

31 January 2019
ASX Announcement

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2018

HIGHLIGHTS

- Slate Dam AEM flying completed
- Beowulf soil sampling started
- Kopai Project PoW approved
- Data base construction completed

Eastern Goldfields explorer, Aruma Resources Limited (ASX: AAJ) has several advanced Gold projects in the Kalgoorlie region which cover over 780km² of which 760km² are wholly operated by Aruma.

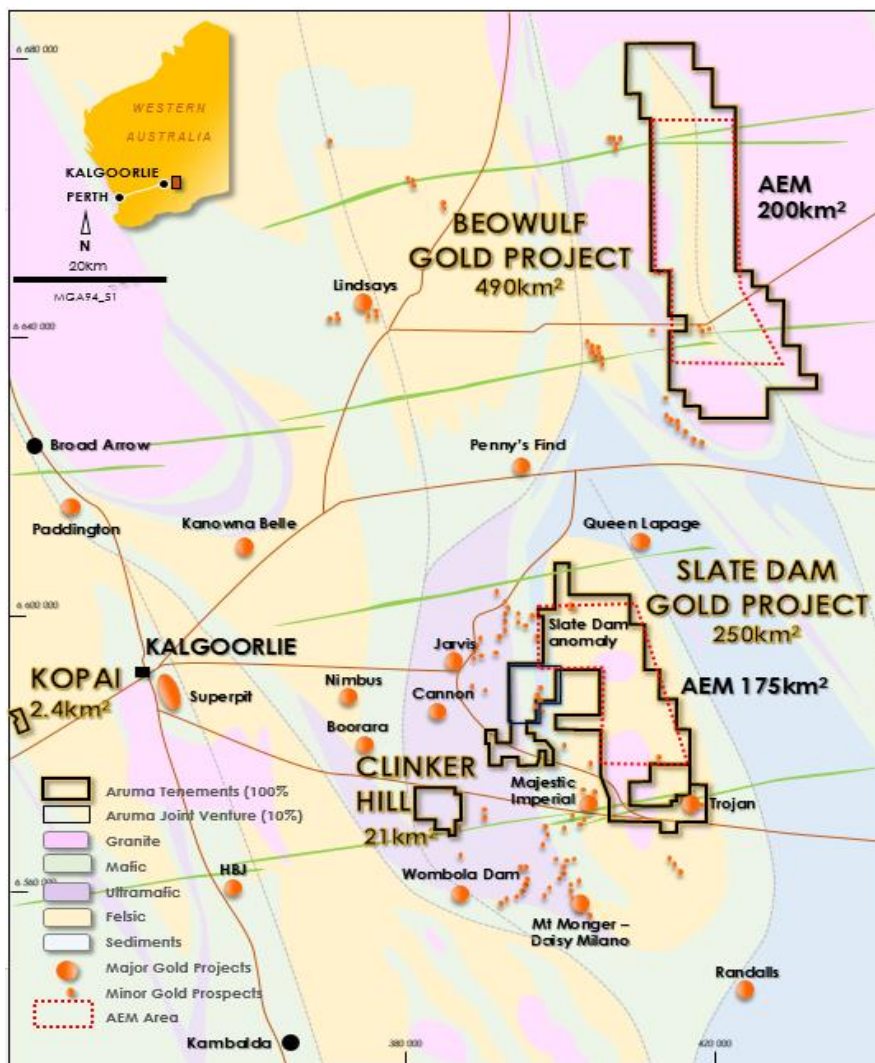


Figure 1 Aruma's Gold Projects of the Kalgoorlie District showing AEM survey areas

ASX: AAJ

Capital Structure

523M Shares on Issue

12M Options on issue

Cash \$0.7M

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

KOPAI PROJECT

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KALGOORLIE PROJECTS

The Company continued to advance its 100% owned Kalgoorlie gold projects during the quarter by: completing an Airborne Electro Magnetic (AEM) program totaling 380km² over the Beowulf and Slate Dam project areas in December; Section 18 Ministerial approval granted over the Slate Dam leases affected by a registered aboriginal heritage site; and approval of a Program of Work (PoW) at the Kopai project. The Kopai Gold Project is to be evaluated in the March quarter with a short initial drilling program.

REGIONAL EXPLORATION

Maxwell GeoServices has completed construction of a data base over all the Company's Kalgoorlie gold projects combining the Westgold and Aruma databases. This has allowed Aruma to progress the evaluation over the entirety of its leases with full 3D modelling to define trends and data gaps.

As a research driven gold exploration company, Aruma Resources completed an extensive airborne electromagnetic (AEM) survey over the majority of the Slate Dam and Beowulf project areas. The helicopter-borne survey used the NRG Xcite system to acquire high resolution data considered important for the high precision required to identify the target types in tight structures. Experienced geoscientists from Terra Resources will evaluate the completed AEM data with magnetics and radiometrics. This will look for conductors (black shales) and explore the non-conductors in the same stratigraphy with structures conducive to mineralisation.

KOPAI GOLD PROJECT

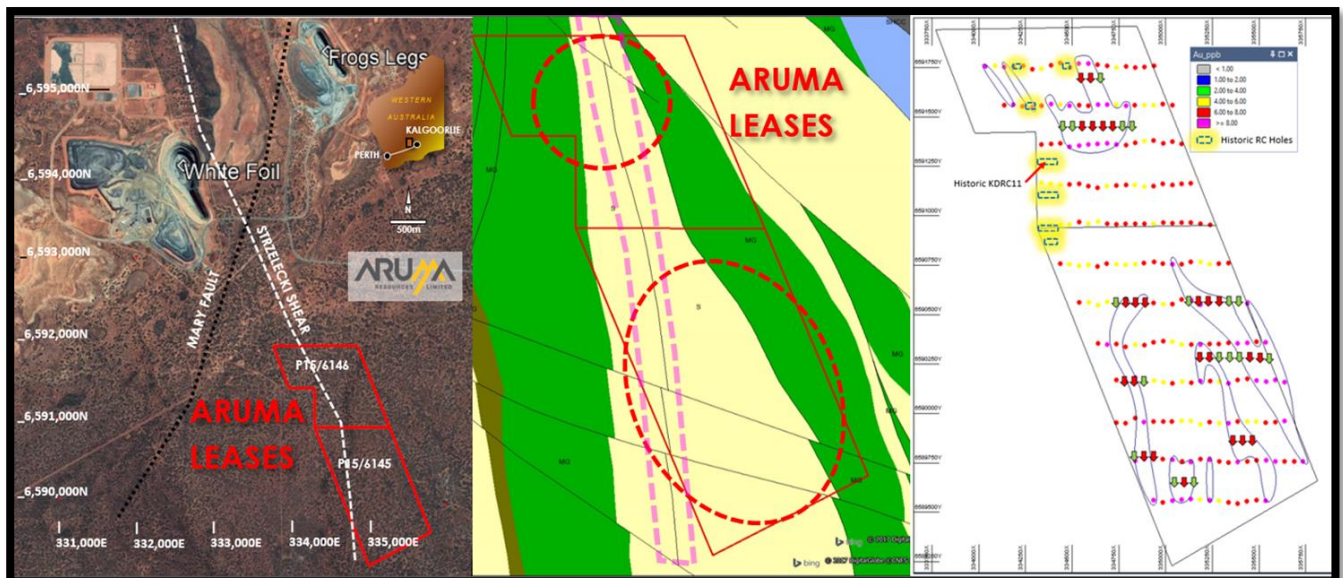


Figure 2 The Kopai leases with geology and gold geochemistry showing the Strzelecki shear and the proximity to the Frogs Leg and White Foil mines.

The Kopai Gold Project (P15/6145 and P15/6146) is located 20km west of Kalgoorlie on situated on the Strzelecki Shear, the structure that hosts the gold rich Kundana project and directly along strike of Evolution Mining Limited's Mungari Operation (2.6Moz. Au resource).

The definition of the anomaly and structure fits very well with Aruma's sedimentary hosted gold model. The structural and geochemical targets are planned to be investigated by a 4,000m drilling program in the March quarter following the approval of the PoW. The planned drill holes are shown by red (phase 1) and green (phase 2) in the right hand diagram in Figure 2.

CORPORATE

Cash balance

The Company had a cash and term deposits balance at 31 December 2018 of \$0.67 million.

During the quarter the company received an R&D tax incentive rebate of \$503,810 before costs.

Projects Summary

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 which has been extended by 6 months.
		<ul style="list-style-type: none"> ▪ Slate Dam - 250km² - 8 leases with AEM completed ▪ Beowulf- 9 leases for 490km² with soil sampling and AEM done ▪ Goddards Dam - Several leases expired in the quarter ▪ Clinker Hill – Reduced to two leases ▪ Kopai – Two PLs ready for RC drilling

Proposed Exploration Activities for Q4 FY2018-2019

- **Glandore** – JV continues with SAU and stage three is underway to 90%
- **Slate Dam:**
 - Section 18 heritage approval over full project granted by the Minister
 - AEM survey completed and interpreted
 - Database from Maxwell GeoServices to be evaluated
- **Beowulf:**
 - AEM survey completed and interpreted
 - Soil sampling completed over AEM areas
- **Clinker Hill:**
 - Soil sampling extended
- **Kopai:**
 - RC drilling over 3 main target areas
- **Mt Deans Lithium:**
 - Submission to DBCA on Timber Reserve to allow granting of lease

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, 2018.

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 P25/2117 P25/2118 P25/2154 P25/2103 P25/2119 P25/2215 P25/2216	75% Southern Gold Limited JV Southern Gold can earn up to 90%	75% Southern Gold Limited JV Southern Gold can earn up to 90%
		0% - Relinquished

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		0% - Relinquished
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 E25/526 P25/2333 P25/523 M25/104	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
E25/571	Under application by Aruma Exploration Pty Ltd	Under application by Aruma Exploration Pty Ltd

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

Beowulf	Interest at beginning of Quarter	Interest at end of Quarter
E28/1900 E28/1901 E28/2086 E28/2087 E28/2706 E28/2707 E28/2713 E28/2714 E31/1165	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

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