

29 April 2020
ASX Announcement

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2020

Highlights

- Detailed assessment of current project portfolio completed
- Project portfolio to be rationalised to focus on core assets and allow scope for new project acquisition
- New project opportunities currently being assessed
- Beowulf and Goddards Dam projects relinquished

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to provide the following report on its activities for the quarter ending 31 March 2020.

Aruma has undertaken multiple targeted drill programs at its core Slate Dam Project, as well as drilling at the Beowulf, Kopai and Clinker Hill project areas.

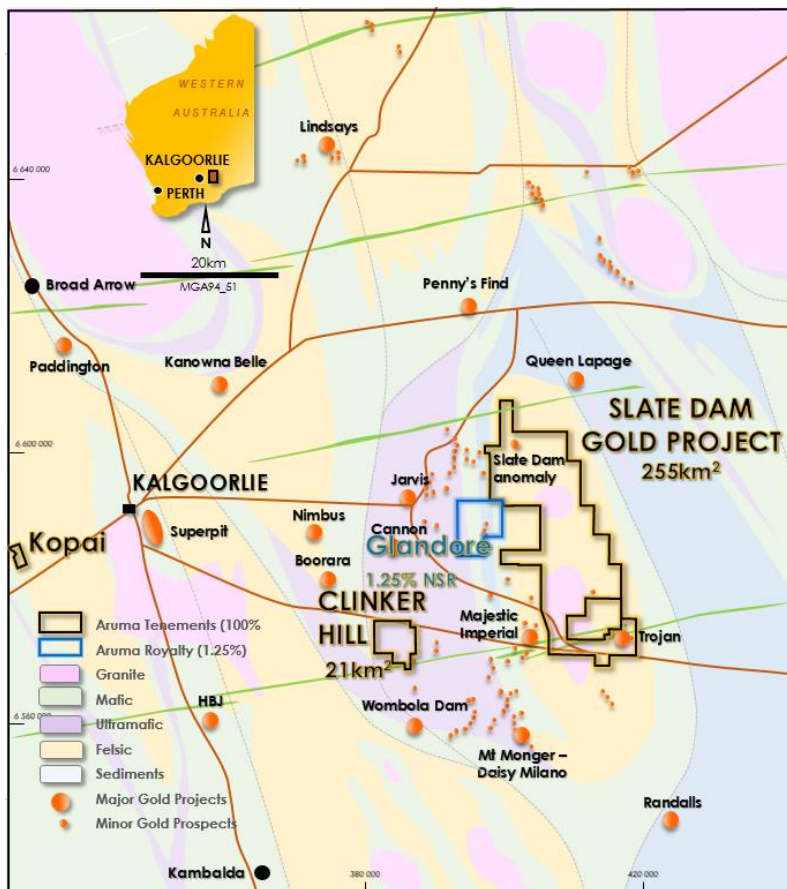


Figure 1: Regional Geological plan of Aruma leases

ASX: AAJ

Capital Structure

709M Shares on Issue
8M Options on issue

Cash: \$740,000
(31/03/2020)

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

TROJAN RESOURCE

Head Office

Level 1, 6 Thelma Street
West Perth, WA 6005

T +61 8 9321 0177

F +61 8 9226 3764

E

info@arumaresources.com

W

www.arumaresources.com

Postal Address

PO Box 152
West Perth, WA 6872

ABN 77 141 335 364

PROJECT PORTFOLIO RATIONALISATION

Following a review of the project portfolio, Aruma has taken the decision to reduce the area it holds in the Eastern Goldfields with the relinquishment of the Beowulf Project and the Goddards Dam Project. This will allow Aruma to focus on core assets and allow scope to pursue new potentially value-accretive projects.

Also, as a result of the Company's assessment of its ground holding, Aruma now plans to divest the Kopai Project and the Clinker Hill Project. The Company will provide details of material progress on this divestment process as it comes to hand.

NEW PROJECT OPPORTUNITIES

In conjunction with its project rationalisation measures, Aruma is currently assessing a number of new project opportunities in Western Australia.

As recommended by UWA Professor David Groves in 2015 on the preferred project selection:

"The locations of most gold deposits are strongly controlled by first-order structures. By district-scale exploration based on proximity to these the currently declining exploration success rate can be reversed."

Aruma's assessment of project opportunities in WA is based on identifying new regional targets with demonstrated prospectivity in an area that is currently revealing new world class discoveries.

GLANDORE ROYALTY

The Glandore Leases were sold by Southern Gold Limited (ASX: SAU) as part of the Cannon Mine Sale to a private Kalgoorlie gold producer and Aruma retains its 1.25% net smelter royalty in this project.

MT DEANS JOINT VENTURE

The Mt Deans is in a joint venture with Lithium Australia NL (ASX: LIT). Under the agreement with LIT, Aruma has been reimbursed costs of \$30,745 associated with securing the project and LIT has issued Aruma 1.6 million LIT shares to earn a 50% interest in the project. LIT can earn an 80% interest by keeping the tenement in good standing for 18 months from grant and issuing Aruma with a further \$50,000 worth of LIT shares.

CORPORATE

The Company had a cash balance at 31 March of approximately \$740,000.

The Company's expenditure commitments have been significantly reduced with the relinquishment of a number of project areas and management has undertaken a review to reduce corporate overheads to a minimum during this current period of uncertainty. Fees and salaries for all directors have been reduced by half and a number of contractors have agreed to reduced and/or deferred fees for the next six months.

PAYMENTS TO RELATED PARTIES OF THE ENTITY AND THEIR ASSOCIATES

Appendix 5B, Section 6.1 – description of payments:

Non-executive director fees	\$11,250	(including applicable superannuation)
Managing Director salary	\$25,000	(including applicable superannuation)
Provision of equipment and vehicles by Schwann Consulting Pty Ltd	\$1,224	Schwann Consulting Pty Ltd is an entity associated with Managing Director, Peter Schwann. The fees are charged on normal commercial terms and are not for services provided by Mr Schwann.
	\$37,474	

PROJECTS SUMMARY

EASTERN GOLDFIELDS	Kalgoorlie Projects	<ul style="list-style-type: none"> ▪ Glandore Gold Project –Aruma holds a 1.25% net smelter royalty
		<ul style="list-style-type: none"> ▪ Slate Dam – possible drilling on Trojan extensions ▪ Trojan - new scoping studies to be completed ▪ Beowulf and Goddards Dam - area relinquished ▪ Clinker Hill – area to be sold or relinquished ▪ Kopai – area to be sold or relinquished

Table 1: Gold Project Status and Activity Table

Authorised for release by Peter Schwann, Managing Director.

FOR FURTHER INFORMATION PLEASE CONTACT:

Peter Schwann
Managing Director

Aruma Resources Limited
Telephone: +61 8 9321 0177
Mobile: +61 417 946 370
Email: info@arumaresources.com

James Moses
Media and Investor Relations

Mandate Corporate
Mobile: +61 420 991 574
Email: james@mandatecorporate.com.au

Aruma Resources Limited is a proud supporter and member of the Association of Mining and Exploration Companies, 2020.



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.

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

Glandore (Gold)	Interest at beginning of Quarter	Interest at end of Quarter
M25/327 M25/329 M25/330 P25/2154	1.25% net smelter royalty	1.25% net smelter royalty

Goddards Dam (Gold)	Interest at beginning of Quarter	Interest at end of Quarter
P25/2202 P25/2203 P25/2204 P25/2388 P25/2400 P25/2401 P25/2402 P25/2389	100% Aruma Exploration Pty Ltd	Nil

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 E25/571	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Clinker Hill	Interest at beginning of Quarter	Interest at end of Quarter
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	Nil

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	100% Aruma Exploration Pty Ltd	50% Aruma Exploration Pty Ltd