



## ASX ANNOUNCEMENT

2 December 2019

### FLUSHING MEADOWS (WA) GOLD PROJECT ROYALTY UPDATE

Gold focused developer, Maximus Resources Ltd (Maximus or the Company) is pleased to update shareholders on exploration drilling results from the Flushing Meadows gold project in the Yandal Greenstone belt in Western Australian, undertaken by Yandal Resources Ltd (**Yandal**).

Maximus retains a royalty interest in Flushing Meadows and the latest results announced by Yandal provide further confidence that Maximus' \$4 million royalty on the Flushing Meadows gold project will be achieved in the near future.

Yandal has announced the **potential for a substantial resource expansion** following significant gold intersections in the first 5,000 metres of a planned 20,000 metre Reverse Circulation drilling campaign on the Yandal Gold Project, covering its Flushing Meadows and Flinders Park prospects. (ASX Announcement titled "Exploration Update – Yandal Gold Projects" dated 27 November 2019).

Yandal acquired the Flushing Meadows tenements from Maximus in 2010 for a modest upfront cash component and a royalty on gold and other minerals produced from the tenements. The gold royalty consists of a A\$40 per ounce royalty on the initial 50,000 ounces of gold produced, followed by a A\$20 per ounce royalty on the next 100,000 ounces of gold produced. Yandal is required to prepay the royalty on the first 5,000 ounces of gold upon commencement of production. The gold royalty is capped at A\$4 million. Maximus is also entitled to a 3% Net Smelter Royalty on all gold by-products or co-products produced, including silver.

Yandal has announced a gold resource estimate of 4.6 million tonnes at 1.29g/t for 190,000 ounces of gold (See ASX announcement dated 25 September 2019 for further information). Yandal's Managing Director, Mr Lorry Hughes stated that "the current drill results suggest that an increase in the resource base is likely". An increase in the resource base strengthens the case for a decision to mine.

Yandal also stated it intends to use the latest information to design a more comprehensive diamond drilling and test work program to support key feasibility studies in 2020.

Maximus will continue to keep shareholders informed of progress on the Yandal gold project as exploration drilling and project feasibility work advances.

This announcement was authorised to be given to ASX by the directors of Maximus.

MAXIMUS RESOURCES LIMITED

ABN 74 111 977 354

**Telephone** 08 7324 3172  
**Registered Office** 246 Angas Street  
ADELAIDE SA 5000

**Postal Address** GPO Box 1167  
ADELAIDE SA 5001

**Email** [info@maximusresources.com](mailto:info@maximusresources.com)  
**Web** [www.maximusresources.com](http://www.maximusresources.com)

For more information please contact:

Kevin Malaxos

Director

Maximus Resources Ltd

08 7324 3172