

### **Aruma Resources Limited**

ABN 77 141 335 364 ASX: AAJ

ASX ANNOUNCEMENT 30 April 2012

# QUARTERLY ACTIVITIES STATEMENT

### For the quarter ending 31 March 2012

## HIGHLIGHTS

### Glandore Project

- Fluid Flow Study at Glandore final report received
- PoWs submitted to drill targets
- Heritage survey planned

### Jundee South Project

- First pass drilling has high grade gold intersection
- PoW submitted for second phase

## > Twin Hills Tenement Package

• 600m of drilling completed before rain interruption

### Gindalbie Tenement Package

- HyVista Survey preliminary interpretation reveals anomalies
- PoW approved
- Heritage Survey planned

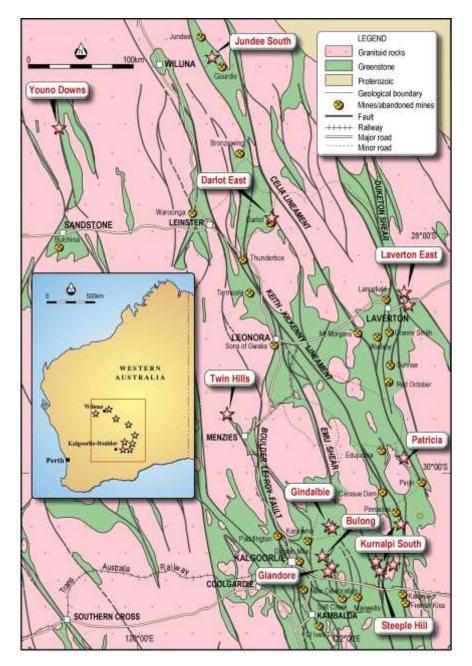
## Regional Exploration

• HyVista interpreted and Steeple Hill Ni-Cu anomaly followed up



## **EXPLORATION ACTIVITIES**

**Aruma Resources Limited (ASX:AAJ) ("Aruma" or "the Company")** is pleased to provide an update to the market on its strategy, progress on and planned programs at the Company's portfolio of gold projects, covering some 1600km<sup>2</sup> in WA's Eastern and Murchison Goldfields.







### **Project Locations**

|                         | Glandore Hub      | Glandore Project - 40km east of Kalgoorlie-Boulder                     |  |  |  |
|-------------------------|-------------------|--|--|--|--|
|                         |                   | Status - Advanced with Fluid Flow targets ready to drill on PoW        |  |  |  |
|                         |                   | Gindalbie Project - 60km north-east of Kalgoorlie-Boulder              |  |  |  |
|                         |                   | Status – Flown with HyVista and PoW ready for submission               |  |  |  |
|                         |                   | Kurnalpi South Project - 100km east of Kalgoorlie-Boulder              |  |  |  |
|                         |                   | Status – Mt Quin lease dropped and Native Title objections before NNTT |  |  |  |
| 0                       |                   | Bulong Project - 30 km east of Kalgoorlie-Boulder                      |  |  |  |
| ΪΓĎ                     |                   | Status – Due for grant in July and data base assembled                 |  |  |  |
| DFIE                    |                   | Patricia Project - due south of Edjudina line                          |  |  |  |
| GOI                     |                   | Status – Awaiting grant and data base assembled                        |  |  |  |
| EASTERN GOLDFIELDS      |                   | Twin Hills Project - The Twin Hills belt 25 km north of Menzies        |  |  |  |
| AST                     |                   | Status – Drilling underway   |  |  |  |
| ш                       |                   | Carbine Project - In the Kunanalling Belt                              |  |  |  |
|                         | Regional Projects | Status – Awaiting grant and data base assembled                        |  |  |  |
|                         |                   | Jundee South Project - 20km south of Jundee Mine                       |  |  |  |
|                         |                   | Status - First Pass RAB drilling hits 18 g/t Au over 1m                |  |  |  |
|                         |                   | Darlot East Project - 20km east of Laverton                            |  |  |  |
|                         |                   | Status – Granted and drilling targets identified                       |  |  |  |
|                         |                   | Laverton East Project - 20km east of Laverton                          |  |  |  |
|                         |                   | Status - Paul Well (Northern) Lease has multiple HyVista Targets       |  |  |  |
| _ (0                    |                   | Youno Downs Project - 20km west of Gidgee Gold Mine                    |  |  |  |
| SON                     |                   | Status – Awaiting grant and data base assembled                        |  |  |  |
| MURCHISON<br>GOLDFIELDS |                   | Big Bell West Project - 10km west of Big Bell Mine                     |  |  |  |
| МU<br>ВО                |                   | Status – Leases to be dropped  |  |  |  |
|                         |                   |  |  |  |  |

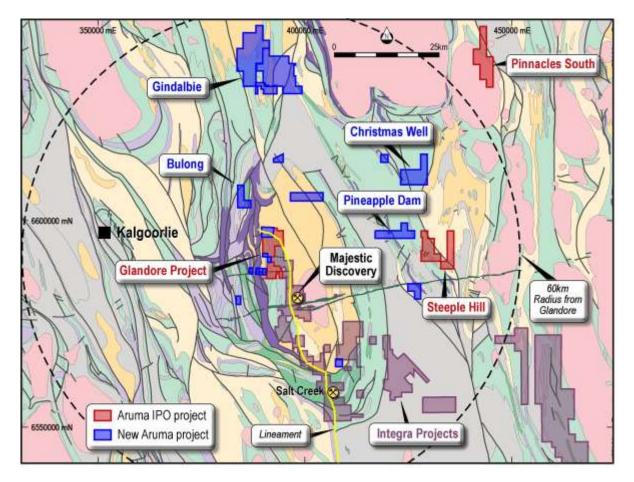


#### Leases Advanced or Dropped

The Company continues to rationalise its landholding in the Eastern Goldfields and Murchison regions – both proven and prolific gold provinces. In line with this strategy, Aruma has relinquished several Exploration Licences that have not given definite responses to exploration. These leases were relinquished at the end of the quarter but were officially received in early April.

Aruma has a clear strategy to efficiently explore the gold mineralisation potential of a strategic landholding in WA's Goldfields - with a view to developing a gold production hub centred around its flagship Glandore project; as well as satellite projects. To this end, Aruma has systematically expanded its portfolio of prospective gold projects within a 60km radius of the Glandore Project to an area covering some 500km<sup>2</sup>.

Importantly, all of Aruma's lease holdings have been selected based on the presence of geological structures typically known to host mineralisation.



#### Figure 2 The Glandore Hub Leases



## **EFFICIENT EXPLORATION OF FLAGSHIP GLANDORE PROJECT**

Given the extent of Aruma's significant project portfolio, the Company is committed to a strategy of efficient exploration to confirm or disprove potential targets. In keeping with this strategy, the Company is deploying new exploration technologies. Most recently CSIRO completed a Fluid Study at its flagship Glandore Project.

The Study, which was completed before year-end, has demonstrated outcomes comparable to a 20,000m pattern drilling program, but in a considerably shorter timeframe and at considerably less cost.

The use of HyVista, proven at Laverton East and Jundee South; has now been interpreted on the other Eastern Goldfields properties at Gindalbie and Laverton East's Paul's Well lease.

### **Glandore Fluid Flow Modelling**

The diagram below shows the areas of high Fluid Flow (warm colours) from the draft CSIRO Report which was finalised in February. The areas circled are of interest as defined by the CSIRO modelling and will be RAB drilled for bedrock alteration. The anomalies are over 4km and 2km in length respectively and on regional structures, making them high order targets.

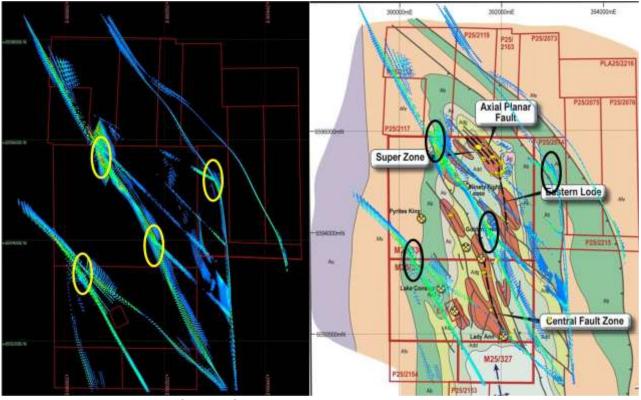


Figure 3

Drill targets (Ellipses) at Glandore from CSIRO Fluid Flow Study



The major anomalies generated are on the mainland adjacent to the lake areas and to date, have not been drilled. This opens a new phase of exploration at Glandore with targets generated by new techniques.

It should be noted that the new areas are outside the known mineralisation areas such as Supergene-Axial Planar and under shallow cover and the western areas are coincident with HyVista responses.

## TWIN HILLS NORTH PROJECT OVERVIEW

#### Background

As previously announced, Aruma has successfully negotiated an option agreement over the exciting Moriarty Shear which hosts the Twin Hills Mine as well as some 15 km of gold bearing greenstone belt. This previously unexplored belt contains thick zones of identified gold mineralisation and large geochemical anomalies that have not been drilled.

### **Geological Setting**

The Twin Hills North Project area is mostly covered by moderate younger sediments consisting of soft sand with minor laterites. The magnetic image below clearly shows the buried greenstone belt running north-south between the two granites under cover.

The Twin Hills Greenstone sequence is a relatively narrow belt between two different granites and extends the full length of the leases over some 15 km. The greenstones are reported by previous workers to be ultramafic, mafic and sedimentary rocks, and are approximately 1.2 km wide. The presence of ultramafic to BIF rocks intruded by granites on structures fits the exploration model used by Aruma for all its tenements.

| Hole ID   | MGA mN  | MGA mE | From | То | Interval (m) | g/t Au | ppm Cu |
|-----------|---------|--------|------|----|--------------|--------|--------|
| THR 301   | 6755258 | 314685 | 25   | 47 | 22           | 1.04   | NA     |
| THR 288   | 6755208 | 314757 | 25   | 26 | 1            | 2.56   | NA     |
| THR 331   | 6755408 | 314792 | 50   | 70 | 20           | 0.54   | NA     |
| WRC01     | 6755252 | 314668 | 43   | 55 | 12           | 0.84   | 308    |
| Including | 6755252 | 314668 | 53   | 54 | 1            | 1.79   | 2360   |
| WRC03     | 6755313 | 314670 | 32   | 60 | 28           | 0.86   | 182    |
| WRC04     | 6755307 | 314648 | 24   | 48 | 24           | 0.51   | 113    |
| WRC06     | 6755365 | 314655 | 24   | 48 | 24           | 0.39   | 99     |
|           |         |        |      |    |              |        |        |

#### Table 1Table of historical intersections

The above table shows the thick low grade intersections previously encountered in the northern leases to be followed up in the near future. The Au Cu signature in WRC01 is similar to the intrusive hosted orebodies identified recently at Integra Mining Limited's Majestic Discovery.

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#### ACTIVITY REPORT TO THE ASX FOR THE QUARTER ENDING 31 MARCH 2012

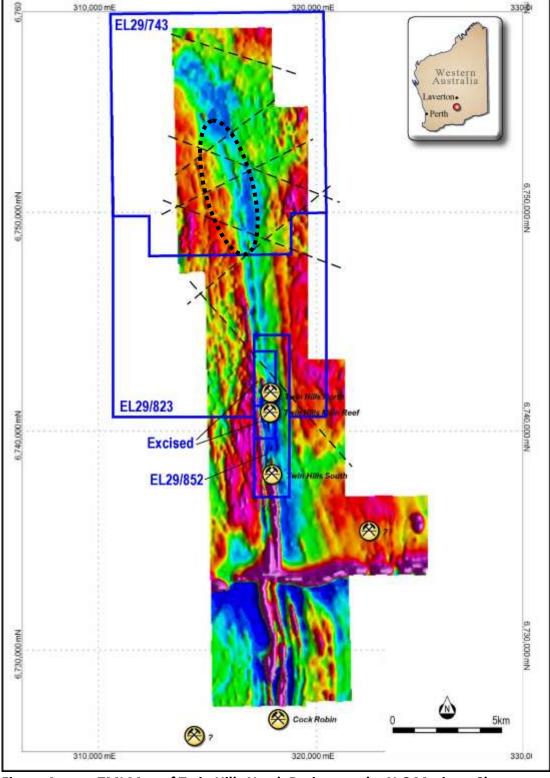


Figure 4

TMI Map of Twin Hills North Project on the N-S Moriarty Shear. The current drilling area is outlined in black ellipse





#### Work Program

In line with the stated program in the last quarterly, drilling commenced in mid-March but after only 3 days the area received a major rain event and some 30 mm of rain occurred. The drilling was stopped after approximately 600m and recommenced in April.

## **GINDALBIE PROJECT OVERVIEW**

At Gindalbie, Aruma has 150km<sup>2</sup> of ground in leases as shown below in blue. The yellow area is the Camel Dam area picked up in the LSA agreement for Twin Hills and surrounds the Mayday mines.

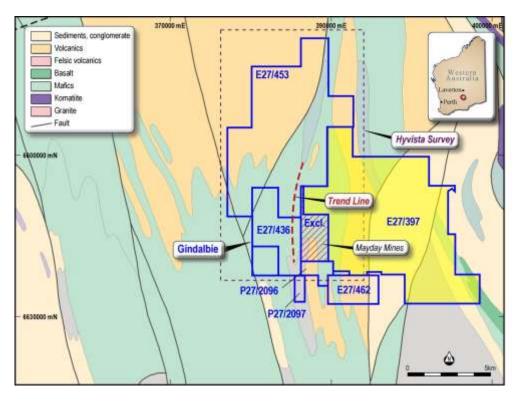


Figure 5 Map of complimentary area at Gindalbie with E27/397 shaded yellow (excluded Mayday leases red striped)

#### **Geology of the Lease Area**

The project area is essentially underlain in the west by a sequence of gabbro, dolerite and basalt. To the east the tenure is underlain by felsic volcanics and sequential arkosic to argillaceous metasediments. Rhyolitic flows and tuffs with interbedded pebble conglomerates and metasediments underlie the eastern edge of the tenure. The project is essentially divided by an east-west trending dolerite-gabbro Proterozoic dyke.



Nearby gold mining areas include the Mayday Mining Area, located 2km south of the Camel Dam Project, which currently has a resource of 1,019,653t @ 1.89g/t for 62,048oz Au. The Kalpini gold deposit, located 2km east of the Camel Dam Project, currently has a resource of 2,700,000t @ 2.8g/t for 242,000oz Au.

Within the project area, the felsic and conglomerates are not the primary targets as these have been downgraded by previous explorers. Gold potential at the Camel Dam Project remains within the under-explored greenstone sequence in the western half of the project. The greenstone sequence is known to host gold mineralisation, as numerous historical gold workings have been located in the area; rock sampling from around an abandoned shaft (The Lady Lauren) in the northwest of the project returned a best assay of 25.81ppm Au.

#### Work Program Gindalbie

As detailed in the last quarterly, HyVista was flown and interpreted during the quarter and the PoW approved and the drilling program awaits heritage clearance.

#### JUNDEE SOUTH PROJECT

The initial assay results at the Jundee South Project were significant in both extent and tenor. This area was drilled to investigate low level soil anomalies with 0.1 to 0.4 g/t Au values and the results suggest that the western anomaly is a WNW stratigraphic zone; and the eastern, larger anomaly is on a major NNE lineament. Covering two areas some 4 km apart the results indicate that extensive mineralised zones defined by structure and alteration which is completely covered by varying depths (5 to 25m) of tertiary cover. All the intersections showed carbonate (limonitic) alteration in mafics (with iron and silica). These results are the highest grade intersections in the area to date including all the historical results.

| Table 2: | Assays  | > 0.1 g/t Au |      |    |             |        |      |
|----------|---------|--------------|------|----|-------------|--------|------|
| Hole     | Easting | Northing     | From | То | Interval    | g/t Au | Zone |
| JSR14    | 275900  | 7064000      | 24   | 25 | 2           | 0.14   | East |
| JSR14    | 275900  | 7064000      | 33   | 39 | 6           | 0.43   | East |
| JSR17    | 276000  | 7064100      | 42   | 43 | 1           | 0.17   | East |
| JSR17    | 276000  | 7064100      | 20   | 21 | 1           | 0.14   | East |
| JSR17    | 276000  | 7064100      | 23   | 25 | 2           | 0.83   | East |
| JSR17    | 276000  | 7064100      |      |    | Including 1 | 1.36   | East |
| JSR22    | 273000  | 7064900      | 26   | 25 | 1           | 0.15   | West |
| JSR22    | 273000  | 7064900      | 21   | 25 | 4           | 4.84   | West |
| JSR23    | 273000  | 7065000      |      |    | Including 1 | 18.60  | West |
| JSR23    | 273000  | 7065000      | 8    | 12 | 4           | 0.53   | West |
| JSR23    | 273000  | 7065000      |      |    | Including 1 | 1.03   | West |
| JSR23    | 273000  | 7065000      | 14   | 20 | 6           | 0.45   | West |
|          |         |              |      |    |             |        |      |



An extension to the current PoW has also been applied for to do follow up drilling to fully test the mineralisation extent evident from the geochemistry.

The locations of the two anomalous zones are shown below in Figure 6 and are represented by the dashed ellipses.

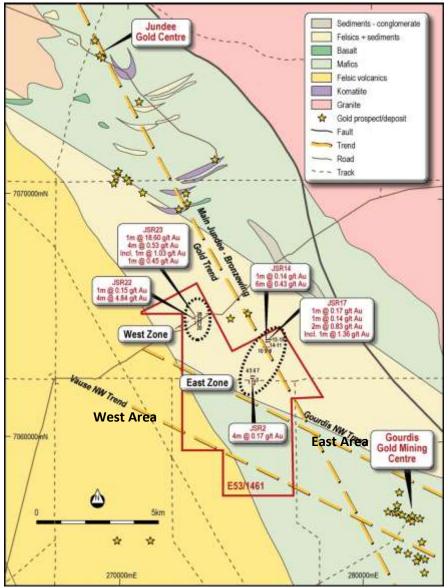


Figure 6 Latest drilling results on the geology at Jundee South showing East and West areas



## LAVERTON EAST

Aruma's Laverton East Gold Project in WA's eastern Goldfields returned an intersection of 2m at 4.28 g/t Au in drillhole LEAC 31. A total of 20 holes for 667m were completed before the program was halted due to rain. Of the twenty holes, one hole intersected >1g/t Au and 3 other holes hit anomalous (>0.05 g/t) Au values. This was followed by the second phase drilling at the Company's Laverton East Gold Project in WA's eastern Goldfields. A total of 40 holes were completed for 1,381m. The drill holes were sited to follow up the previously announced 2m at 4.28g/t Au in LEAC 31 as well as testing the more felsic zone to the east.

The Paul Well EL to the north of this area was approved in the quarter, and flown with HyVista. There are large areas of anomalism similar to the successfully drilled area above, and these are targets in the submitted PoW. As detailed in the last quarterly, HyVista was interpreted during the quarter and the PoW was submitted and the drilling program awaits heritage clearance.

## **KURNALPI SOUTH-STEEPLE HILL**

The first phase of drilling at the Company's Steeple Hill Gold Project in WA's eastern Goldfields, was completed in the quarter. A total of 61 holes were completed for 1,980m. The drill holes were sited to follow up the previously announced HyVista, soil and gossan anomalies.

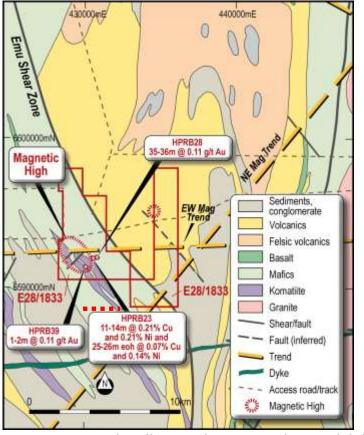


Figure 7 Steeple Hill Lease showing Geology and drilling results

#### **Aruma Resources Limited**

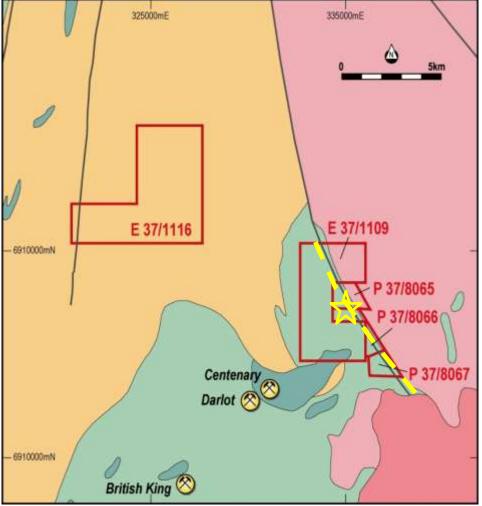


The drilling has given low order gold responses but sulphide based Ni Cu anomalism in a mafic intrusive in the SW corner of the lease. These results were submitted for platinoids group metals (PGM) and the results are expected in the coming quarter. Field inspection showed blebby sulphides in a diopside intrusive with good jarosite anomalies on the HyVista. A new PoW was submitted for deeper follow up drilling here.

## DARLOT EAST PROJECT

The Darlot Project consists of two lease groups, with Darlot East being situated 4km east of Barrick's multimillion ounce Darlot Mine.

The Darlot leases are now granted and the gold values in the old drilling on a cross fault are quite exciting, with no drilling done along the 7km strike shown in yellow dashes in Figure below.





Darlot Project geology map showing strike extension and drilling results below



- RW 1 1m @ 3.27g/t from 18m
- RW 2 4m @ 2.1g/t from 18m\*\*
- RW 3 1m @ 0.75g/t from 25m
- RW 4 2m @ 0.33g/t from 25m
- RW 5 1m @ 10.2g/t from 21m
- \*\* above 4m stope with 1m @ 0.83g/t below

## Proposed Exploration Activities for Q4 2011/2012

#### GLANDORE

• Initial drilling on Fluid flow Model under covered areas

#### **TWIN HILLS PROJECT**

- New PoW submitted for North Lease
- 60 RAB holes scheduled in Southern Lease
- 600m in RC holes over areas of previous thick intersections

#### **GINDALBIE PROJECT**

- PoW approved for Camel Dam Lease to investigate
- 240 RAB holes scheduled
- New leases to be granted

#### KURNALPI SOUTH AND SATELLITE PROJECTS

- Follow up Cu-Ni anomalies at Steeple Hill
- PoWs prepared for Darlot Leases
- HyVista interpretation over new leases

#### LAVERTON EAST

• Drilling on HyVista anomalies at Paul Well

#### **REGIONAL ELs**

- Dropping non prospective areas at Mt Quin and Big Bell West
- Looking at new areas and data assembly of new leases

#### **Other Projects**

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



## For further information please contact:

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