

29 April 2021

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2021

Highlights

- Maiden 4,518m RC drilling program completed at Saltwater Gold Project
- 12 out of 40 holes hit highly anomalous gold (>0.2g/t Au)
- Intersections up to 1.26g/t Au received from the historic Saltwater mining area
- The results extend over a strike extent of 4km and define a potential new gold camp
- 9 holes targeted an undercover structural target and identified a supergene blanket in excess of 200m wide
- Melrose Gold Project area expanded and negotiations with traditional owners are underway
- Capital Project exploration licences granted - initial exploration to commence in June quarter
- Company consolidated its issued share capital on 1-for-15 basis – consolidation approved by shareholders January 2021

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to provide the following report on its activities for the quarter ending 31 March 2021 (Quarter).

During the Quarter the Company continued to focus on its portfolio of prospective Australian gold projects. Aruma has three gold exploration projects in Western Australia, and one in New South Wales. All are strategically located in active gold domains.

Works in the Quarter were highlighted by the completion of a maiden, 4,518m RC, drilling program at the Saltwater Gold Project in the Pilbara region of WA which resulted in the definition of a potential new gold camp, the expansion of the Melrose Project, also in the Pilbara, and the granting of the exploration licences at the Capital Project in the Goulburn region of NSW.

Corporately, the Company is in a sound position with a cash balance at quarter's end of approximately \$2.98 million. Aruma consolidated the issued capital in Company, on the basis of 1 new security for every 15 securities then on issue.

Aruma Resources Limited is a proud supporter and member of the Association of Mining and Exploration Companies, 2020.

ASX: AAJDA

**Post Consolidation
Capital Structure**
106M Shares on Issue
21M Options on issue

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

Gold Projects - 1,571km²
Norseman
SCOTIA SOUTH - 202km²

Pilbara
MELROSE - 364km²
SALTWATER - 646km²

NSW Lachlan Fold Belt
CAPITAL - 358km²

Lithium Project
Norseman
MT DEANS - 1.44km²

Head Office
Level 1, 6 Thelma Street
West Perth, WA 6005
T +61 8 9321 0177
F +61 8 9226 3764
E info@arumaresources.com
W www.arumaresources.com

Postal Address
PO Box 152
West Perth, WA 6872

ABN 77 141 335 364



Figure 1: Aruma's Australian Projects

Saltwater Gold Project

The Company's maiden 40 hole drilling program at Saltwater focused on outcropping areas on the western end of the Saltwater Ring Structure within a large 60km² magnetic ring structure that sits within E52/3818 at Saltwater, as shown in Figure 2.

Drilling was conducted over four short, closer-spaced lines (shown in Figure 3) which targeted the anomalous western area of the Saltwater Ring Structure.

The program also completed wider-spaced (regional) longer lines, to the east, which targeted the ring structure/splay under cover. Nine holes totaling 900m, in two lines of drilling, were completed in this area, as shown in Figure 3.

Intersections grading up to 1.26g/t gold were 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 (Figure 5).

The results were highly encouraging and extend over a strike length of 4 kilometres, and indicate the potential discovery of a new gold camp at Saltwater. Significant drill intersections, above >0.3g/t, are shown in Table 1, and intersections grading between 0.1 - 0.3g/t Au are shown in Table 2.

Aruma Resources Limited is a proud supporter and member of the Association of Mining and Exploration Companies, 2021.

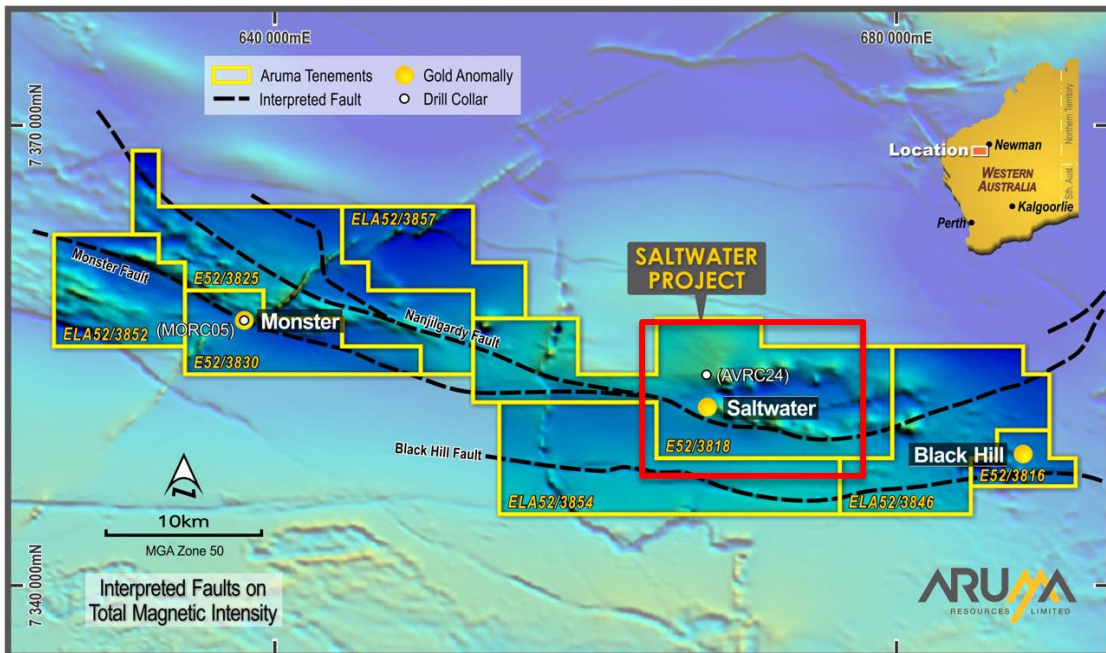


Figure 2: Aruma's Saltwater Project area on TMI magnetics showing faults and anomalies - drill target area outlined in red.

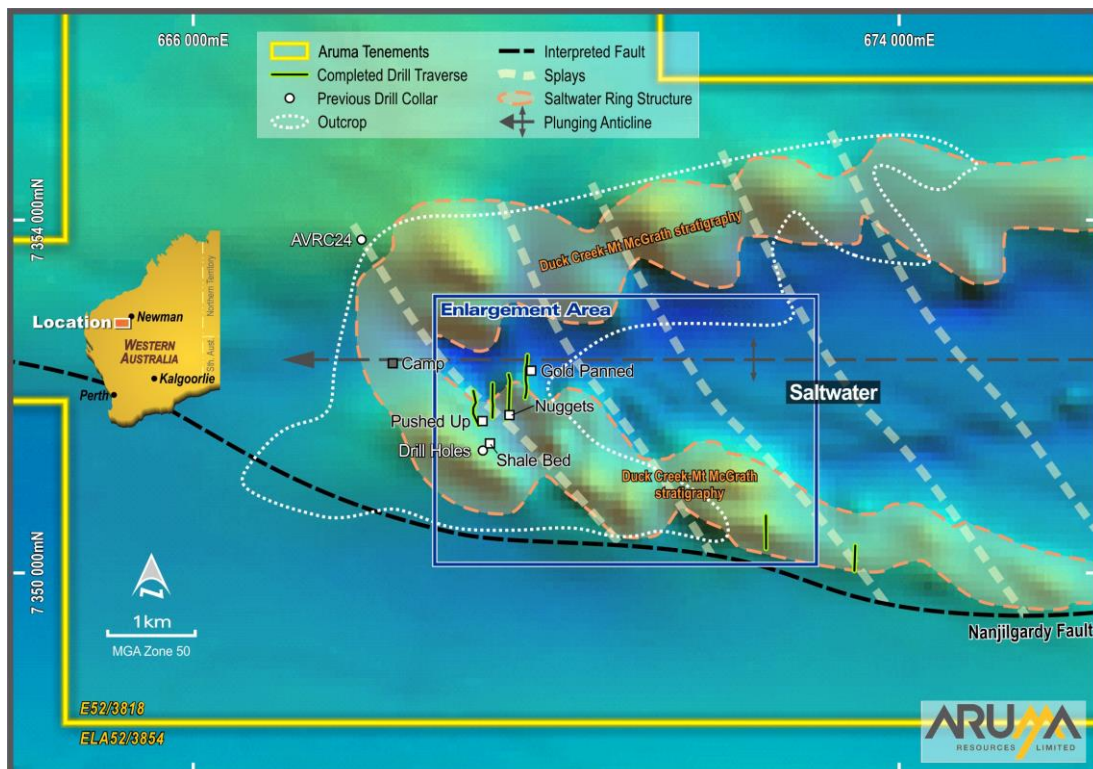


Figure 3: Drill targets from recently completed maiden drill program at the Saltwater project on TMI magnetics, showing the target Duck Creek-Mt McGrath stratigraphy as the shaded anticline.

Figure 3 shows the rationale behind the Saltwater drilling completed during the Quarter, 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.

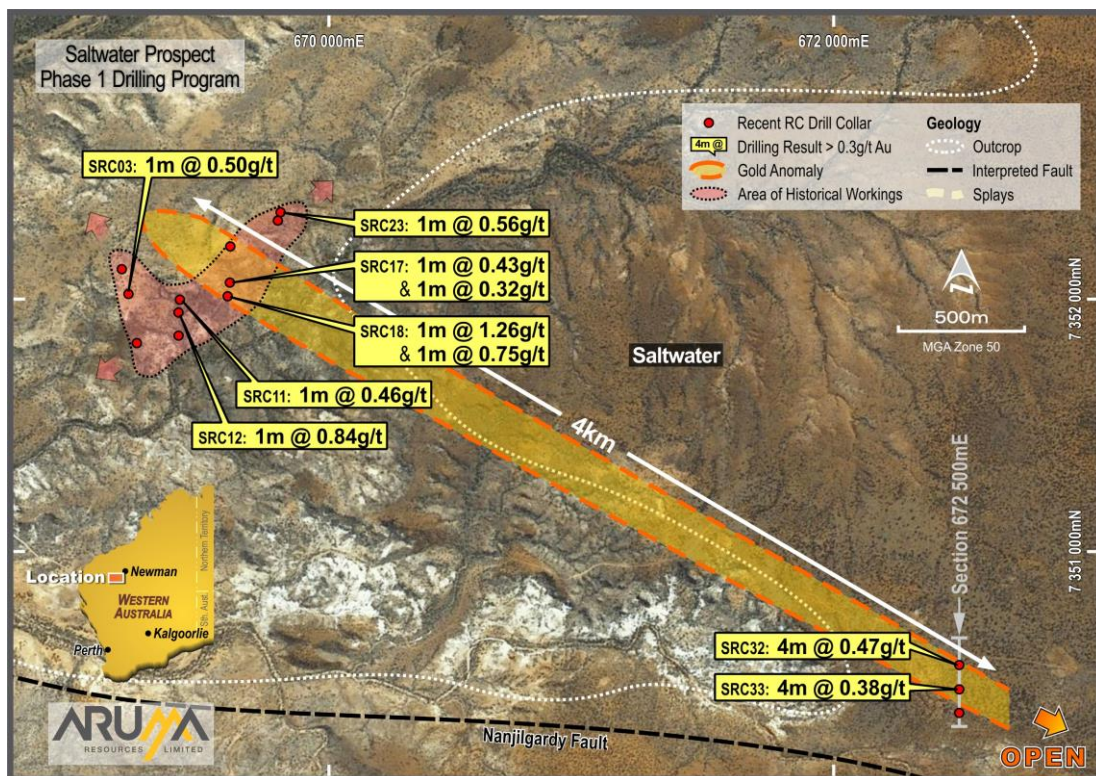


Figure 4: Showing highly anomalous drill results >0.3g/t - showing cluster on the historic area (red shading) and the projected extension to the East Line (orange shading)

| 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 Saltwater initial drilling program

The supergene blanket seen in the East Lines in Figure 4 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 as shown on Figures 3 and 4.

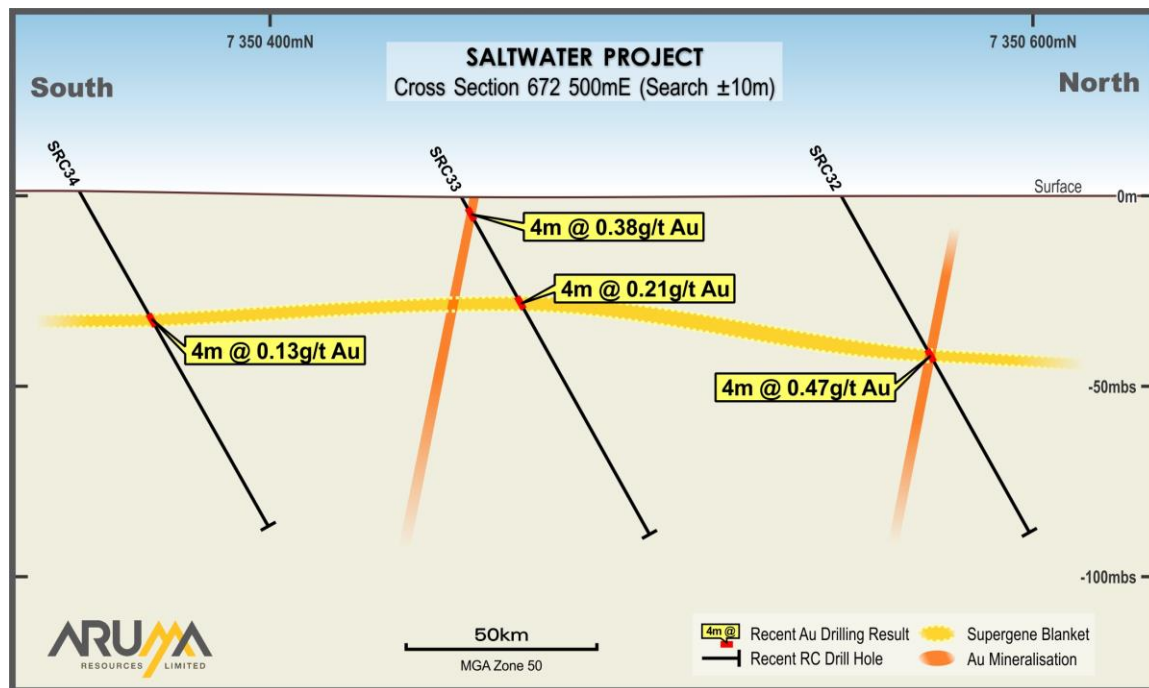


Figure 5: Drilling results at the East Lines area showing the supergene blanket

| 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 0.1 - 0.3g/tAu

Saltwater Dome Structure

The drilling has redefined the stratigraphy at the Saltwater Dome with Cheela Springs Basalt and Mt McGrath (Bouma sediments) clearly visible in the drilling. Below are the interpretations in the geological plan (Figure 6) and the schematic section (Figure 7).

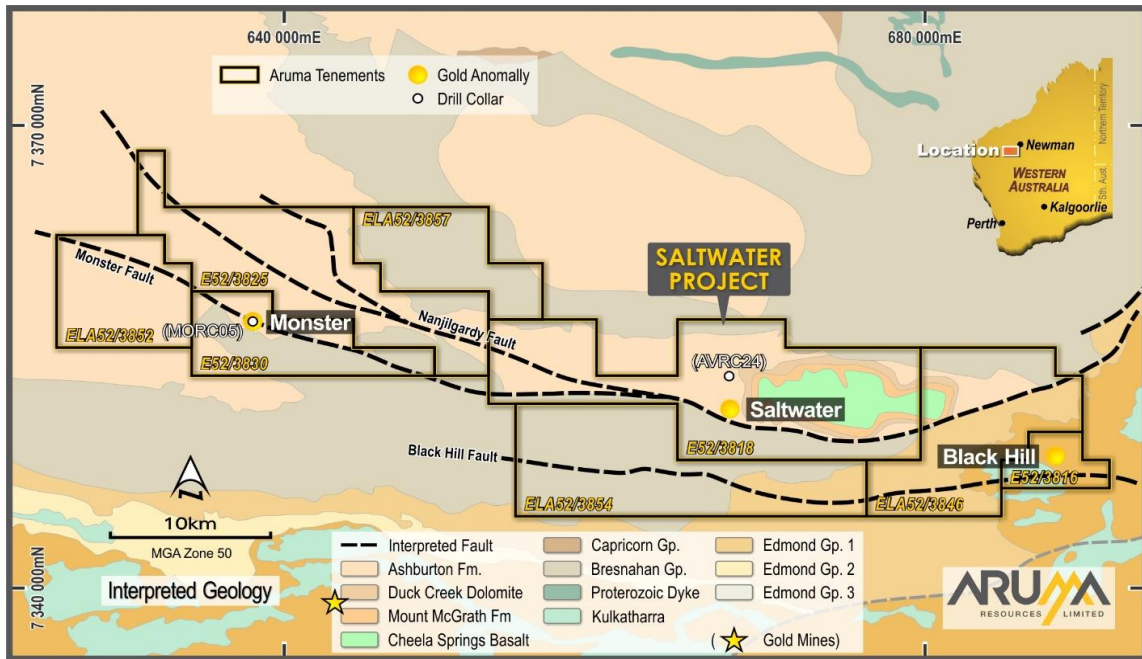


Figure 6: Aruma's Saltwater Project on 1:500,000 geology with the interpreted dome

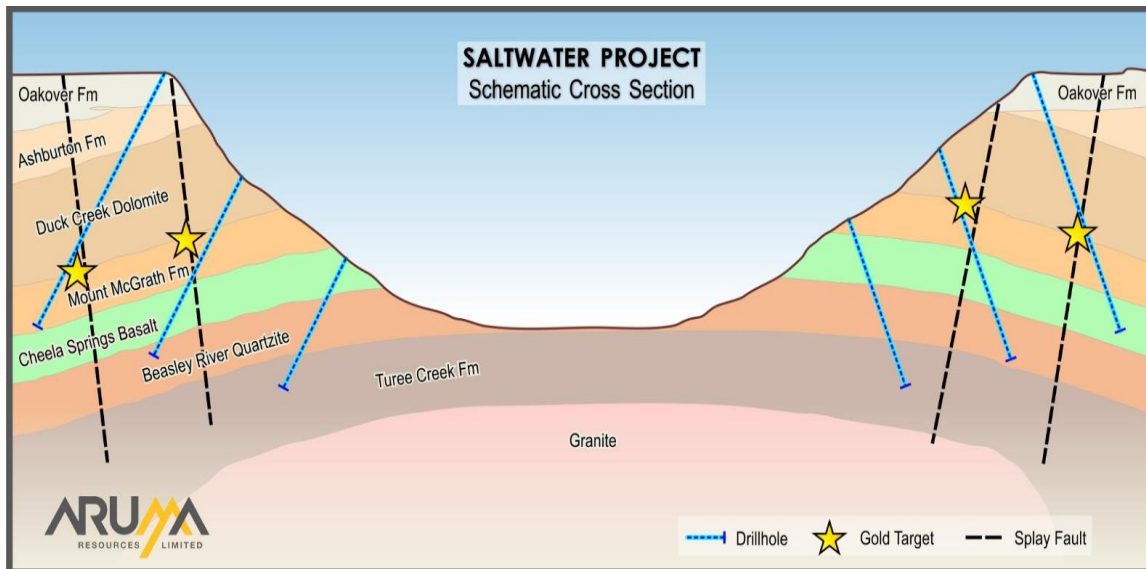


Figure 7: Schematic section of Aruma's Saltwater Project the interpreted dome and targets

The probable locations of the gold accumulations are suggested from the geology at Mt Olympus, where the gold is on structures intersecting the Mt McGrath-Duck Creek contact as shown in figure 7.

Melrose Gold Project

Aruma conducted a field orientation visit to the Melrose Project and the Gossan Hill area was inspected and access checked for future drilling programs. The nearby Paulsens mine was also visited and the rock types confirmed as greywackes to shales.

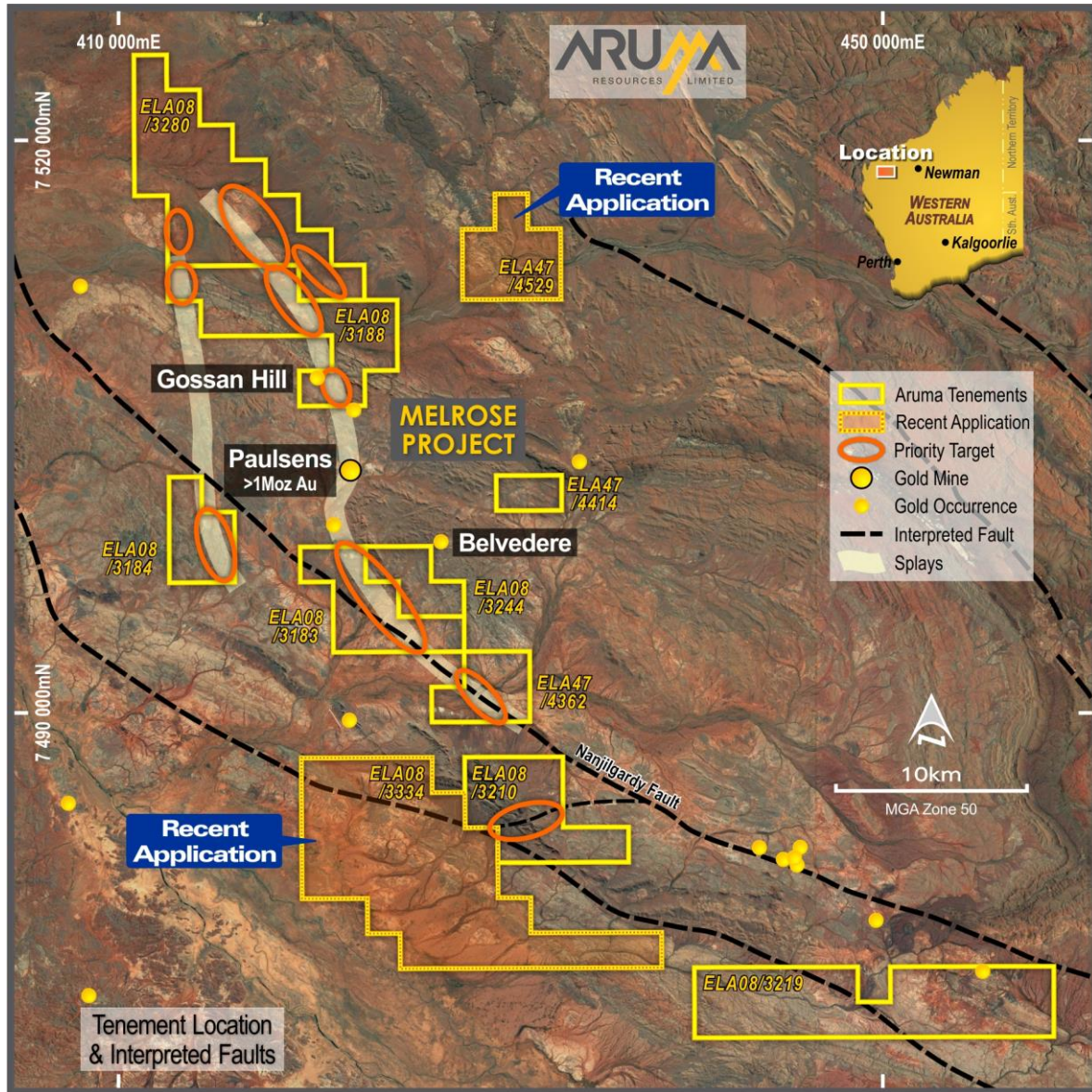


Figure 8: Melrose new leases (Q3) with E47/4529 in the north and E08/3334 in the south.

Two new leases (E08/3334 and E47/4529) were applied for during the Quarter and are shown on Figure 8 above. Figure 8 shows the Paulsens Corridor with the new leases covering possible extensions of structures in existing tenure.

With the addition of the two new ELAs the Melrose Project comprises 11 exploration licences covering a total area of 364km², situated adjacent to Northern Star Resources' (ASX: NST) Paulsens Gold Mine, as is shown in Figure 8.

Scotia South Gold Project

The Scotia South Gold Project encompasses Exploration Licence Application ELA63/2037 and covers an area of 217km². It is located approximately 200 kilometres south of the major regional centre of Kalgoorlie, and approximately 60 kilometres south of the mining town of Norseman.

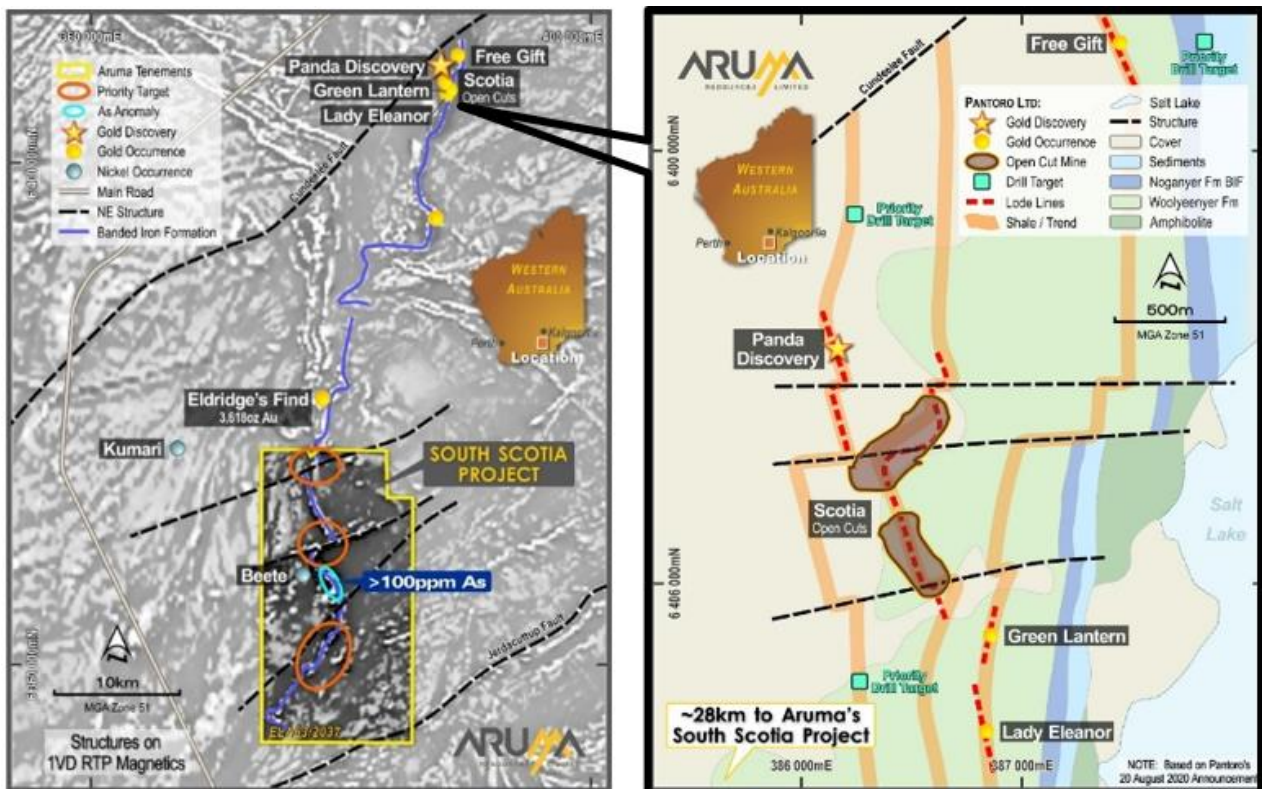


Figure 9: Aruma's Scotia South Project on 1VD RTP magnetics showing gold occurrences with stratigraphy continuity (left) with the stratigraphic layers that contain the mineralisation at Pantoro's (ASX:PNR) Scotia Project.

The Project is strategically located on a 20km strike extension of the prospective stratigraphy magnetic signature that hosts Pantoro Limited's (ASX: PNR) Panda gold discovery at the Scotia Mining Centre and also the very high-grade Eldridge's Find gold mine, immediately north of Aruma's Scotia South project area (Figure 9).

Aruma's initial assessment of the Project has identified three priority drill targets (circled in Figure 9).

Capital Gold Project, NSW

The Capital Project comprises three Exploration Licences (EL9022, EL9023 and EL9027) totalling 372km² within the Lachlan Fold Belt and near the Hume Discovery and historic Bywong gold mines. All Exploration Licences at the Project are now granted, and are current for 3 years. Aruma will be carrying out exploration reconnaissance in the current quarter.

Mt Deans Li Ta Project, Norseman WA

A Program of Works was applied for at Mt Deans.

CORPORATE

Aruma had a cash balance at 31 March of approximately \$2.98 million. Aruma received \$83,000 during the quarter from the sale of shares obtained in a joint venture.

During the quarter, Aruma consolidated the issued capital of the Company, on the basis of 1 new security for every 15 securities on issue, to give the Company a more appropriate capital structure going forward. This was approved at the Shareholder Meeting on January 13, 2021 and completed on January 25, 2021.

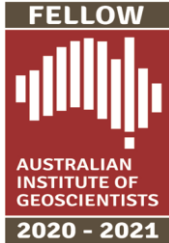
PROJECTS SUMMARY

| Region | Location | Project | Status |
|--------------------------|----------------------|--------------------------|-------------------------------------------|
| WA EASTERN GOLDFIELDS | Norseman Projects | Mt Deans Lithium | Granted 100% AAJ |
| | | South Scotia gold | awaiting grant |
| WA | Nanjilgardy | Melrose Gold | awaiting grant |
| PILBARA | Nanjilgardy | Saltwater Gold | Drilling indicated possible new gold camp |
| NSW LACHLAN FOLD BELT | St George Fault | Capital Gold | Granted 100% AAJ |

Table 3: Gold Project Status and Activity Table

Authorised for release by Peter Schwann, Managing Director.

FOR FURTHER INFORMATION PLEASE CONTACT:



Peter Schwann
Managing Director

Aruma Resources Limited
 Telephone: +61 8 9321 0177
 Mobile: +61 417 946 370
 E: info@arumaresources.com

James Moses
Media and Investor Relations

Mandate Corporate
 Mobile: +61 420 991 574
 E: james@mandatecorporate.com.au

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 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 (17 February 2021) 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 to 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.

SUMMARY OF TENEMENTS

Western Australia

| Saltwater (gold) | Interest at beginning of Quarter | Interest at end of Quarter |
|----------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------|
| E52/3816 E52/3818 E52/3825 E52/3830 E52/3837 E52/3852 E52/3854 E52/3857 | 100% Aruma Exploration Pty Ltd Nil | 100% Aruma Exploration Pty Ltd |

| Melrose (gold) | Interest at beginning of Quarter | Interest at end of Quarter |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------|
| ELA08/3183 ELA08/3184 ELA08/3188 ELA08/3210 ELA08/3219 ELA08/3244 ELA47/4362 ELA47/4414 ELA47/4529 ELA08/3280 ELA08/3334 | 100% Aruma Exploration Pty Ltd Nil Nil | 100% Aruma Exploration Pty Ltd |

| Scotia South (gold) | Interest at beginning of Quarter | Interest at end of Quarter |
|---------------------|----------------------------------|--------------------------------|
| ELA63/2037 | 100% Aruma Exploration Pty Ltd | 100% Aruma Exploration Pty Ltd |

| Mt. Deans (Li) | Interest at beginning of Quarter | Interest at end of Quarter |
|----------------|----------------------------------|--------------------------------|
| P63/2063 | 100% Aruma Exploration Pty Ltd | 100% Aruma Exploration Pty Ltd |

New South Wales

| Capital (gold) | Interest at beginning of Quarter | Interest at end of Quarter |
|----------------------------------------------------------|----------------------------------|--------------------------------|
| EL9022 (ELA5955) EL9023 (ELA5956) EL9027 (ELA5987) | 100% Aruma Exploration Pty Ltd | 100% Aruma Exploration Pty Ltd |

Table 4: Summary of tenements for the March 21 Quarter

ASX ADDITIONAL INFORMATION

ASX listing rule 5.3.1 - Exploration and evaluation expenditure during the quarter was \$386,570 including staff costs of \$51,570. Details of exploration activity during the March 2021 quarter are set out in this report.

ASX listing rule 5.3.2 - There was no substantive mining production or development activities during the quarter.

ASX listing rule 5.3.5 - Appendix 5B, Section 6.1 – description of payments: During the quarter \$95,438 was paid to Directors for director and superannuation fees and \$3,338 for vehicle hire.

Aruma Resources Limited is a proud supporter and member of the Association of Mining and Exploration Companies, 2021.