Maximus Resources Limited
ABN 74 111 977 354

Financial report
for the Half-Year ended 31 December 2016

Maximus Resources Limited ABN 74 111 977 354
Financial report - 31 December 2016

Contents

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

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

Maximus Resources Limited
Level 3
100 Pirie Street
Adelaide
SA 5000

The financial statements were authorised for issue by the directors on 8 March 2017. 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.

Directors' report

Your Directors present their report on the consolidated entity consisting of Maximus Resources Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2016.

Directors

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

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

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

Review of Operations and Financial Results

1. Operating Results and Financial Position

The net result of operations of the Company for the half year was a loss of $3,361,304 (2015: $440,817 loss). This loss includes exploration expenditure impairment of $2,898,510 which is mainly derived from impairing exploration and evaluation costs relating to the Narndee project.

The net assets of the Company have decreased by $1,819,442 during the half year from $5,427,587 at 30 June 2016 to $3,608,145 at 31 December 2016. While the assets of the Company have increased from the acquisition of Eastern Goldfields Milling Services Pty Ltd the overall net assets have decreased due to the impairment of exploration and evaluation assets relating to the Narndee project during the half year.

2. Review of Operations

WESTERN AUSTRALIA

Burbanks

The Burbanks gold treatment facility was acquired in August 2016 from Ramelius Resources Limited for $2.5 million. The Processing plant was purchased as it presented a significant opportunity for the Company to generate early cashflows via the treatment of 3rd party ore feed on a Toll treatment basis, whilst enabling the Company to focus on project generation and mining approvals of its gold projects. Acquisition of the Burbanks facility also eliminates the significant restraint on timing and costs of processing ore produced through other 3rd part treatment plants in the area.

A modes refurbishment plan was prepared and works commenced in December 2016. The mechanical refurbishment is planned to be finalised in Q1 2017 followed by mining electrical upgrades and refurbishment of the dry cyanide feed unit. Several parties have shown interest to secure capacity to Toll treat ore through the Burbank facility in 2017 and discussions have commenced on Toll treatment agreement terms.

Processing ore through Burbanks is planned to commence in Q2 2017.

Spargoville

The Company continued to progress exploration drilling and analysis on two main gold targets, Eagles Nest and West Larkinville during the period, resulting in preliminary ore resource estimates being generated. Efforts continued with the review of exploration data, acquired as part of the Spargoville tenement acquisition in August 2015, with additional targets identified for further interrogation.

Infill drilling completed at Eagles Nest confirmed that the orebody appears to plunge to the south and off the Maximus tenement, which resulted in MXR acquiring the adjoining tenement. A further extensional drill program was undertaken in November to test for strike extensions to the south, across the recently acquired adjoining tenement, and depth extensions. The results were very positive allowing a reinterpretation of the ore block model resulting in an extension to the overall strike length of Eagles nest, and thickening of the middle section of the ore zone. A revised mineral resource estimate compliant with the JORC 2012 guidelines was being prepared and should see a significant increase in the contained ore tonnes and resultant ounces.

Initial drilling on the West Larkinville gold project identified a small shallow deposit. Infill drilling undertaken in November, concurrent with the Eagles Nest drill program, resulted in a thickening of the central ore zone, with a significant lift in the overall model grade to above 3.0 g/t. The JORC 2012 revised mineral resource estimate now totals 119,700T at 3.02 g/t for 11,600 ounces of contained gold. The orebody remains open to the north and at depth to the south, indicating potential future increases to the resource model tonnes.

Analysis of the Company's 3rd significant project, Redback is ongoing, and it is anticipated that a resource estimate will be generated in Q1, 2017.

The Company's stated aim in 2017 is to achieve a combined resource of 100,000oz of contained gold at Spargoville, before commencing regulatory approval to commence mining. The current combined resource estimate for the Spargoville gold project sits at 61,900 ounces.

Significant exploration potential exists around the previously mined high grade Wattle Dam gold mine. The company has commenced a detailed review of the underground geological model and post mining ore block model to determine the scope for HG remnant ore remaining. In addition, the potential for parallel ore structures to the west (previously mapped by Ramelius Resources Ltd in underground development and drilling) and to the east of Wattle Dam is high. Drilling is planned in Q2 2017 to test the core farm target, east of the original Wattle Dam open pit.

Narndee

A total of 6 tenements were held in the Narndee package at the beginning of the period. Within these tenements were 2 high priority EM targets (MG 03 and MG24) showing similar structure to the Nova Nickel deposit in the Fraser Range south of Perth.

A ground EM survey commenced in July 2016 to investigate and test MG 03 and MG 24. The survey was rained out after completing the review of MG03, with no significant anomaly identified. The EM survey of EM 24 was completed in August with no significant target identified.

Three tenements were relinquished by the end of the period, with 3 tenements retained.

SOUTH AUSTRALIA

Adelaide Hills

The remaining 2 tenements in the Adelaide Hills tenement package were surrendered during the period.

Following the Sale Agreement with Terramin Exploration Pty Ltd in November 2013, two contingent $1 million payments (totalling $2 million) remain outstanding and are dependent on Environmental approval to mine (PEPR) from the Department for State Development (DSD) and the commencement of bullion production from the site.

Millers Creek

No on-ground activities were conducted during the first half of 2016/17. The tenement package has been posted on a web-based minerals industry notice board seeking a Joint Venture party of buyer to progress exploration on the targets.

Northern Gawler Craton

Maximus retains one tenement, the Welbourn Hill tenement, in the Northern Gawler Craton region. The company continues the search for a Joint Venture party to conduct further exploration on this tenement.

CORPORATE

During the half year the Company held a General Meeting of shareholders to ratify a placement to sophisticated and professional investors to issue 533,000,000 ordinary shares and 533,000,000 unlisted options to raise $1.6 million before costs. Following the general meeting 500,000,000 ordinary shares and unlisted options were issued 27 September 2016. The remaining 33,000,000 ordinary shares and unlisted options were issued on 4 October 2016.

On 18 October 2016 the Company issued 25,000,000 fully paid ordinary shares to Tychean Resources Limited (ASX:TYK). These shares were issued under the terms of the Second Sale Agreement with TYK for consideration of full ownership of TYK's interest in the Spargoville gold project. The Agreement also removed all earn-in obligations required by the Company and cancelled any gold royalty to TYK.

3. Significant changes in the state of affairs

During the half year, the Company acquired Eastern Goldfields Milling Services Pty Ltd (formerly Ramelius Milling Services Pty Ltd) from Ramelius Resources Limited (ASX:RMS). The transaction with RMS resulted in the Company acquiring the Burbanks Processing Facility located in Coolgardie, Western Australia. While the Company has been effecting exploration activities on its key project areas, it has also commenced the refurbishment of the Burbanks Mill and plans to commence treatment operations during H1 2017 on a toll treatment basis.

There have been no other significant changes in the state of affairs from the 2016 financial year to the 2017 half year.

4. Events arising since the end of the reporting period

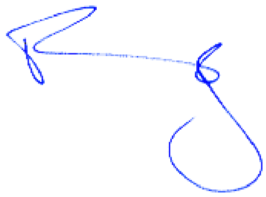
On 28 February 2017 the Company signed a Deed of Variation with Ramelius Resources Limited (ASX: RMS) in relation to the Share Sale Agreement to acquire Eastern Goldfields Milling Services Pty Ltd. The Deed of Variation changed the payment terms relating to the $1,000,000 stage payment due either 12 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. Interest will be charged on the outstanding amount and included in the quarterly instalments

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.

Auditors Independence Declaration

The lead Auditor's independence declaration for the half year ended 31 December 2016 has been received and can be found on page 5.

Dated at Adelaide this 8th day of March 2017 and signed in accordance with a resolution of the Directors.



Robert M Kennedy
Director

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

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

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Maximus Resources Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 8 March 2017

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

	Note	Consolidated 31 December 2016 $	Consolidated 31 December 2015 $
REVENUE			
Gold Sales - Spargoville		35,970	-
Other income	2	26,844	8,133
Burbanks mill expenses		(163,755)	-
Marketing expense		(3,483)	(2,200)
Administration expense		(278,945)	(327,279)
Other expenses	6	(79,425)	-
Impairment of exploration assets	5	(2,898,510)	(46,858)
Impairment of financial assets		-	(52,527)
Gain/(loss) on sale of shares		-	(10,498)
Profit/(Loss) before income tax		(3,361,304)	(431,229)
Income tax (expense)/benefit		-	(9,588)
Profit/(Loss) from continuing operations		(3,361,304)	(440,817)
Profit/(Loss) for the half-year		(3,361,304)	(440,817)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the half-year		(3,361,304)	(440,817)
Profit/(Loss) is attributable to:			
Total comprehensive income/(loss)attributable to members of the parent entity:			
Continuing operations		(3,361,304)	(440,817)
		(3,361,304)	(440,817)
		Cents	Cents
Earnings per share for Profit/(loss) from continuing operations attributable to ordinary equity holders of the parent entity			
Basic earnings per share		(0.166)	(0.048)
Diluted earnings per share		(0.166)	(0.048)

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

	Notes	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
ASSETS			
Current Assets			
Cash and cash equivalents		1,372,669	1,443,300
Trade and other receivables		29,383	455
Other current assets	3	39,891	9,546
Total current assets		1,441,943	1,453,301
Non-current assets			
Property, plant and equipment	4	2,933,962	2,811
Exploration and evaluation assets	5	1,931,037	4,220,642
Other non-current assets	7	539,656	-
Total non-current assets		5,404,655	4,223,453
Total Assets		6,846,598	5,676,754
LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,152,845	183,162
Provisions		44,866	37,023
Total current liabilities		1,197,711	220,185
Non-current liabilities			
Trade and other payables	11	988,236	-
Provisions	12	1,052,506	28,982
Total non-current liabilities		2,040,742	28,982
Total Liabilities		3,238,453	249,167
Net Assets		**3,608,145**	**5,427,587**
EQUITY			
Contributed equity	13	39,485,785	37,943,923
Retained losses		(35,877,640)	(32,516,336)
Total Equity		**3,608,145**	**5,427,587**

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

Consolidated	Contributed Equity	Reserves	Retained Losses	Total Equity
	$	$	$	$
Balance at 1 July 2016	37,943,923	-	(32,516,336)	5,427,587
Profit/(Loss) for the period	-	-	(3,361,304)	(3,361,304)
			(35,877,640)	2,066,283
Transactions with owners in their capacity as owners				
Shares issued during the period	1,541,862	-	-	1,541,862
	1,541,862	-	-	1,541,862
Balance at 31 December 2016	39,485,785	-	(35,877,640)	3,608,145

Consolidated	Contributed Equity	Reserves	Retained Losses	Total Equity
	$	$	$	$
Balance at 1 July 2015	35,398,391	-	(31,834,471)	3,563,920
Profit/(Loss) for the period	-	-	(440,817)	(440,817)
			(440,817)	(440,817)
Transactions with owners in their capacity as owners				
Shares issued during the period	453,626	-	-	453,626
	453,626	-	-	453,626
Balance at 31 December 2015	35,852,017	-	(32,275,288)	3,576,729

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

	Notes	Consolidated 31 December 2016 $	31 December 2015 $
Cash flows from operating activities			
Receipts from customers		35,970	-
Interest received		15,080	8,133
Payments to suppliers and employees		(470,122)	(233,998)
Net cash (outflows)/inflows from operating activities		(419,072)	(225,865)
Cash flows from investing activities			
Payments for purchase of Eastern Goldfields Millings Services Pty Ltd	8	(579,425)	-
Payments for property, plant and equipment		(5,091)	(782)
Payments for exploration and evaluation		(558,905)	(796,241)
Proceeds from sale of shares		-	9,755
Net cash inflows/(outflows) from investing activities		(1,143,421)	(787,268)
Cash flows from financing activities			
Proceeds from issue of shares and other equity securities		1,491,862	444,038
Net cash inflows/(outflows) from financing activities		1,491,862	444,038
Net increase in cash and cash equivalents		(70,631)	(569,095)
Cash and cash equivalents at the beginning of the half year		1,443,300	905,455
Cash and cash equivalents at the end of the half year		1,372,669	336,360

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

1 Summary of significant accounting policies

Basis of preparation of half-year financial report

Reporting entity
Maximus Resources Limited (the "Company") is a company domiciled in Australia. The consolidated financial report of the Company as at and for the half year ended 31 December 2016 comprises the Company and its subsidiaries (together referred to as the "consolidated entity") and the consolidated entity's interests in associates and jointly controlled entities.

The consolidated annual financial report of the consolidated entity as at and for the year ended 30 June 2016 is available upon request from the Company's registered office at Level 3, 100 Pirie Street Adelaide SA 5000 or at **www.maximusresources.com**.

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

They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Maximus Resources Limited and its controlled entities during the half-year in accordance with continuous requirements arising under the Corporations Act 2001.

The accounting policies applied by the entities in the consolidated group in this half-year financial report are consistent with those applied by the consolidated financial report for the year ended 30 June 2016.

The interim financial statements have been approved and authorised for issue by the Board on 8 March 2017.

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

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 cashflows from additional capital for continued operations.

The Company incurred a loss of $3,361,304 (2016: $440,817) with negative operating and investing cashflows of $1,562,493. The operations were funded by the raising of funds through the equity issues during the half 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.

2 Other income

	Consolidated	
	31 December 2016	31 December 2015
Interest received	15,080	8,133
Discount interest	11,764	-
	26,844	8,133

The consideration to purchase Eastern Goldfields Milling Services includes a staged payment of $1,000,000 due on 3 August 2018. This future payment is not subject to any interest and therefore $11,764 represents the discount on the future payment due.

3 Current Assets – Other current assets

	Consolidated	
	31 December 2016	31 December 2015
Prepayments	21,381	9,546
Inventories	18,510	-
	39,891	9,546

4 Property, plant and equipment

Consolidated	Other plant and equipment $	Burbanks plant & equipment $	Burbanks Office equipment & furniture $	Total $
At 30 June 2016				
Cost or fair value	20,467	-	-	20,467
Accumulated depreciation	(17,656)	-	-	(17,656)
Net book amount				
	2,811	-	-	2,811
Period ended 31 December 2016				
Opening net book amount	2,811	-	-	2,811
Assets purchased		-	5,091	5,091
Assets transferred (fair value)	-	2,950,781	12,345	2,963,126
Depreciation charge	(768)	(35,804)	(494)	(37,066)
Closing net book amount	**2,043**	**2,941,977**	**16,942**	**2,933,962**
At 31 December 2016				
Cost or fair value	20,467	3,861,111	56,233	3,937,811
Accumulated depreciation	(18,424)	(946,134)	(39,291)	(1,003,849)
Net book amount	**2,043**	**2,914,977**	**16,942**	**2,933,962**

Consolidated	Other plant and equipment $	Burbanks plant & equipment $	Burbanks Office equipment & furniture $	Total $
Year ended 30 June 2016				
Opening net book amount	4,107	-	-	4,107
Depreciation charge	(1,296)	-	-	(1,296)
Closing net book amount	2,811	-	-	2,811
At 30 June 2016				
Cost or fair value	20,467	-	-	20,467
Accumulated depreciation	(17,656)	-	-	(17,656)
Net book amount	2,811	-	-	2,811

5 Non-current assets – Exploration and evaluation assets

	Consolidated	
	31 December 2016 $	**30 June 2016 $**
Exploration and evaluation		
Movement:		
Opening balance	4,220,642	2,660,621
Expenditure incurred	621,700	1,630,925
Expenditure relating to Burbanks segment	(12,795)	-
Impairment of capitalised expenditure	(2,898,510)	(70,904)
Closing balance	1,931,037	4,220,642
Closing balance comprises:		
Exploration and evaluation - 100% owned	1,931,037	2,839,836
Exploration and evaluation phases - joint ventures	-	1,380,806
	1,931,037	4,220,642

6 Other expenses

	Consolidated	
	31 December 2016	**31 December 2015**
Burbanks acquisition costs	79,425	-

7 Non-current Assets – Other non-current assets

	Consolidated	
	31 December 2016	**31 December 2015**
Inventories	539,656	-

8 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 has and will 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.

The acquisition of Eastern Goldfields Milling Services Pty Ltd will be 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 indentifiable assets and liabilities are as follows:

ASSETS	**$**
Inventory:	
- Spare Parts	539,656
- Consumables	12,604
- Fuel	8,138
Property Plant & Equipment:	
- Mill Plant & Equipment	2,871,356
- Motor Vehicles	7,012
- Burbanks – Office equipment	1,505
- Burbanks – Office furniture	3,828
Other assets	79,425
TOTAL ASSETS	3,523,524
LIABILITIES	
Rehabilitation provision	1,023,524
TOTAL LIABILITIES	1,023,524

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.

Subsequent to balance date the Company signed a Deed of Variation with RMS in relation to the Share Sale Agreement to acquire Eastern Goldfields Milling Services Pty Ltd. 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. Interest will be charged on the outstanding amount and included in the quarterly instalments

The total cash payments made to RMS during the half year was $500,000. The Company incurred costs of $79,425 which relate to acquisition costs in relation to the purchase of Eastern Goldfields Milling Services Pty Ltd.

9 Segment information

(a) Description of segments

Identification of reportable segments

Management has determined the operating segments based on the reports reviewed and used by the Board of Directors (the chief operating decision makers) that are used to make strategic decisions. Maximus Resources Limited is managed primarily on the basis of geographical area of interest, since the diversification of the Company operations inherently has notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

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

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

- External regulatory requirements
- geographical and geological styles

Accounting policies developed

Unless stated otherwise, all amounts reported to the Board of Directors as chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of Maximus Resources Limited. In the period ended 31 December 2016 the Company acquired the Burbanks Mill which resulted in a reassessment of the operating segments.

Period ending 31 December 2016	**Spargoville**	**Burbanks**	**Other**	**Total**
	$	**$**	**$**	**$**
Segment revenue	35,970	-	-	35,970
Adjusted EBITDA	35,970	(163,755)	(2,898,510)	(3,026,295)
Segment assets for the period ending 31 December 2016	1,931,037	3,612,621	-	5,543,658
Total	1,931,037	3,612,621	-	5,543,658
Segment asset movements for the period				
Capital expenditure	563,025	5,091	58,675	626,791
Impairment	-	-	(2,898,510)	(2,960,956)
Total movement for the year	563,025	5,091	(2,833,836)	(2,334,165)
Total segment assets				5,543,658
Unallocated assets				1,302,940
Total assets				6,846,598
Segment liabilities for the period ending 31 December 2016	-		-	
Segment liabilities	-	1,032,776	-	1,032,776
Unallocated liabilities				2,205,677
Total liabiliites				3,238,453

(a) Business segments

Period ending 30 June 2016	Millers Creek $	Spargoville $	Narndee $	Other $	Total $
Segment revenue	-	16,845	-		16,845
Adjusted EBITDA	(30,443)	16,845	-	(40,461)	(54,059)
Segment assets for the period ending 30 June 2016	-	1,368,011	2,839,836	12,795	4,220,642
Segment asset movements for the period					
Capital expenditure	30,443	1,368,011	179,215	53,256	1,630,925
Impairment	(30,443)	-	-	(40,461)	(70,904)
Total movement for the year	(165,964)	1,368,011	179,215	12,795	1,560,021
Total segment assets	-	-	-	-	4,220,642
Unallocated assets	-	-	-	-	1,456,112
Total assets	-	-	-	-	5,676,754
Segment liabilities for the period ending 30 June 2016	-	-	-		
Segment liabilities	-	-	-	-	-
Unallocated liabilities					111,656
Total liabiliites					111,656

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

	31 December 2016 $	31 December 2015 $
Allocated:		
Adjusted EBITDA	(3,026,295)	(46,858)
Unallocated:		
Other income	26,844	8,133
Administration expense	(278,945)	(327,279)
Other expenses	(79,425)	-
Marketing expense	(3,483)	(2,200)
Impairment of financial assets	-	(52,527)
Gain on sale of available for sale financial assets	-	(10,498)
Profit before income tax from continuing operations	(3,361,304)	(431,229)

10 Current liabilities – Trade & other payables

	Consolidated	
	31 December 2016 $	30 June 2016 $
Trade creditors	**152,845**	183,162
Other payable – Ramelius Resources Limited	**1,000,000**	-
	1,152,845	183,162

The other payable amount of $1,000,000 relates to a staged payment due to Ramelius Resources Limited(RMS) as part of the consideration to acquire Eastern Goldfields Milling Services Pty Ltd. The Company signed a Share Sale Agreement with RMS on 2 August 2016 to purchase the company Eastern Goldfields Milling Services Pty Ltd. Mr Kennedy is a director of RMS.

Subsequent to balance date the Company signed a Deed of Variation with RMS in relation to the Share Sale Agreement to acquire Eastern Goldfields Milling Services Pty Ltd. 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. Interest will be charged on the outstanding amount and included in the quarterly instalments

11 Non-current liabilities – Trade & other payables

	Consolidated	
	31 December 2016 $	30 June 2016 $
Other payable – Ramelius Resources Limited	**988,236**	-

The consideration to purchase Eastern Goldfields Milling Services includes a final staged payment of $1,000,000 due on 3 August 2018 to Ramelius Resources Limited (RMS). This future payment is not subject to any interest and therefore $988,236 represents the discounted value of the future payment. The Company signed a Share Sale Agreement with RMS on 2 August 2016 to purchase the company Eastern Goldfields Milling Services Pty Ltd. Mr Kennedy is a director of RMS.

12 Non-current liabilities – Provisions

	Consolidated	
	31 December 2016 $	30 June 2016 $
Long service leave	**28,982**	28,982
Restoration provision	**1,023,524**	-
	1,052,506	28,982

The restoration provision relates to the Burbanks Processing Facility.

13 Contributed equity

	Consolidated 31 December 2016 Shares	Consolidated 30 June 2016 Shares	Consolidated 31 December 2016 $	Consolidated 30 June 2016 $
(a) Share capital				
Ordinary shares Fully paid	**2,441,019,632**	1,882,686,299	**39,485,785**	37,943,923

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue price	$
1 July 2015	Opening balance	870,407,498		35,398,391
27 October 2015	Issue of shares – placement	100,000,000	$0.002	200,000
11 December 2015	Issue of shares – share purchase plan	138,000,000	$0.002	276,000
17 February 2016	Issue of shares – Tychean Resources Limited	100,000,000	$0.002	200,000
25 February 2016	Issue of shares – placement	66,000,000	$0.001	66,000
13 April 2016	Issue of shares – placement	70,000,000	$0.0038	266,000
16 May 2016	Issue of shares – Entitlement Issue (Rights Issue)	530,182,388	$0.003	1,590,547
17 May 2016	Issue of shares – Entitlement Issue shortfall	7,580,611	$0.003	22,742
30 June 2016	Exercise of options	515,802	$0.006	3,095
				2,624,384
30 June 2016	**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
		558,333,333		1,650,000
	Less: Transaction costs arising on share issues			(108,138)
31 December 2015	**Balance**	**2,441,019,632**		**39,485,785**

14 Contingencies

Contingent Liabilities

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

Contingent Assets

During the 2014 financial year the Adelaide Hills tenement package was reduced to 4 tenements during the period, following the sale of 5 tenements, including the Bird in Hand project to Terramin Australia Limited ("Terramin"). The consideration included the following contingent payments from Terramin:

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

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

15 Events occurring after the reporting period

On 28 February 2017 the Company signed a Deed of Variation with Ramelius Resources Limited (ASX: RMS) in relation to the Share Sale Agreement to acquire Eastern Goldfields Miling Services Pty Ltd. 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. Interest will be charged on the outstanding amount and included in the quarterly instalments

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.

.

In the Directors' opinion:

a) The consolidated financial statements and notes set out on pages 6 to 18 are in accordance with the *Corporations Act 2001,* including:
   i. Complying with the Accounting Standard AASB 134: Interim Financial Reporting, and
   ii. Giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date, and

b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

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

Robert M Kennedy

Director

Adelaide 8 March 2017

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

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

We have reviewed the accompanying half-year financial report of Maximus Resources Limited (the Company), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Maximus Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, with the exception of the matter described in the preceding paragraph, we have not become aware of any matter that makes us believe that the half-year financial report of Maximus Resources Limited is not in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Material uncertainty related to going concern

We draw attention to Note 8 in the interim financial report which indicates that the consolidated entity recognised a loss of $3,361,304 for the half year ended 31 December 2016 and cash used in operating and exploration activities was $977,978.

These conditions, along with other matters as set forth in Note 15, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the half year financial report. Our opinion is not modified in relation to this matter.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 8 March 2017