**17 December 2020**

# TWO PHASES OF DRILLING COMPLETED AT SALTWATER GOLD PROJECT

## Highlights

- **Two phases of drilling for 4,518m now completed at the Saltwater Gold Project, in the Pilbara region of Western Australia**
- **The initial 31 holes for 3,618m of reverse circulation (RC) drilling targeted the western outcropping section of the 60km$^2$ magnetic ring structure at the historic Saltwater mining area**
- **A further 9 holes for 900m of step-out drilling on the central traverses over the Nanjilgardy Fault targeted areas under cover**
- **Results from this drilling at Saltwater are expected in the new year**
- **The Melrose and Scotia South Gold Projects in WA are now progressing to granting ahead of the commencement of exploration**

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Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased announce the completion of its 4,518m maiden RC drilling program at the Saltwater Gold Project, in the Pilbara region of Western Australia.

The drilling contractor Ausdrill has completed 40 drill holes of which 31 targeted the old mining area within the Saltwater Project for 3,618m of RC drilling.

This initial drilling program focused on the outcropping areas on the western end of the Saltwater Ring Structure, a large 60km$^2$ magnetic ring structure that sits within E52/3818 at Saltwater, as shown in Figure 1.

Drilling was conducted over four lines as shown in Figure 2. These four, short, closer-spaced lines in Figure 2 were concentrated on the identified anomalous western area of the Saltwater Ring Structure. The wider-spaced (regional) longer lines to the east targeted the ring structure/splay under cover. This part of the program was completed for 9 holes totaling 900m in two lines as shown.

Assay results from the Saltwater drilling are expected in January/February 2021 and will be announced to the market once they become available.

Aruma has program of works (PoW) approval for up to 20,000 metres of drilling at the Saltwater Project and will make plans for further phases of drilling, subject to results from the initial program. In addition, the Melrose and Scotia South Gold Projects are also moving towards granting.



**ASX: AAJ**

**Capital Structure**
1,589M Shares on Issue
321M Options on issue
CASH $3.5M

**Board of Directors**
Non-Executive Chairman
**Paul Boyatzis**
Managing Director
**Peter Schwann**
Non-Executive Director
**Mark Elliott**
Company Secretary
**Phillip MacLeod**

**Gold Projects -1,608km$^2$**
**Norseman**
SCOTIA SOUTH - 217km$^2$
**Pilbara**
MELROSE - 283km$^2$
SALTWATER - 736km$^2$
**NSW Lachlan Fold Belt**
CAPITAL - 372km$^2$

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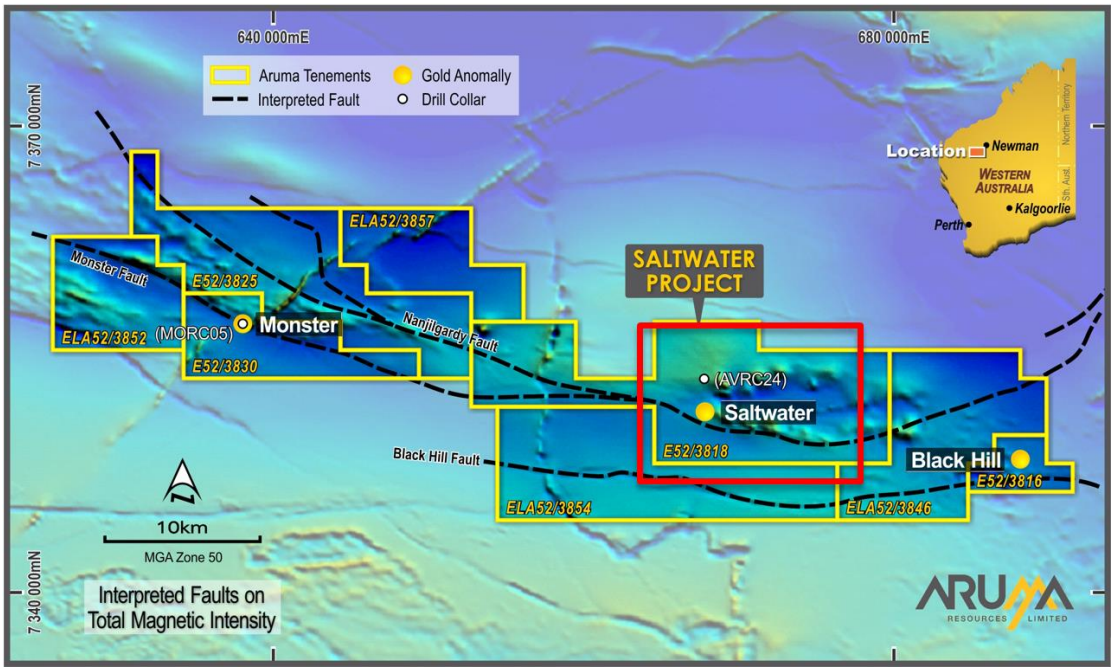


**Figure 1:** Aruma's Saltwater Project area on TMI magnetics showing faults and anomalies - drill target area outlined in red.

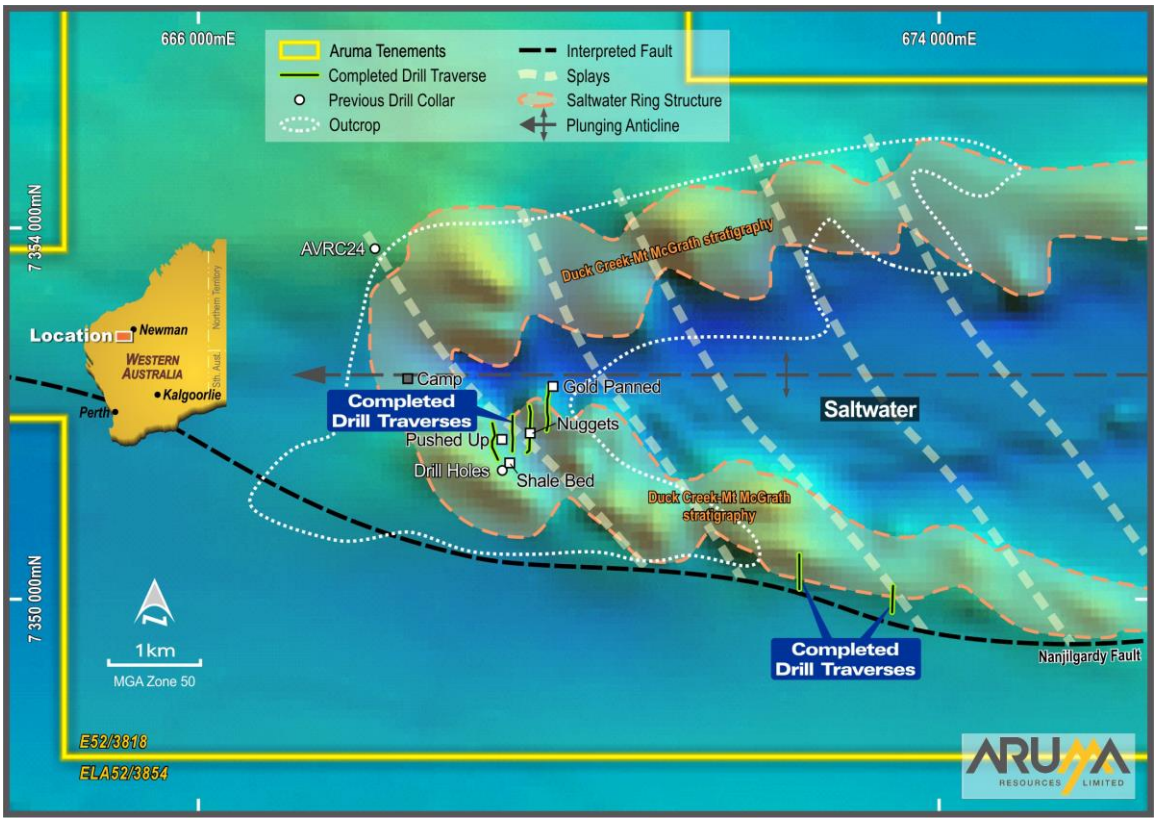


**Figure 2**: Drilling (from Figure 1) on the TMI magnetics for the current Saltwater drill program showing the target Duck Creek-Mt McGrath stratigraphy as the shaded anticline.

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Figure 2 shows the rationale behind the current Saltwater drilling, with the western drill lines located over the historic gold area, and the eastern lines positioned over the splay and Nanjilgardy Fault under cover.

The western splay coincides with AVRC24 anomaly, alteration and historic nuggets. The eastern splay, which is currently being drilled is targeting areas of deep weathering and paleochannels.

Figure 3 (below) shows the drill rig being set up in preparation for the recently completed drilling at Saltwater. The first phase of drilling targeted old workings at the historic Saltwater mining area within the recently identified and prospective Mt McGrath Formation, which hosts Mt Olympus Gold Mine.

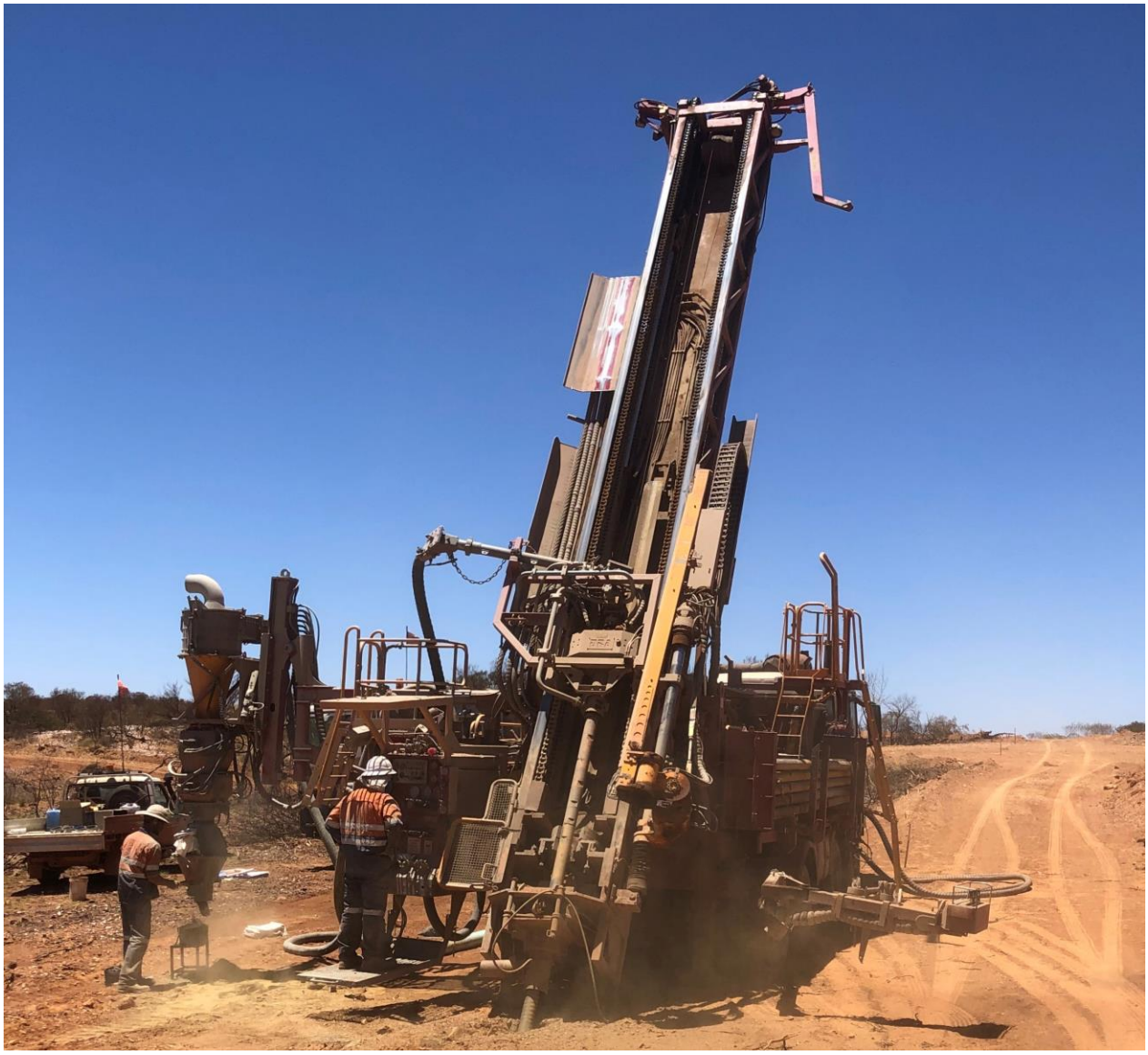

**Figure 3**: The RC Rig collaring at Saltwater mining area in preparation for drilling, targeting old worked areas from the 1980s.

**Figure 4**: Sample piles showing the 12m of younger chert cover (right) and pale alteration zones


**Figure 5**: Samples from drill hole SWRC15 showing alteration and sulphides at 84 to 88m down hole.

**About the Saltwater Gold Project**

The Saltwater Gold Project has eight granted Exploration Licences for a total area of 736km$^2$. The Project is located approximately 100 kilometres south-west of the regional mining centre of Newman.

The Project area covers a strike extent of more than 65km of the highly significant Nanjilgardy fault, the same regional structure reported as the primary source of gold mineralisation at Northern Star Resources' (ASX: NST) Paulsens Gold Mine and the Mt Olympus Gold Mine in the region.

The original geological mapping identified only Ashburton Formation but re-interpretation from mapping outcrop and magnetics suggested that there was Duck Creek Dolomite, Mt McGrath and Cheela Springs Basalt underneath and domed up through the Ashburton Formation. This is what forms the Saltwater Ring Structure and is the same stratigraphy as Mt Olympus to the west.

Authorised for release by Peter Schwann, Managing Director.

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**Competent Person's Statement**

*The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Peter Schwann who is a Fellow of the AIG and Australasian Institute of Mining and Metallurgy. Mr Schwann is Managing Director and a full time employee of the Company. Mr Schwann has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Mr Schwann consents to the inclusion in the release of the matters based on his information in the form and context in which it appears. All exploration results reported have previously been released to ASX and are available to be viewed on the Company website www.arumaresources.com.au . The Company confirms it is not aware of any new information that materially affects the information included in the original announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.*

**Forward Looking Statement**

*Certain statements contained in this document constitute forward looking statements. Such forward-looking statements are based on a number of estimates and assumptions made by the Company and its consultants in light of experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. These estimates and assumptions while considered reasonable by the Company are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, achievements and performance of the Company to be materially different from the future results and achievements expressed or implied by such forward-looking statements. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. There can be no assurance that Aruma plans to develop exploration projects that will proceed with the current expectations. There can be no assurance that Aruma will be able to conform the presence of Mineral Resources or Ore Reserves, that any mineralisation will prove to be economic and will be successfully developed on any of Aruma's mineral properties. Investors are cautioned that forward looking information is no guarantee of future performance and accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.*