binding term sheet with Lepidico Limited for an earn-in agreement covering the Spargoville Lithium rights in August 2017. Under the terms of the agreement, the Company received \$80,000 worth of Lepidico fully paid ordinary shares and \$120,000 in cash. However, the Company was notified in late July 2018 that Lepidico did not intend to continue exploration on the Spargoville Lithium tenements. As a result, the earn-in agreement is terminated and Maximus retains 100% of the Lithium Rights on the tenement package.

Adelaide Hills (SA)

Maximus completed the sale of 5 Adelaide hills tenements to Terramin Australia Ltd in October 2013. During the June quarter, Terramin continued to engage with the SA Department of the Premier and Cabinet (DPC) in respect of the draft mining lease proposal (MLP) for the development of the Bird-in-Hand Gold Project. Terramin announced that the approvals process is well advanced with the draft Mining Lease application lodged and feedback being received. Terramin reported that low startup capital is required, and off-site processing through the existing Angus Zinc processing facility is proposed. Engineering studies have been completed.

The Company will receive the second stage cash payment of \$1 million upon the approval of a Program for Environmental Protection and Rehabilitation (PEPR). This approval is part of the mining lease proposal (MLP), currently under review by the DPC for the development of the Bird-in-Hand Gold Project. The third stage cash payment of \$1 million is payable upon the commencement of bullion production. Maximus then receives an ongoing 0.5% royalty payable on bullion production in excess of the first 50,000ozs. The Bird in Hand Gold Project has a resource 252,000 ounces of gold.

Corporate

During the 2018 financial year the following securities were issued:

- 83,140,002 ordinary shares were issued to sophisticated and professional investors on 6 September 2017. The shares were offered at an issue price of \$0.001 per share raising \$83,140.
- 89,892,306 ordinary shares were issued to sophisticated and professional investors on 6 September 2017. The shares were offered at an issue price of \$0.0013 per share raising \$116,860.
- 150,000,000 ordinary shares were issued to sophisticated and professional investors on 26 April 2018. The shares were offered at an issue price of \$0.001 per share raising \$150,000.

3. Significant changes in the state of affairs

There have been no significant changes in the above state of affairs from the 2017 financial year to 2018.

4. Events arising since the end of the reporting period

Mr Nicholas Smart resigned as Alternate Director on 24 August 2018.

On 6 September 2018, 304,095,000 ordinary shares were issued to sophisticated and professional investors. The shares were offered at an issue price of \$0.001 per share raising \$304,095 before cost.

The Company commenced discussions with several parties interested in participating in a capital raise to address current and future capital requirements. Those discussions centred around a Convertible Note or a Placement of Shares to sophisticated investors and a subsequent Rights Issue to MXR shareholders. At the date of this report, those discussions have not been finalised, however a draft mandate was received by the Company and is being reviewed by the Board of Directors.

The Company is working with Ramelius Resources Ltd (RMS) on a commercial settlement for the outstanding capital for the Burbanks Treatment Plant, owned by Eastern Goldfields Milling Services Pty Ltd (MXR 100%). This settlement is intended to result in full and final settlement of the outstanding balance for the mill, including release from the Mortgage Agreement. The discussions regarding a capital raise include sufficient funds to finalise the proposed commercial settlement with RMS.

Negotiations were nearing completion for an additional Toll treatment Agreement with an ASX listed company for the supply of 100,000 tonnes of ore from October 2018, with the option to extend the Agreement for an additional 200,000 tonnes. The Toll Agreement was being reviewed by the potential client, but not signed therefore not yet suitable for release at this time. This Toll Agreement would provide continuous feed to the Burbanks Treatment Plant for a minimum of 6 months from commencement, and a further 12 months if the extension is agreed by both parties.

There has been no other transaction or event of a material or unusual nature that has arisen in the interval between the end of the financial year and the date of this report that is likely, in the opinion of the directors, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

5. Future business developments, prospects and business strategies

The Company is poised to progress from a pure explorer to a producer in the near future, should continued exploration success be achieved. The acquisition of the Spargoville tenements has presented several advanced gold exploration targets. The Company plans to pursue the gold potential of the Spargoville tenements.

In addition to exploration on the Spargoville tenements, the Company intends to continue to review potential gold projects and advance exploration targets held by other companies or individuals, within an economic trucking distance to Coolgardie, to build upon the exploration asset base at Spargoville and grow future gold resources. These additional 3rd party targets may be acquired or accessed through joint ventures or other agreements.

The Group continues to focus on securing long-term consistent ore supplies accompanied with improved preventative maintenance to improve mill performance and enhance revenue.

6. Environmental regulation

The Company's operations are subject to significant environmental regulation under both Commonwealth and State legislation in relation to discharge of hazardous waste and materials arising from any exploration or mining activities and development conducted by the Company on any of its tenements. The Company believes it is not in breach of any environmental obligation.

Information on directors

Ewan John Vickery LLB

Acting Non-executive Acting Chairman

Experience and expertise

A director since incorporation 17 December 2004, Mr Vickery is a corporate and business lawyer with over 30 years' experience in private practice in Adelaide. He has acted as an advisor to companies on a variety of corporate and business issues including capital and corporate restructuring, native title and land access issues, and as lead native title advisor and negotiator for numerous mining and petroleum companies.

He is a member of the Exploration Committee of the South Australian Chamber of Mines and Energy Inc, the International Bar Association Energy and Resources Law Section, the Australian Institute of Company Directors and is a past national president of Australian Mining and Petroleum Law Association (AMPLA Limited).

Former directorships in the last 3 years

Mr Vickery was a non-executive director of Tychean Resources Limited (from May 2013 to December 2017) and Flinders Mines Limited (from 2000 to October 2016).

Special responsibilities

Acting Chairman of the Board (from March 2018)
Chairman of the Audit, Risk & Corporate Governance Committee.

Interests in shares and options

42,500,003 ordinary shares in Maximus Resources Limited.

Kevin John Malaxos BSc Mining Engineering.

Managing Director

Experience and expertise

A director since 13 December 2010, Mr Malaxos has 30 years' experience in the resources sector in senior management and executive roles across a suite of commodities including gold, nickel, iron ore, silver, lead, zinc and chromium. He has managed surface and underground mining operations and brings a wealth of experience in project evaluation and development, project approval and Government liaison.

Mr Malaxos' previous roles include CEO for Mt Gibson Mining (MGX) and COO of listed iron ore developer Centrex Metals Limited (CXM), where he was responsible for project development, project approvals and community and government consultation.

Other current directorships

Nil

Former directorships in the last 3 years

Mr Malaxos was a non-executive director of ASX-listed company Flinders Mines Limited (from December 2010 to October 2016).

Special responsibilities

Managing Director.

Interests in shares, options and rights

46,000,000 ordinary shares in Maximus Resources Limited.

Leigh Carol McClusky

Non-executive Director

Experience and expertise

Appointed as a director on 1 September 2010, Ms McClusky is the Managing Director of the McCo GROUP, a strategic communications company with offices in Adelaide, Melbourne and Geelong.

After more than 30 years in key media roles across Melbourne, Sydney and Adelaide, Ms McClusky now works closely with a range of organisations and industries to develop proactive communication campaigns and to deflect

potentially damaging impacts on corporate reputations. Her role also includes stakeholder engagement and management, client advocacy and crisis communications.

Other current directorships

Nil

Former directorships in the last 3 years

Nil

Special responsibilities

Member of the Audit, Risk & Corporate Governance Committee.

Interests in shares, options and rights

7,939,338 ordinary shares in Maximus Resources Limited.

Nicholas John Smart

Alternate director for E J Vickery (resigned 24 August 2018)

Experience and expertise

An alternate director since 9 May 2005, Mr Smart has held positions as a general manager in Australia and internationally. Previously a full Associate Member of the Sydney Futures Exchange and adviser with a national share broking firm, with over 25 years' experience in the corporate arena including capital raising for private and listed companies. Other experience includes startup companies in technology development including commercialisation of the Synroc process for safe storage of high level nuclear waste, controlled temperature and atmosphere transport systems and the beneficiation of low rank coals. He is a director for Vintage Energy Limited, an alternate director for Maximus Resources Limited (since May 2005 to 24 August 2018) and an alternate director for Flinders Mines Ltd (2009 to 2016). Mr Smart currently consults to various public and private companies.

Other current directorships

Nil

Former directorships in the last 3 years

Nil

Interests in shares and options

37,500 ordinary shares in Maximus Resources Limited.

Robert Michael Kennedy KSJ, ASAIT, Grad Dip (Systems Analysis), Dip Financial Planning, Dip Financial Services, FCA, CTA, AGIA, Life Member AIM, FAICD. (ceased 20 March 2018)

Non-executive Chairman

Experience and expertise

Mr Kennedy, a Chartered Accountant, had been non-executive chairman of Maximus Resources Limited since 2004.

Mr Kennedy brought to the Board his expertise and extensive experience as Chairman and non-executive director of a range of listed public companies in the resources sector. He conducted the review of the Board including the Managing Director in his executive role.

Apart from his attendance at Board and Committee meetings, Mr Kennedy led the development of strategies for the development and future growth of the Company.

Other current directorships

Nil

Former directorships in the last 3 years

He was appointed the Chairman of the University of Adelaide's Institute of Minerals and Energy Resources in 2008 and his term ended early in 2014. Formerly he was a director of Crestal Petroleum Limited (formerly Tellus Resources Limited from 2013 to February 2015), Marmota Energy Limited (from April 2006 to April 2015), Ramelius Resources Limited (from March 2003 to March 2018), Flinders Mines Limited (from December 2001 to March 2018), Monax Mining Limited (from 2004 to March 2018) and Tychean Resources Limited (from 2006 to March 2018).

Special responsibilities

Chairman of the Board (ceased March 2018).

Member of the Audit, Risk & Corporate Governance Committee (ceased March 2018).

Company Secretary

Justin Nelson LLB BA, (Jur) (Appointed 23 March 2018)

Experience and expertise

Mr Nelson has extensive experience in the listed company environment through his former role as the ASX's SA State Manager and Manager Listings (Adelaide). An expert in corporate governance procedures, ASX Listing Rules and company meeting practice, Mr Nelson is also a regular presenter on corporate governance topics for Chartered Secretaries Australia (CSA), the leading independent authority on best practice in board and organisational governance and risk management.

Rajita Shamani Alwis LLB BCom, CA. (resigned 23 March 2018)

Experience and expertise

Ms Alwis had been the Company Secretary since 30 June 2011 until her resignation. Ms Alwis had over 15 years' experience in public practice and commerce and has been a Chief Financial Officer and Company Secretary of numerous listed and proprietary companies.

Meetings of directors

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	Full meetings of directors		Audit & Risk Committee meetings	
	A	B	A	B
Robert Michael Kennedy (ceased 20 March 2018)	6	8	1	2
Kevin John Malaxos	12	12	2	2
Leigh Carol McClusky	12	12	2	2
Ewan John Vickery	12	12	2	2
Nicholas John Smart	-	-	-	-

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

Indemnification and insurance of officers

The Company has entered into deeds of indemnity with each director whereby, to the extent permitted by the *Corporations Act 2001*, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company is required to indemnify the directors and other officers of the Company against any liabilities incurred by the directors and officers that may arise from their position as directors and officers of the Company. No costs were incurred during the year pursuant to this indemnity.

Insurance premiums

Since the end of the previous year the Company has paid insurance premiums of \$22,828 to insure the directors and officers in respect of directors' and officers' liability and legal expenses insurance contracts.

Proceedings On Behalf of Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section

237 of the *Corporations Act 2001*.

Non-audit services

The Board of Directors, in accordance with advice from the Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Fees for non-audit services paid or payable to the external auditors or its related practices during the year ended 30 June 2018 was \$6,000 (2017: \$3,500).

Remuneration report – audited

The remuneration report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Voting and comments made at the Company's 2017 Annual General Meeting
- C Details of remuneration
- D Service agreements
- E Share-based compensation

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. Principles used to determine the nature and amount of remuneration

The Company's policy for determining the nature and amounts of emoluments of board members and other key management personnel of the Company is as follows:

The Company's Constitution specifies that the total amount of remuneration of non-executive directors shall be fixed from time to time by a general meeting. The current maximum aggregate remuneration of non-executive directors has been set at \$300,000 per annum. Directors may apportion any amount up to this maximum amount amongst the non-executive directors as they determine. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in performing their duties as directors. The remuneration of the Managing Director is determined by the non-executive directors on the Board as part of the terms and conditions of his employment which are subject to review from time to time. The remuneration of other executive officers and employees is determined by the Managing Director subject to the approval of the Board.

Non-executive director remuneration is by way of fees and statutory superannuation contributions. Non-executive directors do not participate in schemes designed for remuneration of executives nor do they receive options or bonus payments and are not provided with retirement benefits other than salary sacrifice and statutory superannuation.

The Company's remuneration structure is based on a number of factors including the particular experience and performance of the individual in meeting key objectives of the Company. The Board is responsible for assessing relevant employment market conditions and achieving the overall, long term objective of maximising shareholder benefits, through the retention of high quality personnel.

The Company does not presently emphasize payment for results through the provision of cash bonus schemes or other incentive payments based on key performance indicators of the Company given the nature of the Company's business as a junior listed mineral exploration entity and the current status of its activities. However, the Board may approve the payment of cash bonuses from time to time in order to reward individual executive performance in achieving key objectives as considered appropriate by the Board.

The Company also has an Employee Incentive Rights Plan approved by shareholders that enables the Board to offer eligible employees rights to acquire ordinary fully paid shares in the Company. Under the terms of the Plan, rights to acquire ordinary fully paid shares at no cost may be offered to the Company's eligible employees as determined by the Board in accordance with the terms and conditions of the Plan. The objective of the Plan is to align the interests of employees and shareholders by providing employees of the Company with the opportunity to participate in the equity of the Company as a long-term incentive to achieve greater success and profitability for the Company and to maximise the long term performance of the Company.

The employment conditions of the Managing Director were formalised in a contract of employment. The base salary

as set out in the employment contract is reviewed annually. The Managing Director's contract may be terminated at any time by mutual agreement and in instances of serious misconduct the Company may terminate his agreement without notice.

No remuneration consultants were engaged for the year ending 30 June 2018.

B. Voting and comments made at the Company's 2017 Annual General Meeting

Maximus Resources Limited received more than 77% of 'yes' votes on its remuneration report for the 2017 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

C. Details of remuneration

This report details the nature and amount of remuneration for each key management person of the Company.

The names and positions held by directors and key management personnel of the Company during the financial year are:

- Mr E J Vickery – Acting Chairman, non-executive (appointed March 2018)
- Mr K J Malaxos - Managing Director
- Ms L C McClusky - Director, non-executive
- Mr R M Kennedy - Chairman, non-executive (ceased 20 March 2018)
- Mr N J Smart - Alternate director for E J Vickery, non-executive
- Mr J Nelson – Company Secretary (appointed 23 March 2018)
- Ms R S Alwis - Company Secretary (resigned 23 March 2018)

Key management personnel and other executives of the Company

2018	Short-term employee benefits			Post-employment benefits	Long-term employee benefits	Share-based payments		Total
	Fees \$	Salary \$	Annual leave accrued \$	Superannuation \$	Long service leave accrued \$	Options \$	Rights \$	
Robert M Kennedy* (ceased 20 March 2018)	-	-	-	-	-	-	-	-
Kevin J Malaxos***	-	167,428	15,449	15,906	47,087	-	-	245,870
Leigh C McClusky*	-	-	-	-	-	-	-	-
Ewan J Vickery*	-	-	-	-	-	-	-	-
Nicholas J Smart	-	-	-	-	-	-	-	-
Rajita S Alwis** (resigned 23 March 2018)	58,625	-	-	-	-	-	-	58,625
Justin Nelson (appointed 23 March 2018)	12,500	-	-	-	-	-	-	12,500
Total key management personnel compensation	71,125	167,428	15,449	15,906	47,087	-	-	316,995

* The Directors suspended directors' fees from 1 April 2017 to preserve cash for operational purposes.

**Ms Alwis resigned on 23 March 2018 and Mr Justin Nelson was appointed as Company Secretary. Mr Nelson is engaged under a service contract with DMAW Lawyers Pty Ltd. During the year, fees were paid or payable for services provided by Mr Nelson was \$12,500.

***Mr Malaxos did not receive a salary from July 2017 to October 2017 to preserve cash for operational purposes.

Key management personnel and other executives of the Company

2017 Name	Short-term employee benefits			Post-employment benefits	Share-based payments		Total \$
	Fees \$	Salary \$	Bonus \$	Superannuation \$	Options \$	Rights \$	
Robert M Kennedy	61,712	-	-	5,863	-	-	67,575
Kevin J Malaxos*	-	188,356	-	17,894	-	-	206,250
Leigh C McClusky	40,875	-	-	-	-	-	40,875
Ewan J Vickery	37,329	-	-	3,546	-	-	40,875
Nicholas J Smart	-	-	-	-	-	-	-
Rajita S Alwis	68,175	-	-	-	-	-	68,175
Total key management personnel compensation	208,091	188,356	-	27,303	-	-	423,750

*Mr Malaxos did not receive a salary from April 2017 to June 2017 to preserve cash for operational purposes.

The relative proportions of remuneration that are fixed and those that are at risk are as follows:

Name	2018					
	Fixed remuneration		At risk - STI*		At risk - LTI**	
	2018 %	2017 %	2018 %	2017 %	2018 %	2017 %
Kevin John Malaxos	100	100	-	-	-	-

* Short-term incentives (STI) include cash incentive payments (bonuses) linked to Company and/or individual performance.

** Long-term incentives (LTI) include equity grants issued via the Company's Employee Share Option and Incentive Rights Plans. This plan is designed to provide long-term incentives for executives to deliver long-term shareholder returns.

D. Service agreements

The Board has negotiated a contract with Mr Malaxos with no fixed term at a salary of \$275,000 per annum inclusive of superannuation guarantee contributions to be reviewed annually and with termination on three months' notice.

All Non-executive Directors were engaged as directors with formal agreements per the ASX Corporate Governance Principles and Recommendations Third Edition.

E. Share-based compensation

Incentive rights

The Company has an Employee Incentive Rights Plan approved by shareholders that enables the Board to offer eligible employees rights to acquire ordinary fully paid shares in the Company. Under the terms of the Plan, rights to acquire ordinary fully paid shares at no cost may be offered to the Company's eligible employees as determined by the Board in accordance with the terms and conditions of the Plan. No rights were issued during the year.

Options granted as remuneration

No options were granted during the year.

Shares issued on exercise of remuneration options

No shares were issued to directors as a result of the exercise of remuneration options during the financial year.

Directors' interests in shares and options

(i) *Option holdings*

The numbers of options over ordinary shares in the Company held during the financial year by each director of Maximus Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below.

2018

Name	Balance at start of the year	Issued as remuneration	Exercised (expired/ purchased)	Acquired during the year	Balance at end of the year	Vested and exercisable	Unvested
R M Kennedy*	-	-	-	-	-	-	-
K J Malaxos	-	-	-	-	-	-	-
L C McClusky	-	-	-	-	-	-	-
E J Vickery	-	-	-	-	-	-	-
N J Smart	-	-	-	-	-	-	-

*ceased in March 2018

2017

Name	Balance at start of the year	Issued as remuneration	Exercised (expired/ purchased)	Acquired during the year	Balance at end of the year	Vested and exercisable	Unvested
R M Kennedy	24,000,000	-	(24,000,000)	-	-	-	-
K J Malaxos	11,000,000	-	(11,000,000)	-	-	-	-
L C McClusky	1,982,670	-	(1,982,670)	-	-	-	-
E J Vickery	10,000,003	-	(10,000,003)	-	-	-	-
N J Smart	-	-	-	-	-	-	-

(ii) *Share holdings*

The numbers of shares in the Company held during the financial year by each director of Maximus Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below.

2018

Name	Balance at the start of the year	Received as compensation	Ceased	Acquired/ (disposed)	Balance at the end of the year
R M Kennedy*	91,500,000	-	(91,500,000)	-	-
KJ Malaxos	46,000,000	-	-	-	46,000,000
L C McClusky	7,939,338	-	-	-	7,939,338
E J Vickery	42,500,003	-	-	-	42,500,003
N J Smart	37,500	-	-	-	37,500

*ceased in March 2018

2017

Name	Balance at the start of the year	Received as compensation	Exercise of options/rights	Acquired/ (disposed)	Balance at the end of the year
R M Kennedy	84,000,000	-	-	7,500,000	91,500,000
KJ Malaxos	38,500,000	-	-	7,500,000	46,000,000
L C McClusky	6,939,338	-	-	1,000,000	7,939,338
E J Vickery	35,000,003	-	-	7,500,000	42,500,003
N J Smart	37,500	-	-	-	37,500

Shares under option

At the date of this report the Company has no shares under option. (2017: 533,333,333)

END OF AUDITED REMUNERATION REPORT

Auditors independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15.

This report is signed and dated in Adelaide on this 5th day of October 2018 and made in accordance with a resolution of the directors.



Kevin J Malaxos
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 audit of Maximus Resources Limited for the year ended 30 June 2018, 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 audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 5 October 2018

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Maximus Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

		Consolidated	
		30 June	30 June
		2018	2017
Notes		\$	\$
	Revenue		
	Gold Sales - Spargoville	6,597	45,653
	Gold Sales - Burbanks	285,104	-
	Processing Sales – Burbanks	3,240,020	5,000
	Other Sales - Burbanks	192,398	-
	Cost of sales	(4,646,947)	(458,253)
	Gross Profit	(922,828)	(407,600)
	Revenue from other activities	16,443	35,073
	Expenses		
	Administrative expenses	(173,168)	(99,591)
	Compliance expenses	(121,721)	(131,559)
	Depreciation expense	(1,641)	(1,824)
	Employee expenses	(120,865)	(253,166)
	Legal expenses	(2,709)	(6,350)
	Marketing expenses	(4,970)	(6,409)
	Finance expense	(67,771)	(22,613)
	Exploration expenditure written off	(515)	(2,919,675)
	Other expenses	-	(79,425)
	Gain/(loss) on sale of shares	(11,099)	-
	(Loss) before income tax	(1,410,844)	(3,893,139)
	Income tax expense	-	-
	Loss for the year	(1,410,844)	(3,893,139)
	Other comprehensive income (Items that maybe reclassified subsequently to profit or loss)		
	Changes in the fair value of available-for-sale financial assets	-	-
	Other comprehensive income for the year (net of tax)	-	-
	Total comprehensive loss for the year	(1,410,844)	(3,893,139)
		Cents	Cents
	Earnings per share for (loss) from continuing operations attributable to the ordinary equity holders of the Company:		
	Basic earnings per share	(0.047)	(0.168)

This statement should be read in conjunction with the notes to the financial statements.

Maximus Resources Limited
Consolidated statement of financial position
As at 30 June 2018

		Consolidated	
		30 June 2018	30 June 2017
		\$	\$
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	7	28,823	229,813
Trade and other receivables	8	342,987	35,199
Inventories		18,368	18,368
Other current assets	9	146,865	9,719
Total current assets		<u>537,043</u>	<u>293,099</u>
Non-current assets			
Plant and equipment	11	3,997,596	3,834,306
Exploration and evaluation	12	2,622,942	2,467,297
Total non-current assets		<u>6,620,538</u>	<u>6,301,603</u>
Total assets		<u>7,157,581</u>	<u>6,594,702</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	1,892,756	416,781
Financial liability	16	1,806,899	415,402
Provisions	14	136,819	43,008
Total current liabilities		<u>3,836,474</u>	<u>875,191</u>
Non-current liabilities			
Financial liability	17	-	1,342,433
Provisions	15	816,117	797,656
Total non-current liabilities		<u>816,117</u>	<u>2,140,089</u>
Total liabilities		<u>4,652,591</u>	<u>3,015,280</u>
Net assets		<u>2,504,990</u>	<u>3,579,422</u>
EQUITY			
Contributed equity	18	40,325,309	39,988,897
Accumulated losses	19	(37,820,319)	(36,409,475)
Total equity		<u>2,504,990</u>	<u>3,579,422</u>

This statement should be read in conjunction with the notes to the financial statements.

Maximus Resources Limited
Consolidated statement of changes in equity
For the year ended 30 June 2018

Consolidated	Notes	Contributed equity \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2017		39,988,897	(36,409,475)	3,579,422
Total comprehensive loss for the year:				
(Loss) for the year		-	(1,410,844)	(1,410,844)
Other comprehensive income		-	-	-
		-	(1,410,844)	(1,410,844)
Transactions with owners in their capacity as owners:				
Contributions of equity	18	336,412	-	336,412
 Balance at 30 June 2018		40,325,309	(37,820,319)	2,504,990
 Balance at 1 July 2016		37,943,923	(32,516,336)	5,427,587
Total comprehensive loss for the year:				
(Loss) for the year		-	(3,893,139)	(3,893,139)
Other comprehensive income		-	-	-
		-	(3,893,139)	(3,893,139)
Transactions with owners in their capacity as owners:				
Contributions of equity	18	2,044,974	-	2,044,974
Balance at 30 June 2017		39,988,897	(36,409,475)	3,579,422

This statement should be read in conjunction with the notes to the financial statements.

Maximus Resources Limited
Consolidated statement of cash flows
For the year ended 30 June 2018

		Consolidated	
		30 June	30 June
		2018	2017
Notes		\$	\$
Cash flows from operating activities			
	Receipts from customers	3,288,181	51,153
	Payments to suppliers and employees	(3,327,865)	(669,859)
	Interest received	2,308	20,295
	Interest paid	6,620	-
	Net cash used in operating activities	(43,996)	(598,411)
	Cash flows from investing activities		
	Payment for purchase of Eastern Goldfields Milling Services Pty Ltd	-	(829,424)
	Payment for property, plant & equipment	(356,160)	(625,271)
	Proceeds from disposal of Lithium rights	120,000	-
	Proceeds from sale of financial assets	68,901	-
	Payments for exploration and evaluation	(356,147)	(1,205,355)
	Net cash provided by investing activities	(523,406)	(2,660,050)
	Cash flows from financing activities		
	Proceeds from issues of shares and other equity securities	350,000	2,126,500
	Proceeds from Directors Loans	90,000	-
	Payments made for Ramelius Resources payable	(60,000)	-
	Transactions costs associated with equity issues	(13,588)	(81,526)
	Net cash provided by financing activities	366,412	2,044,974
	Net (decrease)/increase in cash and cash equivalents	(200,990)	(1,213,487)
	Cash and cash equivalents at the beginning of the financial year	229,813	1,443,300
	Cash and cash equivalents at the end of the financial year	28,823	229,813

This statement should be read in conjunction with the notes to the financial statements.

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Maximus Resources Limited and its subsidiaries.

a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Maximus Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the Maximus Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(ii) Historical cost convention

These financial statements have been prepared on an accrual basis, under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss and certain classes of property, plant and equipment.

(iii) Critical accounting estimates

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Going concern

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

The cash flow projections of the Company and consolidated entity evidence that there is a material uncertainty that the Company is a going concern and Maximus will require positive cash flows from an improvement in mill performance and/or capital raising for continued operations.

The Company incurred a loss of \$1,410,844 (2017: \$3,893,139) with negative operating and investing cashflows of \$567,402. The operations were funded by revenues from toll milling operations and the raising of funds through the various equity issues during the year.

The Company and consolidated entity's ability to operate as a going concern is contingent upon obtaining additional capital and generating positive cashflows from operations, in particular operations at the Burbanks Processing Facility. If additional capital is not obtained, the going concern basis of accounting may not be appropriate, as a result that the Company may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business in amounts which could be different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

b) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2018. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June 2018.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

Revenue from the sale of gold is measured at fair value of the consideration received or receivable. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Interest revenue is recognised using the effective interest rate method.

d) Employee Benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The Group's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds (2017: government bonds) that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company and its subsidiaries are not part of a consolidated tax group.

g) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of 12 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

j) Investments and other financial assets

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held to maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the Company's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of profit or loss and other comprehensive income.

Provision for restoration and rehabilitation

The Company assesses the mill restoration and rehabilitation provision in accordance with accounting policies. Significant judgement is required in determining the provision for restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mill site. The estimate of future costs therefore requires management to make assessment of the future restoration and rehabilitation date, future environmental legislation, changes in regulations, price increases, changes in discount rates, the extent of restoration and rehabilitation activities and future removal technologies. When these factors change and become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. At each reporting date, the rehabilitation and restoration provision is remeasured to reflect any of these changes.

k) Plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets' carrying amount or recognised as separate assets as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The depreciation rates used for plant & equipment are from 12.5% to 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount note 1(f).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, it is Company policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

m) Earnings per share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

n) Exploration and evaluation expenditure

Exploration and evaluation costs related to an area of interest are written off as incurred except they may be carried forward as an item in the statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and/or evaluation activities in the area of interest have not at the end of each reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Capitalised costs include costs directly related to exploration and evaluation activities in the relevant area of interest. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the asset relates.

Capitalised exploration and evaluation expenditure is written off where the above conditions are no longer satisfied.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

p) Comparative figures

Comparative figures are adjusted to conform to Accounting Standards when required.

q) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

r) Key estimates

The preparation of the financial statements requires management to make estimates and judgments. These estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Exploration and Evaluation

The Company's policy for exploration and evaluation is discussed in Note 1(n). The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploration, then the relevant capitalised amount will be written off through the statement of profit or loss and other comprehensive income.

s) New and revised standards that are effective for these financial statements

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

t) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the group:

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 July 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments requirements for financial instruments and hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors do not anticipate that the adoption of AASB 9 will have a material impact on the Group's financial instruments.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 July 2018, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15)

AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Apart from a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract(s);
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract(s); and
- Recognise revenue when (or as) the performance obligations are satisfied.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements.

Based on detailed assessment performed, the effects of AASB 15 are not expected to have a material effect on the Group.

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 July 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new standard are as follows:

- recognition of a right-of-use asset and lease liability for all leases (excluding short-term leases with a lease term 12 months or less of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;

- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease: and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

As at the reporting date, the Group has no operating lease commitments (Note 23b). The Group is currently assessing the full impact of the standard, but expects that the impact on its assets, liabilities and equity will be material. The impact on the net results after tax will depend on a number of factors still under consideration. The Group expects to be able to provide a reasonable estimate of such impact in its next annual financial report.

The impact of adopting these standards is not expected to significantly impact future financial statements.

u) Going Concern

These financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The consolidated group has incurred a net loss after tax for the year ended 30 June 2018 of \$1,410,844 and operations were funded by a net cash outflow, from operating and investing activities of \$627,402. At 30 June 2018, the consolidated group had net liabilities of \$3,299.

The consolidated group's ability to continue as a going concern is contingent on raising additional capital and/or the successful exploration and subsequent exploitation of its areas of interest through sale or development. Should the consolidated entity not achieve the matters set out above, there would then be significant uncertainty over the ability of the consolidated entity to continue as a going concern, and, therefore, it may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the 2018 annual financial report.

The 2018 annual financial report does not include any adjustments that may be necessary if the consolidated group is unable to continue as a going concern.

2 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by management under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, the use of financial instruments and investment of excess liquidity.

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The Company holds the following financial instruments:

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Financial assets		
Cash and cash equivalents	28,823	229,813
Trade and other receivables	342,987	35,199
	371,810	265,012
Financial liabilities		
Trade and other payables	1,892,757	416,781
Financial liabilities – current	1,806,898	415,402
Financial liabilities – non-current	-	1,342,433
	3,699,655	2,174,616

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from foreign exchange or interest rate risk). The Company is not exposed to any material price risk.

(i) Cash flow and fair value interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted interest rates on classes of financial assets and financial liabilities. Interest rate risk is managed by the Company with the use of rolling short-term deposits.

The Company has no long term financial liabilities upon which it pays interest.

As at the end of the reporting period, Maximus Resources Limited had the following variable rate cash and cash equivalent holdings:

	30 June 2018 Weighted average interest rate %	30 June 2018 Balance \$	30 June 2017 Weighted average interest rate %	30 June 2017 Balance \$
Cash and cash equivalents	1.95%	28,823	1.95%	229,813
Net exposure to cashflow interest rate		28,823		229,813

Interest rate sensitivity analysis

At 30 June 2018, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Carrying amount \$	Interest rate risk			
		Increase 2%		Decrease 2%	
30 June 2018		Profit \$	Equity \$	Profit \$	Equity \$
Financial assets					
Cash and cash equivalents	28,823	50	50	(50)	(50)
Total increase/ (decrease)		50	50	(50)	(50)
30 June 2017		Profit \$	Equity \$	Profit \$	Equity \$
Financial assets					
Cash and cash equivalents	229,813	397	397	(397)	(397)
Total increase/ (decrease)		397	397	(397)	(397)

(b) Credit risk

Credit risk is the risk of default by borrowers and transactional counterparties as well as the loss of value of assets due to deterioration in credit quality. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in settling its debts or otherwise meeting its obligations. The Company manages liquidity risk by monitoring cash flows and ensuring that adequate funds are available to meet cash demands.

3 Segment information

(a) Description of segments

Identification of reportable segments

Management has determined the operating segments based on the reports reviewed and used by Managing Director (the chief operating decision maker) are used to make strategic decisions. The Group is managed primarily on the basis of geographical area of interest, since the diversification of the Group operations inherently has 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 respect to the following:

- external regulatory requirements
- geographical and geological styles

Accounting policies developed

Unless stated otherwise, all amounts reported to the Managing Director 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 the Group.

2018	Exploration	Burbanks Mill	Other	Total
	\$	\$	\$	\$
Segment revenue	6,597	3,717,522	-	3,724,119
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)	6,597	(1,216,803)	(515)	(1,210,721)
Impairment	-	-	(515)	(515)
Segment assets	<u>2,622,942</u>	<u>4,511,343</u>	-	<u>7,134,285</u>
Capital expenditure	<u>355,646</u>	<u>339,456</u>	515	695,617
Total movement for the year	<u>355,646</u>	<u>339,456</u>	-	<u>695,102</u>
Total segment assets				<u>7,134,285</u>
Unallocated assets				<u>23,295</u>
Total assets				<u>7,157,582</u>
Total segment liabilities				4,299,105
Unallocated liabilities				<u>221,106</u>
Total liabilities				<u>4,652,591</u>

3. Segment Information (cont)

2017	Exploration \$	Burbanks Mill \$	Other \$	Total \$
Segment revenue	45,653	5,000	-	50,653
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)	45,653	(475,866)	(2,919,675)	(3,349,888)
Impairment			(2,919,675)	(2,919,675)
Segment assets	<u>2,467,297</u>	<u>3,885,028</u>	<u>-</u>	<u>6,352,325</u>
Segment asset movements for the year:				
Capital expenditure	<u>1,099,285</u>	<u>625,271</u>	<u>79,686</u>	<u>1,804,242</u>
Total movement for the year	<u>1,099,285</u>	<u>625,271</u>	<u>(2,839,989)</u>	<u>(1,115,433)</u>
Total segment assets				6,352,325
Unallocated assets				<u>242,377</u>
Total assets				<u>6,594,702</u>
Total segment liabilities				2,744,564
Unallocated liabilities				<u>270,716</u>
Total liabilities				<u>3,015,280</u>

(ii) *Adjusted EBITDA*

A reconciliation of adjusted EBITDA to operating loss before income tax is provided as follows:

	Consolidated	
	30 June 2018 \$	30 June 2017 \$
Allocated:		
Adjusted EBITDA	(1,223,915)	(3,349,888)
Unallocated:		
Interest revenue	2,308	35,073
Gain/(loss) on sale of available for sale financial assets	(11,099)	-
Administrative expenses	(173,168)	(571,915)
Marketing expenses	(4,970)	(6,409)
Loss before income tax from continuing operations	<u>(1,410,844)</u>	<u>(3,893,139)</u>

	Consolidated	
	30 June 2018 \$	30 June 2017 \$
Allocated:		
Segment assets	7,134,285	6,352,325
Unallocated:		
Cash and cash equivalents	3,376	217,688
Trade and other receivables	204	12,228
Other assets	18,615	9,719
Plant and equipment	<u>1,101</u>	<u>2,742</u>
Total assets as per the consolidated statements of financial position	<u>7,157,581</u>	<u>6,594,702</u>

3. Segment Information (cont)

(iii) *Segment liabilities*

Reportable segments' liabilities are reconciled to total liabilities as follows:

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
Allocated:		
Allocated segment liabilities	4,299,105	2,744,564
Unallocated:		
Trade and other payables	221,107	188,259
Provisions	132,379	82,457
	<hr/>	<hr/>
Total liabilities as per the consolidated statements of financial position	4,652,591	3,015,280

4. Other income

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
Interest received	2,308	20,295
Other	14,135	14,778
	<hr/>	<hr/>
	16,443	35,073

5. Expenses

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
Cost of sales		
Milling expenses - consumables	1,000,037	91,271
Crushing expenses	538,516	-
Leaching expenses	552,204	-
Laboratory expenses	119,140	-
Gold room expenses	76,314	-
Tailings Dam expenses	195,214	-
Employee expenses	1,473,382	248,355
Insurance expenses	48,162	40,347
Depreciation	191,216	37,008
Licence fees	371	6,323
Legal fees	105,307	-
Travel expenses	29,146	11,351
Other mill expenses	317,938	23,598
	<hr/>	<hr/>
	4,646,947	458,253
Administration		
Administration costs	16,347	31,845
Consulting costs	111,984	19,550
Occupancy expenses	44,837	48,196
	<hr/>	<hr/>
	173,168	99,591
Compliance expenses		
Share registry fees	32,964	48,288
ASX fees	20,711	23,100
Audit Fees	43,500	34,745
Insurance	22,828	22,978
Other compliance expenses	1,718	2,448
	<hr/>	<hr/>
	121,721	131,559

Marketing		
Marketing and promotion	4,970	6,409
	<u>4,970</u>	<u>6,409</u>
Exploration expenses		
General exploration expenditure written off	68	5,650
Capitalised exploration expenditure impaired	447	2,914,025
	<u>515</u>	<u>2,919,675</u>

6. Income Tax Expense

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
(a) Income tax expense:		
Current tax	-	-
	<u>-</u>	<u>-</u>
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(1,410,844)	(3,893,139)
Tax at the Australian tax rate of 27.5% (2017: 30%)	(387,982)	(1,167,942)
<i>Tax effect of amounts which are not deductible (assessable) in calculating taxable income:</i>		
Temporary differences not brought to account	387,982	1,167,942
	<u>-</u>	<u>-</u>
Income tax expense	-	-

A deferred tax asset (DTA) has not been recognised in respect of temporary differences as they do not meet the recognition criteria as outlined in Note 1(f) of the financial statements. A DTA has not been recognised in respect of tax losses either as realisation of the benefit is not regarded as probable.

The Company has unrecognised DTAs of \$7,696,402 (2017: \$7,308,420) that are available indefinitely for offset against future taxable profits.

The tax rates applicable to each potential tax benefit are as follows:

- timing differences – 27.5%
- tax losses – 27.5%

7. Current assets - Cash and cash equivalents

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Cash at bank and in hand	11,823	229,813
Term deposits	17,000	-
	<u>28,823</u>	<u>229,813</u>

(a) Risk exposure

The Company's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the end of each reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

(b) Deposits at call

The deposits are bearing a weighted average interest rate of 1.95% (2017: 1.95%).

8. Current assets - Trade and other receivables

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Net trade receivables		
Trade and other receivables	342,987	28,833
GST paid on purchases	-	6,366
	<hr/> 342,987	<hr/> 35,199

9. Current assets - Other current assets

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Accrued revenue	128,250	-
Prepayments	18,615	9,719
	<hr/> 146,865	<hr/> 9,719

10. Business Combination

On 2 August 2016 the Company signed a Share Sale Agreement with Ramelius Resources Limited (ASX:RMS) for the purchase of the company Eastern Goldfields Milling Services Pty Ltd (formerly Ramelius Milling Services Pty Ltd) that owns the Burbanks Processing Facility located 10km south of Coolgardie, Western Australia. The Company changed the name of the wholly-owned subsidiary shortly after acquisition from RMS. The consideration to acquire Eastern Goldfields Milling Services Pty Ltd was \$2.5 million that was to be paid in staged payments over a 24 month period as outlined below:

- \$50,000 deposit to secure an exclusivity period to finalise Due Diligence and negotiate Share Sale Agreement (paid July 2016).
- \$200,000 upon signing of the binding Sale Agreement (paid August 2016).
- \$250,000 upon transfer of all licenses and shares in Ramelius Milling Service Pty Ltd (paid 30 August 2016)
- \$1,000,000 to be paid to RMS 12 months from the date of signing the Sale Agreement or commencement of commercial production, whichever occurs first; and
- \$1,000,000 upon the 24 month anniversary of signing the Share Sale Agreement. (Refer Note 17)

During March 2017 the Company signed a Deed of Variation with RMS in relation to the Share Sale Agreement. The Deed of Variation changed the payment terms relating to the \$1,000,000 stage payment due either 12 months from the date of signing the Sale Agreement (2 August 2017) or commencement of commercial production, whichever occurs first. The new terms for this staged payment are four instalments of \$250,000 due on 1 April 2017, 1 July 2017, 1 October 2017 and 1 January 2018 with interest. A payment of \$250,000 was made to RMS on 1 April 2017.

During June 2017 the Company signed a Second Deed of Variation to amend the terms of the remaining \$750k owing to RMS. The Second Deed of Variation introduced a royalty payable to RMS for \$772,613 (\$750k plus interest) that would be repaid at a rate of \$3.00 per tonne of ore processed through the Burbanks Processing Facility. (Refer Note 16)

During the year ended 30 June 2018 \$60,000 was paid to RMS in respect of the Second Deed of Variation.

Total purchase consideration was therefore \$2,522,613.

The acquisition of Eastern Goldfields Milling Services Pty Ltd was accounted for under AASB 3 – Business Combinations. This requires the acquired assets and liabilities to be recorded at fair value. The fair values of the identifiable assets and liabilities were as follows:

ASSETS	\$
Inventory:	
- Consumables	12,604
- Fuel	8,138
Property Plant & Equipment:	
- Mill Plant & Equipment	3,225,119
- Motor Vehicles	7,012
- Burbanks – Office equipment	1,505
- Burbanks – Office furniture	3,828
TOTAL ASSETS	<u>3,258,206</u>
LIABILITIES	
Rehabilitation provision	<u>758,206</u>
TOTAL LIABILITIES	<u>758,206</u>

The Company also entered into a Mortgage Agreement with RMS over the assets held in Eastern Goldfields Milling Services Pty Ltd. This Mortgage Agreement provides security to RMS against any default by the Company on the payment terms detailed above. Should the Company default on any future payments, RMS has the option to take possession of Eastern Goldfields Milling Services Pty Ltd.

The total cash payments made to RMS during the 2017 financial year was \$750,000. The Company incurred costs of \$79,424 which are acquisition costs in relation to the purchase of Eastern Goldfields Milling Services Pty Ltd. The total cash outflow therefore was \$829,424.

The total cash payments made to RMS during the 2018 financial year was \$60,000.

Mr Kennedy was a director of Ramelius Resources Limited and abstained from any voting and discussions in relation to the acquisition.

11. Plant and equipment

Consolidated	Other plant and equipment \$	Burbanks plant & equipment \$	Burbanks Office equipment and furniture \$	Total \$
At 30 June 2017				
Cost or fair value	22,222	3,851,137	17,436	3,890,795
Accumulated depreciation	(19,480)	(35,804)	(1,205)	(56,489)
Net book amount	2,742	3,815,333	16,231	3,834,306
Year ended 30 June 2018				
Opening net book amount	2,742	3,815,333	16,231	3,834,306
Asset purchases	-	349,227	6,920	356,147
Depreciation charge	(1,641)	(189,575)	(1,641)	(192,857)
Closing net book amount	1,101	3,974,985	21,510	3,997,596
At 30 June 2018				
Cost or fair value	22,222	4,200,364	24,356	4,246,942
Accumulated depreciation	(21,121)	(225,379)	(2,846)	(249,346)
Net book amount	1,101	3,974,985	21,510	3,997,596
Consolidated				
	Other plant and equipment \$	Burbanks plant & equipment \$	Burbanks Office equipment and furniture \$	Total \$
Year ended 30 June 2017				
Opening net book amount	4,107	-	-	4,107
Asset purchases	1,755	626,016	5,091	632,862
Assets transferred (fair value)	-	3,225,121	12,345	3,237,466
Depreciation charge	(3,120)	(35,804)	(1,205)	(40,129)
Closing net book amount	2,742	3,815,333	16,231	3,834,306
At 30 June 2017				
Cost or fair value	22,222	3,851,137	17,436	3,890,795
Accumulated depreciation	(19,480)	(35,804)	(1,205)	(56,489)
Net book amount	2,742	3,815,333	16,231	3,834,306

12. Non-current assets - Exploration and evaluation

	Consolidated	
	30 June 2018	30 June 2017
<i>Exploration and evaluation</i>		
Movement:		
Opening balance	2,467,297	4,220,642
Expenditure incurred	356,160	1,166,330
Sales of Lithium rights*	(200,000)	-
Impairment of capitalised expenditure	(515)	(2,919,675)
	<u>2,622,942</u>	<u>2,467,297</u>
Closing balance		
	<u>2,622,942</u>	<u>2,467,297</u>
Closing balance comprises:		
Exploration and evaluation - 100% owned	-	-
Exploration and evaluation phases - joint operation	2,622,942	2,467,297
	<u>2,622,942</u>	<u>2,467,297</u>

*The Company sold its Lithium rights to ASX-listed company Lepidico Ltd for \$80,000 worth of Lepidico fully paid ordinary shares and a cash payment of \$120,000.

13. Current liabilities - Trade and other payables

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Trade payables	1,159,160	416,781
Prepaid revenue	205,000	-
Other payables and accruals	528,596	-
	<u>1,892,756</u>	<u>416,781</u>

14. Current liabilities – Provisions

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Provision – Employee benefits	136,819	43,008
	<u>136,819</u>	<u>43,008</u>

15. Non-current liabilities – Provisions

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Provision – Employee benefits	1,045	39,449
Restoration provision	815,072	758,207
	<u>816,117</u>	<u>797,656</u>

16. Current liabilities – Financial liabilities

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Loans from related parties (refer to note 24)	94,286	-
Financial Liability – Ramelius Resources Ltd (Royalty)	1,712,613	415,402
	1,806,899	415,402

During the year ended 30 June 2017 the Company signed a Second Deed of Variation to amend the terms of the remaining \$750k owing to Ramelius Resources Limited (ASX:RMS). The Second Deed of Variation introduced a royalty payable to RMS for \$712,613 (\$750k plus interest of \$22,613) that would be repaid at a rate of \$3.00 per tonne of ore processed through the Burbanks Processing facility. The consideration to purchase Eastern Goldfields Milling Services also includes a final staged payment of \$1,000,000 due to Ramelius Resources Limited (RMS). This future payment is not subject to any interest and therefore \$1,000,000 represents the value of the future payment.

During the year ended 30 June 2018, Mandurang Pty Ltd, of which the late Mr Robert Kennedy was a Director of, loaned the Company \$50,000. The loan is interest bearing at 6%pa and is required to be repaid upon completion of a successful capital raise. Interest has been capitalised into the total loan payable.

During the year ended 30 June 2018, Mrs G Malaxos, spouse of Mr Kevin Malaxos, loaned the Company \$40,000. The loan is interest bearing at 6%pa and is required to be repaid upon completion of a successful capital raise. Interest has been capitalised into the total loan payable.

17. Non-current liabilities – Financial liabilities

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Financial Liability – Ramelius Resources Ltd (Royalty) – refer note 16	-	357,211
Financial Liability – Ramelius Resources Ltd	-	985,222
	-	1,342,433

18. Contributed equity

	Consolidated		Consolidated	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
(a) Share capital			\$	\$
Ordinary shares Fully paid	3,177,301,940	2,854,269,632	40,325,309	39,988,897

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue price	\$
1 July 2016	Opening balance	1,882,686,299		37,943,923
27 September 2016	Issue of Shares - placement	500,000,000	\$0.003	1,500,000
4 October 2016	Issue of Shares – placement	33,333,333	\$0.003	100,000
18 October 2016	Issue of Shares – Tychean Resources Limited	25,000,000	\$0.002	50,000
31 May 2017	Issue of Shares – Share Purchase Plan	113,250,000	\$0.002	226,500
26 June 2017	Issue of Shares – placement	300,000,000	\$0.001	300,000
				2,176,500
	Less: Transaction costs arising on share issues			(131,526)
	Deferred tax credit recognised directly in equity			-
30 June 2017	Balance	2,854,269,632		39,988,897
6 September 2017	Issue of Shares - placement	83,140,002	\$0.001	83,140
6 September 2017	Issue of Shares – placement	89,892,306	\$0.0013	116,860
26 April 2018	Issue of Shares – placement	150,000,000	\$0.001	150,000
				350,000
	Less: Transaction costs arising on share issues			(13,588)
	Deferred tax credit recognised directly in equity			-
30 June 2018	Balance	3,177,301,940		40,325,309

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

At shareholders' meetings, on a show of hands every holder of ordinary shares present in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

18. Contributed equity (cont)

(d) Options and rights

There were no options and rights issued during the 2017 and 2018 year in relation to the Maximus Resources Limited Employee Share Option and Incentive Rights Plans.

(e) Capital risk management

The Company has no debt which has externally imposed capital requirements.

The Company's debt and capital includes ordinary share capital, supported by property, plant and equipment.

Management effectively manages the Company's capital by assessing its financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

19. Retained losses

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
<i>Retained Earnings</i>		
Balance 1 July	(36,409,475)	(32,516,336)
Net loss for the year	(1,410,844)	(3,893,139)
	<hr/>	<hr/>
Balance 30 June	(37,820,319)	(36,409,475)

20. Key management personnel disclosures

Key management personnel compensation

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
Short-term employee benefits	269,908	396,477
Post-employment benefits	47,087	27,303
	<hr/>	<hr/>
	316,995	423,750

Detailed remuneration disclosures and interests held by key management personnel are provided in sections A to E of the remuneration report on pages 11 to 14.

21. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Company and its related practices:

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Grant Thornton		
Audit and review of financial reports	43,500	34,745
Taxation Services	6,000	3,500
	49,500	38,245
Total auditors' remuneration		

22. Contingencies

(a) Contingent liabilities

The Group had no known contingent liabilities as at 30 June 2018 (2017: \$NIL).

(b) Contingent assets

The Adelaide Hills tenement package was reduced to 4 tenements following the sale of 5 tenements, including the Bird in Hand project to Terramin Australia Limited ("Terramin"). The consideration included the following contingent payment from Terramin:

- \$1,000,000 payable upon approval of a Program for Environmental Protection and Rehabilitation; and
- \$1,000,000 payable upon commencement of bullion production.

Maximus is also entitled to a 0.5% royalty payable upon bullion production in excess of 50,000 ozs.

The Flushing Meadows tenement package was sold to Orex Mining Pty Ltd (now Yandal Resources Ltd) in October 2010. Maximus is entitled to a gold royalty in respect of gold produced from any part of the tenement area of \$40 per ounce on the first 50,000 ounces of gold generated, with the first \$200,000 to be pre-paid upon commencement of gold production and \$20 per ounce of gold produced in excess of 50,000 ounces and less than 150,000 ounces to a maximum of \$4 million royalty revenue being received by Maximus.

Additionally, there is a 3% net smelter return for any gold by-products or co-products from the tenement area.

23. Commitments

(a) Commitments for exploration and joint venture expenditure

In order to maintain current rights of tenure to exploration tenements the Company will be required to outlay in the year ending 30 June 2018 amounts of approximately \$1,299,020 (2017: \$290,590) in respect of tenement lease rentals and to meet minimum expenditure requirements pursuant to various joint venture requirements.

(b) Lease commitments : Company as lessee

The State Government departments responsible for mineral resources require performance bonds for the purposes of rehabilitation of areas disturbed by exploration activities. At 30 June 2018, the Group had no bank guarantees in place for this purpose (2017: \$NIL).

24. Key management personnel

(a) Key management personnel

Disclosures relating to key management personnel are set out in note 20.

(b) Transactions with key management personnel

The following transactions occurred with related parties:

During the year ended 30 June 2018, Mandurang Pty Ltd, of which Mr Robert Kennedy (late Chairman) was a Director of, loaned the Company \$50,000. The loan is interest bearing at 6%pa and is required to be repaid upon completion of a successful capital raise. Interest has been capitalised into the total loan payable.

During the year ended 30 June 2018, Mrs G Malaxos, spouse of Mr Kevin Malaxos, loaned the Company \$40,000. The loan is interest bearing at 6%pa and is required to be repaid upon completion of a successful capital raise. Interest has been capitalised into the total loan payable.

Mr Kennedy was a director of Ramelius Resources Limited and abstained from any voting and discussions in relation to the acquisition of the Burbanks Mill in financial year 2017.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

25. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2018 %	2017 %
MXR Minerals Pty Ltd	Australia	Ordinary	100	100
Eastern Goldfields Milling Services Pty Ltd	Australia	Ordinary	100	100

26. Events occurring after the reporting period

Mr Nicholas Smart resigned as Alternate Director on 24 August 2018.

On 6 September 2018, 304,095,000 ordinary shares were issued to sophisticated and professional investors. The shares were offered at an issue price of \$0.001 per share raising \$304,095 before cost.

The Company commenced discussions with several parties interested in participating in a capital raise to address current and future capital requirements. Those discussions centred around a Convertible Note or a Placement of Shares to sophisticated investors and a subsequent Rights Issue to MXR shareholders. At the date of this report, those discussions have not been finalised, however a mandate for a Convertible Note was received by the Company and signed by the Board of Directors, which is to be voted on at the AGM.

The Company has agreed with Ramelius Resources Ltd (RMS) on a commercial settlement for the outstanding capital for the Burbanks Treatment Plant, owned by Eastern Goldfields Milling Services Pty Ltd (MXR 100%). This settlement is intended to result in full and final settlement of the outstanding balance for the mill, including release from the Mortgage Agreement. The discussions regarding a capital raise include sufficient funds to finalise the proposed commercial settlement with RMS.

Negotiations were nearing completion for an additional Toll treatment Agreement with an ASX listed company for the supply of 100,000 tonnes of ore from October 2018, with the option to extend the Agreement for an additional 200,000 tonnes. The Toll Agreement was being reviewed by the potential client, but not signed therefore not yet suitable for release at this time. This Toll Agreement would provide continuous feed to the Burbanks Treatment Plant for a minimum of 6 months from commencement, and a further 12 months if the extension is agreed by both parties.

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

27. Reconciliation of profit after income tax to net cash inflow from operating activities

	Consolidated	
	30 June 2018	30 June 2017
	\$	\$
Loss for the year	(1,410,844)	(3,893,139)
Depreciation	192,857	38,832
Impairment of capitalised exploration expenditure	515	2,919,675
Loss on sale of financial assets	11,099	-
<i>Change in operating assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(307,788)	(23,083)
Decrease/(increase) in other operating assets	(192,861)	(558,024)
(Decrease)/increase in trade and other payables	1,550,754	900,876
(Decrease)/increase in provisions	112,272	16,452
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(43,996)	(598,411)

28. Earnings per share

	30 June 2018	30 June 2017
(a) Basic earnings per share	(1,410,844)	(3,893,139)
Loss from continuing operations attributable to the ordinary equity holders		
Weighted average number of ordinary shares outstanding during the year used to calculate basic earnings per share	3,022,663,133	2,316,585,108
Basic earnings per share (cents)	(0.047)	(0.168)

(b) Diluted earnings per share

Pursuant to AASB 133, the Company has no diluted securities.

Options

Options granted to employees under the Maximus Resources Limited Employee Share Option Plan are typically considered to be potential ordinary shares. These may have a dilutive effect on the weighted average number of ordinary shares. As the Company has reported a loss of \$1,396,066 this financial year (2017: \$3,893,139), the options have not been included in the determination of diluted earnings per share.

29. Share-based payments

(a) Employee Option Plan

No option arrangements existed at 30 June 2018:

Fair value of options granted

No employee options were granted during the year ended 30 June 2018 (2017: Nil). Therefore no calculation of the fair value of options granted during the year was required to be made using the Black-Scholes option pricing model.

(b) Employee Incentive Rights Plan

No incentive rights arrangements existed at 30 June 2018 and 2017.

30. Parent Entity

	Parent	
Statement of financial position	2018	2017
	\$	\$
Current Assets	13,682	240,145
Non-current Assets	4,634,460	4,970,039
Total Assets	4,648,142	5,210,184
Current Liabilities	1,142,107	1,003,880
Non-Current Liabilities	1,001,045	1,039,449
Total Liabilities	2,143,152	2,043,329
Net Assets	2,504,990	3,166,855
Shareholder's Equity		
Contributed Equity	40,325,309	39,988,897
Retained Losses	(37,820,319)	(36,822,042)
Capital and reserves attributable to owners	2,504,990	3,166,855
Statement of profit or loss and other comprehensive income		
Profit for the year	(998,276)	(4,306,235)
Other comprehensive income	-	-
Total comprehensive income	(998,276)	(4,306,235)

Parent Entity Contingencies

Contingent liabilities

The parent entity had no known contingent liabilities as at 30 June 2018 (2017: \$NIL).

Contingent assets

The Adelaide Hills tenement package was reduced to 4 tenements following the sale of 5 tenements, including the Bird in Hand project to Terramin Australia Limited ("Terramin"). The consideration included the following contingent payment from Terramin:

- \$1,000,000 payable upon approval of a Program for Environmental Protection and Rehabilitation; and
- \$1,000,000 payable upon commencement of bullion production.

Maximus is also entitled to a 0.5% royalty payable upon bullion production in excess of 50,000 ozs.

The Flushing Meadows tenement package was sold to Orex Mining Pty Ltd (now Yandal Resources Ltd) in October 2010. Maximus is entitled to a gold royalty in respect of gold produced from any part of the tenement area of \$40 per ounce on the first 50,000 ounces of gold generated, with the first \$200,000 to be pre-paid upon commencement of gold production and \$20 per ounce of gold produced in excess of 50,000 ounces and less than 150,000 ounces to a maximum of \$4 million royalty revenue being received by Maximus.

Additionally, there is a 3% net smelter return for any gold by-products or co-products from the tenement area.

Parent Entity Commitments

(a) Commitments for exploration and joint venture expenditure

In order to maintain current rights of tenure to exploration tenements, the Company will be required to outlay in the year ending 30 June 2018 amounts of approximately \$698,820 (2017: \$290,590) in respect of tenement lease rentals and to meet minimum expenditure requirements pursuant to various joint venture requirements for the next 12 months.

(b) Lease commitments : Company as lessee

The State Government departments responsible for mineral resources require performance bonds for the purposes of rehabilitation of areas disturbed by exploration activities. At 30 June 2018, the Group had no bank guarantees in place for this purpose (2017: \$NIL).

In the directors' opinion:

- (a) the consolidated financial statements and notes set out on pages 16 to 44 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of their performance for the financial 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
- (c) the financial statements comply with International Financial Reporting Standards as confirmed in note 1(a).

The directors have been given the declarations by the Managing Director and Company Secretary required by section 295A of the *Corporations Act 2001*.

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



Kevin J Malaxos
Director

Adelaide
5 October 2018

Independent Auditor's Report

To the Members of Maximus Resources Limited

Report on the audit of the financial report

Disclaimer Opinion

We were engaged to audit the financial report of Maximus Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Group. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this financial report.

Basis for Disclaimer Opinion

The financial report has been prepared on a going concern basis, however the directors have not been able to provide sufficient evidence to support their assessment of the consolidated entity's ability to pay their debts as and when they fall due. The director's assessment includes the requirement for capital raising either through the issue of equity instruments and/or a debt facility which is subject to future shareholder approval.

The consolidated entity has reported a loss before tax of \$1,410,844 for the year ended June 2018 and has a current asset deficiency of \$3,299,431.

We have been unable to obtain sufficient evidence as to whether the consolidated entity may be able to raise additional equity or realise assets through sales. As a result there is material uncertainty about the ability to continue as a going concern for a period of 12 months from the date of this report.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages of the Directors' report for the year ended 30 June 2018. In our opinion, the Remuneration Report of Maximus Resources Limited, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 5 October 2018

The shareholder information set out below was applicable as at 22 October 2018.

A Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

ORDINARY SHARES	
Holding	Total holders
1 - 1,000	126
1,001 - 5,000	203
5,001 - 10,000	216
10,001 - 100,000	687
100,001 and over	1,461
	2,693

There were 1,808 holders of less than a marketable parcel of ordinary shares. At a share price of \$0.001, an unmarketable parcel is 500,000 shares.

B Equity Security Holders

Twenty largest quoted equity security holders

The names of the twenty largest equity holders of quoted securities are listed below:

Rank	Name	Units	% of Units
1.	RAW ORE PTY LTD	304,095,000	8.73
2.	MCNEIL NOMINEES PTY LTD	150,000,000	4.31
3.	MR NICHOLAS BARADAKIS	130,000,000	3.73
4.	MRS GWENDOLINE MALAXOS	88,000,000	2.53
5.	MR HAKAN BASAGAC	76,000,000	2.18
6.	MR DARRYN ANTHONY	60,000,000	1.72
7.	TLG TRADING PTY LTD	54,000,000	1.55
8.	MR STEPHEN RONALD O'KEEFFE	48,757,319	1.40
9.	JORAC PTY LTD	45,000,000	1.29
10.	RMK SUPER PTY LTD	43,276,518	1.24
11.	TRIPLE EIGHT GOLD PTY LTD	43,223,482	1.24
12.	KENNY INVESTMENTS PTY LTD	41,800,000	1.20
13.	MR ALISTAIR MARK CAMERON	36,900,000	1.06
14.	J P MORGAN NOMINEES AUSTRALIA LIMITED	36,056,616	1.04
15.	MR ARCHIBALD GEOFFREY LOUDON	33,333,333	0.96
16.	MR QI ZHAO	30,000,000	0.86
17.	LAKE PACIFIC PTY LTD	25,000,000	0.72
18.	TYCHEAN RESOURCES LIMITED	25,000,000	0.72
19.	ROVER INVESTMENTS PTY LTD	24,000,000	0.69
20.	MR HARRY KEVIN MITCHELSON	23,625,940	0.68
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (TOTAL)		1,318,068,208	37.86
Total Remaining Holders Balance		2,163,328,732	62.14

C Substantial holders

As at 22 October 2018 Raw Ore Pty Ltd were a substantial shareholder with 8.73% of all ordinary fully paid shares.

D Voting Rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary Shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have once vote.