

## ASX Announcement

20/06/2017

## Corporate Update

### HIGHLIGHTS

- **Burbanks mill refurbishment concluded**
- **Additional Burbanks toll treatment negotiations well-advanced**
- **Decision to divest lithium rights at Spargoville project**
- **Divestment of contingent payments and gold royalties associated with the Bird-in-Hand gold project in South Australia to be explored**

Maximus Resources Limited (ASX: MXR) is pleased to update shareholders on the significant progress achieved in recent months at the Burbanks Processing plant and at the Company's project portfolio in Western Australia and South Australia.

### Refurbishment Completed at Burbanks Mill

The Company can now report that refurbishment of the Burbanks mill has been completed, and the treatment facility is now ready to commence processing operations. The refurbishment consisted of a complete overhaul of the crushing and milling sections, including a partial mill reline and a refurbishment of the lime silo and dosing units. Refurbishment of safety handrails and walkway grid-mesh and re-establishment of the tailings dam decant tower was also completed. Additionally, improvements were made to the gravity circuit to ensure maximum recovery of the coarse gold components.

Senior operational personnel, many with experience at Burbanks have been secured to work at the mill, whilst candidates for the remaining operator positions have been identified from either Coolgardie or Kalgoorlie-based personnel.

Processing operations at Burbanks are expected to commence in July 2017.

### Negotiations for Additional Toll-Treatment Options

As previously announced, the Company secured its first toll-milling agreement, with some material already delivered to the Run-of-mine (ROM) pad at Burbanks. Maximus continues to pursue additional toll treatment agreements to ensure that the mill is fully utilised in 2017/18. These negotiations are well-advanced and we anticipate being in a position to announce the finalisation of a further toll treatment agreement within weeks.

The Company is also pursuing agreements with third parties to treat previously-mined, low-grade gold ore stockpiles under a joint venture arrangement. Should such agreements be finalised, these stockpiles can quickly be relocated to the Burbanks ROM pad for subsequent treatment. This ore will also provide security of feed stock, should inclement weather prevent delivery of third party toll ore to the ROM pad.

### **Extracting Maximum Value from the Wider Portfolio**

In line with the Company's ongoing focus on gold exploration, production and processing in the Eastern Goldfields, a decision has been made to divest its Lithium rights at the Spargoville project, whilst retaining all gold and other metal rights on the tenements.

Maximus has also been approached regarding a potential acquisition of its remaining interests in the Bird-in-Hand gold project in South Australia. These interests consist of 2 contingent cash milestone payments based on mining approval and commencement of bullion production, and an ongoing gold royalty based on bullion produced. Discussions continue on this matter.

### **Future Activities**

Maximus is now in a position to progress its +100,000 ounce resource base across 4 gold deposits at the Spargoville project through to the feasibility stage. Following the satisfactory outcome of each feasibility process, Maximus aims to progressively advance these projects into production and commence processing Maximus ore through the Burbank facility in 2018. The Company will continue to pursue advanced gold projects for joint venture or acquisition, including sourcing additional gold ore to ensure the mill operates continuously at full capacity.

Maximus recently completed a Share Purchase Plan to raise capital to complete the Burbanks mill refurbishment, re-stock the mill consumables in preparation for commencement of toll milling and provide requisite working capital. Maximus appreciates the continued support of its shareholder base, and has recently completed a small placement to existing sophisticated investors to raise a further \$300,000 to ensure the above objectives are achieved.

We look forward to achieving the significant milestone of commencing processing through Burbanks in July and the continued growth of the company in future.

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