3 June 2019

ASX Announcement

Aruma provides Exploration Update

Highlights

- **Results from drilling program at Kopai Gold Project received – multiple intersections of anomalous gold returned**
- **PoW for next phase of drilling at Slate Dam and Beowulf Gold Projects submitted**
- **Slate Dam and Beowulf drill targets generated from results of highly successful high resolution airborne electromagnetic (AEM) survey**
- **Total of 18 high priority targets identified from 411km² AEM survey over both projects**
- **These targets are planned to be progressively drill tested in coming quarter**

Eastern Goldfields explorer, **Aruma Resources Limited** (**ASX: AAJ**) (**Aruma** or **the Company**) is pleased to provide the following update on exploration activities at its portfolio of gold projects (Figure 1) in the Eastern Goldfields of Western Australia.

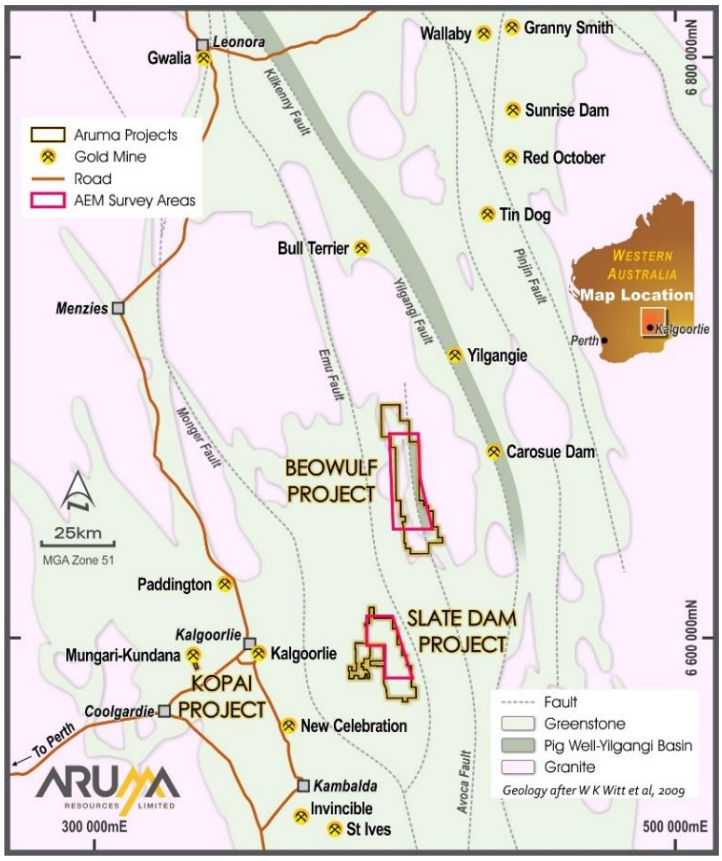

Figure 1 **Regional Geological plan of the Aruma leases with the AEM survey areas shown in red**

ASX: AAJ

Capital Structure
621M Shares on Issue
12M Options on issue

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

Active Lithium Projects

MT DEANS Li PROJECT

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Kopai Drilling

Aruma recently completed its maiden drilling program at the Kopai Gold Project, located 20km west of Kalgoorlie, directly along strike of Evolution Mining's (ASX: EVN) major White Foil gold mine.

The drill program at Kopai consisted of 14 Reverse Circulation (RC) holes for a total of 1,947 metres (with drilling depths to around 150 metres), targeting a 2.8km strike length on the Strzelecki Trend. Drilling was designed to test for gold anomalism in historic auger holes at the Project (Figure 2).

All results have now been received. Anomalous gold intersections were made in three holes, and appear to be related to the tungsten anomalies within the target area. This was highlighted by the intersection in the last hole (KRC14), which targeted the eastern tungsten anomaly, and intersected 1m at 0.66g/t gold (Au) within a broader zone of 3m of 0.4g/t Au from a depth of 51 metres (Table 1).

Based on the encouraging result in hole KRC14, the Company will now plan for targeted, follow up drilling in this area in the next phase of drilling

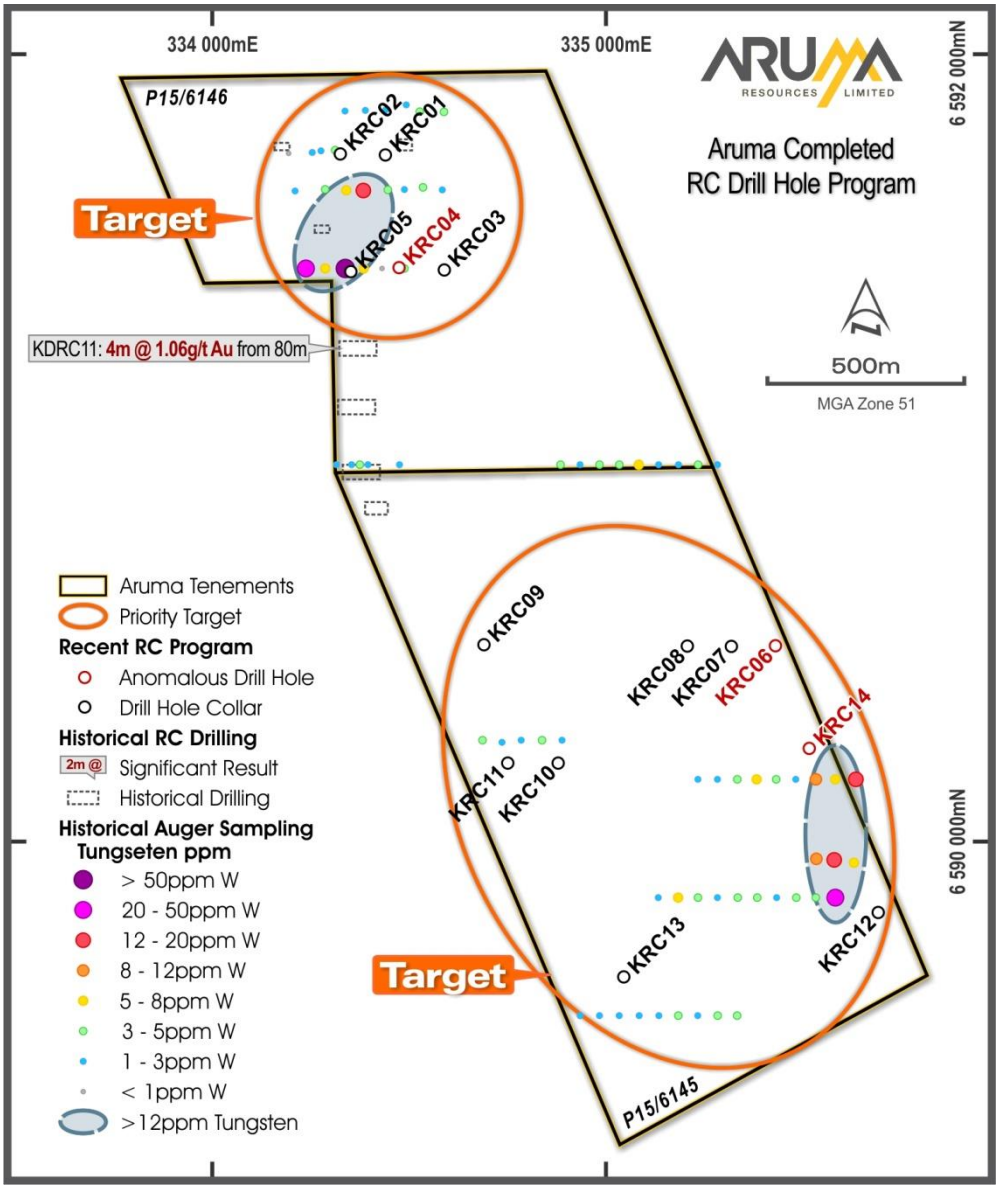

Figure 2. The location of completed drilling with tungsten geochemistry

Hole_ID	MGA_E	MGA_N	RL	From (m)	To (m)	Au g/t	Total_Depth (m)
KRC04	334650	6591450	365	23	24	0.131	138
KRC06	335300	6590500	365	35	36	0.143	150
KRC06	335300	6590500	365	137	138	0.353	150
KRC14	335325	6590250	365	51	52	0.477	138
KRC14	335325	6590250	365	52	53	0.664	138
KRC14	335325	6590250	365	53	54	0.101	138

All holes were drilled at Azimuth 90° magnetic at -60° dip

Table 1 Anomalous drill results (Au >0.1g/t)

The Kopai drill targets contain mainly coarse mafic to intermediate volcanoclastic-sourced greywackes and carbonaceous pyritic shale. The alteration and minor gold mineralisation was consistent with the Company's exploration model for the Project, and will help enhance its knowledge base and understanding for follow up exploration.

Next Phase of Drilling

Aruma is pleased to advise that it has now completed the submission of program of works (PoWs) for the next phase of drilling at the Slate Dam Gold Project and Beowulf Gold Project, and expects to be in a position to commence drilling at both projects in the next quarter.

As previously announced, Aruma recently completed a detailed and comprehensive airborne Electromagnetic survey (AEM) over the Slate Dam and Beowulf project areas (ASX announcement, 27 March 2019). The results of which were highly encouraging and have helped the Company to identify and define a total of 18 priority drill targets, which it plans to systemically drill.

Background to AEM Survey Results

- Interpretation and targeting undertaken by independent geophysical consultants Terra Resources of Perth in conjunction with Aruma personnel.
- Eighteen medium-high to very high class AEM targets have been identified for follow up work.
- These targets potentially represent sulphides associated with gold mineralisation (Table 2)

Targets	Class	Slate Dam	Beowulf
7	very high	4	3
8	high	4	4
3	medium-high	1	2
18		**9**	**9**

Table 2 Target Distributions

Targets were ranked using EM conductors, alteration, structure, stratigraphy and intrusive relationships along with new gold soil geochemistry and are shown in Figure 3.

This process involved using data from the high resolution AEM Survey, new magnetics as well as the new geochemistry at Beowulf, and regional databases at Slate Dam. In addition, public domain gravity was used to confirm stratigraphy.

The ranking of the AEM-Magnetic anomalies was assisted by the results of Aruma's major soil sampling program for gold conducted in late 2018 and early 2019. The soil sampling program collected 3,000 samples on 500 metre spaced east-west lines at a 100 metre spacing. The samples were sieved at 80 microns and assayed by ALS in Perth - using the Au-ST43 method involving a 25g aqua regia extraction, with ICPMS finish for a detection limit of Au 0.0001ppm (0.1ppb) for soil and sediment samples.

The results of the soil sampling showed a maximum value of 29.5ppb Au with some 92 samples above 5ppb Au. This is considered an outstanding result in an area that has thick soil cover as well as a paleochannel that can be seen in the AEM results.

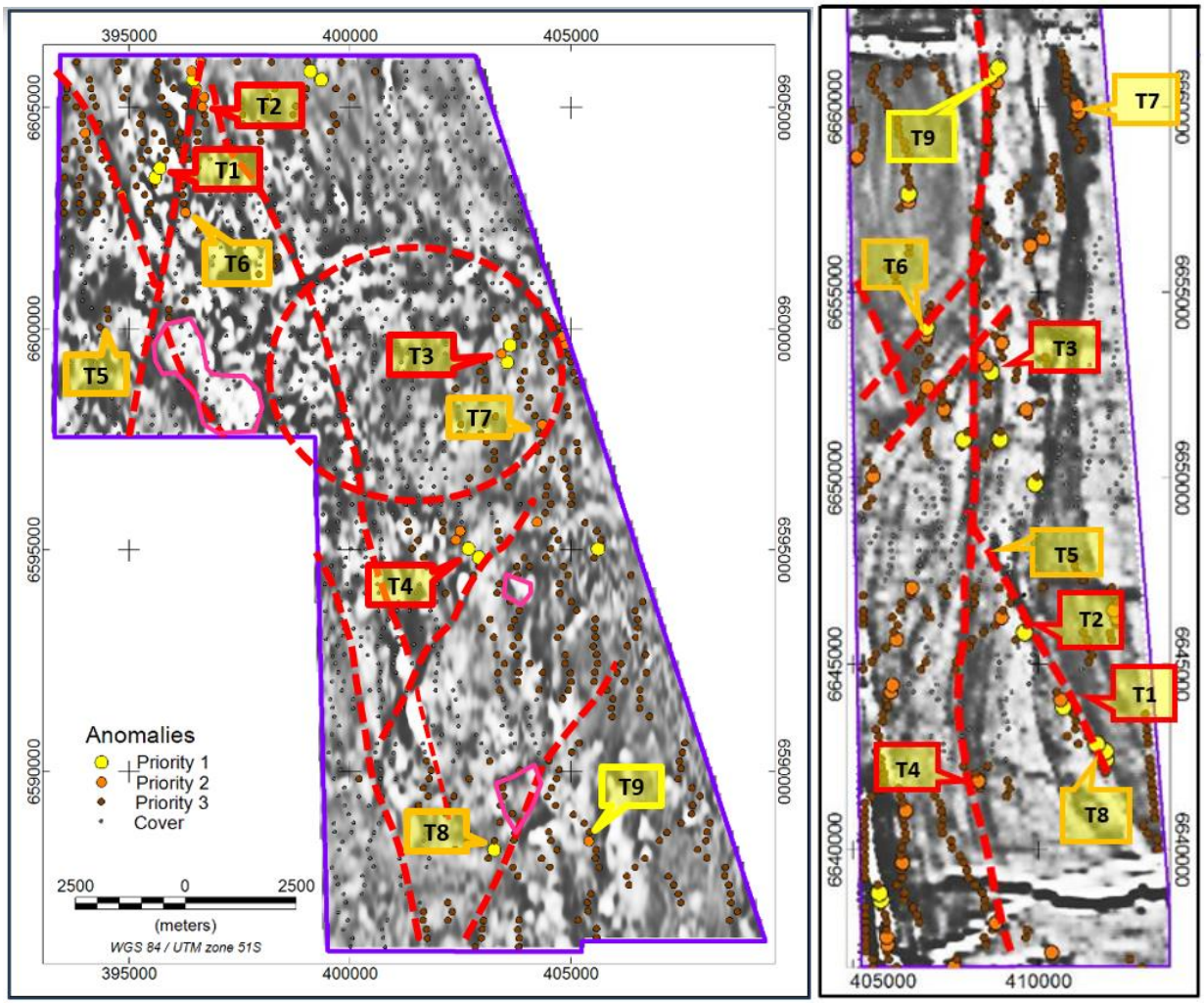

Figure 3 Ranked anomalies shown on 1VD RTP Magnetics for Slate Dam (left) and Beowulf (right)

Outcomes

The results of AEM survey and the soil sampling program have defined high priority targets for the Company's next phase of drilling and exploration. This exploration is "Greenfields", being associated with interpreted new greenstone belts by Aruma that have proven gold endowment and mineralised structure in rocks that host very large Tier 1 gold deposits in surrounding areas. These targets are being refined and are planned to be progressively drill tested.

Managing Director Peter Schwann stated:
"The AEM study constituted the initial part of the exploration at the Slate and Beowulf Projects, and with this complete and the results interpreted, we are now in a position to plan for drill testing of the priority targets. The initial identification of greenstone belts with gold anomalies and structure located on EM conductors represent very high priority new drill targets in geology very similar to the major Carosue and Invincible gold deposits."

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 historic exploration results reported have been sourced from the Western Australian Mineral Exploration reports (WAMEX) on the DMIRS site and are available to be viewed on the WAMEX open file site of the DMIRS under the reference number supplied. The Company confirms it is not aware of any new information that materially affects the information included in the original reports.

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, 2019.*

AMEC
ASSOCIATION OF MINING AND EXPLORATION COMPANIES
2019 MEMBER

Section 1 Sampling Techniques and Data

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 from depth down hole. • All samples were 25g charge assayed according to Fe and Cl content to ensure best accuracy. High Cl precludes FA and High Fe, S and CO3 is not recommended for AR.
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 RC rigs 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 endeavors were used to ensure sample recovery and splitting gave the best quality possible.
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*	• All samples were logged geologically and qualitatively. Quantitative logging is a waste of time due to smearing and SG differences of the different constituents

Criteria	JORC Code explanation	Commentary
	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.*	
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. Where sample quality precluded riffle splitting, the material was tube sampled. • 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 are industry standards. • 2 Duplicate samples were taken every hole
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 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.*	• Initial hole layout was by GPS. Australian Standard licenced surveyors were used to position the drill holes where required.

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All locations are UTM (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 spacing was chosen to give overlapping holes • No compositing was done
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.*	• All holes drilled as close to tangential as possible.
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.*	• The last program used internal standards and this program used duplicates

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.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Listed in Previous Work

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Detailed in exploration model.

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.*
		• Complete.

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').*	• Sections are used but no estimates are made unless the angle of intersection is consistent.
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

Criteria	JORC Code explanation	Commentary
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.*	• Null results are not reported and minimum intersection grades are reported and detailed in each table.
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.*	• Historical Data and figures and the relationship with the Aruma exploration and genesis model are detailed.
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.