

MAXIMUS RESOURCES LIMITED

QUARTERLY REPORT

PERIOD ENDING 31 March 2018

SUMMARY

CORPORATE

- Two additional Toll Milling Agreements signed during the quarter will provide consistent and sustained supply of gold ore for Toll treatment through the Burbanks treatment plant.
- Continued review of gold projects within economic transport distance to Burbanks processing plant for either Joint Venture or purchase.
- Early termination of Empire Resources Toll agreement resulted in reduced tonnes available during the quarter.
- Dispute resolution proceedings ongoing following claim by Empire Resources for additional gold from Toll milling campaign in 2017.
- Received the second staged payment for earn-in to Spargoville Lithium rights from Lepidico Ltd.

WESTERN AUSTRALIA

BURBANKS GOLD TREATMENT PLANT

- Commissioning of the liquid cyanide storage facility was completed during February.
- A total of 11,100 tonnes toll treated during the quarter.
- Incremental improvements ongoing to increase safety and performance.

SPARGOVILLE PROJECT

- Analysis continued on pit optimisation of multiple open pit combinations.
- Awaiting assay results from RC drill samples collected from the Atomic Three gold prospect as reported last quarter.
- Continued positive reports from Lithium JV partner Lepidico following recent drilling.

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Figure 1: Location Map

EXPLORATION AND PRODUCTION ACTIVITIES

WESTERN AUSTRALIA

BURBANKS GOLD TREATMENT PLANT

Maximus 100%

The Burbanks plant continued to perform well during the quarter, albeit on limited throughput. Ore supply was impacted following the termination of the Penny's Find Toll Milling Agreement (TMA) in December 2017. Sourcing alternate ore supplies was the priority during the March quarter, however only small parcels were secured during this period. A total of 6,525 tonnes were processed during January, a further 2,740 tonnes processed in February and 1,840 tonnes in March.

Contract negotiations for the supply of ore for Toll milling from April 2018 onwards culminated in the signing of a TMA with Anova Metals Australia Pty Ltd in January 2018 for the supply of upto 120,000 tonnes +/- 10% from April 2018. A second TMA was signed with GBF Mining Pty Ltd during March 2018 for the supply of up to 110,000 tonnes +/- 10% of ore from August 2018.

Following the cessation of milling activities on Penny's Find gold ore on 21 December 2017, a final Gold in Circuit (GIC) calculation was undertaken and final results generated in January 2018. The GIC calculation

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forms part of the final reconciliation and financial settlement process. Despite the results of the GIC, which are clearly outlined in the TMA, Empire has claimed a further amount of gold outside of the GIC calculation. This matter is currently in dispute, and a dispute resolution process is underway.

Capital improvement works were completed during the period resulting in commissioning of the liquid cyanide storage facility. This unit provides increased secure storage capacity onsite and significantly improves the safety of the cyanide circuit throughout the plant.

Works were undertaken on the structural integrity of steel structures and leach tanks throughout the plant resulting in confirmation that the steel solution tanks and structural steel are in good overall condition. This has been a focal point for the DMIRS (Mines Dept) in the region, and these tests confirm the serviceability and safety of the Burbanks plant.

Burbanks Mill Production

Month	Wet Tonnes	Dry Tonnes
January	6,520	6,055
February	2,740	2,534
March	1,840	1,730
Total Tonnes	11,100	10,319

SPARGOVILLE PROJECT – GOLD EXPLORATION

Maximus 100% (Larkinville 75%)

During the December quarter, 254 drill samples were collected from a 10 hole, 1019 metre Reverse Circulation (RC) drilling program at the Atomic Three prospect. These samples were submitted for analysis for gold mineralisation, with results pending.

The Atomic Three prospect is a lithium project held by Estrella Resources Limited on M15/101. Maximus holds 100% of the gold rights on this, and six (6) other mining leases, all located south of the Company's Wattle Dam project.

SPARGOVILLE PROJECT – MORIARTY LITHIUM PROJECT

Maximus 75% up to 100%

Following the signing of a binding term sheet for an earn-in agreement covering the Spargoville Lithium rights in August 2017, Joint Venture party Lepidico, commenced exploration at the Moriarty Lithium Project in December 2017. Field work at Moriarty included a soil geochemical sampling program over three areas prospective for lithium mica pegmatites, Lefroy, Sherlock and West Larkinville prospects.

The following update was provided by Lepidico following the recent RC drill program;

“An initial program of RC drilling comprising 13 holes for 600 metres was completed at the Sherlock target during March 2018. The program was implemented to test for subsurface lepidolite mineralisation within an area of anomalous Rb geochemistry, as determined by portable XRF analysis.

Drilling confirmed the presence of an 8 m thick pegmatite that extends more than 100 m down dip, and a thinner flat-lying pegmatite about 30 m below surface. Minor intervals of lithium mica mineralisation were encountered.

Lepidico is undertaking a systematic survey of the Moriarty project using a portable XRF instrument to analyse for Rb, as a proxy for lepidolite and other lithium-bearing micas to generate targets for further work.”

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Following the recent exploration success at Moriarty, Maximus received the second staged payment from Lepidico totalling \$120,000 in cash. Should Lepidico continue to receive encouraging exploration results, it can secure 75% equity in the Moriarty Lithium project tenements with the payment of a further \$150,000 in cash or Lepidico shares on or before August 2018. Maximus retains the gold and Nickel rights on this tenement package, in addition to 25% equity in the Moriarty Lithium project and remains free carried through to a decision to mine.

Lepidico does not earn any Lithium rights until the Third payment has been made.

SOUTH AUSTRALIA

ADELAIDE HILLS PROJECT

Terramin continued to progress its pre-feasibility study and Mining Lease application (MLA) for the Bird-in-Hand (BinH) gold project. Terramin received a referral decision from the Federal Department of Environment and Energy that the mine proposal at Bird-in-Hand is not a controlled action under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (EPBC Act). This means that the company's project and mitigation of any impacts to matters of national significance satisfies the requirements of the EPBC Act and has received clearance thereunder.

During the March quarter, Terramin continued to engage with the 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 is also preparing a Managed Aquifer Recharge (MAR) drilling program to test, further calibrate the groundwater modeling and confirm the best locations for the water reinjection bores for the mining operation. This program consists of drilling water bores, obtaining drainage permits and installing monitoring piezometers to ascertain the suitability of the fractured rock aquifer for a MAR scheme as a key part of the water management for the Bird-in-Hand Gold Project.

CORPORATE

Project Evaluation

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

During the quarter, discussions continued for various projects.

Kevin Malaxos
Managing Director
30 April 2018

For further information please contact:
Maximus Resources Limited on 08 7324 3172, or

Further information relating to Maximus Resources Limited and its various projects can be found on its website: www.maximusresources.com

MAXIMUS RESOURCES LIMITED - TENEMENT SCHEDULE

Tenement Number	Tenement Name	Registered Holder/Applicant	Maximus Resources 31/03/2018
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WESTERN AUSTRALIA

SPARGOVILLE PROJECT

M15/1475	Eagles Nest	Maximus Resources Ltd	100.00%
P15/5545	Eagles Nest	Maximus Resources Ltd	100.00%
E15/967	Kambalda West	Tychean Resources Ltd	100.00%
E15/968	Kambalda West	Tychean 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%
P15/5860	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%
M15/97	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/99	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/100	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/101	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/102	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/653	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
M15/1271	North Widgie	Apollo Phoenix Resources Pty Ltd	0.00%
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%

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

MAXIMUS RESOURCES LIMITED

ABN

74 111 977 354

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
- Burbanks – Milling Sales	1,045	2,399
- Gold sales	577	612
1.2 Payments for		
(a) exploration & evaluation	(138)	(318)
(b) development	-	-
(c) production	-	-
(d) staff costs	(79)	(134)
(e) administration and corporate costs	(113)	(246)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
Burbanks operating costs	(1,623)	(2,736)
Burbanks refurbishment costs	-	(227)
1.9 Net cash from / (used in) operating activities	(330)	(647)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	69
	(d) other non-current assets (Lithium Rights)	120	120
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	120	189
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	200
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(18)
3.5	Proceeds from borrowings	-	90
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	272
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	271	247
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(330)	(647)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	120	189
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	272
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	61	61

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	44	254
5.2	Call deposits	17	17
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	61	271

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000

67

-

Directors Fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	\$1,800	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The Company plans to continue Toll milling operations during the June quarter with resultant revenue to fund on-going company expenditure.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	60
9.2 Development	-
9.3 Production	-
9.4 Staff costs	79
9.5 Administration and corporate costs	110
9.6 Other (provide details if material)	1,500
- Burbanks operating costs	
9.7 Total estimated cash outflows	1,749

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  ..
(Company secretary)

Date: 30 April 2018

Print name: Justin Nelson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.