17 February 2021

DRILLING SUGGESTS NEW GOLD CAMP AT SALTWATER GOLD PROJECT

Highlights

- **Initial assays have been received for 37 holes of 40-hole RC – 4,518m drill program at the Saltwater Gold Project**
- **The results extend over a strike extent of 4km and indicate a possible new gold camp**
- **Intersections up to 1.26g/t have been received from the historic Saltwater mining area**
- **A further 9 holes targeted areas under cover on a structural target and have identified a supergene blanket in excess of 200m wide**
- **Results from the remaining 3 holes from the maiden drill program at Saltwater are expected in the next week**
- **The Capital Gold Project in NSW is now granted and planning is underway for commencement of exploration in the June quarter**

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to announce initial assay results from 37 holes of the 40 hole 4,518m maiden reverse circulation (RC) drilling program at the Saltwater Gold Project, in the Pilbara region of Western Australia.

The Company's maiden drilling program at Saltwater focused on 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 short, closer-spaced lines (shown in Figure 2) which targeted the anomalous western area of the Saltwater Ring Structure.

The program also comprised wider-spaced (regional) longer lines, to the east, which targeted the covered ring structure/splay. Nine holes totaling 900m, in two lines of drilling, were completed in this area, as shown in Figure 2.

Intersections grading up to 1.26g/t gold have been received from drilling at the historic Saltwater mining area. The nine wider-spaced extension holes have identified a significant supergene blanket in excess of 200 metres wide.

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The results are highly encouraging and extend over a strike length of 4 kilometres, and indicate the discovery of a possible new gold camp on the ring structure at Saltwater. This ring structure will be investigated by further drilling.

Significant drill intersections, above >0.3g/t, are shown in Table 1. Holes 27-29 are yet to be received, and will be reported when available.

Aruma Managing Director Peter Schwann stated:
"The intersections from our maiden drilling program at the Saltwater Project are highly encouraging, and are the highest to date in the area, and deliver confirmation of our exploration model, and the potential size of the system. The large, 60km², Saltwater magnetic ring structure will be further tested to define possible resources in the next phase of drilling."

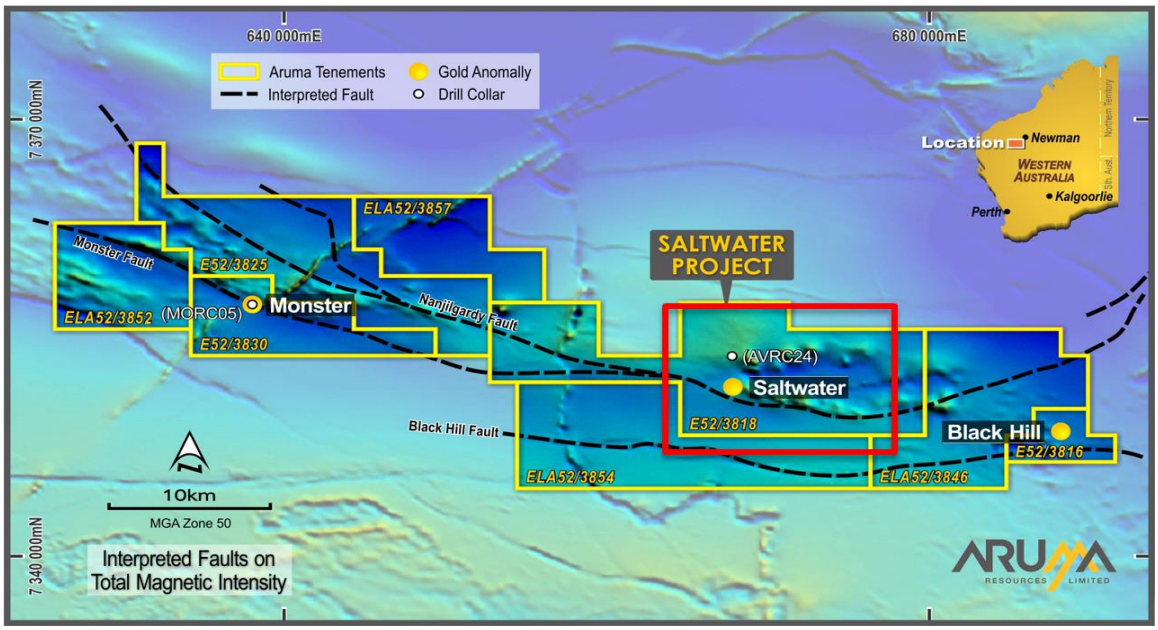

Figure 1: Aruma's Saltwater Project area on TMI magnetics showing faults and anomalies - drill target area outlined in red.

Hole No	Easting	Northing	RL	Azimuth	Dip	From	To	Interval	Au ppm 25g FA	Area
SRC18	669598	7352010	492	180	-60	0	1	1	1.262	Saltwater
SRC12	669403	7351948	495	180	-60	102	103	1	0.836	Saltwater
SRC18	669598	7352010	492	180	-60	9	10	1	0.746	Saltwater
SRC23	669808	7352343	483	180	-60	113	114	1	0.562	Saltwater
SRC03	669206	7352020	484	180	-60	35	36	1	0.497	Saltwater
SRC32	672497	7350549	517	180	-60	44	48	4	0.473	East Lines
SRC11	669409	7351997	485	180	-60	76	77	1	0.46	Saltwater
SRC17	669607	7352065	492	180	-60	90	91	1	0.432	Saltwater
SRC33	672500	7350453	516	180	-60	24	28	4	0.375	East Lines
SRC17	669607	7352065	492	180	-60	100	101	1	0.318	Saltwater

Table 1: Significant intersections >0.3g/t from the assays to date (Holes 27-29 yet to be received)

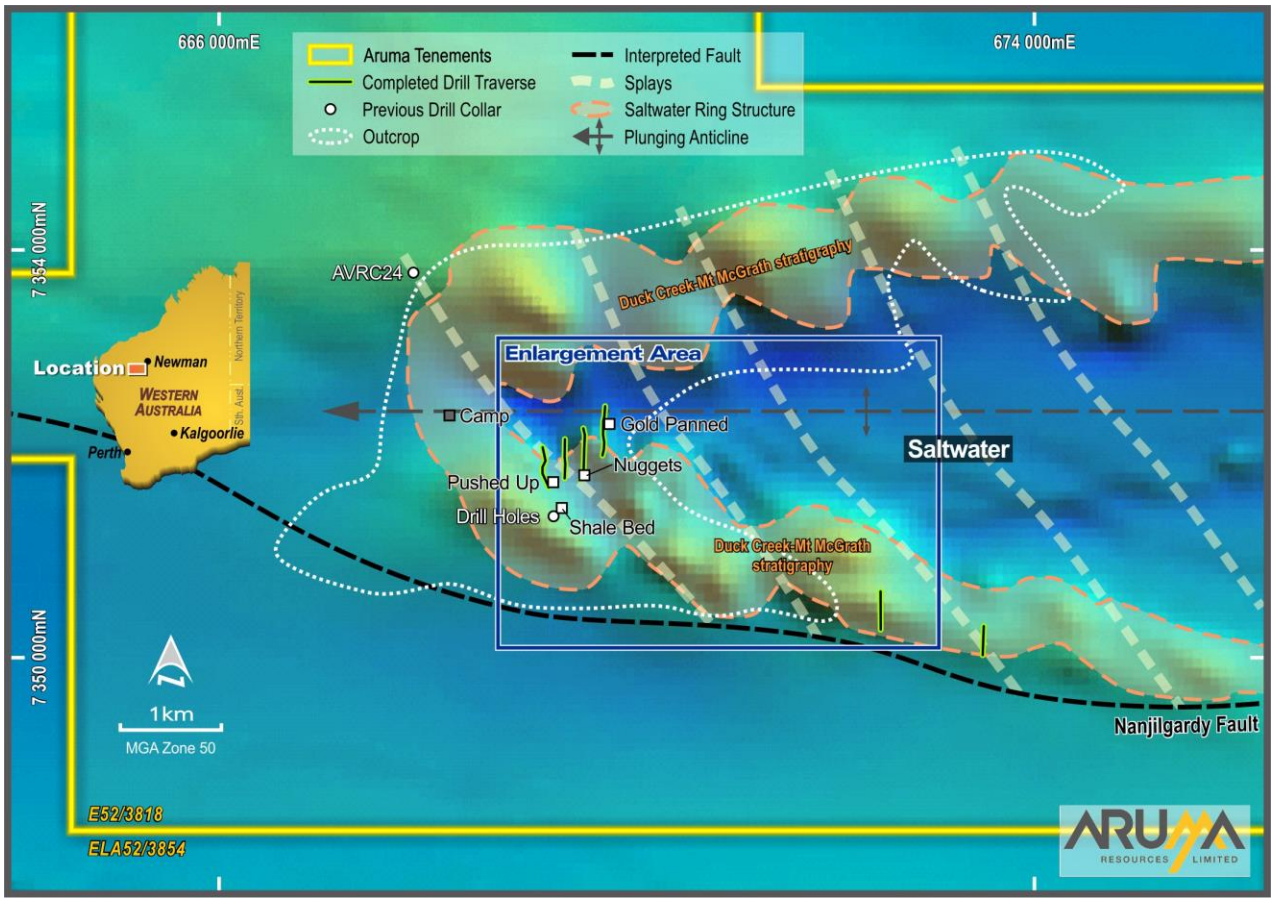

Figure 2: Drill targets from recently completed maiden drill program at the Saltwater project on TMI magnetics, showing the target Duck Creek-Mt McGrath stratigraphy as the shaded anticline.

Figure 2 shows the rationale behind the recently completed 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 targeted areas of deep weathering and paleochannels.

The close-spaced 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.

The wider-spaced drilling targeted the extension of the contact and structure under cover some 3km east.

The supergene blanket seen in the East Lines in Figure 3 is located almost 4km from the Saltwater cluster and highlights the potential for a significant system - with the intersection of 4m at 0.47g/t in hole SRC 32.

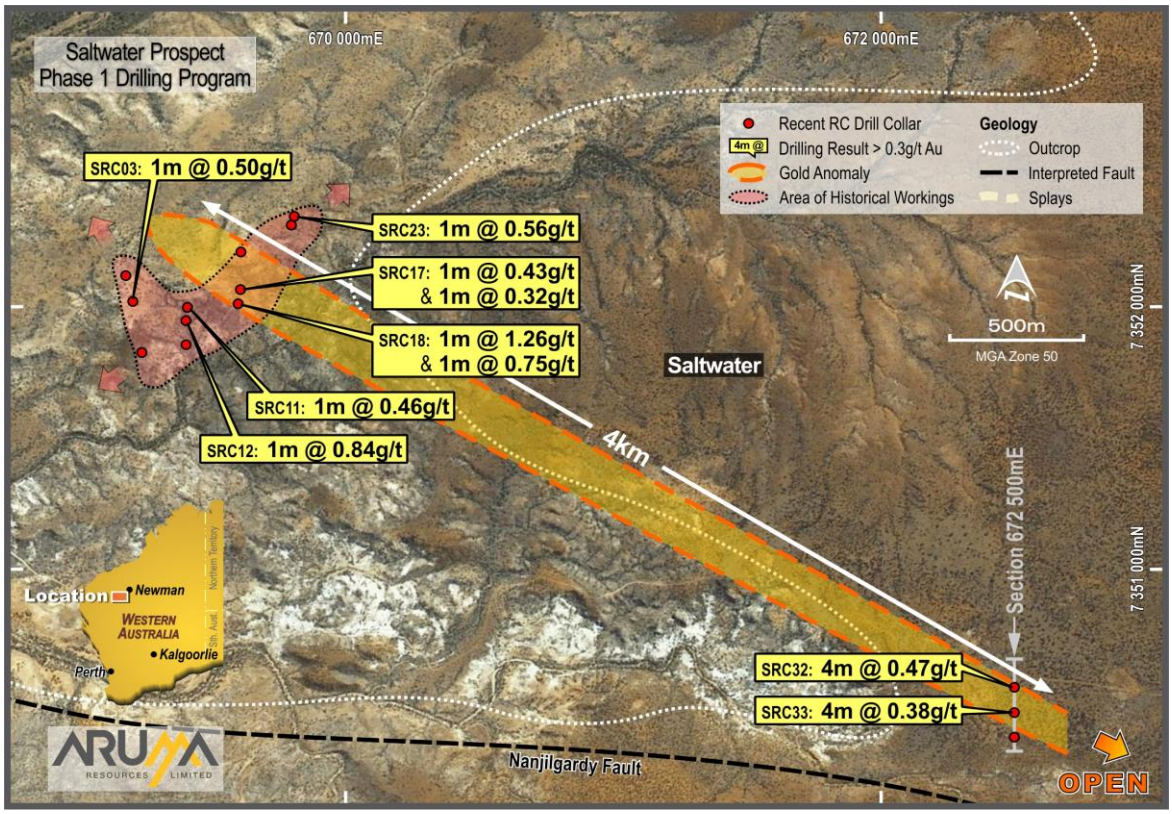

Figure 3: Interpreted anomalous drill results >0.1g/t - showing cluster on the historic area (black outline) and the projected extension to the East Line (orange outline).

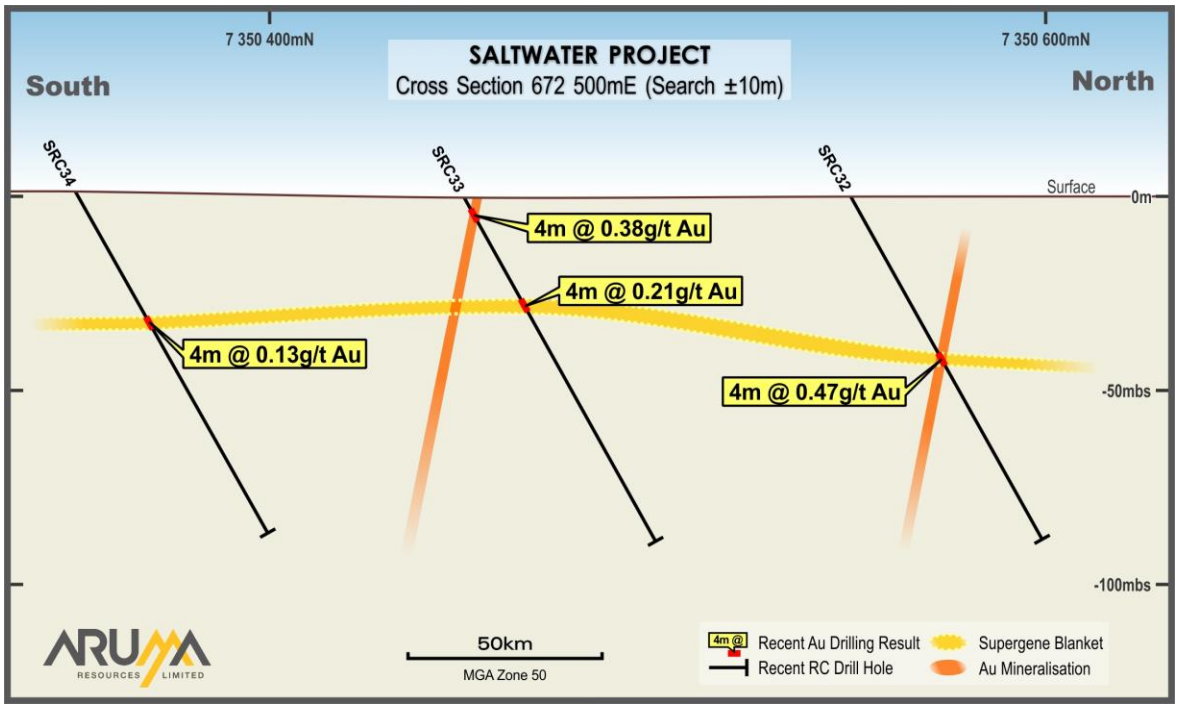

Figure 4: Drilling results at the East Lines area showing the supergene blanket

Hole No	Easting	Northing	RL	Azimuth	Dip	From	To	Interval	Au ppm FA25	Area
SRC24	669798	7352311	494	180	-60	51	52	1	0.287	Saltwater
SRC11	669409	7351997	485	180	-60	8	9	1	0.281	Saltwater
SRC17	669607	7352065	492	180	-60	63	64	1	0.279	Saltwater
SRC07	669239	7351826	503	180	-60	41	42	1	0.268	Saltwater
SRC17	669607	7352065	492	180	-60	86	87	1	0.233	Saltwater
SRC24	669798	7352311	494	180	-60	85	86	1	0.225	Saltwater
SRC15	669609	7352208	473	180	-60	113	114	1	0.222	Saltwater
SRC33	672500	7350453	516	180	-60	4	8	4	0.207	East Lines
SRC31	669403	7351856	518	180	-60	83	84	1	0.203	Saltwater
SRC15	669609	7352208	473	180	-60	110	111	1	0.174	Saltwater
SRC01	669179	7352118	488	180	-60	67	68	1	0.168	Saltwater
SRC15	669609	7352208	473	180	-60	88	89	1	0.161	Saltwater
SRC18	669598	7352010	492	180	-60	11	12	1	0.152	Saltwater
SRC12	669403	7351948	495	180	-60	96	97	1	0.139	Saltwater
SRC34	672496	7350359	516	180	-60	28	32	4	0.133	East Lines
SRC17	669607	7352065	492	180	-60	61	62	1	0.127	Saltwater
SRC30	669602	7352101	487	66	67	66	67	1	0.121	Saltwater
SRC29	669789	7352058	488	42	43	42	43	1	0.118	Saltwater
SRC12	669403	7351948	495	180	-60	25	26	1	0.106	Saltwater
SRC12	669403	7351948	495	180	-60	29	30	1	0.104	Saltwater
SRC29	669789	7352058	492	72	73	72	73	1	0.104	Saltwater

Table 2: Drill Holes intersections between 0.3 to 0.1g/t Au

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. Mr Schwann is Managing Director and a fulltime 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 which have been reported previously are available to be viewed on the Company website www.arumaresurces.com . The Company confirms it is not aware of any new information that materially affects the information included in the original announcements. 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.

Section 1 Sampling Techniques and Data

The following data is in relation to Historic Drill Holes in the announcement and the individual holes are listed with the relative Minedex A Report number.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• RC drill samples are taken from various depth holes and sampled in 1m or 4 m intervals • Samples from depth down hole. • Samples were spear sampled for composites and the 1m samples left on site
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• Drilling was done with RC rigs using industry standard sampling methods.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The best endeavors were used to ensure sample recovery and splitting gave the best quality possible. Sample weights were recorded and displayed good consistency with the majority between 0.73 to 3kg.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• All samples were logged geologically and qualitatively.

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All samples rotary split and noted wet or dry. Where sample quality precluded riffle splitting, the material was tube sampled. • The sample size satisfied the Gy size requirements.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Laboratory standards and methods are industry standards. • Duplicate samples were not taken as any anomalous holes would be assayed in the 1m splits
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All significant intersections were inspected by at least two competent and relevant geologists. • No holes were twinned as this is not required in grass roots exploration.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Initial hole layout was by GPS. Australian Standard licenced surveyors were used to position the drill holes where required. • All locations are GDA94
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The spacing was done to look at a previous geochemical anomaly and identify bedrock • The Saltwater holes were nominally 50m apart and the regional Eastern holes 100m apart • Compositing was done on regional Eastern holes in 4m intervals and will be re-assayed if greater that 0.2 g/t Au
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All holes drilled as close to tangential as possible with rig limit at -60°.
Sample security	• *The measures taken to ensure sample security.*	• All samples logged and numbered on site and checked as drilled, as logged, as loaded to laboratory and as submitted.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits were listed in the reports

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• All tenements and issues required are detailed in the reports. • All work done under PoWs. • All work quoted was done by previous lease holders and is referenced by the Minedex A Report numbers

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The reports are acknowledged in the announcement and is numbered as an A report in Minedex
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Detailed in the "Gold in Sediments" exploration model published by Aruma in previous announcements and presentations.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• All drill holes tabled, and information from holes quoted with Relevant Minedex A Report Number.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Drill holes are oriented to get intersections as close to true widths as possible. • Aggregate intercepts were used on historical drilling with a nominal cut off of the industry standard of 0.1g/t Au. • Metal equivalents never used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Section used in the AAJ announcement is diagrammatic in nature and will be upgraded when composites are re-assayed in 1m intervals

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• As done
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The individual hole assays are not listed as they are below the 0.1 g/t cutoff as stated as significant
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All A reports and associated previous data are listed to source the original reported data.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As detailed in the report.