

Maximus backs mill to beat 0.3¢ price barrier

Josh Chiat

Maximus Resources managing director Kevin Malaxos has a three-pronged plan to break through the 0.3¢ share price barrier that has frustrated the junior explorer.

He is targeting acquisitions, toll treatment contracts and the start-up of the 180,000 tonnes per annum Burbanks Mill near Coolgardie.

“We put out these announcements and people go, ‘that’s great’, and if we drop down a little bit it might help us recover to 0.3¢, but we just can’t break through this barrier of 0.3¢ unless we have some monumental news,” he said.

The processing plant, bought from Ramelius Resources for \$2.5 million in August, is set to be refurbished this quarter. “The boys in Sydney (brokers) said as soon as that thing’s turning and producing gold bars we’ll get a re-rating, and as soon as we start signing up toll-treating contracts with people that will reduce our risk profile as well,” Mr Malaxos said.

Maximus is targeting small tonnage operators which previously had contracts with Ramelius, with bulk tonnage mills such as FMR Investments’ Greenfields mill and Westgold’s Jubilee Processing Plant booked out.

“Those who’ve put parcels through the mill are familiar with it, they’re going, ‘Yep,

maybe a few minor little adjustments’, but we’re close to signing the first one (agreement),” he said.

“Because they’ve only got smaller tonnages or it’s going to be intermittent, they can’t get through Peter Bartlett’s (Greenfields Mill) or through Cooky’s (Westgold’s) Jubilee Mill.

“Those monsters are 1-1.2Mtpa, so you need basically 100,000 tonnes a month, so they’re not going to be able to take small parcels and from what I understand, they’re both reasonably fully committed for 12-18 months.”

The Adelaide-based Spargoville owner has played the long game looking for a way to repay long-suffering shareholders.

One of a suite of South Australian gold companies connected to chairman Bob Kennedy, Maximus has been listed since 2004, but remains at the bottom end of the small-cap scale.

That compares unfavourably with Ramelius, also

chaired by Kennedy, which has moved seamlessly into Australia’s mid-tier.

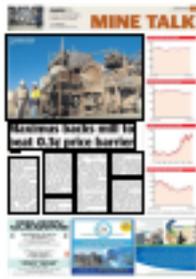
Maximus has followed in Ramelius’ footsteps since 2015, taking on the Spargoville projects near Kambalda including Wattle Dam — once considered the highest grade gold mine in Australia — and the Eagles Nest deposit, on the tenement

where the 1135oz Golden Eagle nugget was discovered in 1931.

This week, it hit a milestone at Spargoville, adding 42,000oz in inferred resources at the Redback deposit.

That took Maximus over its 100,000oz target before applying for regulatory approvals.

Mr Malaxos said the next move would be getting a drill rig to Wattle Dam for infill work in April. Maximus shares closed 33 per cent or 0.1¢ down at 0.2¢ yesterday.



Kalgoorlie Miner, Kalgoorlie WA

16 Mar 2017, by Josh Chiat

General News, page 7 - Size: 496.00 cm²

Regional - Circulation: 3,417 (MTWTFS-)

ID 742005133

BRIEF MAXIMUS

PAGE 2 of 2

The Burbanks mill grinds up the Wattle Dam gold ore.

