

ASX Announcement

28/03/2019

Quarterly Results Update

KEY POINTS

- **Significant increase in gold revenue for March 2019 quarter**
- **Burbanks gold mill (WA) operating at nameplate capacity**
- **Second toll milling campaign completed with a third due to commence early in April**
- **Sale process of 50% of Burbanks nearing conclusion**
- **Burbanks Gold in Circuit increases 200% to circa A\$1.8 million**
- **Capital Raise negotiations advanced**
- **Negotiations for project acquisition well advanced feeding into Capital raise quantum**

Maximus Resources Limited (ASX: MXR or the “Company”) wishes to advise shareholders that the March 2019 quarter performance represents a significant turn-around in both throughput and revenue following consistent feed and budgeted performance from the Burbanks gold mill in WA.

Invoiced revenue for the March quarter exceeded \$1.1 million, a **200% increase** compared to \$544,000 in the previous 6 months. This significant increase is a function of consistent ore feed and performance of the Burbanks mill and sound management of costs onsite. The reduced performance in the July to December 2018 period was due primarily to delayed ore supplies from third parties, resulting in suspension of operations between August and mid-December to reduce expenditure.

The Audited financial results do not always represent an accurate picture of the cost recovery timeframes of the Toll milling process. Large expenditures at the commencement of a campaign are not realised until the end of some treatment campaigns. At Burbanks, large expenditures were incurred in December 2018 to re-stock consumables and reagents at the commencement of the Toll milling campaign. These costs were reported in the December '18 Half Yearly report. The revenue to offset these costs was not received until January 2019, thus giving the impression of a poor financial performance, resulting in individuals providing false or misleading comments to the media about the project and Company performance. Whereas, in fact, the performance of the plant has significantly improved.

The March 2019 quarterly performance provides shareholders with a factual breakdown of costs and performance of the project and the Company.

The significant improvement in mill performance has resulted in the gold in circuit stocks increasing to circa \$1.8 million. These stocks will be drawn down over the next 2 months, with revenue from gold sales increasing the MXR annual revenue through to June 30 2019.

These facts support the Company's continued belief that Eastern Goldfields Milling generates significant revenue for EGMS and MXR, provided consistent feed is available to process.

Additional detail will be provided in the 2019 March Quarterly report.

Negotiations and preparations for a capital raise are well advanced, and this will provide working capital for EGMS operations, exploration and ensure our maintenance improvement program is achieved in addition to providing working capital to finalise Due Diligence on projects for potential acquisition as announced in the previous quarterly report.

Maximus appreciates the continued support of shareholders as we continue to build on the recent performance of the Burbanks mill and secure long term gold ore supplies. This in turn underpins the significantly improved operational and financial performances of the company.

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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