

28 January 2022

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2021

Highlights

- **Mt Deans Lithium-Tantalum Project**
 - **PoW approved for drilling and Heritage Survey completed**
 - **Maiden drilling program to commence February**
- **Salmon Gums Gold Project**
 - **First Phase drilling completed - 33 holes for 2,298m**
 - **Drilling intersected broad zones of low-level anomalous gold – further results pending**
 - **Second phase drilling underway and ongoing**
- **Saltwater Gold Project**
 - **Second phase of drilling completed - 20 holes for 1,892m**
 - **Final assay results pending**
- **Melrose Gold Project**
 - **Heritage Agreement executed**
 - **First phase of drilling planned for current quarter**
- **Capital Gold Project in NSW to be relinquished**
- **Received R&D tax incentive offset of \$458,677 before costs**
- **Company in a sound financial position with \$3.27m cash at quarter-end**

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

Aruma has a portfolio of three prospective gold projects in Western Australia, and one in New South Wales which is currently being relinquished. All are strategically located in active gold domains. The Company also has a prospective Lithium-Tantalum project in the lithium corridor of south-east WA (Figure 1).

During the quarter the Company made strong progress across its project portfolio. All requisite approvals were obtained and a track mounted drill rig was secured for a maiden drilling program at the Mt Deans Lithium Project.

Drilling programs were completed at the Salmon Gums Gold Project in WA's Goldfields and the Saltwater Gold Project in the Pilbara region of WA. At the Melrose Gold Project, also in the Pilbara region, a heritage

ASX: AAJ

Capital Structure

126M 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
Exploration Manager
Stephen Denn

Gold Projects - 1,695km²

Norseman

SALMON GUMS - 222km²

Pilbara

MELROSE - 371km²

SALTWATER - 744km²

NSW Lachlan Fold Belt

CAPITAL - 358km²

Li Ta Project -Norseman

MT DEANS 1.44 km²

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agreement was executed and a program of works (PoW) was submitted for a first phase of drilling, planned for Q1 calendar 2022. Corporately, the Company is in a sound position with a cash balance at quarter's end of \$3.27 million.



Figure 1: Aruma's Projects

Mt Deans Lithium Project, Norseman WA

The Mt Deans Project (Prospecting Licence P63/2063) sits within WA's lithium corridor in south-east WA, which hosts multiple significant hard-rock lithium projects. It is interpreted to sit within the same host rocks and structures as the significant nearby Mt Marion, Bald Hill and Buldania Lithium Projects.

The Project is situated in the Mt Deans pegmatite field, within the Eastern Goldfields Terrane of the Yilgarn Craton, approximately 170 kilometres south of the major regional centre of Kalgoorlie, and approximately 10 kilometres south of the mining town of Norseman (Figure 2).

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Figure 2: Mt Deans Lithium-Tantalite Project area, with pegmatites and projected cauldron

Aruma views the Mt Deans Project as being highly prospective for lithium minerals, as well as tantalum and rare earth element (REE) minerals. Previous exploration has identified swarm pegmatites over a strike length of 1 kilometre.

During the quarter the Company obtained requisite approvals for its first phase of drilling, and eagerly anticipates the commencement of this program, which is expected to be conducted in February.

A drilling contractor has been engaged and a drill rig has been confirmed. The drill rig is a track mounted unit that will meet the access requirements at the drill targets.

Details of First Phase of Drilling

The first phase drilling program at Mt Deans will comprise approximately 3,000m of reverse circulation (RC) drilling to a depth of up to 200m (in pegmatite), with holes spaced approximately 50 metres apart.

It is designed to confirm the presence of a thick pod of pegmatite interpreted from convergent dips seen in historic drilling, and to intersect an interpreted pegmatite chamber or 'cauldron' (Figure 3).

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Subject to results, the Company plans to investigate the potential for the Project to host direct shipping lithium ores, given its location adjacent to the Coolgardie-Esperance Highway and rail infrastructure which provides direct access to the Port of Esperance rail hub. Combined, these offer the potential for significant transport and infrastructure advantages.

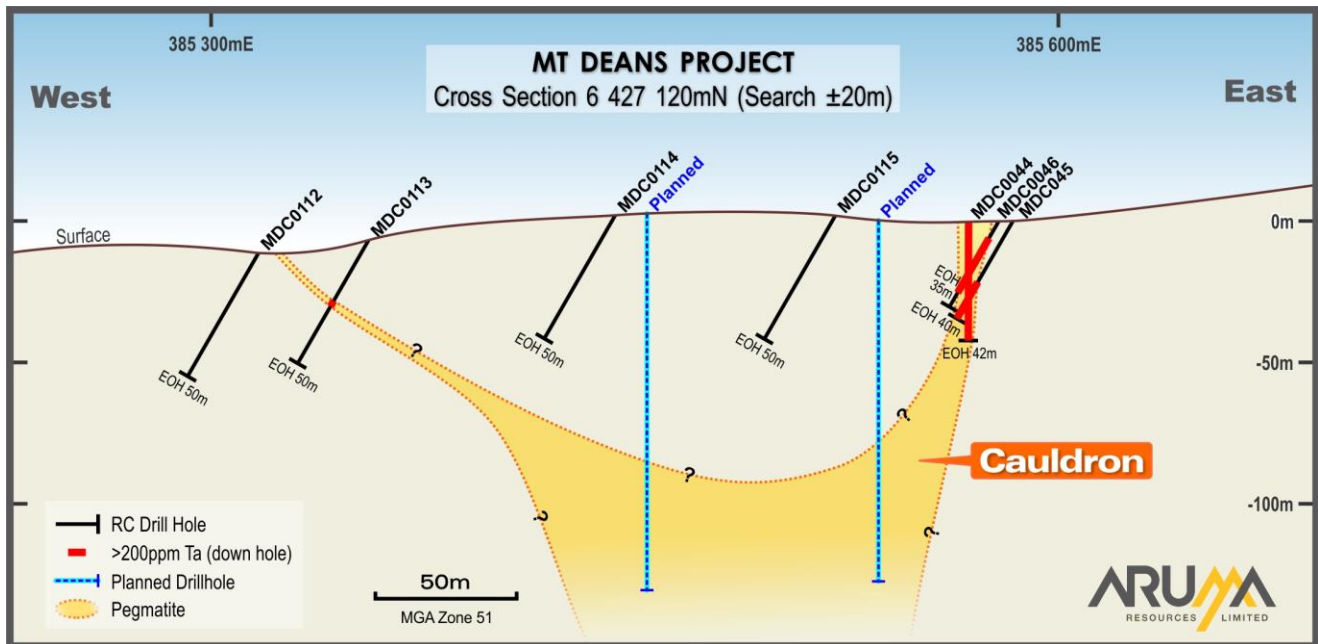


Figure 3: Mt Deans Lithium-Tantalite drill section with pegmatites and projected cauldron with the planned holes (From Tantalum Australia Operations Pty Ltd Annual Report 2002 (A65809)).

Rock chip samples have previously been reported from Mt Deans (ASX announcement, 24 March 2021) which returned high-grade lithium oxide (Li_2O) results with high tantalum (Ta) and other rare earth elements (REE) (Table 1).

Table 1: Rock Chip samples from Mt Deans

Sample	Li_2O %	Ta_2O_5 ppm	Zone 51H		Samples	
			Easting	Northing	Type	Li Mineral
AR001	0.8	222.7	385,687	6,427,446	Rock	Zinnwaldite
AR002	1.3	185.1	385,663	6,427,307	Rock	Lepidolite
AR003	2.1	555.9	385,541	6,427,026	Rock	Lepidolite
AR004	1.3	136.5	385,480	6,426,823	Rock	Lepidolite
Average	1.4	275.0				
Comparison	1.4	130.0	Kathleen Valley(LTR)			
	1.3	120.0	Pilgangoora(PLS)			
	1.0	44.0	Buldanial(LTR)			

Salmon Gums Gold Project

The Salmon Gums Project (EL63/2037, EL63/2122) covers a total area of 222km², and is located 200km south of Kalgoorlie, and 60km south of the mining town of Norseman. The Project is situated 30km south and directly along strike in the same stratigraphy as Pantoro Limited's (ASX: PNR) rapidly expanding high grade Scotia Gold Project.

During the quarter Aruma completed its first phase of drilling at Salmon Gums. This program consisted of 2,298m of RC drilling in a total of 33 holes on E63/2037. The aim of the drill program is to:

1. Test for prospective greenstone stratigraphy of the area to the south of the Thistle Prospect, the last previous drilling. The area has no historic soil geochemistry undertaken.
2. Follow up historic intersections (best results of 7m at 2.71g/t Au in hole T26R002) at the Thistle Prospect.
3. To test extensions of the Iris Prospect to the east of the Thistle Project.
4. Test anomalous zones of historic soil geochemistry and drilling north from Thistle including regional stratigraphic lines for geological investigation.

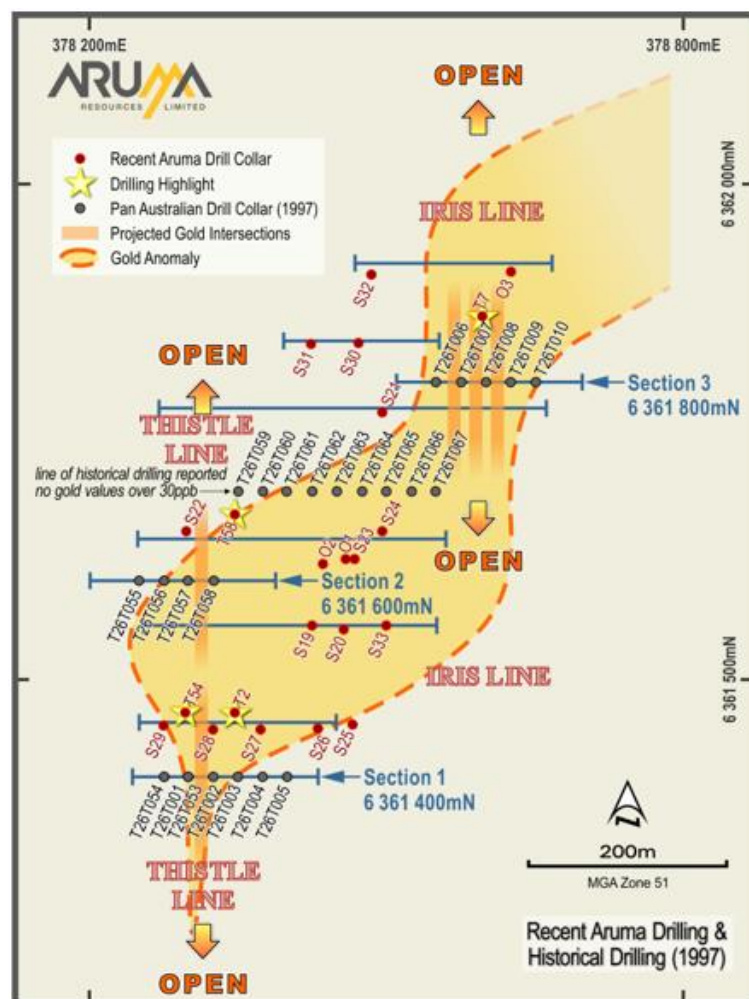


Figure 4: Drilling on the Thistle and Iris Lines at Salmon Gums

A total of 23 holes of the 33 holes were drilled as part of the first aim of the program to extend drilling into the area south of the Thistle prospect. The remaining ten holes were drilled at the Thistle prospect (Figure 4).

Assay results were received from 21 of the 33 holes, and reinforce Aruma's exploration model for the potential presence of a large gold system with thick, low tenor anomalous intersected in the targeted southern areas of the Project (ASX announcement, 21 January 2022).

Drilling intersected granites and greenstone rocks including sediments, mafic and ultramafic rocks. Talc chlorite shears and quartz veining were also observed.

Assay results received to date have been encouraging and intersected broad zones of low-level anomalous gold in several holes including;

- 0.21g/t Au in hole SGRC0009; and the thickest value of
- 38m at 0.12g/t Au from 23 metres to EOH in SGRC0010.

A total of 15 of the 21 holes assayed to date have recorded a gold value of greater than 0.1 g/t Au.

The anomalous results with drill-holes with better than a combined 1 gram-metre define a broad anomalous zone over a strike length of 2.3km in a south-south-west direction, from the Thistle Prospect, and with a thickness of 100 to 200 metres.

See Table 2 for details of assay results of the 21 holes received to date.

Aruma expects to receive the remaining assays from the drill at Salmon Gums soon.

Second Phase of Drilling Underway

A second phase of drilling at the Salmon Gums Gold Project commenced in January 2022, and 38 holes have been drilled in this program to date. This second-phase, follow up, program will comprise up to 4,000m of RC drilling in around 40 holes to drilling depths of 100m (with up to 15 lines of drilling and up to 5 holes in each line).

Table 2: Drillhole results for assays of 21 holes received to date. NSR is no significant result (>0.1g/t Au). Grid is GDA94-50

Hole ID	Easting	Northing	Hole Depth	Dip Azimuth	From m down hole	Thickness m down hole	Grade g/t Au	Comment
SGRC01	377101	6359650	66	-60°/270°	9	5	0.12	
SGRC02	377204	6359652	48	-60°/270°				NSR
SGRC03	377300	6359655	54	-60°/270°	53	1	0.14	EOH
SGRC04	377401	6359649	54	-60°/270°	34	1	0.1	
SGRC05	377498	6359651	87	-60°/270°	6	13	0.13	
SGRC06	377582	6359649	48	-60°/270°				NSR
SGRC07	376801	6359149	90	-60°/270°	37	1	0.12	
SGRC08	377000	6359150	42	-60°/270°				NSR
SGRC09	377200	6359152	48	-60°/270°	10	23	0.15	Max value 0.21 g/tAu
SGRC10	377402	6359151	54	-60°/270°	23	38	0.12	EOH
SGRC11	377599	6359151	72	-60°/270°	52	1	0.1	
SGRC12	376801	6358655	66	-60°/270°	39	4	0.1	
SGRC13	377011	6358667	84	-60°/270°				NSR
SGRC14	377280	6358644	74	-60°/270°				NSR
SGRC15	377899	6360547	60	-60°/270°	11	32	0.15	
SGRC16	377970	6360555	54	-60°/270°	12	32	0.14	
SGRC17	378300	6360301	66	-60°/270°				NSR
SGRC18	378423	6360300	67	-60°/270°	8	1	0.11	
SGRC19	378425	6361555	62	-60°/270°	29	3	0.1	
SGRC20	378457	6361551	108	-60°/270°	72	4	0.1	
SGRC21	378496	6361770	38	-60°/270°	9	22	0.12	

Saltwater Gold Project

Aruma has two gold exploration projects in the Pilbara region of WA (Figure 5), Saltwater and Melrose.

During the quarter, Aruma completed its second phase of drilling at the Saltwater Gold Project (ASX announcement, 9 December 2021). The program consisted of 1,872m of RC drilling in a total of 20 holes (Figures 6 and 7).

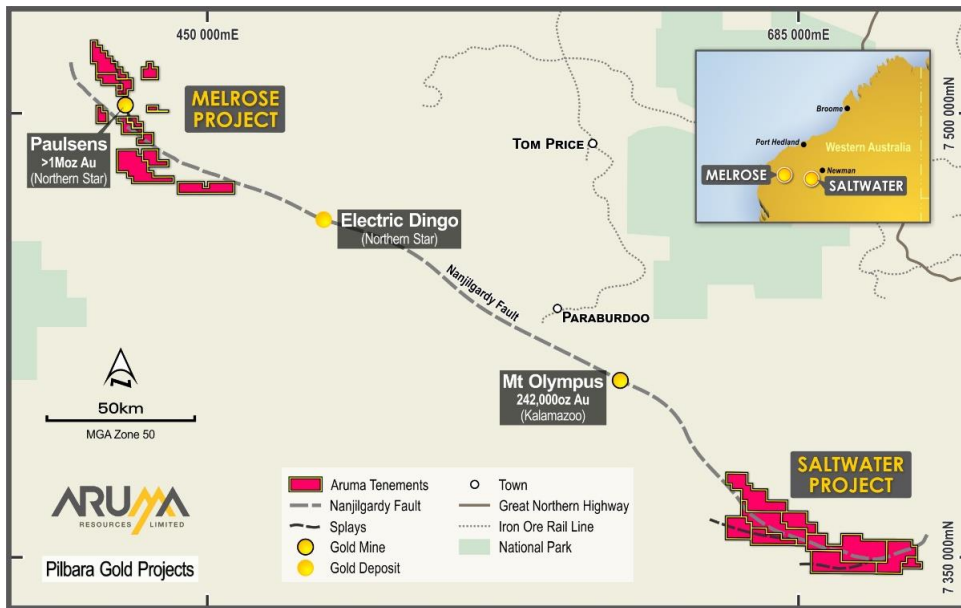


Figure 5: Aruma's Pilbara Gold Projects

Assay results have been received for 7 holes to date (ASX announcement, 21 January 2022). These results will be subject to further modelling and interpretation once all assay results from the program are available. See Table 3 for details of assay results received to date.

Table 3: Drillhole results for assays >0.1g/t Au of the 7 holes received to date. Grid is GDA94-50

Hole ID	Easting	Northing	Hole Depth	Dip Azimuth	From m down hole	Thickness m down hole	Grade g/t Au	Comment
SWRC042	377204	6359652	99	-60°/360°	6	7	0.20	Max Value 0.5g/t Au
SWRC043	377300	6359655	99	-60°/360°	12	2	0.25	
					21	1	0.18	
					28	1	0.11	
SWRC056	377582	6359649	99	-60°/360°	62	2	0.18	
SWRC058	376801	6359149	99	-60°/360°	26	1	0.13	
SWRC060	377000	6359150	99	-60°/360°	10	1	0.1	

The second phase drilling at Saltwater was designed to expand on the positive results from the eastern target zone in the successful first phase of drilling, which resulted in the identification of a potential new gold camp (ASX announcement, 17 February 2021).

The second phase of drilling tested the carbonate/shale fault boundary within the Nanjilgardy Fault at the Project area, which is interpreted as a similar structure to Kalamazoo Resources' (ASX: KZR) Mt Olympus Gold Project in the region.

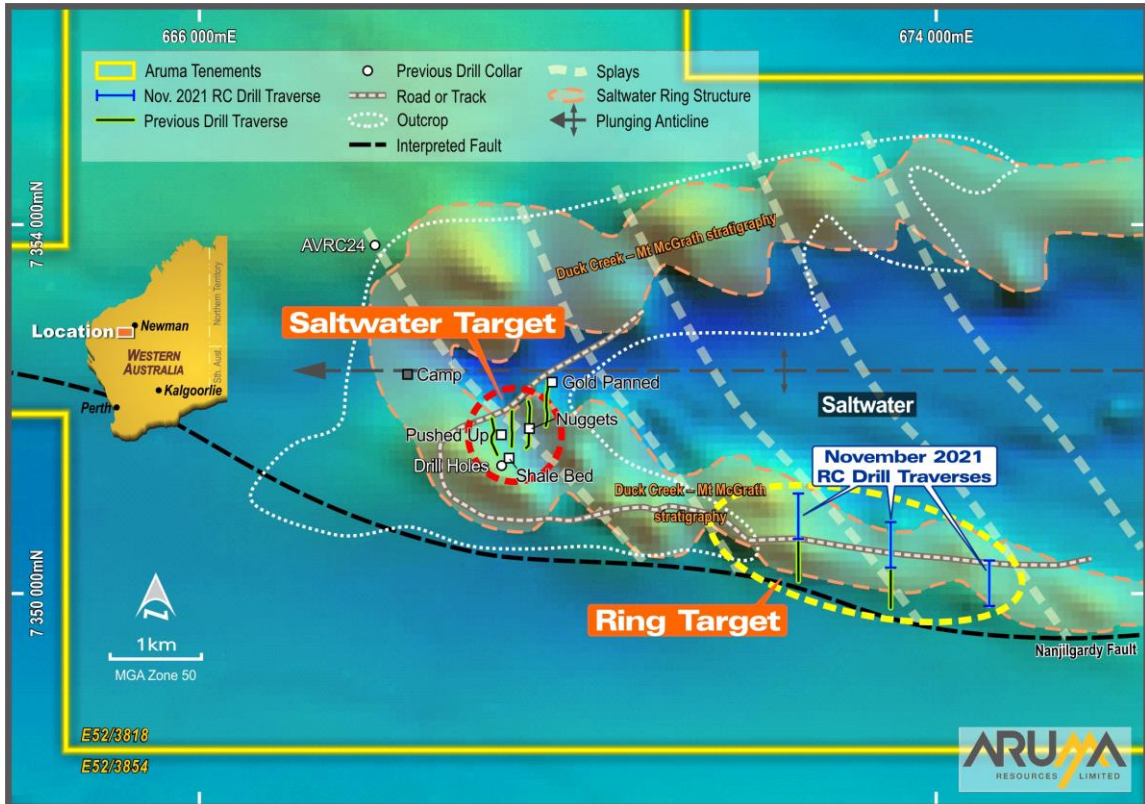


Figure 6 The Saltwater Project showing second phase drilling program in the southern area of the Dome.



Figure 7: Samples from the Saltwater Project drilling program

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Melrose Gold Project

The Melrose Project is located north-west of the Saltwater Project, and is situated immediately adjacent to Northern Star Resources' (ASX: NST) Paulsens Project (Figure 5).

A PoW for a first phase of drilling is in place at Melrose, and a Heritage Agreement with the PKKP Native Title Aboriginal Corporation for the Project has also been executed.

The first phase of drilling at Melrose is proposed to be a 3,000m RC program at the priority Gossan Hill target (Figure 8). Drilling is planned to consist of five lines of six holes. RC drilling will be used due to the hard calcrete and silcrete in the area.

This drilling is planned to be carried in the current quarter.

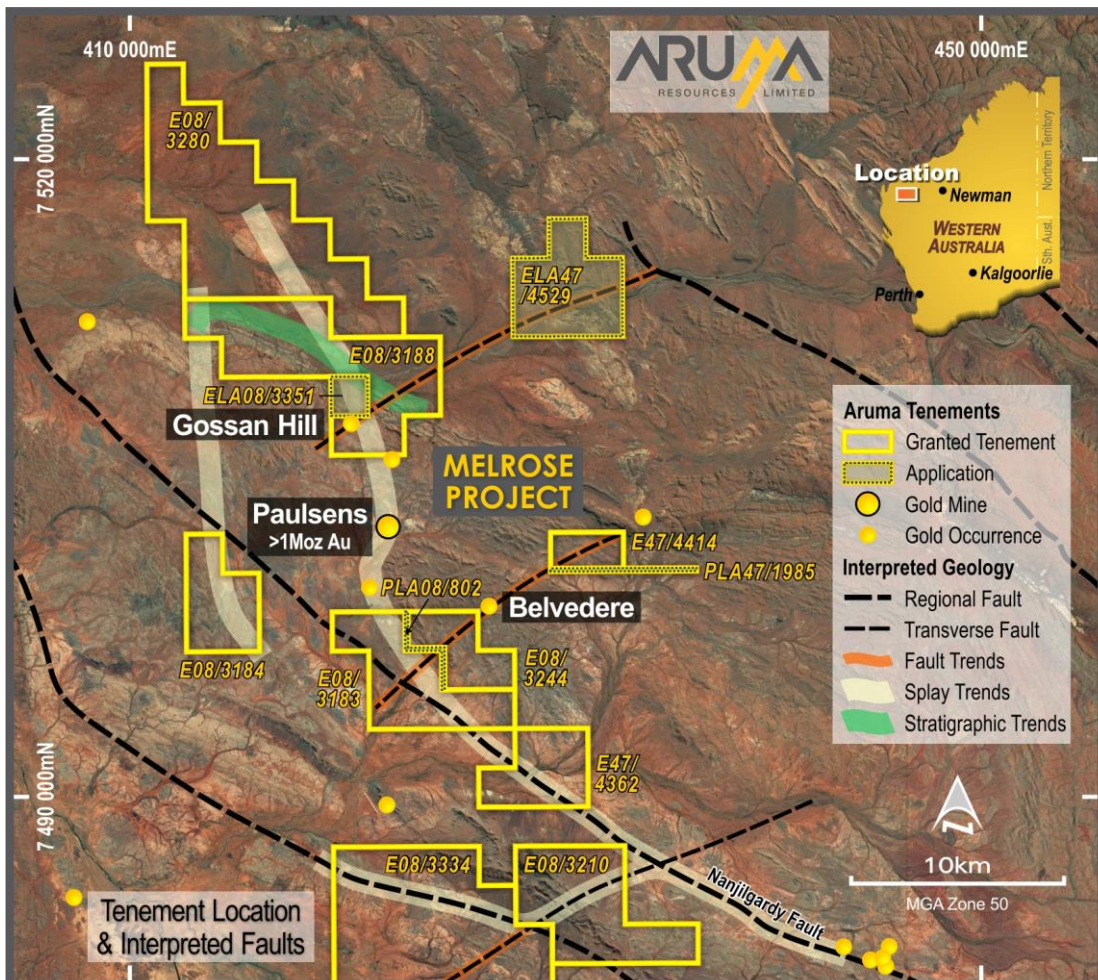


Figure 8: Melrose Gold Project area showing the Gossan Hill Target which will be subject of the first phase of drilling.

Historic drill holes have demonstrated the untested potential of the Gossan Hill target and are listed below in Table 4. All the drill holes listed are from open file data and were previously reported in ASX announcement of 28 July 2020.

Table 4 - The thick and highly anomalous holes from historic drilling

Drillhole Number	Easting	Northing	Depth from (m)	length of zone (m)	Avg. >0.1 Au g/t	>1g/t Au g/t	Depth from (m)	length of zone (m)
	GDA 94	GDA 94						
GHC0004*	420350	7507700	8	11	0.42	2.74	14	1
GHC0005*	420460	7507490	0	29	0.14			
GHC0006*	420354	7507513	63	18	0.26	1.44	63	1
PGHRC03#	420556.9	7507808	7	4	0.10			
PGHRC04#	420582	7507649	49	14	0.25			
PGHRC22#	420571.5	7507727	0	27	0.30			

* from Wamex report A71564

from Wamex report A96294

Capital Gold Project, NSW

The Capital Project consists of three Exploration Licences (EL9022, EL9023 and EL9027) totalling 372km² within the Lachlan Fold Belt in New South Wales, near the historic Bywong gold mines. No work was completed on the Project in the quarter and the project will be relinquished, due to Covid restrictions and the style and limited size of the targets in freehold land in NSW.

CORPORATE

Aruma had cash reserves of \$3.27 million as of 31 December 2021, and no debt.

The Company received \$458,677 for an R&D Tax Incentive rebate during the quarter for ongoing research on its Hydrothermal Mineralisation in Sediments model.

The Controlled Placement Agreement (CPA) with Acuity Capital has been further extended to 31 January 2024. The CPA was established in January 2018 (refer announcement 31 January 2018) and extended in January 2020 (announcement 28 January 2020). There is no requirement on Aruma to utilise the CPA and there were no fees or costs associated with the extension of the CPA. Further, no additional security has been provided or required in relation to the CPA extension.

PROJECTS SUMMARY

Table 5: Gold Project Status and Activity Table

Region	Location	Project	Status
WA EASTERN	Norseman	Mt Deans Lithium	Drilling on arrival of drill
GOLDFIELDS	Projects	Salmon Gums gold	Drilling and Awaiting drill results
WA	Nanjilgardy	Melrose Gold	Awaiting Heritage survey
PILBARA	Nanjilgardy	Saltwater Gold	Awaiting drill results
NSW LACHLAN FOLD BELT	St George Fault	Capital Gold	Relinquished

ASX ADDITIONAL INFORMATION

ASX listing rule 5.3.1 - Exploration and evaluation expenditure during the quarter was \$503,085. Details of exploration activity during the December 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 half.

ASX listing rule 5.3.5 - Appendix 5B, Section 6.1 – description of payments: During the half \$95,750 was paid to Directors for director and superannuation fees and \$3,515 for vehicle and caravan hire.

Authorised for release by Peter Schwann, Managing Director.

FOR FURTHER INFORMATION PLEASE CONTACT:



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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 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.

SUMMARY OF TENEMENTS

Western Australia

Table 4: Summary of tenements for the September 21 Quarter

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 EL52/3966	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Melrose (gold)	Interest at beginning of Quarter	Interest at end of Quarter
EL08/3183 EL08/3184 EL08/3188 EL08/3210 EL08/3219 EL08/3244 EL08/3334 ELA47/4362 ELA47/4414 ELA47/4529 ELA08/3280 ELA08/3351 PLA08/802 PLA47/1985	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Scotia South (gold)	Interest at beginning of Quarter	Interest at end of Quarter
EL63/2037 EL63/2122	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

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