

15 July 2020

ASX Announcement

EXPLORATION LICENCES GRANTED AT SALTWATER GOLD PROJECT

First Phase of Exploration to Commence

Highlights

- Aruma has secured the grant of Exploration Licences EL52/3816, EL52/3818 and EL52/3825 at its Saltwater Gold Project in the Pilbara region of Western Australia
- The licences cover priority target areas at the Projects - Saltwater, Monster and Big Hill Anomalies
- A Standard Heritage agreement in place
- The first phase of exploration will include;
 - Mapping and rock chip sampling targeting outcropping areas at the Saltwater, Monster and Big Hill targets.
 - Re-appraisal of the geophysics and GeoVIEW records
 - Priority drill targets to be tested by the first phase of drilling.

Aruma Resources Ltd (AAJ) is pleased to announce the grant of Exploration Licences at the Company's 100%-owned Saltwater Gold Project in the Pilbara region of Western Australia, and plans for the first phase of exploration at the Project.

Aruma has successfully secured the grant of Exploration Licences EL52/3816, EL52/3818 and EL52/3825 at the Saltwater Project. The granted licences cover Aruma's large-scale priority target areas at the Project; the Saltwater Anomaly, the Monster Anomaly and the Big Hill Anomaly (see Figure 1, Project location map).

The Company has signed Heritage Agreements for the Saltwater project area in place and leaseholder support.

The Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) has been able to grant the licences using the expedited procedure of the Native Title Act, which now paves the way for the first phase of on-ground exploration at Saltwater.

The Project area is interpreted to cover a strike extent of more than 65km of the highly significant Nanjilgardy fault, the same regional structure reported as the primary source of gold mineralisation at Northern Star Resources' (ASX: NST) Paulsens Gold Mine and the Mt Olympus Gold Mine in the region.

ASX: AAJ

Capital Structure

821 M Shares on Issue

8M Options on issue

Board of Directors

Non-Executive Chairman

Paul Boyatzis

Managing Director

Peter Schwann

Non-Executive Director

Mark Elliott

Company Secretary

Phillip MacLeod

Yilgarn Gold Projects

SLATE DAM

TROJAN RESOURCE

SCOTIA SOUTH

Pilbara Gold Projects

MELROSE

SALTWATER

NSW Gold Project

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The Saltwater Project is an exciting gold exploration opportunity in what Aruma views as a highly prospective, under explored area – with the potential to host substantial gold deposits.

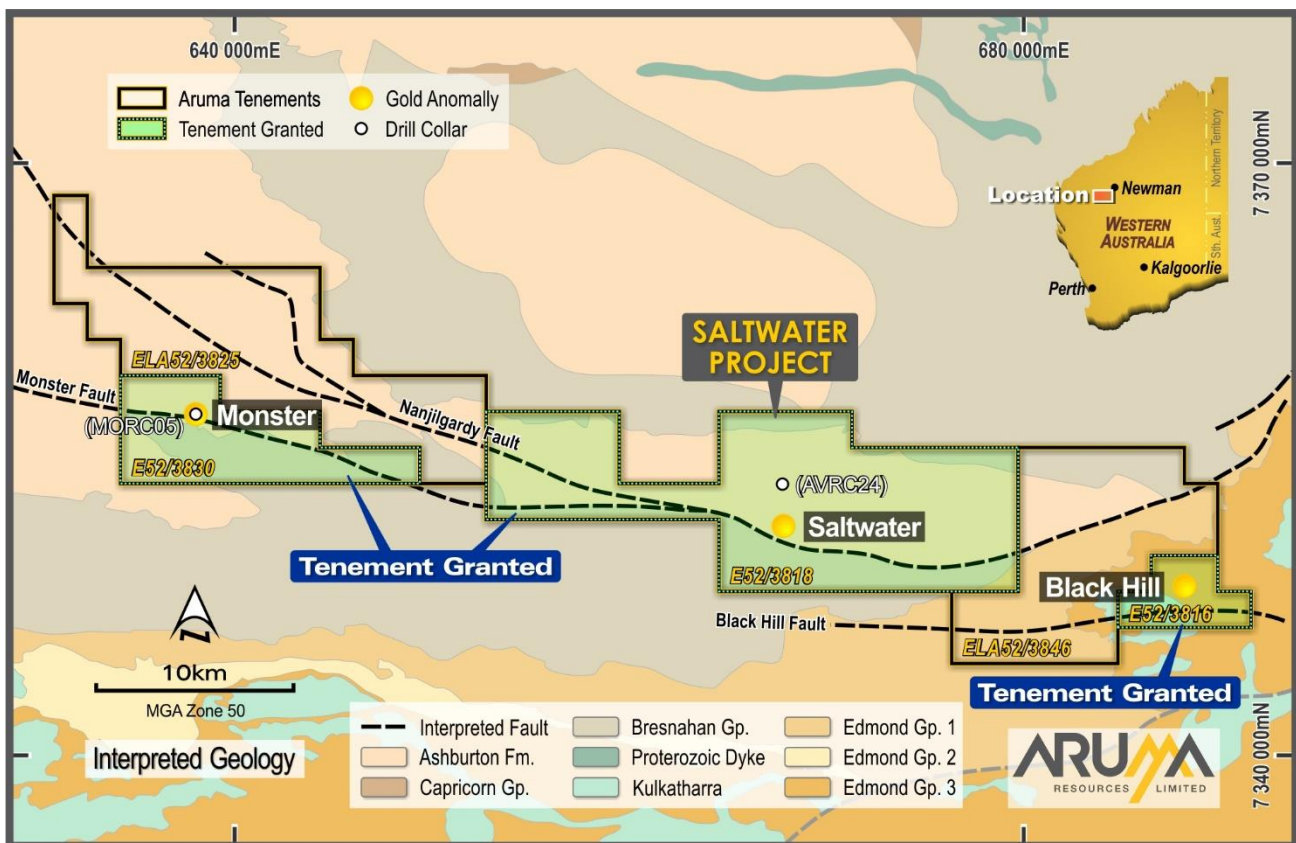


Figure 1: Aruma's Saltwater Project area (yellow outlined) on 500K geology with Faults and anomalies

First Phase of Exploration

With the Exploration Licences granted and Heritage Agreement in place, Aruma has commenced plans for its first phase of exploration at the Saltwater Project. An initial reconnaissance site visit to the Project has been completed to inspect the geological setting and zones of anomalous mineralisation and previous mining activities. The reconnaissance visit identified the presence of outcropping carbonate-sulphide alteration with associated quartz veining as shown in Figures 2 and 3. This area was explored in the 1980s with excavation and prospecting.

The Company now plans to undertake a detailed mapping program in conjunction with a rock chip and soil sampling program in the coming months, targeting the outcropping areas at a large 60km² magnetic ring structure (the Saltwater Ring Structure). These outcropping areas will be the initial focus of the exploration program, to define and understand the hydrothermal alteration and its association with the Saltwater Ring structure.

This initial exploration program will focus on identifying the stratigraphic and alteration control of mineralisation identified in work by previous explorers to quickly identify drilling areas and targets..

Aruma will apply for a program of work (PoW) and other regulatory approvals required for drilling, ahead of the first phase of drilling at Saltwater which it expects to be undertaken as soon as possible.



Figure 2 Photograph showing the carbonate - sulphide- quartz alteration at Saltwater



Figure 3 Photograph showing the alteration and old pushed up areas at Saltwater

Background to Exploration Targets

The presence of the major Nanjilgardy fault running through the entire project area in combination with the presence of gold anomalism and previous mining activities at multiple areas confirms the Company's positive view on the prospectivity of the Saltwater Project.

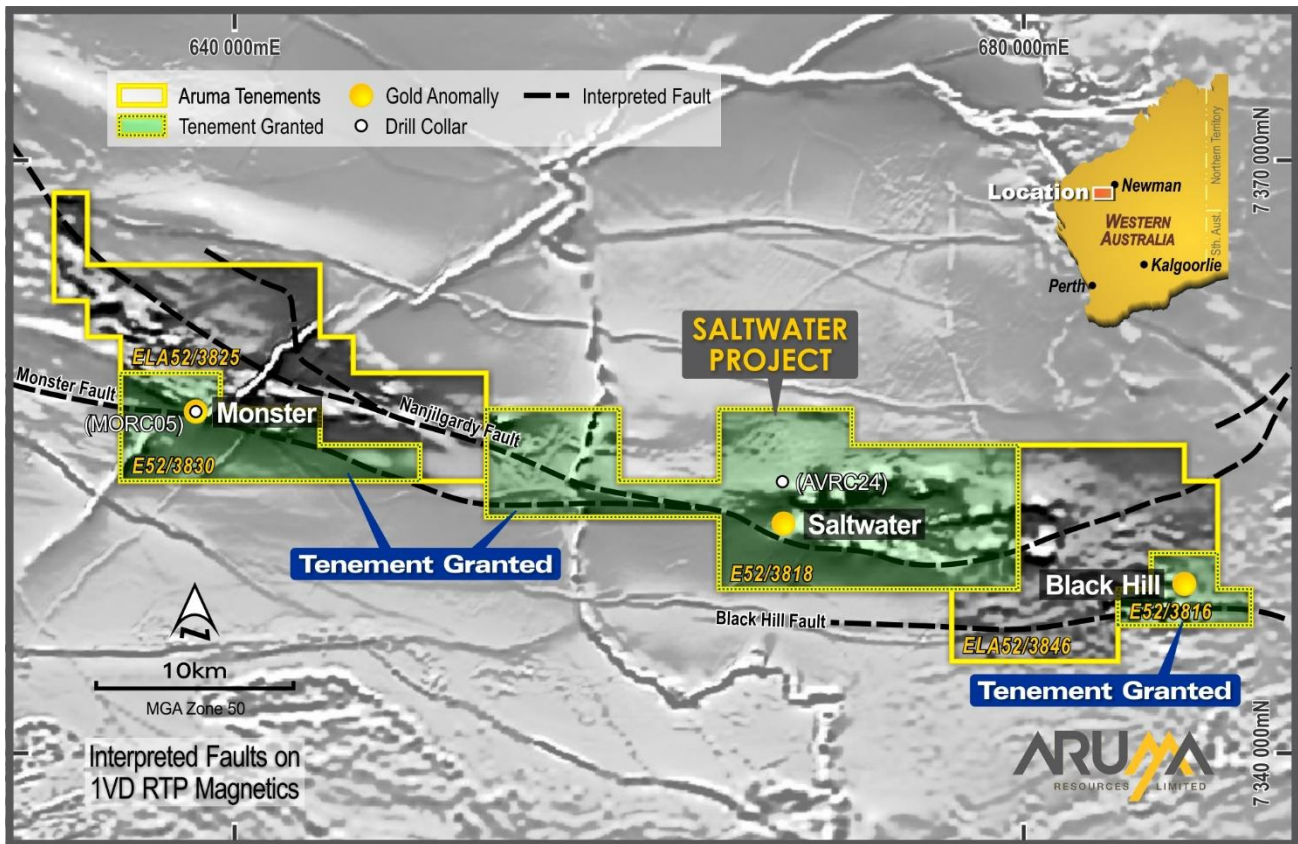


Figure 4: Aruma's Saltwater Project (yellow outlined) on 1VD Magnetics with the Monster and Saltwater Ring magnetic structures clearly visible anomaly

The Saltwater anomaly is situated on the western extremity of a large >60km² magnetic ring structure (the Saltwater Ring Structure), which was partly defined by the previous AEM Survey (refer ASX announcement 12 May 2020), and is now fully covered (in EL52/3818) as shown in Figure 4 above.

The Saltwater Ring Structure is a large co-incident magnetic and conductivity anomaly, which is some 16km long and covers a total area of 60km². Only the western third of the area is outcropping (as evidenced by previous small-scale mining and prospecting), with the rest being under cover. The non-outcropping eastern area makes the Saltwater target significant, with known structure-stratigraphic controls and demonstrated gold endowment.

The exciting geophysical structures seen in the Saltwater Ring structure are thought to represent the older Mt McGrath Formation-Cheela Springs Basalt, which are associated with the Mt Olympus Orebody, and this will be investigated in the coming quarter.

About the Saltwater Project

The Saltwater Gold Project now consists of the three granted Exploration Licences (EL52/3816, ELA52/3818, EL52/3825) and two Exploration Licence Applications (ELA52/3830 and ELA52/3846), and covers a total area of 463km². The Project is located approximately 100 kilometres south-west of the regional mining centre of Newman.

The Project is interpreted to be situated on the same regional structure (the Nanjilgardy Fault) reported as the primary source of gold mineralisation at Northern Star's Resources' Paulsens Gold Mine and at the Mt Olympus Gold Mine in the region. This structure cuts similar age rocks as the two Mines and has strong gold mineralisation indicators.

The Saltwater Project was pegged last quarter (ASX announcement 11 May 2020) following a review by Aruma of its project holdings, designed to rationalise the current project portfolio and to pursue new potentially value-accretive projects, with potential to host large scale gold deposits.

Aruma's initial assessment of the Project has defined several anomalous areas with positive indicators of alteration and gold mineralisation.

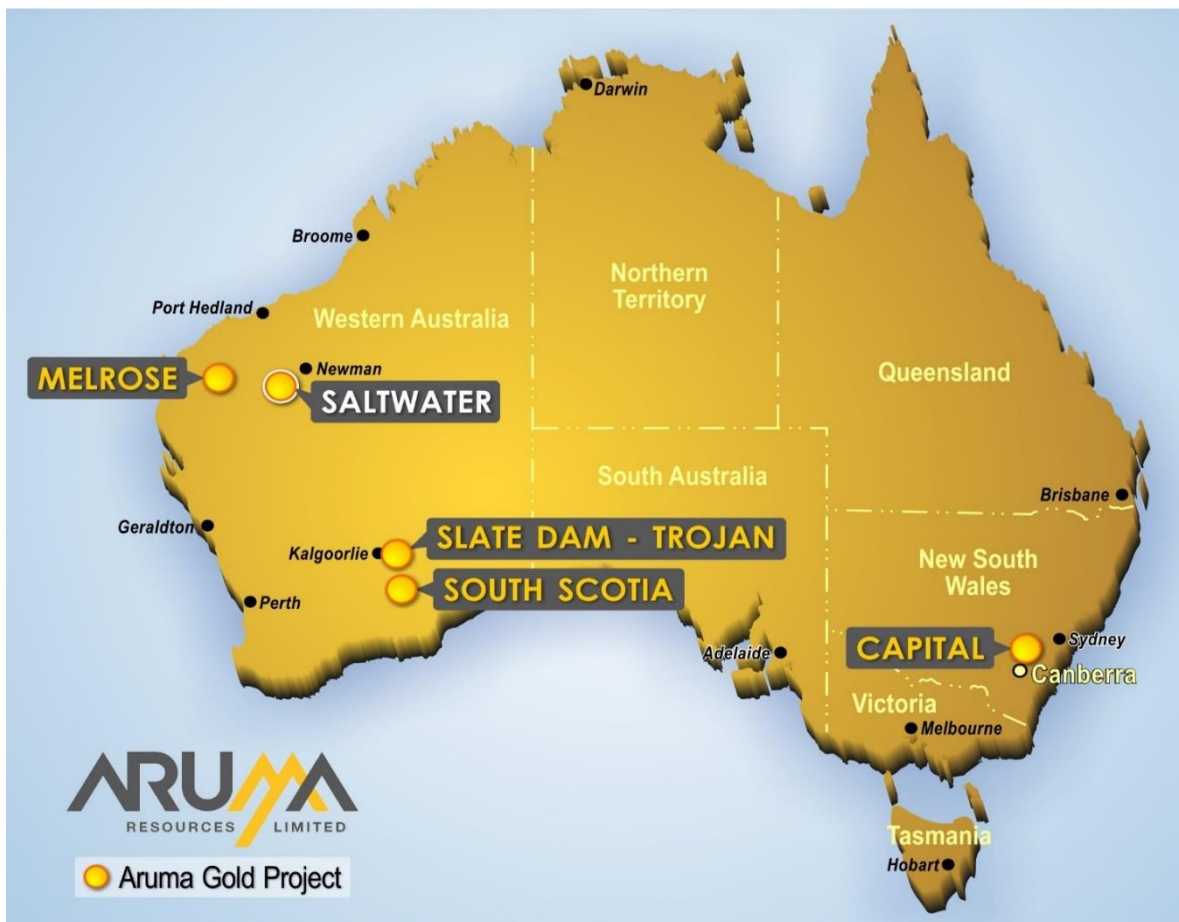


Figure 5: Aruma's Gold Project Portfolio

Authorised for release by Peter Schwann, Managing Director.

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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.

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.