

# MAXIMUS RESOURCES LIMITED

## QUARTERLY REPORT

PERIOD ENDING 31 March 2016

### SUMMARY

#### CORPORATE

- Refurbishment of the Burbanks processing plant continued throughout the period with the bulk of the scheduled works now complete. Additional activities identified during the refurbishment works have been included into the works schedule or placed onto the ongoing works program. Refurbishment of plant is scheduled for completion in April.
- Discussions continue with multiple miners and project developers on the supply of gold ore for Toll treatment through Burbanks mill.
- Continued review of gold projects within economic transport distance to Burbanks processing plant for either Joint Venture or purchase.

#### WESTERN AUSTRALIA

##### SPARGOVILLE PROJECT

- Maiden mineral resource calculation completed for Redback deposit and revised mineral resource calculation for Eagles Nest increases Spargoville Global Resource to 104,960 ounces of gold.
- Program of Works submitted for 6,000 metre exploration drill program adjacent to the Wattle Dam high grade mine to identify repeat HG structures.
- Tribute Mining at Wattle Dam to recommence in Q2 following heavy rain during November and December suspended activities.

##### BURBANKS GOLD TREATMENT PLANT

- Work continued steadily towards refurbishment of the Burbanks gold plant to operational status, following a slow start in December 2016.
- Additional work undertaken to overhaul and replace several electrical installations and minor activities to refurbish the process control room console.
- Refurbishment of the primary and secondary crushing circuits is complete, Structural steel and transfer chutes have been overhauled and conveyor belting and idler replacements also finalised. Works continue on the Cyanide and Lime storage facilities refurbishment and completion of the walkway mesh replacement program.

##### ADELAIDE HILLS PROJECT

###### Bird in Hand Project

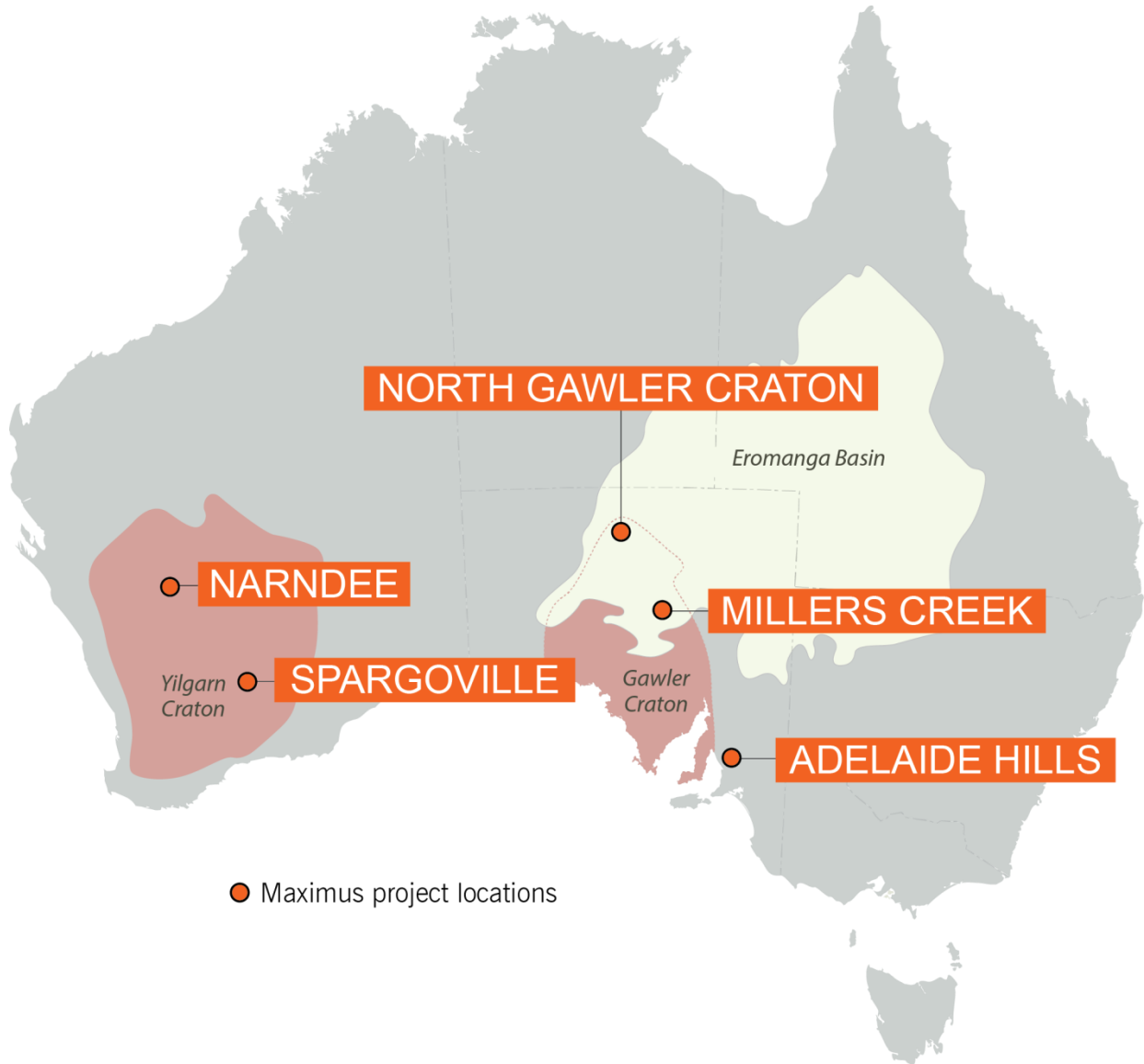
###### Terramin

- Progressing Mining Lease Application to facilitate mining of the Bird in Hand project.
- Seeking expressions of interest for the acquisition of the BinH project. MXR contingent payments and royalty are protected under the Share Sale Agreement and Royalty Agreement.
- Preparing to lodge Mineral Claim application over project area to replace pre-existing MXR Mineral claim (which cannot be transferred) maintained on behalf of Terramin.

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## QUARTERLY REPORT

PERIOD ENDING 31 March 2016



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### PERIOD ENDING 31 March 2016

## DEVELOPMENT AND EXPLORATION ACTIVITIES

### WESTERN AUSTRALIA

#### SPARGOVILLE PROJECT - GOLD

*Maximus 100% (Larkinvilla 75%)*

Progress continued on several Spargoville tenements with a maiden ore resource announced on the Redback deposit and upgraded resource estimates completed on the Eagles Nest and Larkinvilla deposits. The combined mineral resources for the 4 projects now totals 1,316,100 tonnes at 2.47 g/t Au for 104,800 ounces (see table 1).

Project	Tonnes	Au g/t	Ozs
<b>Eagles Nest</b>			
<b>Main Lode</b>	662,400	1.95	41,550
<b>FW Zone</b>	17,500	1.89	1,050
<b>Larkinvilla</b>	119,700	3.02	11,600
<b>5B</b>	75,300	3.07	7,700
<b>Redback</b>	441,200	3.02	42,900
<b>TOTAL</b>	<b>1,316,100</b>	<b>2.47</b>	<b>104,800</b>

**Table 1:** Mineral resource calculations for Spargoville projects to-date

As work continued on evaluating the historic production data from the Wattle Dam High Grade underground mine (MXR 100%) to determine the potential volume of remaining gold ore and the economics of extracting this ore, an area east of the main Wattle Dam open pit outline was identified as an excellent exploration target. The area appears to be under-explored resulting in a Program of Works submitted to the Department of Mines & Petroleum (DMP) for a preliminary 6,000 metre aircore and RC drill program. This drill program is scheduled to commence in April, and is designed to test for repeat Wattle Dam type structures within an area 200 metres east of Wattle Dam.

Existing RC and Aircore data was evaluated during the quarter to prepare an initial Mineral Resource estimate for the Redback deposit. A preliminary underground resource totaling 441,200 Tonnes at 3.02g/t for 42,900 Oz was declared. Potential exists to add to this preliminary resource estimate with further drilling to delineate a possible open pit resource.

Samples of Redback and Larkinvilla ore were collected from previous drill cuttings and sent for Metallurgical testing. Results from Met testwork completed on Eagles Nest ore samples showed excellent recoveries, using Burbanks water samples and a similar treatment process to the Burbanks mill.

# MAXIMUS RESOURCES LIMITED

## QUARTERLY REPORT

### PERIOD ENDING 31 March 2016

#### SPARGOVILLE PROJECT - LITHIUM

*Maximus 75% up to 100%*

Maximus believes that the Lefroy prospect contains the essential parameters for the discovery of a Mt Marion style lithium deposit. Specifically, Maximus considers the presence of Lithium rich parental magmas and structural pathways to control the location of the Lithium bearing pegmatites at the prospect.

Limited Lithium-focussed exploration has been undertaken to-date and proposed plans to conduct Lithium exploration have been placed on hold whilst the company completed the refurbishment of the Burbanks gold processing plant and finalises schedule gold exploration drill programs. We continue to monitor and discuss opportunities with neighboring Lithium explorers to facilitate the optimum outcome to exploit the Lithium potential of the area.

#### BURBANKS GOLD TREATMENT PLANT

*Maximus 100%*

Following the acquisition of the Burbanks gold treatment plant from Ramelius Resources Ltd (RMS) in August 2016, a modest refurbishment program was undertaken, commencing in December 2016. The refurbishment works include refurbishment of the primary and secondary crusher structural steel, relining of Feed chutes and transfer boxes, replacement of specific conveyor belts and full roller replacement on CV4 & CV5, replacement of walkway mesh atop all mill flotation tanks, refurbishment of the lime storage unit and dose unit and refurbishment or replacement of handrails and walkway structures throughout the plant.

Manpower issues in December resulted in slow progress in 2016, however this was addressed in mid-January. Wet weather throughout February and March slowed progress, with sandblasting and painting of steel structures and transfer chutes delayed. Additional works were identified throughout the detailed inspection and planned refurbishment works, which is to be expected in this type of work.

Additional structural steel replacement /refurbishment work was undertaken, in addition to replacement of the Cyanide mixing unit floor and replacement of the mill discharge pump.

Completion of the refurbishment program is now expected in April, with Toll milling to commence shortly thereafter.

The Company continues to discuss Toll treatment arrangements with several near term producers and current producers to secure a minimum of 12 months ore feed for the processing plant.

#### NARNDÉE PROJECT

*Maximus 100%*

The Company continues to rationalise the ground holding at Narndee, with only tenements hosting known targets being retained, with some contiguous tenements held to protect targets where warranted.

# MAXIMUS RESOURCES LIMITED

## QUARTERLY REPORT

PERIOD ENDING 31 March 2016

### SOUTH AUSTRALIA

#### ADELAIDE HILLS PROJECT

*100% Maximus*

Terramin continued to progress its pre-feasibility study and Mining Lease application (MLA) for the Bird-in-Hand gold project. The company understands that submission of the MLA to the Department for State Development (DSD) is expected in 2017, with anticipated final approval of the Application not expected until late 2017 or mid-2018.

Terramin is seeking expressions of interest from interested parties to acquire the Bird in Hand project, including the Angus Zinc processing plant in Strathalbyn. MXR can confirm that the contingent staged payments and gold royalty are protected under the signed agreements and are required to be assigned to any new project owner.

As part of the original Sale Agreement with Terramin, Maximus agreed to hold the original Mineral Claim for the BinH project (not able to be transferred) in trust for Terramin until a Mineral Lease Application was approved by the DSD. Terramin has determined to submit a Mineral Claim application for the BinH project area, thus eliminating the requirement for Maximus to hold the original claim in trust. The Terramin application is ongoing.

### NORTHERN GAWLER CRATON PROJECT

#### WELBOURN HILL and NICHOLSON TARGETS

*Maximus 100%*

The final tenement held was relinquished during the quarter.

### MILLERS CREEK COPPER, GOLD URANIUM PROJECT

*Maximus 100%*

No work completed onsite during the period. One tenement remains in this project portfolio

## CORPORATE

### Project Evaluation

Maximus continues to search for, and evaluate 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 several open pit and underground projects were investigated, with discussions ongoing for various projects.

Kevin Malaxos  
Managing Director  
31 March 2017

**MAXIMUS RESOURCES LIMITED**  
**QUARTERLY REPORT**  
**PERIOD ENDING 31 March 2016**

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

Investor relations:  
Mr Duncan Gordon  
Adelaide Equity Partners  
on 08 8232 8800 or 0404 006 444

Further information relating to Maximus Resources Limited and its various projects can be found on its website: [www.maximusresources.com](http://www.maximusresources.com)

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Graeme McDonald who is a Member of the Australasian Institute of Mining and Metallurgy, and who has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activities being undertaken, to qualify as a Competent Person as defined in the 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 Person

## MAXIMUS RESOURCES LIMITED - TENEMENT SCHEDULE

Tenement Number	Tenement Name	Registered Holder/Applicant	Maximus Resources interest 31/03/2017
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### WESTERN AUSTRALIA

#### ***SPARGOVILLE PROJECT***

M15/1475	Eagles Nest	Maximus Resources Ltd & Tychean 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, Tychean Resources Ltd & Bullabulling Pty Ltd	90.00%
M15/1449	Larkinville	Maximus Resources Ltd, Tychean Resources Ltd & Pioneer Resources Ltd	75.00%
P15/5912	Larkinville	Maximus Resources Ltd, Tychean Resources Ltd & Pioneer Resources Ltd	75.00%
M15/1101	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1263	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1264	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1323	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1338	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1474	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1769	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1770	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1771	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1772	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1773	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1774	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1775	Wattle Dam	Maximus Resources Ltd & Tychean Resources Ltd	100.00%
M15/1776	Wattle Dam	Maximus Resources Ltd & Tychean 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%

#### ***NARNDÉE PROJECT***

E59/1830	Milgoon Peak 2	Maximus Resources Ltd	100%
E59/2160		Maximus Resources Ltd	100%
E59/2161		Maximus Resources Ltd	100%

### SOUTH AUSTRALIA

#### ***MILLERS CREEK PROJECT***

EL 5833	Billa Kalina	Maximus Resources Ltd	100%
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## 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 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	10	47
1.2 Payments for		
(a) exploration & evaluation	(231)	(789)
(b) development	-	-
(c) production	-	-
(d) staff costs	(80)	(299)
(e) administration and corporate costs	(112)	(323)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	19
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 running costs	(58)	(168)
Burbanks refurbishment costs	(291)	(291)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(758)</b>	<b>(1,804)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2)	(2)
(b) tenements (see item 10)	-	-
(c) investments	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
	(d) other non-current assets Eastern Goldfields Milling Services Pty Ltd (Burbanks)	(250)	(750)
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(252)</b>	<b>(752)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	1,600
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	-	(108)
3.5	Proceeds from borrowings	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,492</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,389	1,443
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(758)	(1,804)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(252)	(752)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,492

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>379</b>	<b>379</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	362	1,372
5.2	Call deposits	17	17
5.3	Bank overdrafts	-	
5.4	Other (provide details)	-	
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>379</b>	<b>1,389</b>

**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

<b>Current quarter \$A'000</b>
\$120
-

Director Fees \$119,888

**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

<b>Current quarter \$A'000</b>
-
-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
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.		

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	100
9.2 Development	-
9.3 Production	-
9.4 Staff costs	20
9.5 Administration and corporate costs	100
9.6 Other (provide details if material)	
- Burbanks refurbishment	100
<b>9.7 Total estimated cash outflows</b>	<b>320</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E59/908 - Narndee	Surrendered	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	P15/5545 – Eagles Nest	Acquired	0%	100%
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: .. Date: 26 April 2017  
(Company secretary)

Print name: Rajita Alwis

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity 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.