



Maximus moves on mill deal

Jarrod Lucas

Maximus Resources managing director Kevin Malaxos estimates it will cost about \$500,000 to refurbish the Burbanks processing plant near Coolgardie.

Yesterday Maximus announced it would pay gold miner Ramelius Resources \$2.5 million over two years for the 180,000-tonne-a-year plant, which has been on care and maintenance since December 2014.

Both companies are chaired by Adelaide businessman Robert Kennedy.

Maximus yesterday announced a \$1.6 million placement at 0.3 cents per share to fund the acquisition, which followed a \$1.59 million raising in May.

The deal for Burbanks included more than \$500,000 worth of spare parts, including a spare ball mill, jaw crusher and mill liners.

Maximus has paid a \$500,000 deposit and will pay its next \$1 million tranche in 12 months or when commercial milling begins.

Speaking on the sidelines of the Diggers and Dealers Mining Forum, Mr Malaxos revealed Maximus was in discussions with two ASX-listed companies and other private interests to supply ore.

"We want to lock someone in to a contract long term to start the mill because it's going to take us 12 months to work up a resource and get approval to mine," he said.

"We haven't got a signature on a piece of paper yet but I've got at least two who are interested in talking seriously."

The logical option is Martin Donohue's Kidman Resources, which is mining the Birthday Gift underground mine immediately adjacent the Burbanks mill.

Royal Nickel's Beta Hunt mine near Kambalda also produces ultra high-grade ore suited to the Burbanks plant.

Mr Malaxos said Maximus was at least a year away from mining at

its Spargoville project, despite

strong potential for near-term resource growth at the Eagles Nest, Redback and Golden Orb prospects.

It was at last year's Diggers conference that Maximus farmed into the project near Widgeemooltha in a deal with Tychean Resources, which is also chaired by Mr Kennedy. Maximus has gone from a 25 per cent stake to full ownership within 12 months.

The Spargoville tenements contain the mothballed Wattle Dam mine, which produced 286,000 ounces under Ramelius ownership and was once considered Australia's highest-grade gold mine.

Maximus has been sidetracked by lithium somewhat this year but has been busy drilling at the Eagles Nest prospect on the same tenement which produced the famed 1135oz Golden Eagle nugget in 1931. The Redback prospect, only 700m from Wattle Dam, has also been high on Maximus' priority list.

Tribute miners working the ground this year have generated some buzz by recovering large gold nuggets, although Maximus' share was only 18.67oz which it sold off to a refinery at \$1699/oz.

The Coolgardie area has come alive this week with Primary Gold's acquisition of the MacPhersons Reward mine for \$10.4 million.

Barra Resources is also looking to begin open pit mining at its Burbanks North project after agreeing to terms with FMR Investments, which will process ore through its Greenfields Mill.



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PAGE 2 of 2



Maximus Resources managing director Kevin Malaxos announced the acquisition of the Burbanks mill near Coolgardie on the final day of the Diggers and Dealers Mining Forum. Picture: Jarrod Lucas