

27 April 2018
ASX Announcement

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 MARCH 2018

HIGHLIGHTS

- Slate Dam maiden drill program completed
- Slate Dam soil survey reveals high grade anomaly
- Trojan Project adds resources to Slate Dam Project
- JORC 2012 Resource of 2.8Mt @ 1.61g/t Au (144,800oz Au)

Aruma Resources Limited has advanced projects in the Kalgoorlie gold district which cover 800km² of which 780km² are wholly operated by Aruma.

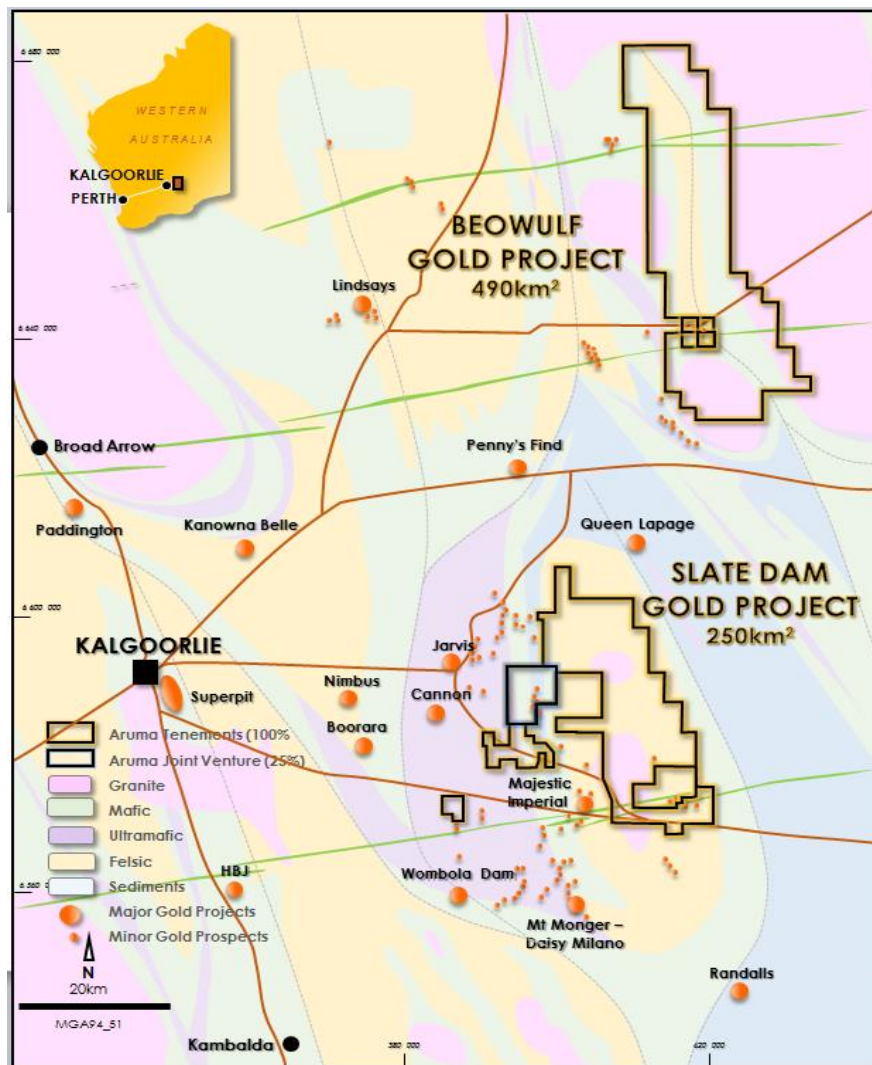


Figure 1 Aruma's Gold Projects of the Kalgoorlie District, with geological interpretation and existing gold mines of the region

ASX: AAJ

Capital Structure
515M Shares on Issue
16M Options on issue

Cash \$1.6M

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

Active Gold Projects

SLATE DAM PROJECT

BEOWULF PROJECT

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KALGOORLIE PROJECTS

The Company advanced the Slate Dam project during the quarter, by drilling and defining possible thick shallow dipping shoots at Slate Dam, as well as purchasing the Trojan deposit with 145koz of gold in JORC resources defined by previous owners (refer announcement 15 March 2018). The post end of quarter purchase of the Transville Lease, E25/526, has increased the coverage over the prospective gold trends at Slate Dam to 80%.

Beowulf was covered by geochemical soil sampling which will be used to direct the next phase of exploration.

SLATE DAM GOLD PROJECT

The Slate Dam Project comprises exploration licenses E25/526, E25/534, E25/553, E25/556, E25/558 and E25/571 together with Mining Lease M25/104 covering some 255km² of Black Flag Group felsic sediments strategically located only 45km east of Kalgoorlie. The leases were applied for when geological evaluation of the felsic units identified similarities to the style of gold modelled in sediments at Gold Fields Ltd.'s large scale Invincible gold projects near Kambalda.

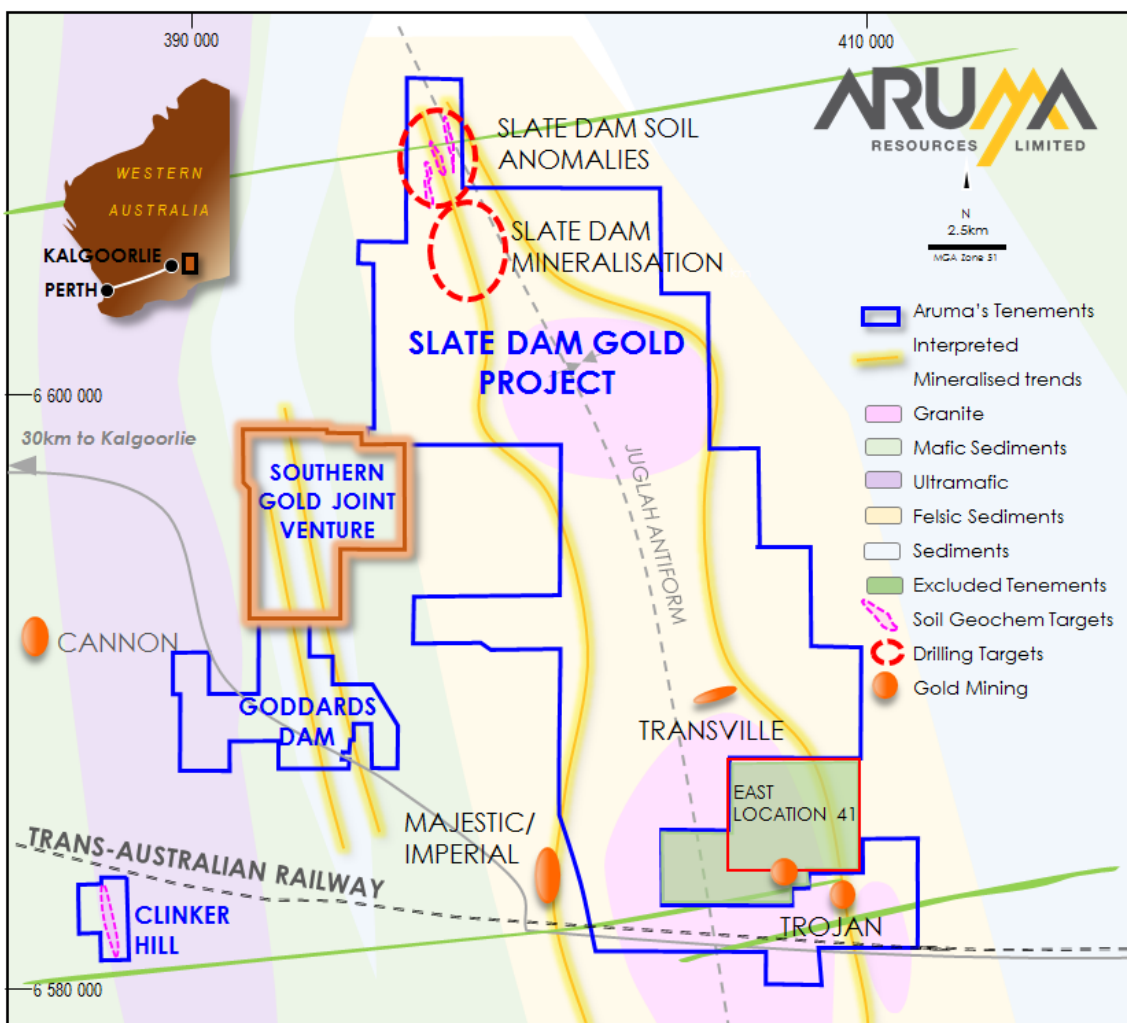


Figure 2. The Slate Dam Gold Project now covers 80% of the prospective stratigraphy with the gold trends in yellow lines (with the Transville lease added in mid-April)

Aruma's first phase of drilling at Slate Dam resulted in the definition of two major, tabular 20 metre thick shoots dipping 30 degrees to the west, which host mineralised sediments grading >1g/t Au. These shoots are offset by the East Fault, and both currently extend for approximately 700 metres either side of the East Fault, and remain open in all directions (Figure 3). The shoots are interpreted to have the potential to host significant gold mineralisation. These are shown on Figure 3 below.

In addition, the Company's maiden drilling program also intersected further multiple lodes, typically 3-7 metres in width. The best assay returned was from drill hole SDRC020, **24m @ 1.04g/t Au from 8m, including 16m at 1.34g/t and 7m @ 2.1g/t Au from 11m.**

The results of the first phase drilling are significant and have confirmed Aruma's sediment-hosted gold exploration model for Slate Dam. The addition of historic drill results from the Project has further strengthened this model. The intersections and the outcrop assay indicate that the shoots will likely be close to surface. This may impact on the testing methods and result in reduced drilling costs in order to delineate significant deposits at the Slate Dam Project.

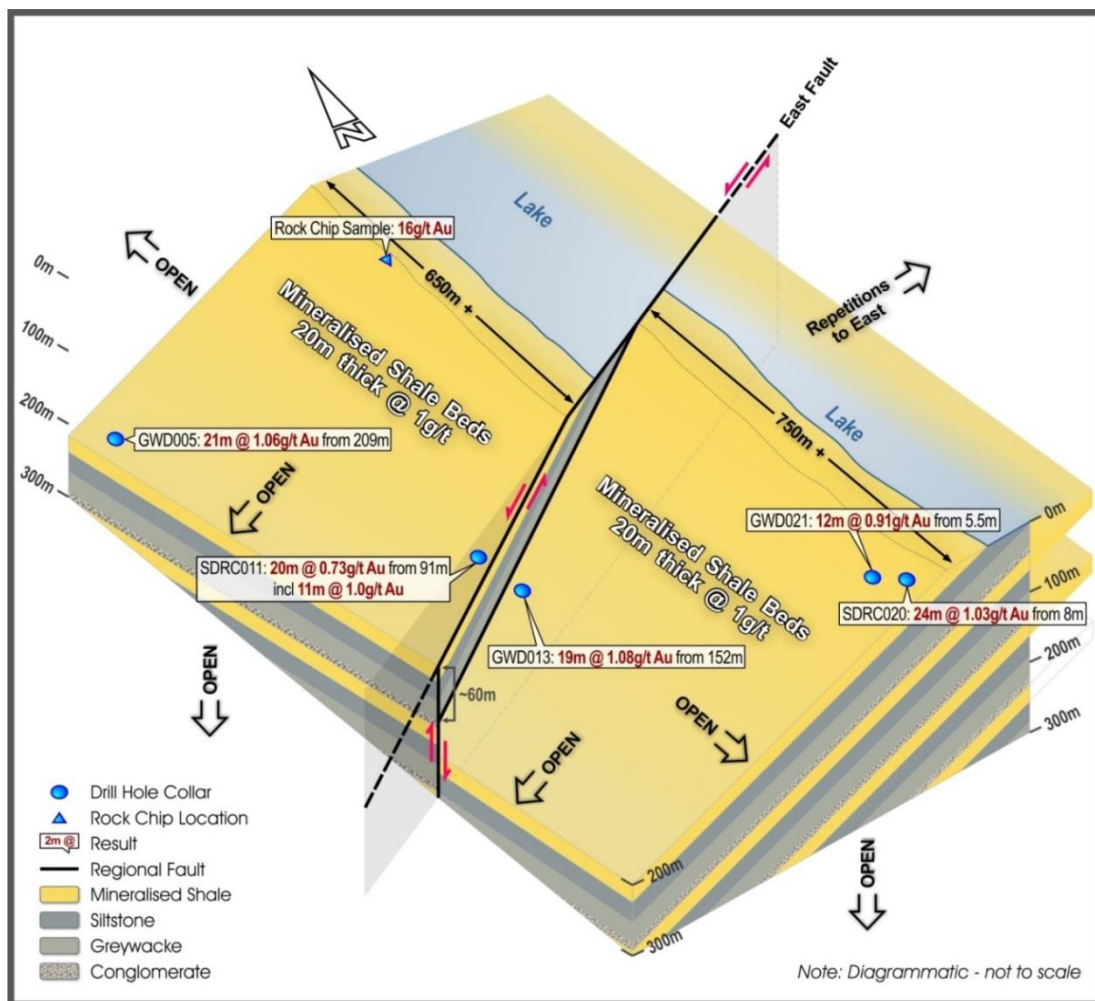


Figure 3. A 3D orthogonal diagram of the two shoots with geology and structure. Note the flat mineralisation open in all directions and possible repetitions beneath.

TROJAN GOLD PROJECT

Aruma purchased the Trojan Gold Project (ML25/104) during the quarter from Westgold Resources Limited. This strategic acquisition includes an Indicated and Inferred Resource estimate of 2.8Mt @ 1.61g/t gold for 144,800 oz of gold at a 0.70 g/t cut-off (see Table 1 below) and integrates exploration prospectivity for the area. Numerous significant geochemical anomalies and prospects have been delineated across the Trojan project area by previous owners which will be evaluated by Aruma in the coming months.

Classification	Tonnes	Grade	Ounces of gold
Indicated	1,679,908	1.72	93,117
Inferred	1,114,431	1.44	51,696
Total	2,794,339	1.61	144,814

Table 1: Current JORC 2012 Resource Estimate at Trojan Gold Project

The table above that relates to Mineral Resources at the Trojan Gold Project is based on information prepared by Metals X Limited as announced to the ASX on 18 August 2016 in its 2016 Annual Update of Mineral Resource and Ore Reserves.

Geological Overview

The Trojan Gold Project is underlain by mafic volcanics in the south and a granite complex in the north. Two large east-west trending dolerite dykes crosscut the Project area to the north and the south of the Trojan pit (see Figure 4).

Mineralisation at Trojan is associated with a north-north east trending brittle fracture zone in the stratigraphy containing multiple sub parallel lodes dipping 60 degrees west and hosted by granites, porphyry, and in the extreme southern portion, inter-fingered mafic and granite. The various lodes in the main Trojan Lode are consistent with the Sediment Hosted Gold model within the Slate Dam Project.

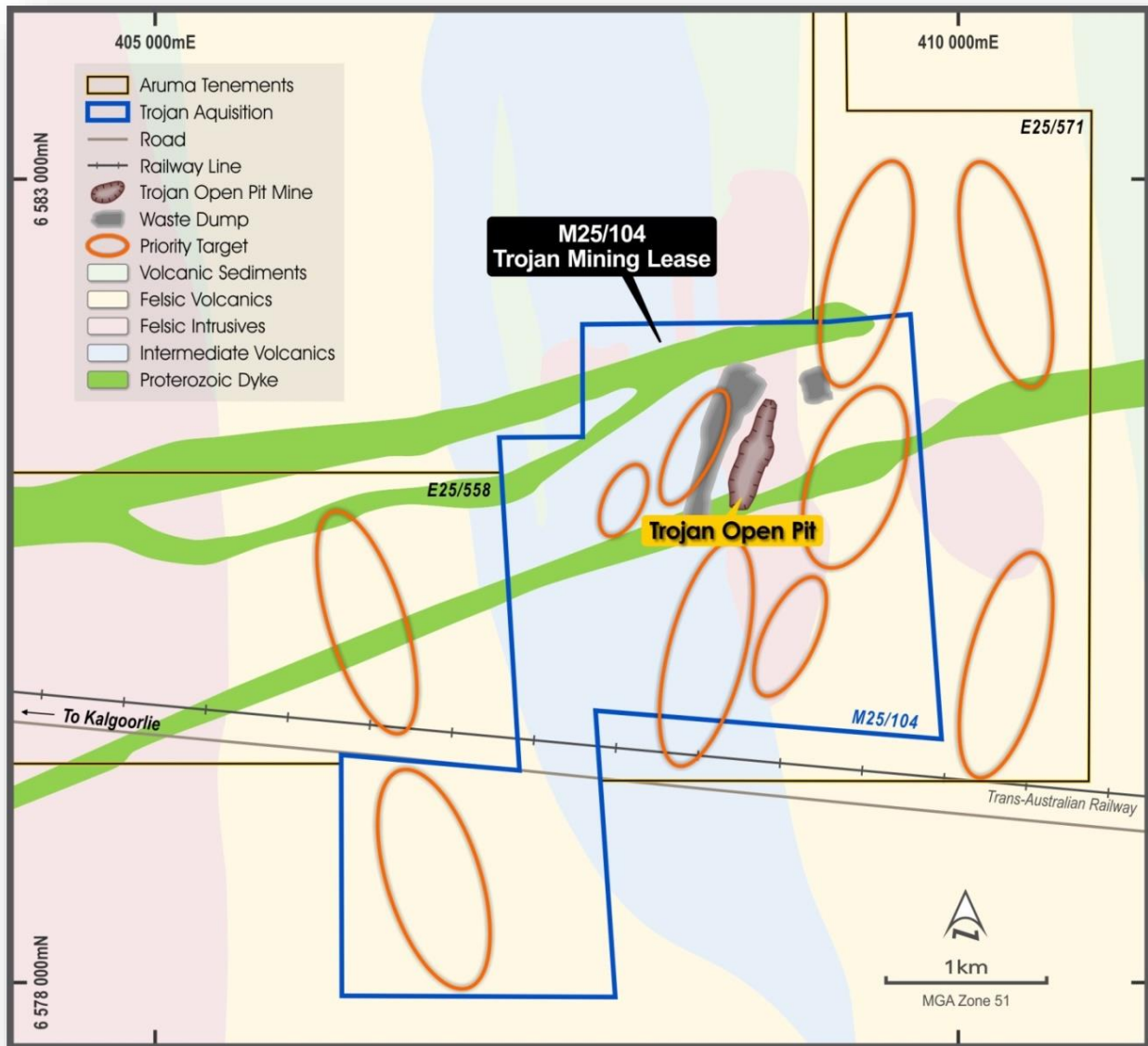


Figure 4: Geology and targets on the Trojan Project (M25/104) within the Slate Dam Project area - blue outline Trojan Project area, Black outline shows existing Slate Dam Project area and orange ovals show priority targets (From MetalsX Annual Report, 2016).

BEOWULF GOLD PROJECT

A geochemical sampling program was completed over the granted leases at Beowulf and samples submitted for assays at the end of the month. This involved some 900 samples from 20 lines. Results from this geochemical program and a stratigraphic drilling program planned for April will direct the next phase of exploration on the project.

CORPORATE

CASH BALANCE

The Company had a Cash and Term Deposits balance at 31 March 2018 of \$1.6M. Aruma completed a placement to sophisticated investors of 50 million shares at 2 cents each to raise \$1,000,000 (before costs) with the assistance of State One Stockbroking. The funds raised will be used for exploration on the Slate Dam and Beowulf projects.

CONTROLLED PLACEMENT AGREEMENT

In January 2018, the Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital. The CPA provides Aruma with up to \$2 million of standby equity capital over a 24 month period. Aruma has not utilised the facility to date.

R&D

The Company received an R&D Tax Incentive claim of \$224,561.66 before costs in the March Quarter. This is an additional benefit of the research carried out by the Company on its Hydrothermal Mineralisation in Sediments model, which is the targeting technique used at all of its projects.

Projects Summary

Table 1. Gold Project Status and Activity Table

EASTERN GOLDFIELDS	Kalgoorlie Projects	<ul style="list-style-type: none">▪ Glandore Gold Project - JV Continuing with Southern Gold Limited (SAU) to earn 90% in the third year
		<ul style="list-style-type: none">▪ Slate Dam - 254km² leases over anomalous areas▪ Beowulf- 9 leases for 480km² on prime stratigraphy▪ Goddards Dam - PoW is approved and cleared for RC drilling▪ Clinker Hill - PoW approved for south east extensions▪ Kopai – Two PLs (1 granted , 1 pending) along strike of Mungari

Proposed Exploration Activities for Q4 FY2018

- **Glandore** – JV continues with SAU and stage three is underway to 90%
- **Slate Dam:**
 - Second Phase RC drilling completed
 - Soil sampling completed
 - Assays received and processed
- **Beowulf:**
 - Stratigraphic drilling for stratigraphy completed
 - Assays received and processed
 - Soil sampling program started
- **Clinker Hill:**
 - Soil sampling program follow up
- **Kopai:**
 - Second lease granted
 - Soil sampling program completed and RAB drilling planned
- **Mt Deans Lithium:**
 - Lease awaiting grant after passing Native Title revue period

Aruma will also be appraising leases that become available in the Sediment Terranes in WA, especially where adjacent to current projects or with resources or intersections.

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 and Australasian Institute of Mining and Metallurgy. 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. The information in this report that relates to Mineral Resources at the Trojan Gold Project is based on information prepared by Metals X Limited as announced to the ASX on 18 August 2016 in its 2016 Annual Update of Mineral Resource and Ore Reserves.

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.

Aruma Resources Limited is a proud supporter and member of the Association of Mining and Exploration Companies, 2017.



Summary of tenements

Glandore	Interest at beginning of Quarter	Interest at end of Quarter
M25/327 M25/329 M25/330 P25/2073 P25/2074 P25/2075 P25/2076 P25/2103 P25/2117 P25/2118 P25/2119 P25/2154 P25/2215 P25/2216	50% Southern Gold Limited JV Southern Gold can earn up to 90%	75% Southern Gold Limited JV Southern Gold can earn up to 90%

Goddards Dam (Gold)	Interest at beginning of Quarter	Interest at end of Quarter
P25/2089 P25/2090 P25/2091 P25/2092 P25/2093 P25/2094 P25/2153 P25/2202 P25/2203 P25/2204 P25/2388 P25/2400 P25/2401 P25/2402 P25/2389	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Slate Dam	Interest at beginning of Quarter	Interest at end of Quarter
E25/553 E25/534 E25/556 E25/558	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
M25/104	Nil	100% Aruma Exploration Pty Ltd

Clinker Hill	Interest at beginning of Quarter	Interest at end of Quarter
P25/2201 P25/2319 P25/2320	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
E25/568	Under application by Aruma Exploration Pty Ltd	

Beowulf	Interest at beginning of Quarter	Interest at end of Quarter
E28/1900 E28/1901 E28/2086 E28/2087	100% Aruma Exploration Pty Ltd Purchased on 2 nd October 2017	100% Aruma Exploration Pty Ltd
E28/2706 E28/2707 E28/2713 E28/2714 E31/1165	Under application by Aruma Exploration Pty Ltd	Under application by Aruma Exploration Pty Ltd

Kopai	Interest at beginning of Quarter	Interest at end of Quarter
P15/6145	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
P15/6146	Under application by Aruma Exploration Pty Ltd	Under application by Aruma Exploration Pty Ltd

Mt. Deans	Interest at beginning of Quarter	Interest at end of Quarter
P63/2063	Under application by Aruma Exploration	Under application by Aruma Exploration Pty Ltd