Aruma Resources Limited
ABN 77 141 335 364
ASX: AAJ

ASX ANNOUNCEMENT
14 January 2015

COPPER ASSAYS CONFIRM SCALE AT BULLOO DOWNS

- **Bulloo Downs Copper Project**
  - **High grade >1% Cu assays intersections at three Prospects**
  - **Thickness and grade demonstrated in initial drilling phase**

Gold and copper explorer **Aruma Resources Limited (Aruma) (ASX:AAJ)** is pleased to advise the assays from the 2,708m RC drilling program at its **Bulloo Downs Copper Project (Bulloo Downs)** in Western Australia have been received and are detailed below in Table 1 for assays >0.5% Cu.

Aruma Managing Director Peter Schwann said: "These final results for the first pass drilling confirm the portable XRF results *(ASX release 17 December 2014)* in what is proving to be an important new region for copper mineralisation."

Hole	Prospect	Easting	Northing	RL	Depth	Az.	Dip	From	To	Note	int.	Cu%
BLRC03	Lachlan	752575	7345113	562	96	165	-60	75	85		10	0.50
BLRC03	Lachlan	752575	7345113	562	96	165	-60	79	84	incl.	5	0.87
BLRC03	Lachlan	752575	7345113	562	96	165	-60	79	82	**incl.**	**3**	**1.33**
BLRC03	Lachlan	752575	7345113	562	96	165	-60	79	81	**incl.**	**2**	**1.77**
BLRC04	Lachlan	752535	7345086	566	102	150	-60	75	80		5	0.58
BLRC04	Lachlan	752535	7345086	566	102	150	-60	76	80	incl.	4	0.70
BMRC20	Madison E	751914	7348941	550	60	340	-60	17	20		3	0.57
BMRC21	Madison W	750635	7348785	554	60	170	-60	20	23		**3**	**2.82**
BMRC21	Madison W	750635	7348785	554	60	170	-60	20	22	**incl.**	**2**	**4.18**
BMRC21	Madison W	750635	7348785	554	60	170	-60	21	22	**incl.**	**1**	**8.05**
BMRC22	Madison W	750618	7348784	556	60	180	-60	23	27		4	0.67
BMRC22	Madison W	750618	7348784	556	60	180	-60	24	27	incl.	3	0.87
BMRC22	Madison W	750618	7348784	556	60	180	-60	24	26	incl.	**2**	**1.24**
BMRC23	Madison W	750666	7348798	554	66	185	-60	29	31		2	0.75
BSRC01	Scotties	770716	7338349	603	100	170	-60	40	42		2	0.66
BSRC01	Scotties	770716	7338349	603	100	170	-60	40	41	**incl.**	**1**	**1.02**
BSRC03	Scotties	770766	7338358	599	60	180	-60	42	45		3	0.59
BSRC03	Scotties	770766	7338358	599	60	180	-60	43	45	incl.	2	0.86
BSRC03	Scotties	770766	7338358	599	60	180	-60	43	44	incl.	**1**	**1.59**

Table 1 **RC drilling intersections >0.5% Cu at the Bulloo Downs Copper Project. Grades >1% Cu are in bold. .**

Note: All intersections are down hole, no estimate of true thickness made as all holes were drilled across dip. All co-ordinates are GDA94 and azimuths are magnetic, with measurements in metres.

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The results in Table 1 confirm the grade and thickness of the copper mineralisation in three dimensions for the majority of the target zones in the original Madison-Lachlan-Chandra areas and the new Scotties area. The drilling in March 2014 at Madison West demonstrated that the copper mineralisation persisted at depth in BMRC13 (4m at 2.2% Cu from 51m) and now it is extended to the other prospects as well. In defining grade, thickness and extent, the drilling is just the first step in developing Bulloo Downs into another important copper centre in the Gascoyne-Pilbara Proterozoic belt.

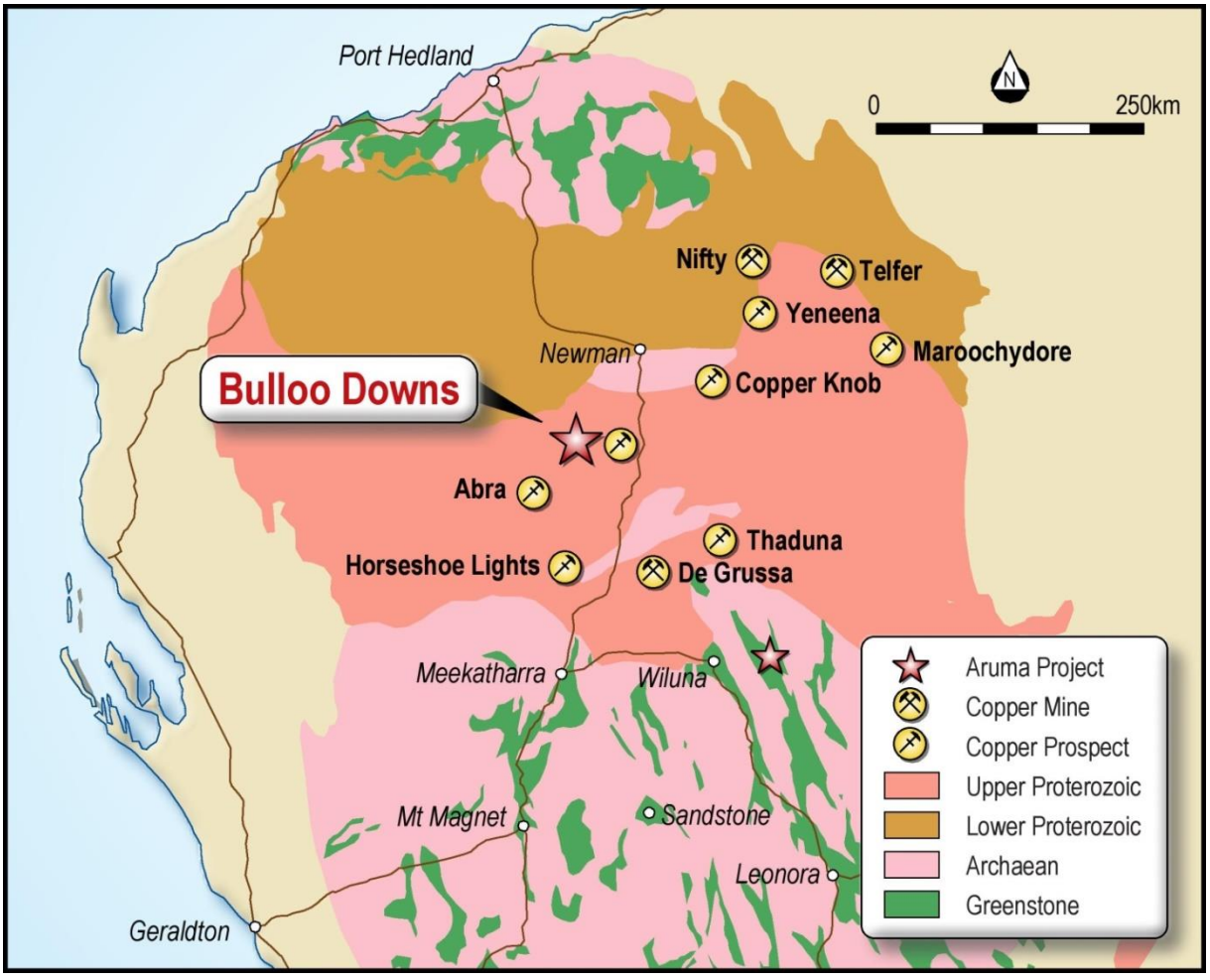

Figure 1 Bulloo Downs location in the Gascoyne-Pilbara Proterozoic belt with major copper occurrences

Figure 1 above shows the current and potential copper mines in the Proterozoic belt of the Gascoyne-Pilbara. This area not only hosts world class copper mines and prospects with some 5Mt of contained copper in published resources, but also world class iron, manganese, gold and uranium deposits. All these large deposits are in similar age host rock, are on major structures and are hydrothermal style deposits.

COPPER ASSAYS CONFIRM SCALE AT BULLOO DOWNS

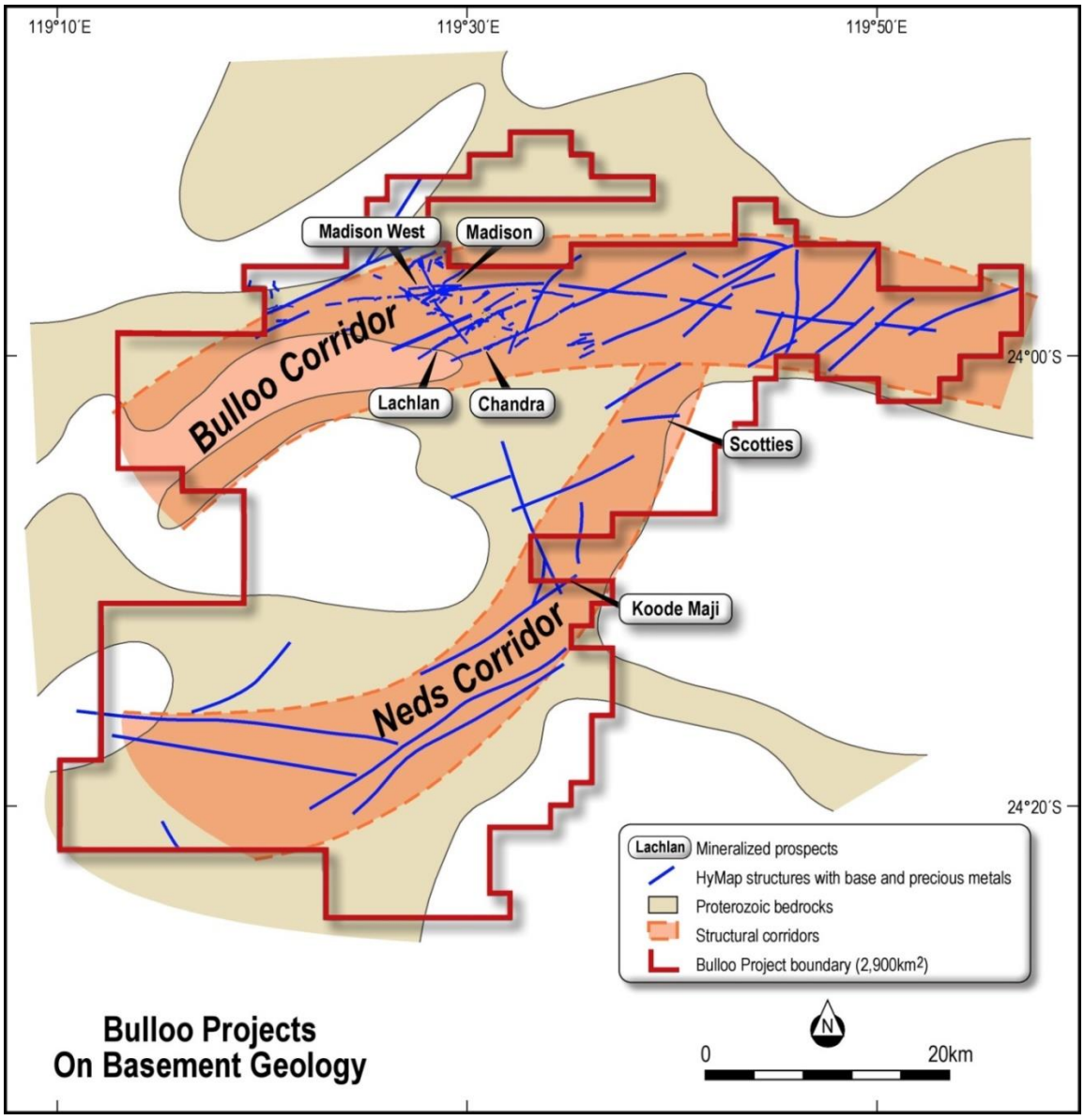

Figure 2 Bulloo Copper Project showing the six locations of assayed drill intersections. Only a small percentage of the 50km-plus corridors has been tested.

Bulloo Downs is of a major scale, with some 2,900km^2 (50km north-south by 60km eat-west) of ground under option or pegged directly (Figure 2). The locations that have been drilled were chosen only after extensive analysis to determine the most prospective targets in the available leases where title and heritage clearance allowed. The potential of the belt is now apparent and the sampling and mapping of all the new trends will continue in the coming year. This exciting result confirms the scope, mineralisation style and grade in the two corridors shown above in Figure 2. Aruma drilled eight defined Tier 1 targets and encountered copper mineralisation (>0.1% Cu) in six as detailed in Table 2 below.

Hole	Location	Easting	Northing	RL	Depth	Az.	Dip	From	To	Note	int.	Cu%
BCRC01	Chandra	754948	7344064	567	90	160	-60	71	79		8	0.17
BLRC02	Lachlan	752605	7345136	567	114	180	-60	86	88		2	0.15
BLRC03	Lachlan	752575	7345113	562	96	165	-60	75	85		10	0.50
BLRC03	Lachlan	752575	7345113	562	96	165	-60	79	84	incl.	5	0.87
BLRC03	Lachlan	752575	7345113	562	96	165	-60	79	82	incl.	3	1.33
BLRC04	Lachlan	752535	7345086	566	102	150	-60	64	80		16	0.25
BLRC04	Lachlan	752535	7345086	566	102	150	-60	64	72	incl.	8	0.12
BLRC04	Lachlan	752535	7345086	566	102	150	-60	75	80	incl.	5	0.58
BLRC04	Lachlan	752535	7345086	566	102	150	-60	76	80	incl.	4	0.70
BMRC14	Madison E	751870	7348955	560	60	145	-60	31	35		4	0.22
BMRC16	Madison E	751886	7348974	561	90	150	-60	49	53		4	0.28
BMRC16	Madison E	751886	7348974	561	90	150	-60	49	52	incl.	3	0.34
BMRC20	Madison E	751914	7348941	550	60	340	-60	15	28		13	0.29
BMRC20	Madison E	751914	7348941	550	60	340	-60	17	20	incl.	3	0.57
BMRC21	Madison W	750635	7348785	554	60	170	-60	20	23		3	2.82
BMRC21	Madison W	750635	7348785	554	60	170	-60	20	22	incl.	2	4.18
BMRC21	Madison W	750635	7348785	554	60	170	-60	21	22	incl.	1	8.05
BMRC22	Madison W	750618	7348784	556	60	180	-60	21	37		16	0.21
BMRC22	Madison W	750618	7348784	556	60	180	-60	23	27	incl.	4	0.67
BMRC22	Madison W	750618	7348784	556	60	180	-60	24	27	incl.	3	0.87
BMRC22	Madison W	750618	7348784	556	60	180	-60	24	26	incl.	2	1.24
BMRC23	Madison W	750666	7348798	554	66	185	-60	29	31		2	0.75
BMRC25	Madison W	750592	7348796	552	78	180	-60	41	46		5	0.29
BSRC01	Scotties	770716	7338349	603	100	170	-60	40	43		3	0.45
BSRC01	Scotties	770716	7338349	603	100	170	-60	40	42	incl.	2	0.66
BSRC01	Scotties	770716	7338349	603	100	170	-60	40	41	incl.	1	1.02
BSRC02	Scotties	770741	7338351	603	100	170	-60	40	41		1	0.16
BSRC03	Scotties	770766	7338358	599	60	180	-60	42	45		3	0.59
BSRC03	Scotties	770766	7338358	599	60	180	-60	43	45	incl.	2	0.86
BSRC03	Scotties	770766	7338358	599	60	180	-60	43	44	incl.	1	1.59
KMRC01	Koode Magi	762322	7324813	616	100	310	-60	54	56		2	0.11
KMRC01	Koode Magi	762322	7324813	616	100	310	-60	73	76		3	0.11
KMRC02	Koode Magi	762331	7324855	616	60	310	-60	36	38		2	0.12
KMRC04	Koode Magi	762361	7324830	616	110	310	-60	93	102		9	0.21
KMRC04	Koode Magi	762361	7324830	616	110	310	-60	97	100	incl.	3	0.38

Table 2 Full RC drilling details at the Bulloo Downs Copper Project

(>0.1% Cu cut-off for the intercept)

Table 2 clearly demonstrates the grade and thickness of the mineralised structures at Bulloo Downs, with high grade oxide mineralisation of up to 8% Cu and thick mineralised intersections

(two returned 0.2% Cu over 16m). This powerful hydrothermal system is likely to host sulphide mineralisation and the next drilling phase will be focused on identifying this type of material.

Aruma considers the Bulloo Downs area, which contains many mapped and sampled copper outcrops, to be prospective for copper discoveries with gold, silver, lead and zinc credits. Table 3 below contains the silver assays over 1ppm to demonstrate the potential for metal credits in the area.

Hole	Location	Easting	Northing	RL	Depth	Az.	Dip	From	To	Note	int.	Ag
BLRC03	Lachlan	752575	7345113	562	96	165	-60	81	82		1	1.7
BLRC04	Lachlan	752535	7345086	566	102	150	-60	77	78		1	1.8
BMRC14	Madison E	751870	7348955	560	60	135	-60	40	41		1	1.1
BMRC21	Madison W	750635	7348785	554	60	170	-60	14	16		2	1.25
BMRC23	Madison W	750666	7348798	554	66	185	-60	35	36		1	1.4
BMRC24	Madison W	750700	7348811	557	54	180	-60	34	35		1	1.1
KMRC01	Koode Magi	762322	7324813	616	100	310	-60	54	55		1	1
KMRC02	Koode Magi	762331	7324855	616	60	310	-60	36	39		3	2
KMRC02	Koode Magi	762331	7324855	616	60	310	-60	37	39	incl.	2	2.3
KMRC04	Koode Magi	762361	7324830	616	110	310	-60	97	98		3	1.4

Table 3 Silver (Ag) assays in ppm for the RC drilling at the Bulloo Downs Copper Project (≥1ppm Ag cut-off for the intercept)

The Company is now the major landholder in the area and has secured access to both the mineralised corridors that host structures. The previous hand-held XRF assays from the mapped structures have identified mineralisation with width and strike length potentially capable of hosting copper (with lead, zinc, silver and gold credits).

With a new HyMap program just completed over all the lease areas, Aruma has extended the strike extent of the mapped structures and used these to define and confirm further mineralisation targets in conjunction with thermal mapping testing, a new technique that is described in further detail below.. Lease E52/2887, which includes the Hard to Find copper prospect has been granted recently and will also be appraised in the next program.

Thermal Mapping Testing

Subsequent to the completion of the RC drilling program at Bulloo Downs, further experimental thermal imaging was used to target mineralisation and new areas have been defined with portable XRF values to 0.5% Cu at surface. This technique also defined several new areas as well as extensions previously reported (*ASX release, 17 December 2014*).

Gold Projects

The current resurgence in the gold price vindicates Aruma's decision to persist with exploration activities at its gold projects in the Eastern Goldfields through last year. A reappraisal of the Glandore gold project will be carried out to follow up the aircore drilling on the lake at Glandore (ASX release, 18 November 2014) and the anomalies generated at Clinker Hill by geochemical sampling.

At Glandore, the highest gold values were 0.96g/t in AGAC055, 12-13m and 0.93g/t in AGAC012, 20-21m. The anomalous results coincide with interpreted structures from the previously completed Fluid Flow modelling by the CSIRO.

Aruma is encouraged by the number of prospective zones identified in this stage of drilling with the wide drill spacing used. The previously identified Steves prospect (with historical results of up to 10 metres at 2.31 g/t Au) has been extended to the north nest for some 1.1km and remains open. Three additional new targets have been identified in the most northern line drilled, a prospect between the Axial Planar and Steves, and a zone on the eastern side of Axial Planar open both to the north and south.

The results are considered high tenor for aircore holes in salt lake material, and what is significant is the thickness of the mineralised envelopes as well as the number of holes (17 out of 67) with anomalous (>0.1g/t Au) intersections.

A 1,000m RC drill program has been scheduled for early 2015 for Clinker Hill. This will investigate the strong >50ppb gold in soil anomaly which coincides with several dry blowing areas. The anomaly is continuous over 1,600m of strike and between 150 to 250m wide.

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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 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.

Appendix 1

Geological Setting

The Bulloo Downs Copper Project is located on the Newman (SF50-16) and Collier (SG50-04) GSWA 1:250,000 Geological Series map sheets. The Project area is located in the Bangemall Basin (Bangemall Group) which is middle Proterozoic (1500 Ma), and is dominated by sedimentary rock types from the Collier and Edmund Subgroups. The two main Formations that are evident are the Devil Creek (Edmund Subgroup) and the Ilgarari Formations (Collier Subgroup). Intrusive dolerites sills and dykes are the major mafic unit seen in the area and are very common. Some of the dolerites would appear to be bedded and orbicular, suggesting a volcanic wacke precursor.

The majority of the lease area is covered with an iron rich lateritic duricrust with occasional outcrops of gossanous material with the targeted copper mineralisation visible as chrysocolla. The major rock types seen in the sampled area were siltstone, shale, dolomite, chert and dolerite intrusions. Most of the rock strata are flat lying and oxidised to 30 plus metres.

The Ilgarari formation lies on top of the Devil Creek formation and is characterised by grey shales with traces of manganese accompanied by fine grained sandstone and chert. The rocks represent a typical Bouma sequence and are a good water source for the mineralisation as seen.

The Devil Creek formation was the major formation encountered during the sampling. It was characterised by interbedded fine grained dolomite and shale layers, siltstone and chert. Some occurrences of chert are typical of the Discovery Chert due to its black colour.

Structures and Mineralisation

The important structures, which are evident for up to 50km long, are deep seated crustal structures which display hydrothermal alteration and are the location of the mineralisation and old workings. These structures are up to 20m wide and are characterised by high temperature clays, kaolinite-dickite, with bleaching and secondary carbonates and minor quartz veining. The structures appear to be confined to two structural corridors, the Neds and Bulloo Corridors as shown on Figure 2.

The structures are dilational jogs trending NE-SW with E-W splays and dip to the north. The mineralisation is associated with these structures in siltstone-shale and consists of quartz carbonate-Chrysocolla-clay with mineralisation over 10m thick in places.

This geological setting is very similar to the nearby De Grussa (Sandfire Resources Limited; ASX: SFR), Nifty (Aditya Birla Minerals; ASX: ABY) and Thaduna (Ventnor Resources Limited; ASX: VRX) copper mines, as well as the developing Yeneena Project (Encounter Resources Limited; ASX: ENR).

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 (e.g. '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.*	• 1m samples were taken in 10" by 12" calico bags of 3 kg sampled by splitter
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.).*	• Reverse Circulation • 1m RC chips
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.*	• Good recovery with minimal loss • Samples mostly dry, with minor water encountered
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 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.*	• Fully geologically logged • Logging qualitative • All samples 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.*	• Samples split by splitter on rig • Samples scanned with XRF gun

Criteria	JORC Code explanation	Commentary
	• *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.*	
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.*	• Assays at Intertek using a Four acid digest method (4AH/OE) • Olympus Handheld XRF used
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.*	• Assays to be done at Intertek using a Four acid digest method (4AH/OE)
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample location by GPS • All locations are 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.*	• Drill collars fully reported, see previous announcement
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.*	• Down hole surveys are regular intervals to check orientation and dip

Sample security	• *The measures taken to ensure sample security.*	• Samples digitally and physically recorded
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews were deemed necessary outside of internal standards as this is purely qualitative assaying for exploration

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 license 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.*	• Previous work on the area acknowledged
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Structurally controlled Hydrothermal Copper and gold

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.*
		• All in the report

Data aggregation	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Intercepts will be averaged above 0.1% Cu when reported

Criteria	JORC Code explanation	Commentary
methods	• *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.*	
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 (e.g. 'down hole length, true width not known').*	• down hole length, true width not known
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
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.*	• All samples on the leases are shown graphically and/ or have been previously reported
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.*	• HyVista data and figures and the relationship with the Aruma exploration and genesis model are detailed in many previous reports and presentations
Further work	• *The nature and scale of planned further work (e.g. 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