



QUARTERLY ACTIVITIES STATEMENT

For the quarter ended 30 June 2016

HIGHLIGHTS

Glandore Gold project

- Farm Out and Joint Venture Agreement executed April 2016
- \$100,000 received on signing Joint Venture
- New Gold model proposed for Glandore South

Bulloo Downs

- Government Co-funded exploration drilling application successful for diamond drilling at Bulloo Copper project
- Proposed model confirmed by initial diamond holes

Glandore Project

Gold and copper explorer Aruma Resources Limited executed a farm-out and joint venture agreement with Southern Gold Limited (ASX:SAU) over 14 of Aruma's Glandore gold project tenements. Southern Gold can earn up to a 90% interest through exploration expenditure of \$1.2 million over 3 years. Aruma received a cash payment of \$100,000 in April 2016 and Southern Gold is to spend a minimum of \$300,000 on exploration in the first year.

The terms of the agreement between Southern Gold and Aruma were detailed in last quarter's report.

New Target Stratigraphy Opens Up New Opportunities

The discovery of the Invincible gold deposit by Gold Fields Australia Pty Ltd (Gold Fields) in 2012 under Lake Lefroy at Kambalda and the 2015-16 Monsoon and Baloo deposits by Sirius Resources NL under Lake Cowan has confirmed the prospectivity of the Black Flag Group Sediments (BFG). These rocks have had limited historic exploration, due to the focus of exploration on basalt, dolerite and gabbro. The Bardoc and Paddington mines are also located on the BFG, and the same stratigraphy is evident at Aruma's Glandore leases. The major attractions of such orebodies are thickness, tonnes and grade conducive for low cost production.

The simplified geological sections below give the rock types and stratigraphy of Gold Fields' Invincible and Aruma's Glandore locations and emphasises the importance of the interbedded mudstones (siltstones and shales) and the conglomerate-sandstone (conglomerates and greywackes) to form the mineralized zones in the shales.



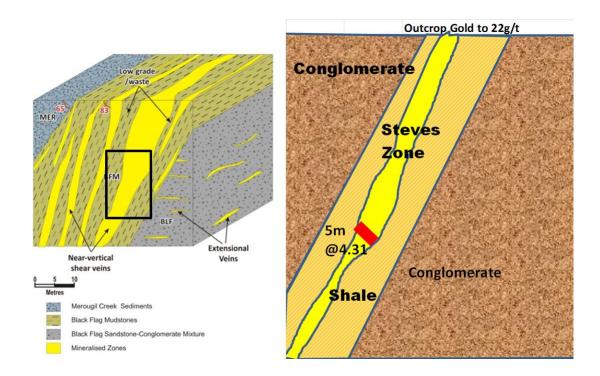


Figure 1 Similarity of the BFG mineralisation at Invincible (Left, looking NNW, from Gold Fields 2015 Diggers and Dealers presentation) with the area in the black rectangle compared to the similar Steve's Zone at Glandore (right, looking South)

Previous work and the 2015 diamond drilling in the Glandore area has identified thick volcanosedimentary Bouma sequences with ultramafics and conglomerates and clearly demonstrated that the "dolerites and Gabbros" are greywackes and part of the submarine sedimentary sequence. Further recent work has also identified sulphides of sedimentary origin with two-stage pyrite paragenesis highlighted by LA-ICPMS mapping

- Stage one formation of Co-Ni-Bi-Se-As-Au-Te enriched core
- Stage two Higher Co, Ni, and As rims grown over stage 1 pyrite
- Pyrite hydrothermal signature is that of being close to a major mineralisation centre

Aruma has established land holdings at Glandore (and Clinker Hill), with applications for additional tenements in areas where BFG sediments are covered by overburden or transported material (See Figure 2 below).



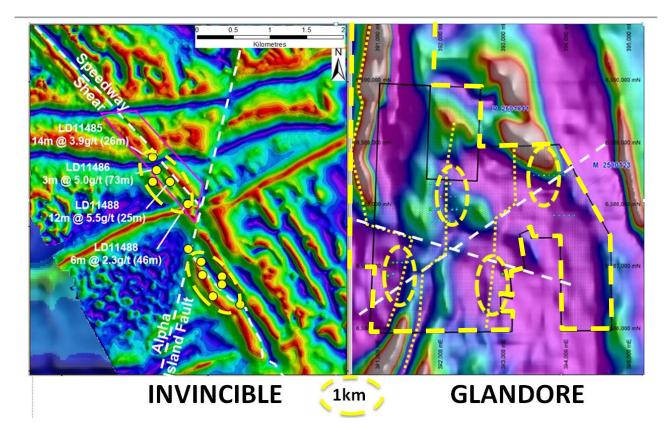


Figure 2 Similarity of the structures and anomalism on the magnetics at Invincible (left) and the South Glandore area (right) with anomalies in yellow 1km ellipses. Current leases outlined as yellow dashed line.

Review of open file data over the southern Glandore leases has identified an anomalous gold zone, defined from broad spaced shallow aircore drilling, that extends to the north for over 3.0km of strike, with limited follow up exploration having been completed (Rubicon Resources Limited, 2009).

Year	Prospect	Hole ID	Northing (m)	Easting (m)	From (m)	To (m)	Width (m)	Gold (ppm)
2007	Emu Dam	RYAC385	6588160	392050	44	48	4	1
2008	Emu Dam	RYAC414	6588360	392130	52	60	8	0.4

Table 1 Anomalous drill results from Rubicon Resources Limited



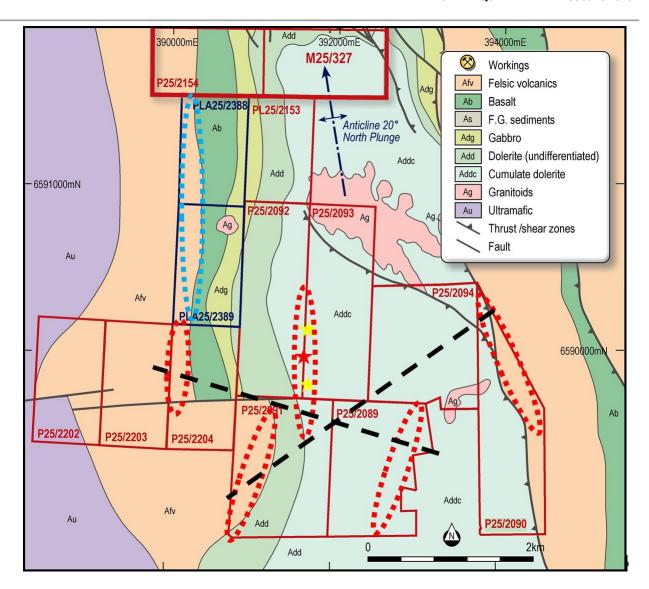


Figure 3 The previous geological interpretation with the new structures and anomalous holes (yellow<1g/t and red >1g/t Au) structure and anomalies with targets as red ellipses and further targets in the blue ellipse on grant of two new tenements.

The requirements of gold mineralisation of this style are sulphidic sediments in structurally prepared areas with heat sources such as granites in a gold endowed area. The Glandore area has all these attributes and the targets areas will be tested with RC drilling.

Further exploration using this model will also be done on the Clinker Hill Project, which also has all the attributes listed above.



Projects Summary

HELDS	Glandore Hub	 Glandore Gold Project - 40km east of Kalgoorlie-Boulder JV Agreement signed with Southern Gold Limited (SAU) New exploration targets developed in Black Flag Sediments PoW approved for RC drilling on southern leases 	
EASTERN GOLDFIELDS	Glan	 Clinker Hill Gold Lease - 35km east of Kalgoorlie-Boulder PoW approved for in south east extensions 	
EAS	Regional Projects	 Bulloo Downs Copper Project EIS Approved for diamond drilling JV discussions continuing Lease areas reduced to 1,000 km² 	

Table 2 Project Status and Activity Table

Proposed Exploration Activities for Q1 FY2017

Aruma's lease holdings are constantly being appraised and have been halved from 2,000km² to approximately 1,000km².

All of Aruma's projects have strong metal indicators and proven high grade potential. The ongoing work comprises:

- Bulloo Downs Copper Project lease evaluation and possible drilling.
- **Glandore** JV underway for north and PoW and two leases approved for drilling program in south.
- Glandore Hub Clinker Hill PoW approved for drilling program.

The Company is considering joint venture partners on all projects due to the scale and scope of work required.

Aruma will also be appraising leases that are becoming available in the Kalgoorlie terrain, especially where adjacent to current projects or with resources or intersections.

In addition to its current projects in Western Australia, Aruma continues to evaluate other potential project opportunities.



Corporate

The Company had a cash balance at 30 June 2016 of \$1.0M.

Aruma received a cash payment of \$100,000 from South Gold as per the terms of the Glandore Joint Venture Agreement in April 2016.

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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 Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Schwann is a full time employee of the Company. Mr Schwann has sufficient relevant experience to qualify as a Competent Person as defined in the JORC Code (2012) and consents to the inclusion of this 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 present have not been materially modified from the original announcements.



SUMMARY OF TENEMENTS

AUSTRALIA	Interest at beginning of Quarter	Interest at end of Quarter
Glandore (Go	old)	
M25/327		
M25/329		
M25/330		
P25/2073		
P25/2074		
P25/2075		
P25/2076		
P25/2103	100% Aruma Exploration Pty Ltd	Southern Gold Limited JV
P25/2117		Southern Gold can earn up to 90%
P25/2118		
P25/2119		
P25/2154		
P25/2215		
P25/2216		
P25/2089		
P25/2090		
P25/2091		
P25/2092		
P25/2093		100% Aruma Exploration Pty Ltd
P25/2094		
P25/2153		
P25/2202		
P25/2203		
P25/2204		
PLA25/2388	Not pegged	
PLA25/2389	Not pegged	

Clinker Hill (Gold)	Interest at beginning of Quarter	Interest at end of Quarter
P25/2201	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
P25/2319	100% Aruma Exploration Pty Ltd - Under application.	100% Aruma Exploration Pty Ltd
P25/2320	100% Aruma Exploration Pty Ltd - Under application.	100% Aruma Exploration Pty Ltd



AUSTRALIA	Interest at beginning of Quarter	Interest at end of Quarter	
Bulloo Downs Copper Project			
	Option to earn-in for up to a 90% interest	Option to earn-in for up to a 90%	
E52/2024	(Dynasty)	interest (Dynasty)	
	Option to earn-in up to a 90% interest		
E52/2283	(Atlas/Warwick)	Nil	
	Option to earn-in up to a 90% interest		
E52/2317	(Atlas/Warwick)	Nil	
	Option to earn-in up to a 90% interest		
E52/2327	(Atlas/Warwick)	Nil	
	Option to earn-in for up to a 90% interest		
E52/2328	(Atlas/Warwick)	Nil	
	Option to earn-in for up to a 90% interest	Option to earn-in for up to a 90%	
E52/2329	(Atlas/Warwick)	interest (Atlas/Warwick)	
	Option to earn-in for up to a 90% interest	Option to earn-in for up to a 90%	
E52/2330	(Atlas/Warwick)	interest (Atlas/Warwick)	
	Option to earn-in up to a 90% interest	Option to earn-in up to a 90% interest	
E52/2337	(Atlas/Warwick)	(Atlas/Warwick)	
	Option to earn-in up to a 90% interest	Option to earn-in up to a 90% interest	
E52/2351	(Atlas/Warwick)	(Atlas/Warwick)	
	Option to earn-in for up to a 90% interest	Option to earn-in up to a 90% interest	
E52/2429	(Atlas/Warwick)	(Atlas/Warwick)	
	Option to earn-in for up to a 90% interest	Option to earn-in for up to a 90%	
E52/2464	(Dynasty)	interest (Dynasty)	
	Option to earn-in up to a 90% interest		
E52/2803	(Atlas/Warwick)	Nil	
E52/2887	100% Aruma Exploration Pty Ltd. Under	100% Aruma Exploration Pty Ltd.	
	application and transfer from Plasia Pty Ltd.	Transfer from Plasia Pty Ltd. Option to	
	Option to acquire JV interest.	acquire JV interest.	
E52/3096	100% Aruma Exploration Pty Ltd - Under	100% Aruma Exploration Pty Ltd- Under	
	application.	application.	
E52/3172	100% Aruma Exploration Pty Ltd- Under	100% Aruma Exploration Pty Ltd- Under	
	application.	application.	