ASX Announcement
20 December 2022

Anomalous Gold Intersected in Drilling at Melrose Gold Project

$830,677 R&D Tax Incentive Refund Received

Highlights

- **Anomalous gold intersected in oxidised shale in maiden drilling program at Melrose Gold Project in the Pilbara region of WA**
- **48 holes for a total of 4,784m of RC drilling completed at the Gossan Hill target**
- **Drilling confirmed anomalous gold results from previous drilling at Gossan Hill**
- **Balloted Exploration Licence (E08/3499) awarded to Aruma which includes the Mt McGrath Gold prospect**
- **R&D Tax Incentive refund received of $830,677.05 (before costs)**

Aruma Resources Limited (ASX: AAJ) (**Aruma** or the **Company**) is pleased to announce results of its recently completed maiden drilling program at the Melrose Gold Project in the Pilbara region of Western Australia.

Aruma completed a 48 hole 4,784m reverse circulation (RC) drilling program at the Melrose Project (ASX announcement, 7 November 2022), which targeted the Gossan Hill prospect located 5km from the Paulsens Gold Mine (acquired by Black Cat Syndicate (ASX: BC8) from Northern Star Resources (ASX: NST)) (Figures 1 and 2).

Drilling intersected anomalous gold and confirmed the presence of anomalies on an east-west structural target at Gossan Hill (Table 1). No high-grade gold mineralisation was intersected. The location of the anomalous material in an oxidised siltstone-greywacke contact is encouraging but the lack of shales in the area is interpreted as a possible reason for the lack of grade and sulphides.

The drilling results have confirmed the intersected low-grade mineralised host to be on a contact with the coarse greywacke, a fine siliceous sulphidic siltstone. The contact Aruma investigated in its drilling is on a shale-dolomite contact, similar to the Mt Olympus and Paulsens gold projects in the region.

The Company plans to undertake a mapping program and chip sampling program on historic geophysics as a next phase of exploration at the Project.

Aruma has also expanded the Melrose Project area via the award of the balloted exploration licence, E08/3499, which comprises 7 blocks over a 20km^2 area. The Exploration Licence contains the Mt McGrath Gold Project (WAROX Site 87111, Minedex Mt McGrath site S0029247). The area has reported gold in veins, close to the contact of the Wyloo Group Mt McGrath Formation pelites (shale) and Hamersley Marra Mamba Iron Formation cherts.

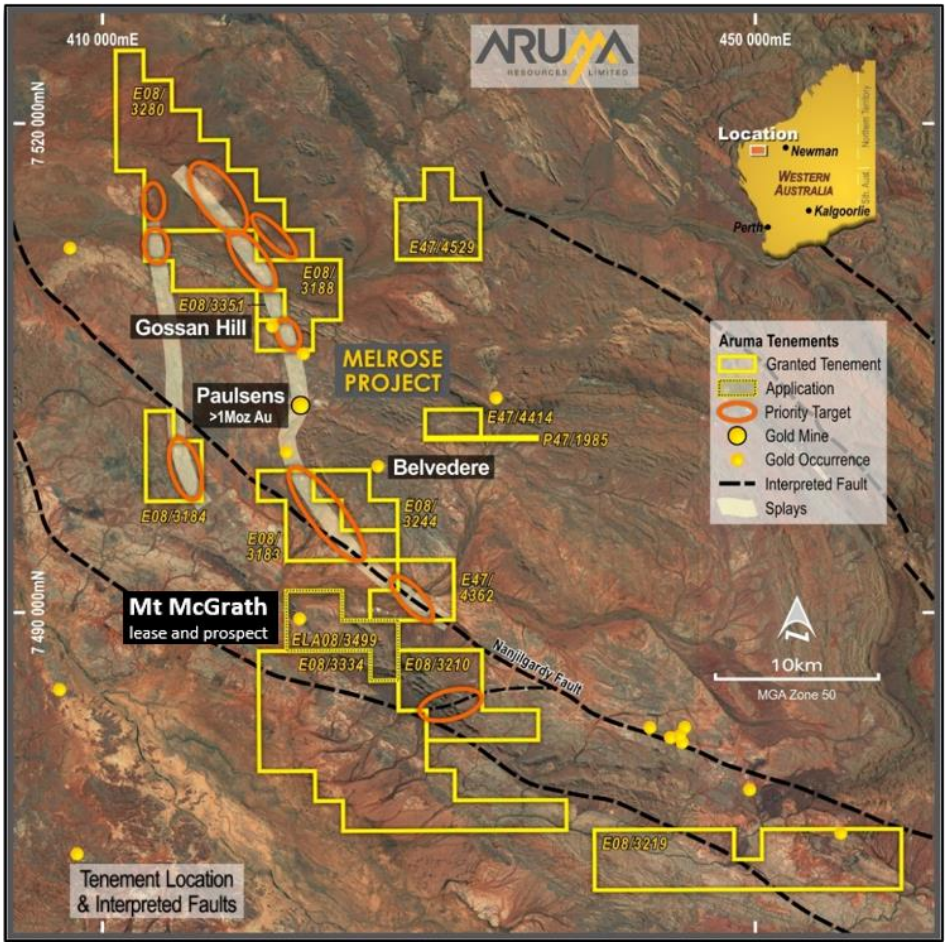

Figure 1: Melrose Project lease plan – with Gossan Hill and Mt McGrath Au location on E08/3499

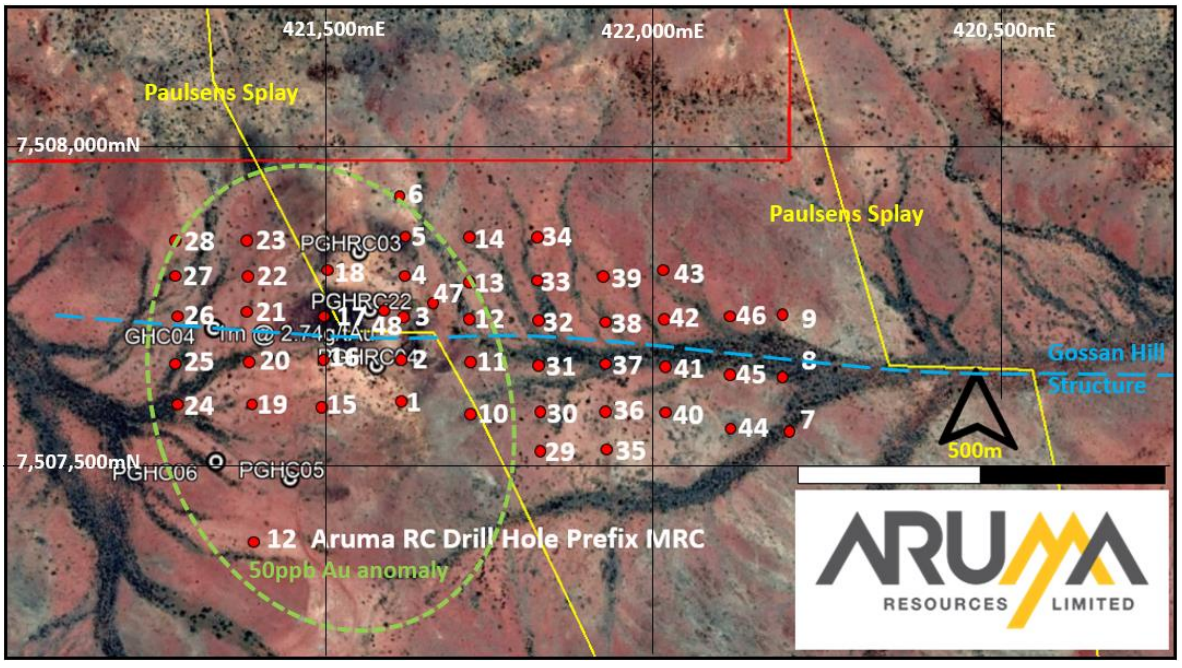

Figure 2: Gossan Hill Drill Hole Location plan (Details Table 2)

Results (Table 1) have confirmed the intersected low grade mineralised host to be on the contact with the coarse greywacke a fine siliceous sulphidic siltstone (Figure 3). The target contact Aruma was investigating is on the shale-dolomite contact, similar to Mt Olympus and Paulsens.

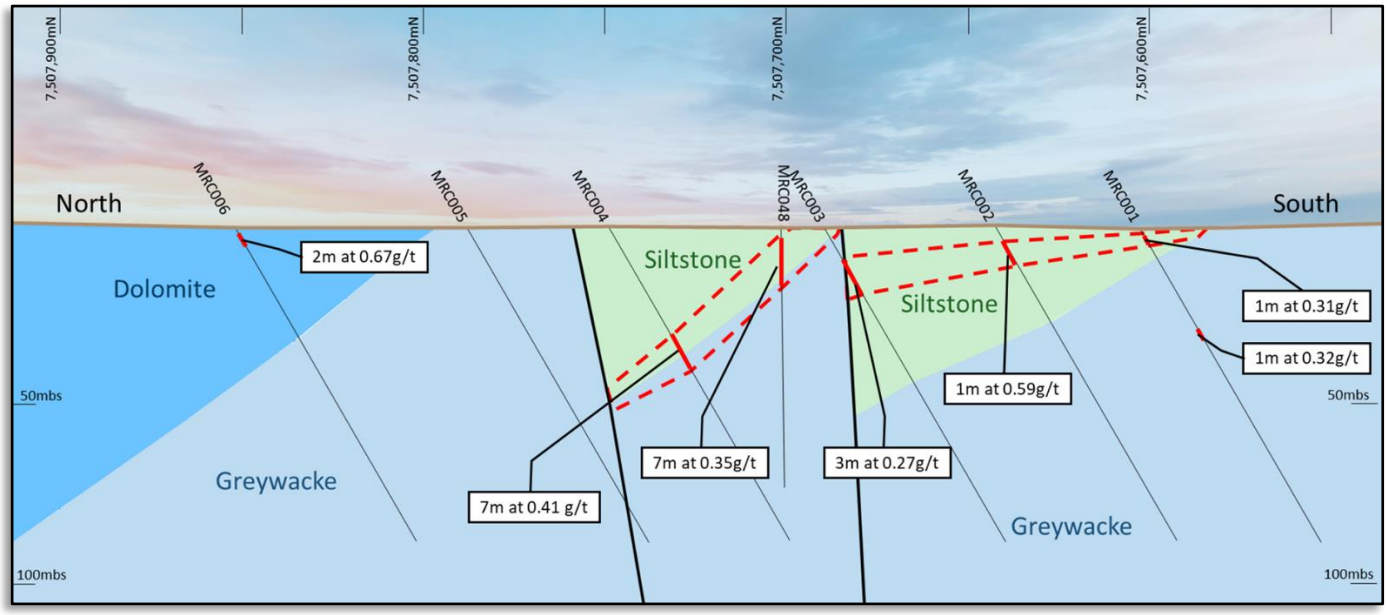

Figure 3. Gossan Hill cross section looking east through 420600mE (GDA94 z50) showing lithology and the late cross-cutting mineralised structure and highlighting anomalous results. (Note: MRC048 is off section by ~30m; Red polygons are oxidised shale-siltstone

$830,677.05 R&D Tax Incentive Refund Received

The Company is also pleased to advise that it has received an R&D Tax Incentive refund of $830,677.05 (before costs) for the 2020-21 year. This amount represents 43% of allowable research carried out by Aruma using its recently registered "Mineralisation Model Incorporating Volcanic Ash Sequences" research project.

This model is a development of the previous "Hydrothermal Gold in Sediments" model, and new discoveries in previously unexplored terrains in Australia underline the potential of the model.

This regional targeting technique is used to generate and explore all the Company's gold projects. Aruma believes that this model has the potential to deliver successful outcomes at its projects.

With the 2020-21 R&D Tax Incentive refund received, this brings the total R&D Tax Incentive refund received by Aruma to in excess of $5.5m in 12 years.

This announcement has been authorised for release by the Board of Aruma Resources Ltd.

ENDS

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Competent person 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.arumaresurces.com. All references to Tengraph-Geoview open file reports are detailed with location-report numbers. 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.

Forwood 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.

Table 1. Anomalous results from the Melrose Drilling Gossan Hill RC drilling. All results greater than 0.25g/t reported.

Hole_ID	From	To	Width	Au Grade	Comment
MRC001	4	5	1	0.31	
MRC001	33	34	1	0.32	
MRC002	5	11	6	0.31	
MRC003	11	14	3	0.27	
MRC004	35	42	7	0.41	Incl. 2m at 0.91g/t from 37m
MRC006	3	5	2	0.67	
MRC015	0	1	1	0.47	
MRC018	12	13	1	0.42	
MRC048	4	11	7	0.35	

Table 2. Drill Hole Details

Project	Hole ID	Grid	MGA E	MGA N	Dip	Azimuth	Total Depth
MELROSE	MRC01	MGA94_50	**420,598**	**7,507,603**	-60	180	100
MELROSE	MRC02	MGA94_50	**420,601**	**7,507,643**	-60	180	100
MELROSE	MRC03	MGA94_50	420,604	7,507,690	-60	180	100
MELROSE	MRC04	MGA94_50	420,598	7,507,749	-60	180	100
MELROSE	MRC05	MGA94_50	420,595	7,507,788	-60	180	100
MELROSE	MRC06	MGA94_50	420,604	7,507,852	-60	180	100
MELROSE	MRC07	MGA94_50	421,201	7,507,584	-60	180	100
MELROSE	MRC08	MGA94_50	421,200	7,507,645	-60	180	100
MELROSE	MRC09	MGA94_50	421,192	7,507,694	-60	180	100
MELROSE	MRC10	MGA94_50	420,698	7,507,606	-60	180	100
MELROSE	MRC11	MGA94_50	420,697	7,507,649	-60	180	100
MELROSE	MRC12	MGA94_50	420,698	7,507,709	-60	180	100
MELROSE	MRC13	MGA94_50	420,697	7,507,745	-60	180	102
MELROSE	MRC14	MGA94_50	420,697	7,507,786	-60	180	100
MELROSE	MRC15	MGA94_50	420,507	7,507,605	-60	180	100
MELROSE	MRC16	MGA94_50	420,504	7,507,651	-60	180	100
MELROSE	MRC17	MGA94_50	420,505	7,507,700	-60	180	100
MELROSE	MRC18	MGA94_50	420,506	7,507,748	-60	180	100
MELROSE	MRC19	MGA94_50	420,398	7,507,599	-60	180	100
MELROSE	MRC20	MGA94_50	420,396	7,507,645	-60	180	100
MELROSE	MRC21	MGA94_50	420,398	7,507,697	-60	180	100
MELROSE	MRC22	MGA94_50	420,402	7,507,750	-60	180	100
MELROSE	MRC23	MGA94_50	420,402	7,507,788	-60	180	100
MELROSE	MRC24	MGA94_50	420,301	7,507,596	-60	180	100
MELROSE	MRC25	MGA94_50	420,298	7,507,643	-60	180	100
MELROSE	MRC26	MGA94_50	420,297	7,507,701	-60	180	100
MELROSE	MRC27	MGA94_50	420,299	7,507,744	-60	180	100
MELROSE	MRC28	MGA94_50	420,298	7,507,792	-60	180	100
MELROSE	MRC29	MGA94_50	420,802	7,507,546	-60	180	100
MELROSE	MRC30	MGA94_50	420,801	7,507,599	-60	180	100
MELROSE	MRC31	MGA94_50	420,799	7,507,649	-60	180	102
MELROSE	MRC32	MGA94_50	420,797	7,507,704	-60	180	100
MELROSE	MRC33	MGA94_50	420,796	7,507,748	-60	180	100
MELROSE	MRC34	MGA94_50	420,796	7,507,793	-60	180	100
MELROSE	MRC35	MGA94_50	420,898	7,507,552	-60	180	108
MELROSE	MRC36	MGA94_50	420,895	7,507,600	-60	180	100
MELROSE	MRC37	MGA94_50	420,896	7,507,647	-60	180	100
MELROSE	MRC38	MGA94_50	420,894	7,507,694	-60	180	100
MELROSE	MRC39	MGA94_50	420,897	7,507,747	-60	180	100
MELROSE	MRC40	MGA94_50	420,999	7,507,598	-60	180	100
MELROSE	MRC41	MGA94_50	420,997	7,507,647	-60	180	100
MELROSE	MRC42	MGA94_50	421,000	7,507,698	-60	180	100
MELROSE	MRC43	MGA94_50	420,997	7,507,750	-60	180	100
MELROSE	MRC44	MGA94_50	421,100	7,507,585	-60	180	100
MELROSE	MRC45	MGA94_50	421,101	7,507,645	-60	180	100
MELROSE	MRC46	MGA94_50	421,104	7,507,690	-60	180	100
MELROSE	MRC47	MGA94_50	420,643	7,507,707	-90	-	100
MELROSE	MRC48	MGA94_50	420,570	7,507,701	-90	-	72

JORC Table 1 - **Melrose Gold Project**

Section 1 Sampling Techniques and Data

The following data is in relation to Drill Holes in the announcement and the individual holes are listed in the Announcement.

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 intervals • Samples are listed from depth down hole. • Samples were rotary split into calico bags for assay with the 1m bulk samples left on site with no plastic bags • Samples were assayed by Fire Assay 25g charge with ICP-AES finish
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 a truck mounted RC rig 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 endeavours were used to ensure sample recovery and splitting gave the best quality possible. Sample weights are issued by the laboratory with assays.
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 metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*	• All samples were logged geologically and qualitatively.

Criteria	JORC Code explanation	Commentary
	• *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. • 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 will be industry standards. • Duplicate field samples were taken • All sample batches were run with Laboratory Standards and Blanks • All samples were weighed prior to splitting for assay • Range was 0.3 to 3.8kg • Average was 1.9kg with SD of 0.46kg • The assays from 750g Split and pulverized to 85% <75um
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 current holes were twinned as this is not required in grass roots exploration.
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. 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 line spacing was 100m to look at geochemistry and follow up previous intersections • The holes were nominally 50m apart and the infill holes 30m apart. • Compositing was not done on any samples.

Criteria	JORC Code explanation	Commentary
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.*	• Drill holes were sited and oriented to best intersect steep subvertical beds
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 done.

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 was done in heritage cleared and permitted areas • All work was done with the landholders written permission
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 where used
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*
		• All drill holes tabled in the Report and used GDA94 grid

Criteria	JORC Code explanation	Commentary
	understanding of the report, the Competent Person should clearly explain why this is the case.	
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. • 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').*	• Mineralisation widths are being generated by best fit on sections.
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.*	• This is an interim report to announce significant intersections as received • The proportion of mineralised and unmineralized holes are clearly stated in the report
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.