06 July 2021

High-grade gold intersections at Scotia South

Highlights

- **Review of historic data sets at the Scotia South Gold Project has identified high-grade drilling intersections**
- **Drilling results on geochemical anomalies include;**
  - **7m at 2.71g/t Au in T26R002**
  - **3m at 3.02g/t Au in T26R058**
  - **1m at 5.60g/t Au in T26R054**
- **Historic data reaffirms Aruma's exploration model for Scotia South**
- **Aruma's first phase of drilling at Scotia South planned to commence in the current quarter**
- **PoW for drilling submitted and landholder access agreements covering most of the anomalies have been signed**
- **Geophysics and geochemical programs plus mapping and soil sampling to be conducted to refine drill targets**
- **Project extended by new Exploration Licence covering anomaly extensions in the south-west of the project area**

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to report historic high-grade gold intersections from drilling at its Scotia South Gold Project Scotia in the goldfields region of Western Australia.

The results come from a review of historic data sets from previous drilling conducted by Pan Australian Exploration Pty Ltd (Pan Australian) in the 1990s. These results were highly encouraging and have helped Aruma define drill targets for the Company's maiden drill program at Scotia South, which is scheduled to commence in the current quarter.

The project area is located along strike of the exciting Scotia discoveries by Pantoro Limited (ASX: PNR). These discoveries have been in four stratigraphic zones and have both thickness and grade.

The Scotia South Project has only been partially drill tested for gold, by Pan Australia, which identified soil anomalies which are coincident with the target area for Aruma's first phase of drilling (as shown in Figure 1).

A complete historic data package has been sourced by Aruma. The Company will also conduct geophysics and geochemical programs plus mapping and soil sampling programs to refine drill targets.

ASX: AAJ

Capital Structure
106M Shares on Issue
22M Options on issue
CASH $2.7M

Board of Directors

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

Exploration Manager
Stephen Denn

Gold Projects -1,696km^2

Norseman
SCOTIA SOUTH - 222km^2
Pilbara
MELROSE - 381km^2
SALTWATER -652km^2
NSW Lachlan Fold Belt
CAPITAL - 358km^2
Li Ta Project -Norseman
MT DEANS 1.44 km^2

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Drill Planning

Aruma plans to undertake a maiden 3,000m RC drill program at the Project, comprising five lines of drilling with six holes in each line.

Exploration Licence (E63/2037) was granted in the previous quarter (ASX announcement, 4 May 2021), and land access agreements covering an area of approximately 40km^2 within the Project area have been submitted to local landowners, which will facilitate the commencement of drilling in the initial targeted areas. The signed agreements covering most of the anomalies have been received.

A Program of Works (PoW) for the planned drilling has been submitted to the WA government, and a drill rig has been booked to commence drilling upon granting of requisite approvals.

Aruma's initial assessment of the Scotia South Project has identified three priority drill targets (circled in Figure 5), which will be the focus of the first phase of drilling. The Company plans to test these initial targets with regional drilling (along roads initially) with follow-up drilling to target defined anomalies.

Aruma continues to aggressively explore its three West Australian gold projects, located in active gold domains, and the Mt Deans Project in WA's 'lithium corridor' in the Eastern Goldfields terrane of the Yilgarn Craton, to deliver value to shareholders.

About the Scotia South Gold Project

The Scotia South Gold Project consists of Exploration Licence EL63/2037 and has now been expanded with the addition of a new Exploration Licence ELA63/2122. The project now covers an area of 222km^2. Including the new south-west extension of the initial drill target area.

The Project is located approximately 200 kilometres south of the major regional centre of Kalgoorlie, and approximately 60 kilometres south of the mining town of Norseman. More significantly it is some 30km directly along strike of Pantoro Limited's rapidly increasing high grade Scotia gold Project, which has now some four lines of high-grade deposits and prospects.

The initial licence was pegged to investigate the continuation of the Norseman - Scotia stratigraphy to the South. The acquisition of the digital data of the Pan Australian Exploration Pty Ltd (Pan Australian) reports for the Yilgarn Extension Project (1998 MINEDEX Report A54463) revealed not only defined geochemistry anomalies but also high-grade gold intersections.

The significance of this historical data is that it shows that the anomalous historic gold geochemistry is effective and traces the geology and confirms Aruma's exploration model for the Scotia South Project.

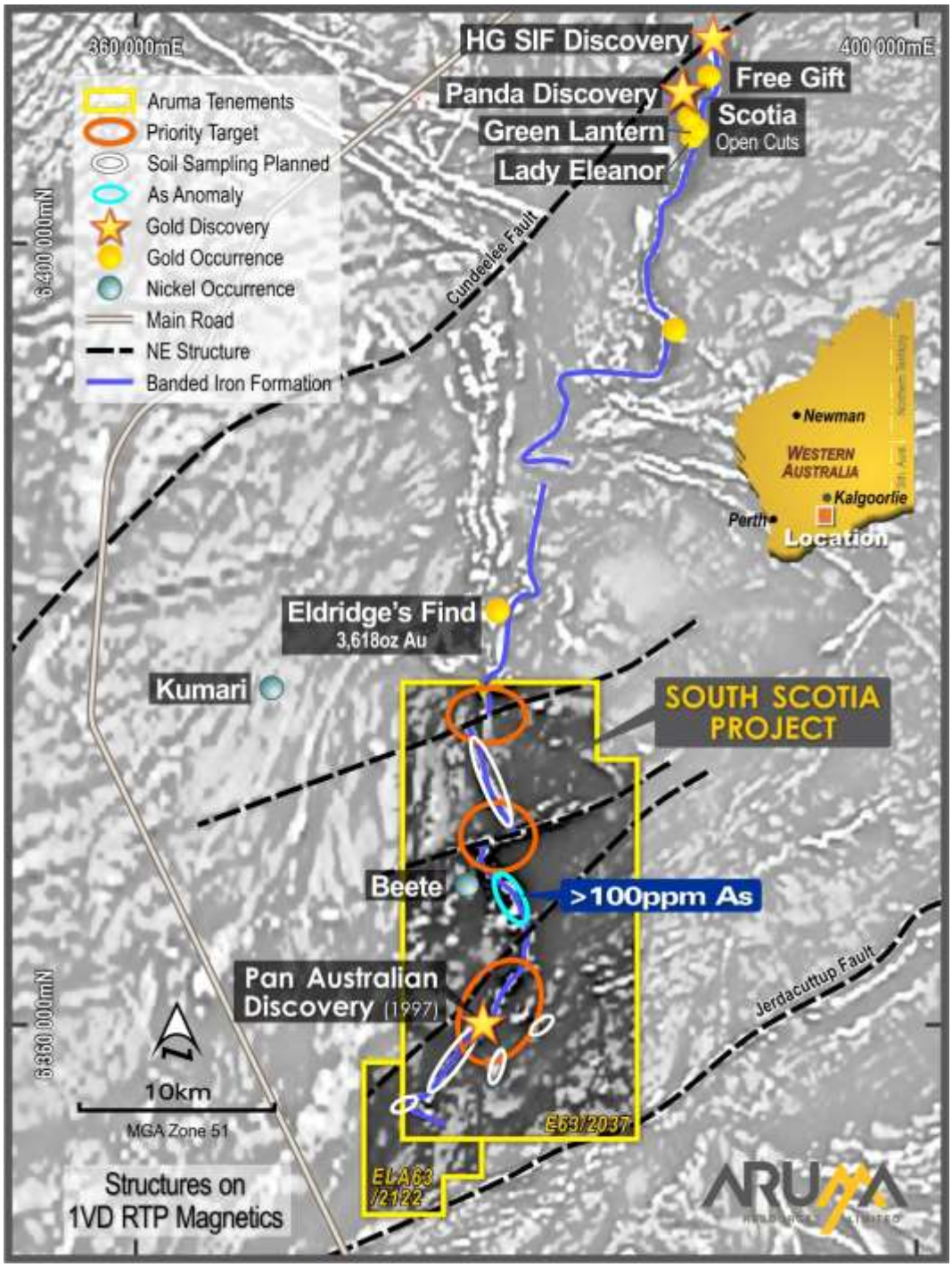

Figure 1: Scotia South Project on 1VD RTP magnetics showing gold occurrences with stratigraphy continuity and the suggested target areas as the ellipses.

The use of the geochemistry to locate the very significant intersections in TR26002 and TR26054 demonstrates the prospectivity of the Scotia South Leases as shown in Figure 2. The initial model target ellipses contain the soil anomalies and the high-grade intersections.

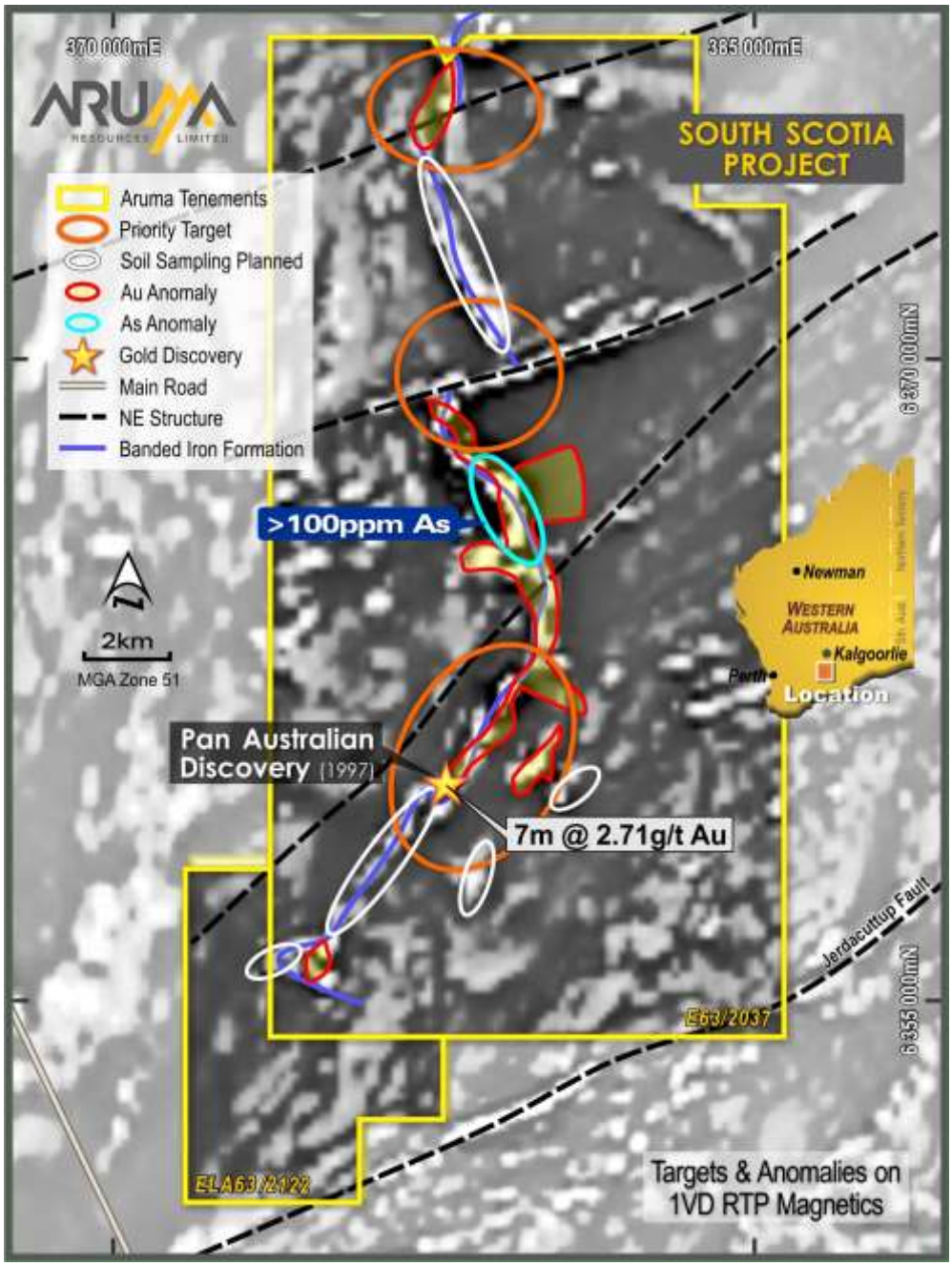

Figure 2: Scotia South Project on 1VD RTP magnetics showing the Pan Australian (1998) gold anomalies defined (red >10ppbAu) and to be sampled (white) with the gold discovery (Figures 4 to 7) shown.

Figure 2 clearly shows the effectiveness of the geochemical soil sampling carried out by Pan Australian. The samples were taken based on a study of RAB drill chips by consultant regolith specialist Dr Louisa Lawrence. Soil samples were collected from the from the consolidated carbonate rich portion of the soil after removal of unconsolidated aeolian sands. Figures 3 and 4 shows how this was used to site the discoveries detailed below. Aruma will be extending the surveys as shown by the white ellipses in the Figures 1 to 3.

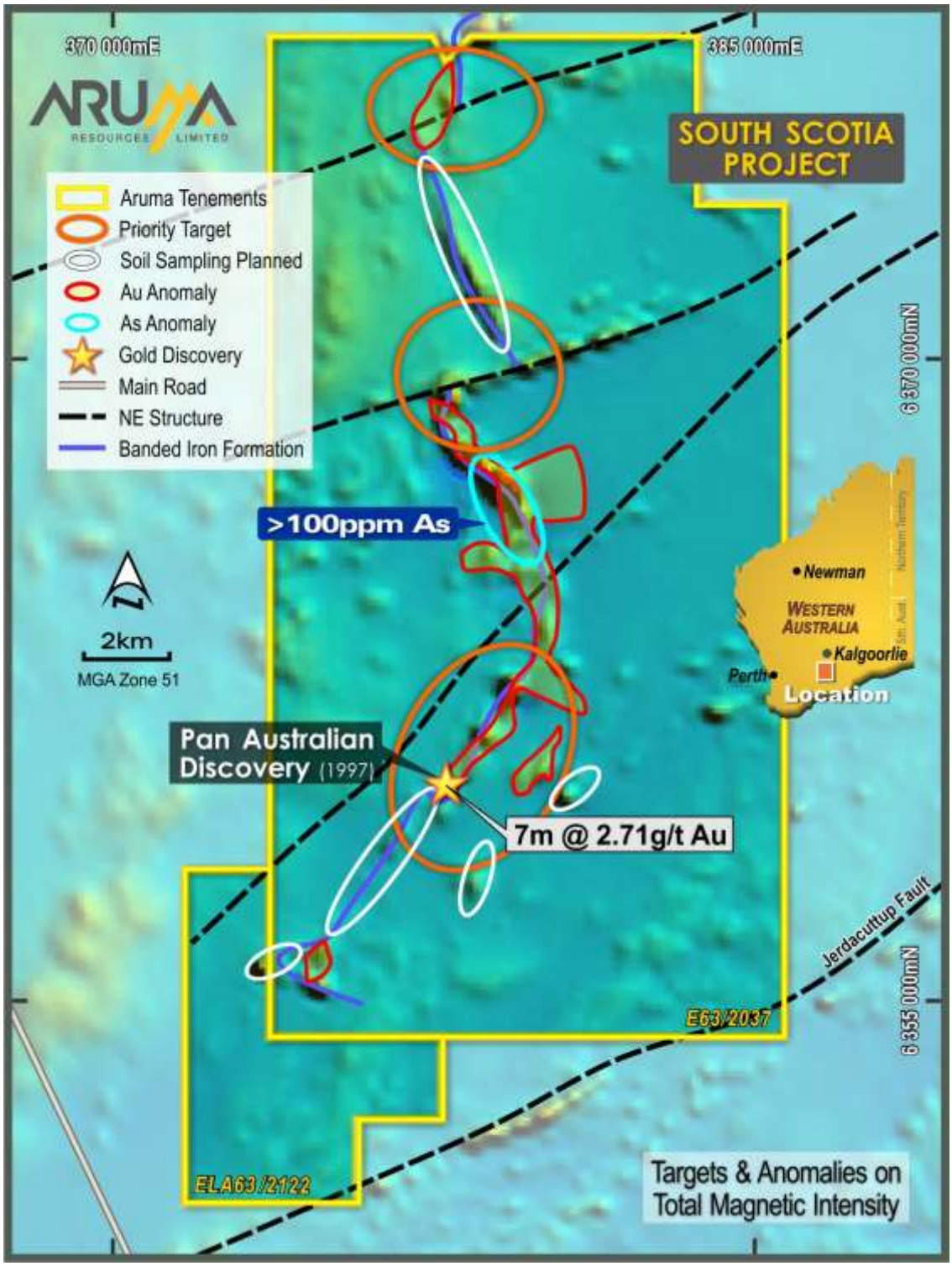

Figure 3: Scotia South Project on total magnetic anomaly showing Pan Australian (1997) gold anomalies defined (red) and to be sampled (white) with the gold discovery (Figures 4 to 7) shown.

Figure 3 clearly shows up the magnetic-geological control of the >10ppbAu anomaly and the drill intersections which are detailed in Tables 1 and 2 below.

Hole ID	Easting (m)	Northing (m)	Drill Type	Azimuth (degrees)	Dip (degrees)	From (m)	Downhole Metres	Av Au g/t
TR26002	378325	6361400	RAB	270	-60	36	7	2.71
					including	36	5	3.48
TR26008	378600	6361800	RAB	270	-60	30	1	0.30
TR26008	378600	6361800	RAB	270	-60	36	1	0.40
TR26008	378600	6361800	RAB	270	-60	40	4	0.42
TR26009	378625	6361800	RAB	270	-60	36	1	0.38
TR26015	379900	6363400	RAB	270	-60	36	4	0.39
TR26029	380175	6364600	RC	270	-60	48	2	0.38*
TR26036	379575	6365800	RC	270	-60	28	4	0.35
TR26054	378275	6361400	RC	90	-60	51	1	5.60
TR26058	378325	6361600	RC	270	-60	9	3	3.02
TR26058	378325	6361600	RC	270	-60	14	1	1.78
TR26058	378325	6361600	RC	270	-60	21	1	1.41

Table 1 Pan Australian historical intersections greater than 0.3g/t Au, from average of all Au assay data including repeats. No high cut used, maximum Au value of 11.0 g/t in data set.
* indicates assay extends to end of hole.

Hole ID	Easting (m)	Northing (m)	Drill Type	Azimuth (degrees)	Dip (degrees)	From (m)	Downhole Metres	Av Au G/T
TR26002	378325	6361400	RAB	270	-60	36	10	1.94
TR26007	378575	6361800	RAB	270	-60	24	4	0.14
TR26008	378600	6361800	RAB	270	-60	29	2	0.25
TR26008	378600	6361800	RAB	270	-60	34	4	0.23
TR26008	378600	6361800	RAB	270	-60	40	4	0.41
TR26009	378625	6361800	RAB	270	-60	36	3	0.22
TR26014	379875	6363400	RAB	270	-60	36	4	0.22
TR26015	379900	6363400	RAB	270	-60	36	4	0.39
TR26022	380075	6363800	RAB	270	-60	28	8	0.11
TR26024	380125	6363800	RAB	270	-60	20	8	0.26
TR26024	380125	6363800	RAB	270	-60	48	2	0.14*
TR26029	380175	6364600	RC	270	-60	44	6	0.26*
TR26036	379575	6365800	RC	270	-60	28	4	0.35
TR26042	379600	6366200	RC	270	-60	44	4	0.15
TR26043	379625	6366200	RC	270	-60	24	4	0.17
TR26044	378550	6367800	RC	270	-60	44	4	0.20
TR26054	378275	6361400	RC	90	-60	51	1	5.6
TR26058	378325	6361600	RC	270	-60	9	3	3.02
TR26058	378325	6361600	RC	270	-60	14	1	1.78
TR26058	378325	6361600	RC	270	-60	16	1	0.1
TR26058	378325	6361600	RC	270	-60	21	1	1.41

Table 2 Pan Australian historical intersections greater than 0.1 g/t Au, no internal dilution, no high cut,
* indicates assay extends to end of hole.

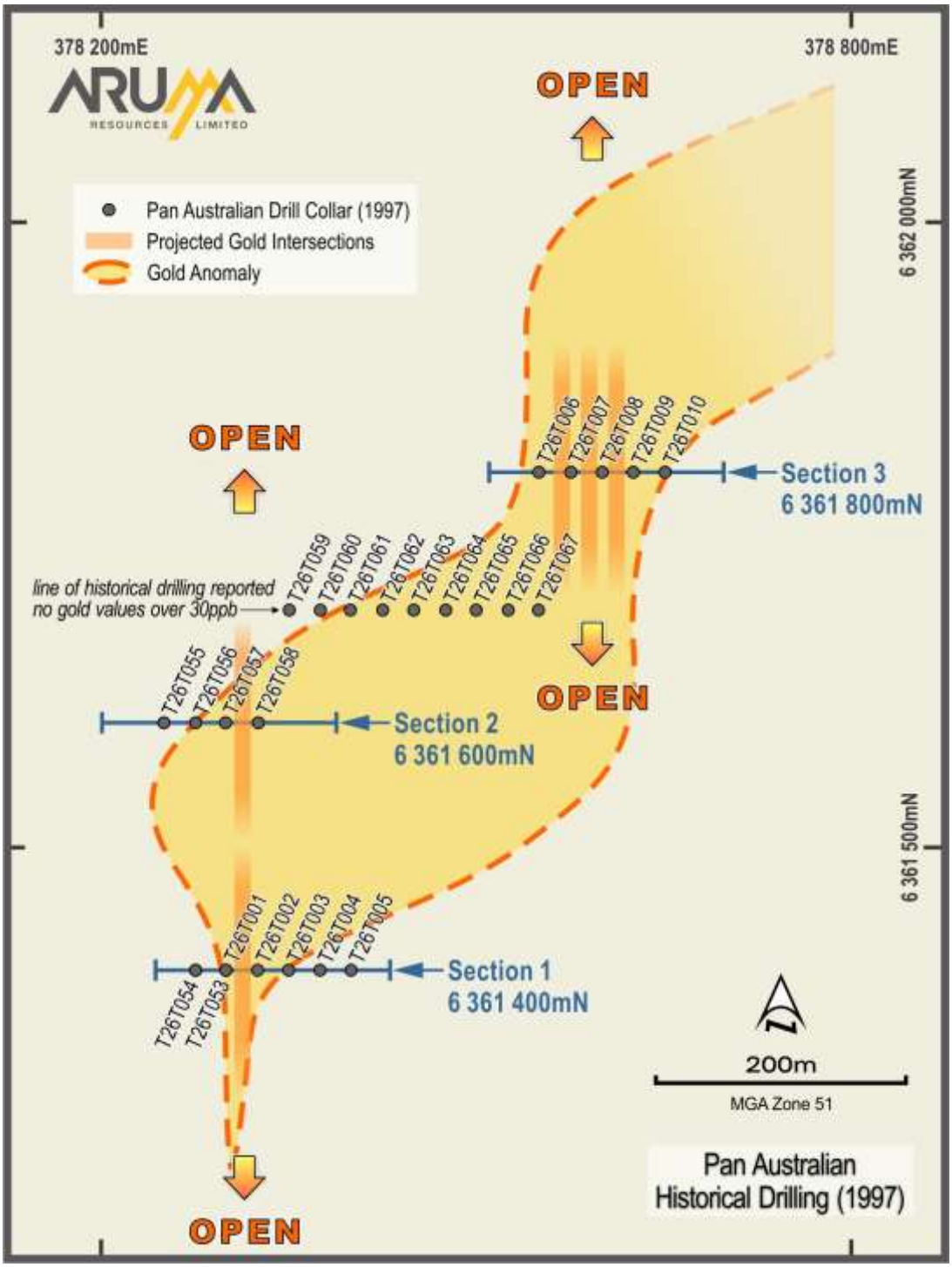

Figure 4: Gold anomaly on drill hole plan with Drill Section locations and Pan Australian (1997) intersection projections shaded.

Figure 4 details the area of the high-grade drill holes (Figures 5 and 6) and the multiple low-grade intersection in Section 3 (Figure 7). The definition of multiple zones was predicted in the Aruma model based on the Panda (Pantoro Limited) discovery to the North.

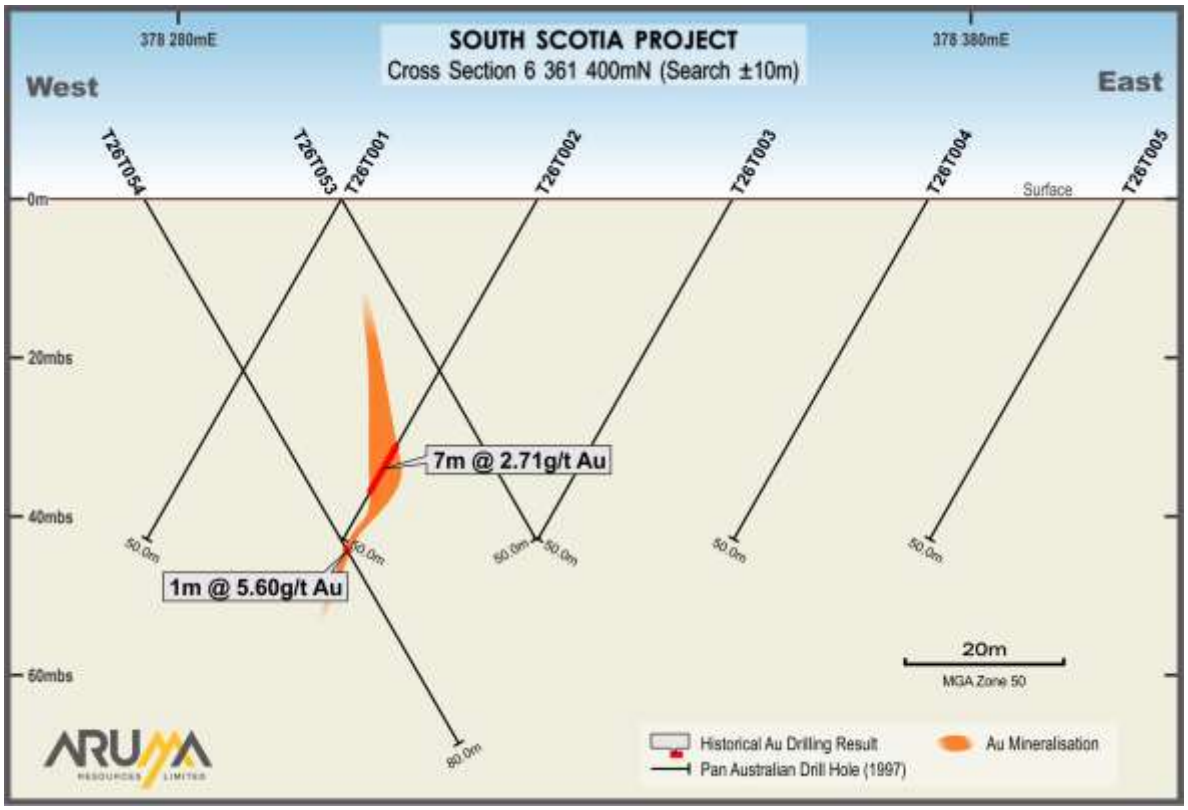

Figure 5: Pan Australian (1997) Scotia South Project drill Section 1 showing high-grade intersections in holes TR26002 and TR26054.

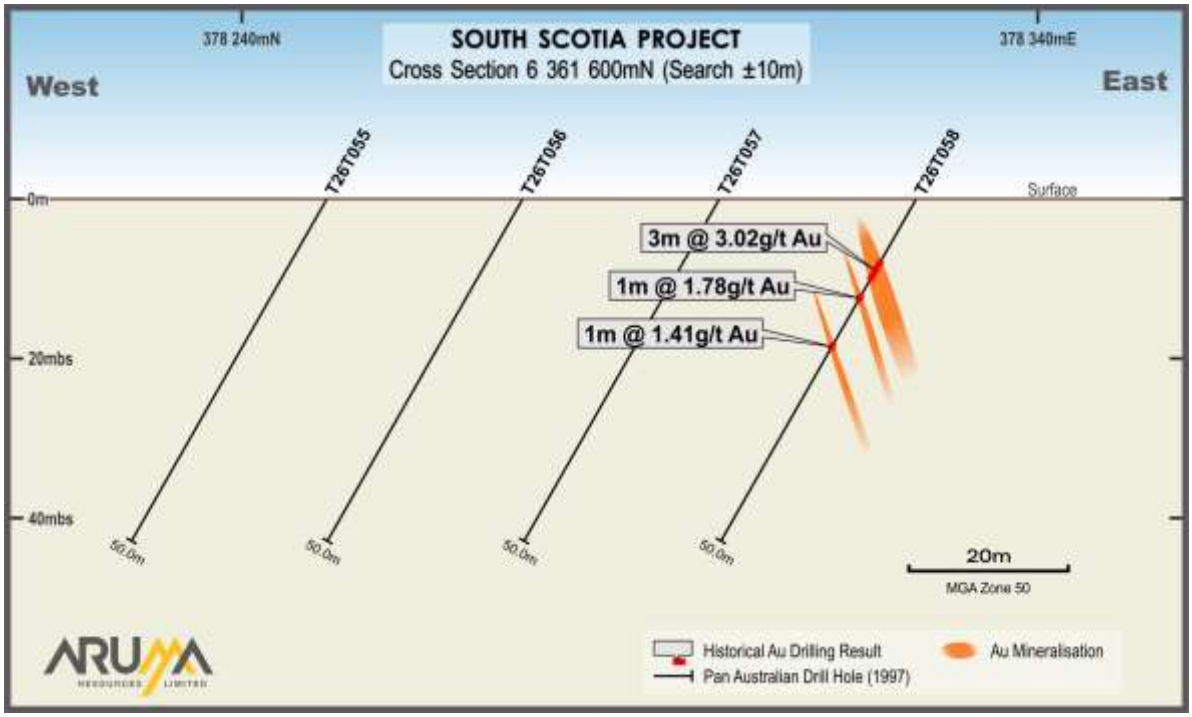

Figure 6: Pan Australian (1997) Scotia South Project drill Section 2 showing high-grade intersections in hole TR26058.

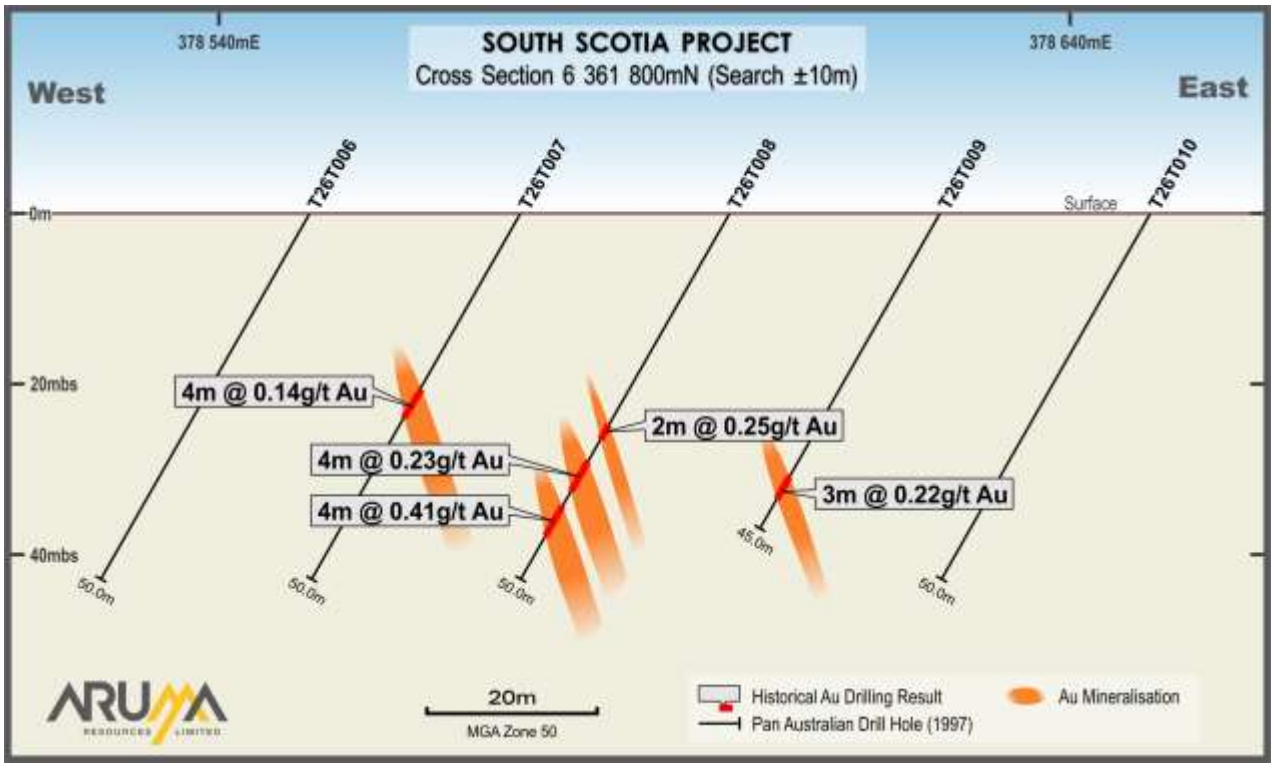

Figure 7: Pan Australian (1997) Scotia South Project drill Section 3 showing multiple low-grade intersections in holes TR26007, TR26008 and TR26009.

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 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 in the Western Australian DMIRS WAMEX and MINEDEX Reports, specifically A54463. The Company confirms it is not aware of any new information that materially affects the information included in the original reports. 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 data in the announcement and the individual holes are listed in 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.*	• Soil samples were taken by field crews based on study of RAB drill chips by consultant regolith specialist Dr Louisa Lawrence. Soil samples were collected from the from the consolidated carbonate rich portion of the soil after removal of unconsolidated aeolian sands. Samples were sieved to a -2mm fraction, with 1kg sample bagged and submitted for analysis at Genalysis. • Location and date were recorded with sample descriptions. • The type of sampling soil sampling. • The soils were sampled across the strike from magnetic interpretations. • Drilling Samples: Samples initially of four metre composites of 1 to 2 kg were sent to Genalysis laboratory for analysis. Later significant intercepts were sampled in one metre intervals. A total of 1,459 samples were analysed.
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.).*	• RAB and RC.
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.*	• Industry best practice.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and*	• All samples were logged geologically and qualitatively with the field description in the report.

Criteria	JORC Code explanation	Commentary
	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.*	• The sampling was either soil sampling or RAB RC Jones Riffle split samples.
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.*	• The samples were gathered using standard drill chip splitting and sampling techniques. • The sample size satisfied the Gy size requirements. • The entire sample was mixed and ground in chrome steel ring mill to a nominal 90% minus 75 micron. • A nominal 50g aliquot was digested by aqua regia, followed by solvent extraction and furnace AAS for Au to 1ppb lower limit of detection (B/ETA technique). • An aliquot of the same digest was analysed by flame AAS for Cu, Zn, As Ni, and Cr.
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 (i.e. lack of bias) and precision have been established.*	• Laboratory standards and methods are industry standards. • Triplicate samples were taken every 50 samples with a duplicate going to Genalysis. • as a check and the triplicate to ALS as an external monitor. • A standard sample was sent after every 100 samples as a check on batch drift.
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.*	• The samples were reconnaissance drilling samples after soils identified areas of interest. • Only historic drilling is reported in this announcement.
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.*	• Sample layout was by survey control using DGPS. • All locations are GDA94 recalculated from GDA66, 84and GDA94 and are design co-ordinates. • The soils and drill sample locations were plotted for verification using roads.

Criteria	JORC Code explanation	Commentary
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.*	• Drill spacing was initially for reconnaissance work. Infill drilling was undertaken over identified soil anomalies and to infill on anomalous zones identified in the drilling.
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.*	• Soil samples were taken on sample lines perpendicular to the inferred strike of the greenstone lithology. • Drilling orientation was principally at -60 degrees towards 270 degrees.
Sample security	• *The measures taken to ensure sample security.*	• All samples logged and numbered on site and checked as collected, logged, when sent 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 details required are detailed in the reports. • E63/2037 is granted tenure, owned 100% by Aruma Exploration a 100% owned subsidiary of Aruma Resources Ltd. • All work quoted was done by previous lease holders and is referenced by the Minedex A Report numbers.
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.

Criteria	JORC Code explanation	Commentary

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.*
		No new Aruma drilling is reported in this announcement.

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.*	• No data aggregation was done for the report. • 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').*	• The Sections used in the AAJ announcement are redrafted Pan Australian sections. • The true widths are not listed as insufficient holes are available to confirm mineralisation orientation.
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 complete list of individual sample assays is listed and available in the quoted A reports from WAMEX.

Criteria	JORC Code explanation	Commentary
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.