



**ARUMA RESOURCES LIMITED**

**ABN 77 141 335 364**

**INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED  
31 DECEMBER 2012**

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## ARUMA RESOURCES LIMITED

### Corporate Information

#### Directors

Paul Boyatzis (Non-Executive Chairman)  
Peter Schwann (Managing Director)  
Ki Keong Chong (Non-Executive Director)

#### Company Secretary

Phillip MacLeod

#### Registered office

Suite 33, 18 Stirling Highway  
Nedlands WA 6009 Australia  
Locked Bag 2000, Nedlands WA 6909

#### Principal place of business

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Website: [www.arumaresources.com.au](http://www.arumaresources.com.au)  
ABN: 77 141 335 364

#### Share Register

Advanced Share Registry Services  
150 Stirling Highway  
Nedlands WA 6009  
Australia

#### Auditors

Nexia Perth Audit Services Pty Ltd  
Level 3  
88 William Street  
Perth WA 6000  
Australia

#### Solicitors

Fairweather Corporate Lawyers  
595 Stirling Highway  
Cottesloe WA 6011  
Australia

#### ASX Code

Ordinary shares - AAJ

## ARUMA RESOURCES LIMITED

### DIRECTORS' REPORT

The directors of Aruma Resources Limited ("Aruma") submit herewith the financial report of Aruma Resources Limited and its subsidiaries ("Consolidated entity" or "Group") for the half-year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the Company during or since the end of the half-year are:

Name(s)	
Mr. P. Boyatzis	Chairman
Mr. P. Schwann	Managing Director
Mr. K. K. Chong	Non-Executive Director

Directors were in office for the entire period unless otherwise stated.

### REVIEW OF OPERATIONS

#### Overview

Aruma is a focussed West Australian based gold exploration company which has several prospective project areas within the Eastern Goldfields region of Western Australia. Inclusive of several tenements which are still under application, Aruma's tenement package now totals approximately 600km<sup>2</sup>.

#### ➤ Corporate

- Nexus Minerals Limited ("Nexus", formerly Hemisphere Resources Limited) shareholding in Aruma reduced to 6% during the period

#### ➤ Glandore Project

- Leases now contiguous over 57km<sup>2</sup>
- Fluid Flow Study at Glandore Draft Report received
- Drilling planned and PoW prepared

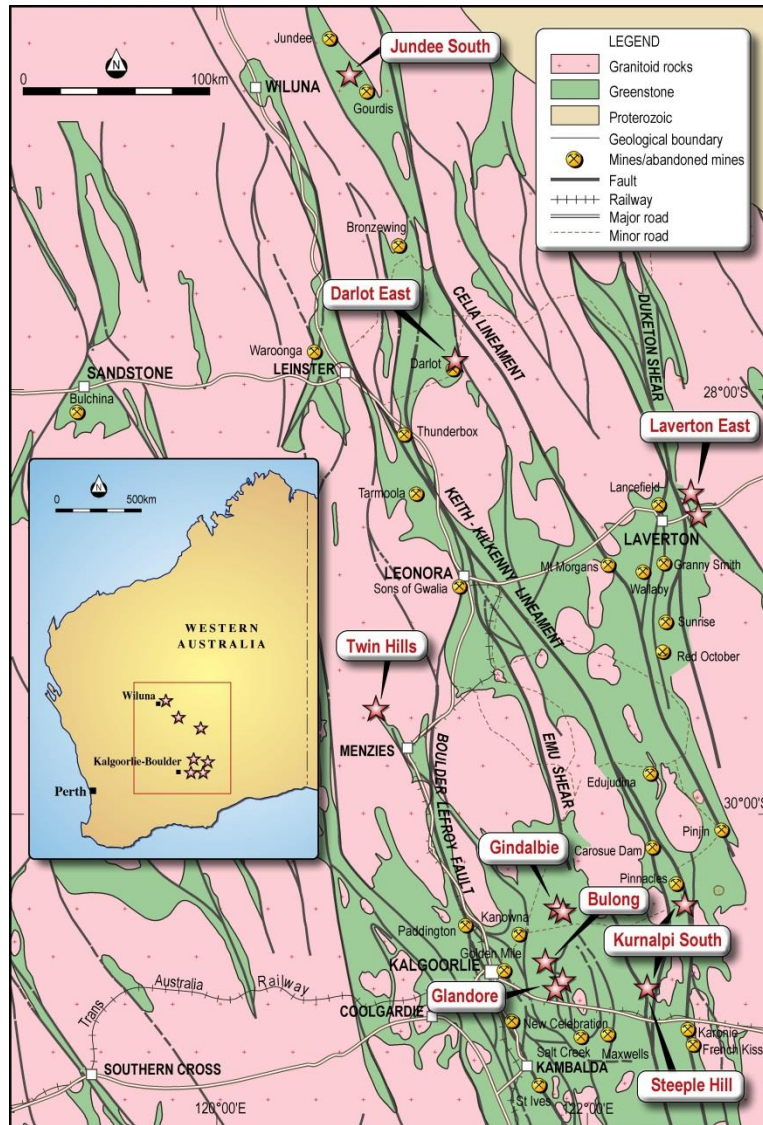
#### ➤ Jundee South Project

- Third Pass RAB drilling defines large area of gold mineralisation

#### ➤ Gindalbie Project

- Heritage Survey completed and RC planned on Lady Lauren

## ARUMA RESOURCES LIMITED



**Figure 1: Aruma Exploration Areas in Western Australia**

Aruma has three advanced gold exploration projects, **Glandore**, **Jundee South**, and **Gindalbie**; located near proven gold producing centres of the Eastern Goldfields of Western Australia, which is considered to be both highly prospective for gold as well as highly amenable for the development and exploitation of new deposits. The next quarter’s exploration program has been designed to prioritise scheduled drilling of these defined targets.

The Company is committed to its strategy of efficient exploration to confirm or disprove potential targets, with a view to developing a gold production hub centred on its flagship Glandore Project.

**ARUMA RESOURCES LIMITED**

<b>EASTERN GOLDFIELDS</b>	<b>Glandore Hub</b>	Glandore Project - 40km east of Kalgoorlie-Boulder Status - Ready to drill on Western Anomalies, Eastern Anomalies Exploration in discussion with DIA
		Gindalbie Project - 60km north-east of Kalgoorlie-Boulder Status – Gold Specimen found at Lady Lauren Target and ready to drill
		Bulong Project - 30km east of Kalgoorlie-Boulder Status – Awaiting grant and data base assembled
	<b>Regional Projects</b>	Twin Hills Project - To be returned to owner in good standing
		Jundee South Project - 20km south of Jundee Mine Status - Third Pass RAB drilling confirms >1g/t Au over 400m by 100m area
		Laverton East Project - 20km east of Laverton Status - Paul Well (Northern) Lease has multiple HyMap Targets

**TABLE 1: ARUMA LEASES**

**Glandore Project**

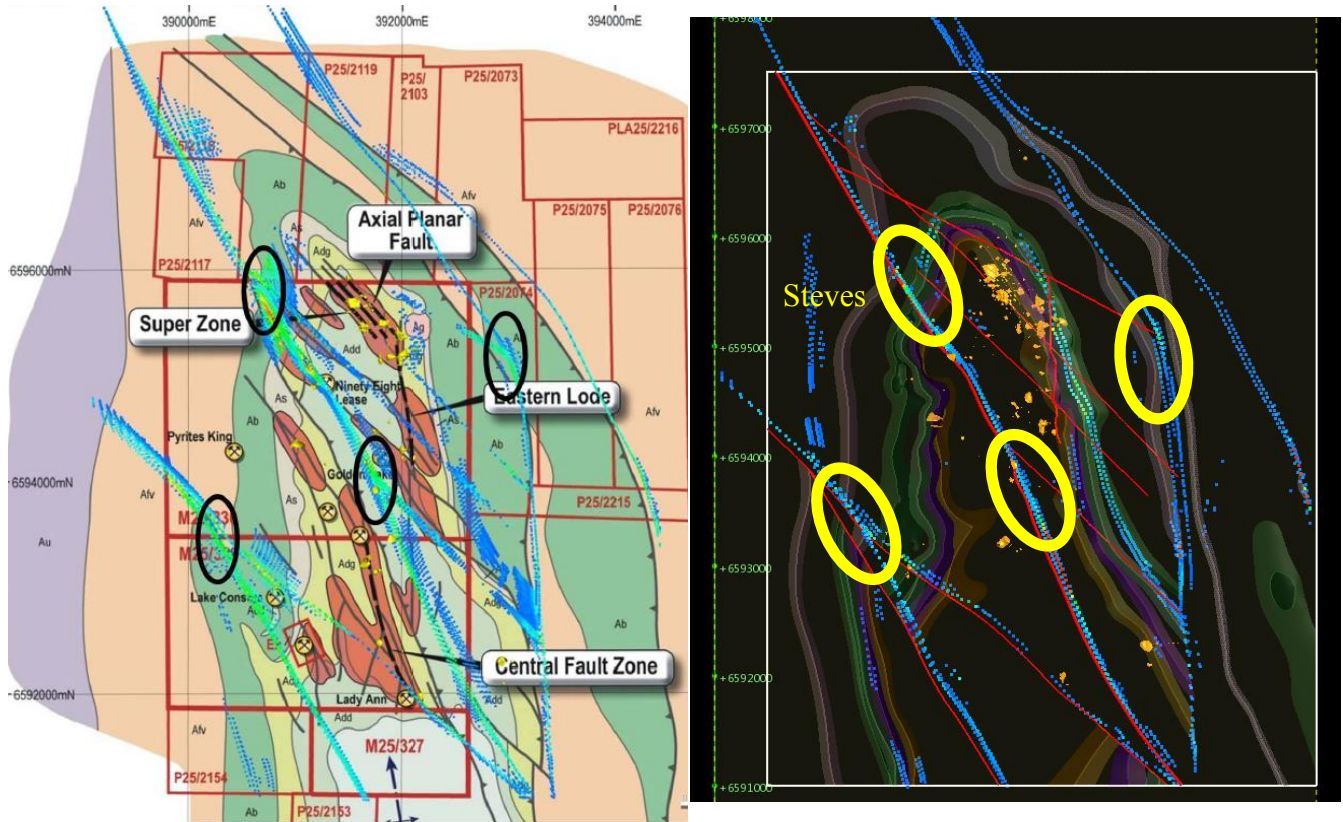
Glandore Project is located approximately 40km east of Kalgoorlie-Boulder. After 18 months of scientific study using HyMap, Fluid Flow Modelling, PIMA Analysis and magnetics, the Western Area has been cleared for drilling, and this is planned to occur in the first half of 2013.

This drilling will investigate the new anomalies seen in the Figure 2 below. The composite figure shows the leases at Glandore with geology, the Fluid Flow Modelling and targets generated. The initial investigation will be in the western half of the tenements and the Figure shows the undrilled anomalies. Previous drilling was focussed on the Axial Planar and Super Zones.

These new zones are significant in demonstrating that the mineralising system at Glandore is strong and capable of high-grade thick zones, albeit of limited extent to date. The Fluid Flow modelling was carried out to locate areas where this mineralising system would be capable of creating large continuous zones.

Visible gold has been announced over the target in the north western anomaly (Steves) and is a positive confirmation of the method used to generate targets.

# ARUMA RESOURCES LIMITED



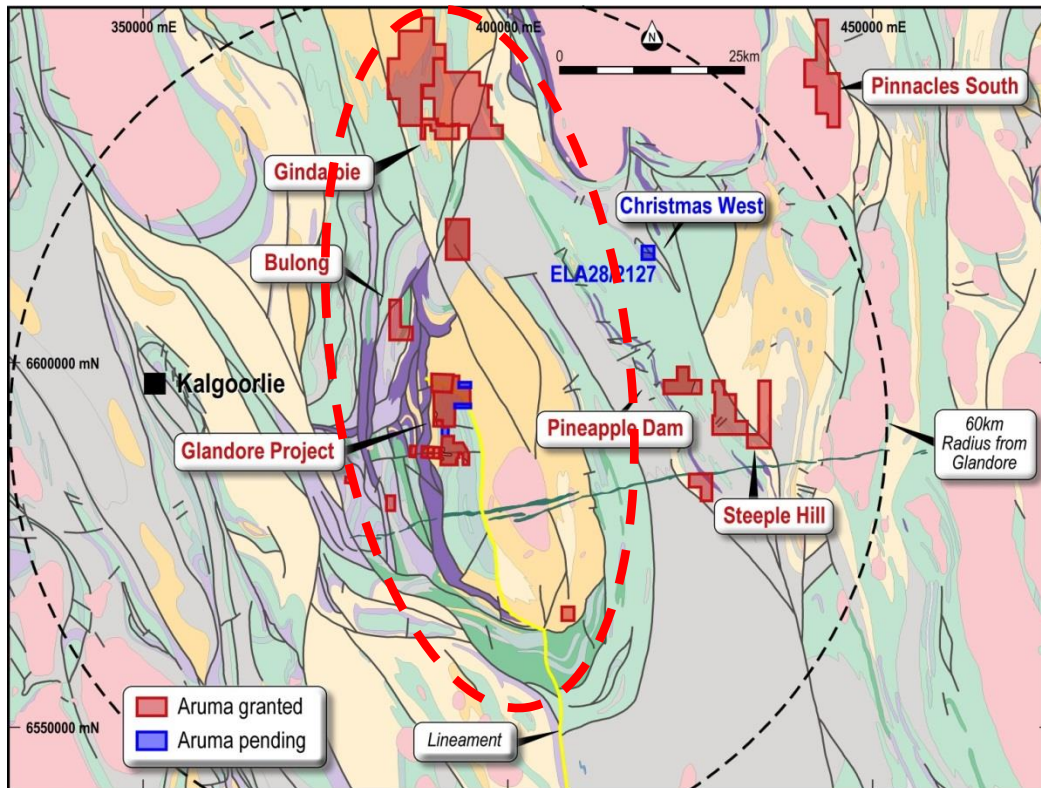
**Figure 2: Glandore Geology and Tenements with Fluid Flow Targets**

The Figure 2 above shows how the Fluid Flow has targeted major structures that were not identified by previous work and the location of visible gold in quartz at Steves. The previous gold intersection areas are shown in yellow solids and can be seen to coincide with minor structures.

## ARUMA RESOURCES LIMITED

### Glandore Hub Project

The Glandore Hub Project is located in a 60km radius of the Glandore Project. The possibility of satellite projects within easy trucking distance is a policy common to many successful producers (such as Integra, Silver Lake (now merged), Carrick Gold (KalNorth Gold Mines Ltd) and Saracen in the area.



**Figure 3:** Glandore Hub current leases and main focus area (red dashed ellipse)

The main leases that are advanced are Glandore and Gindalbie and the eastern leases are being dropped or sold. There are interesting anomalies in historical data being found at Bulong and the South-West PLs below Glandore. This fits with the aim of investigating the Salt Creek- Majestic Structure.

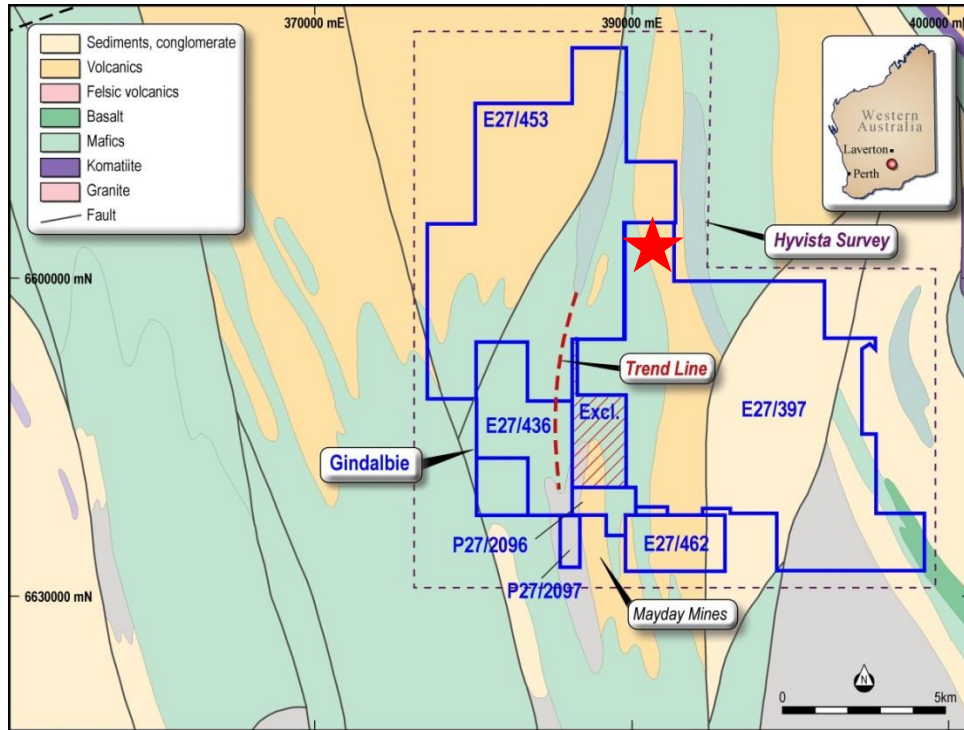
### Gindalbie Project

The Gindalbie Project was flown with HyMap and interpreted by Aruma and HyVista staff in 2012. Field mapping and reconnaissance has shown visible gold at the Lady Lauren Shaft and this will be RC drilled in light of the Quartz Vein (hard) nature of the outcrop and the strong alteration of the rocks adjacent the vein and workings. These workings are over a strike length of some 200m and are east west across country.

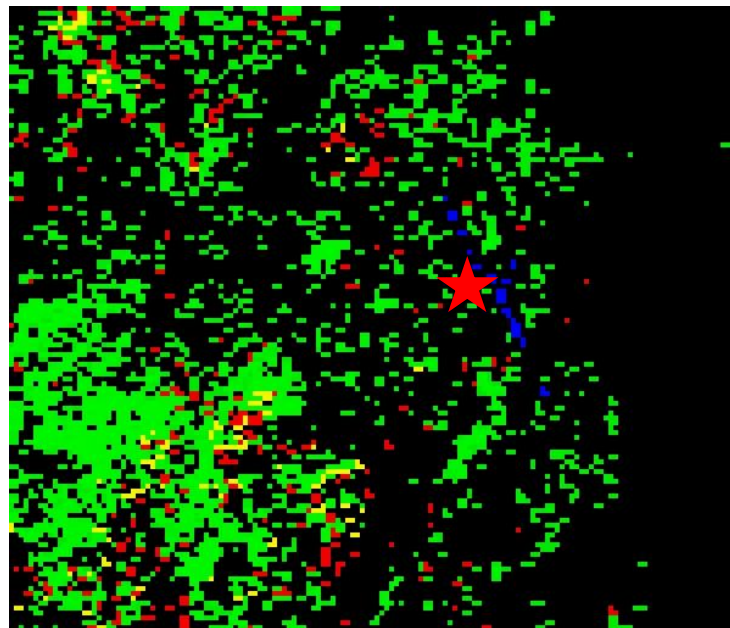


## ARUMA RESOURCES LIMITED

The alteration associated with the Mayday Mines and Lady Lauren Shaft has been noted in several locations on the leases. A PoW has been approved and the Heritage Clearance completed. The most recently granted lease, EL27/453, will be explored in light of the HyMap Report. A 500m RC program is proposed for the New Year after the PoW change is registered.



**Figure 4:** *Gindalbie Project and the Lady Lauren Line Gold assay (25g/t and visible gold in a rock chip on red star)*



**Figure 5:** *Gindalbie Project and the Lady Lauren Line HyMap anomaly (25g/t and visible gold in a rock chip on red star)*

# ARUMA RESOURCES LIMITED

## Jundee South Project

The Jundee South Project (E52/1461) is located 60km east of Wiluna and 25km south of the Jundee Mine. The 2011/2012 RAB programs consisted of 2,562 m of RAB in 75 vertical drill holes following up previously identified soil anomalies that had not been drilled. One soil sample result produced a 16.5g/t Au value in the area near the current Western Area of mineralisation (Normandy Mining Limited, 1992).

The West North West trending lineaments can be seen in Figure 6 and reflect the structures that control the mineralisation at the nearby Gourdis and Vause Deposits. The complete tenement area has been evaluated again using geochemistry, structure and the HyMap/Magnetics in light of this discovery. The focus in the short term will be to investigate bedrock mineralisation at the Western Area to evaluate the thick and high grade mineralisation reported previously.

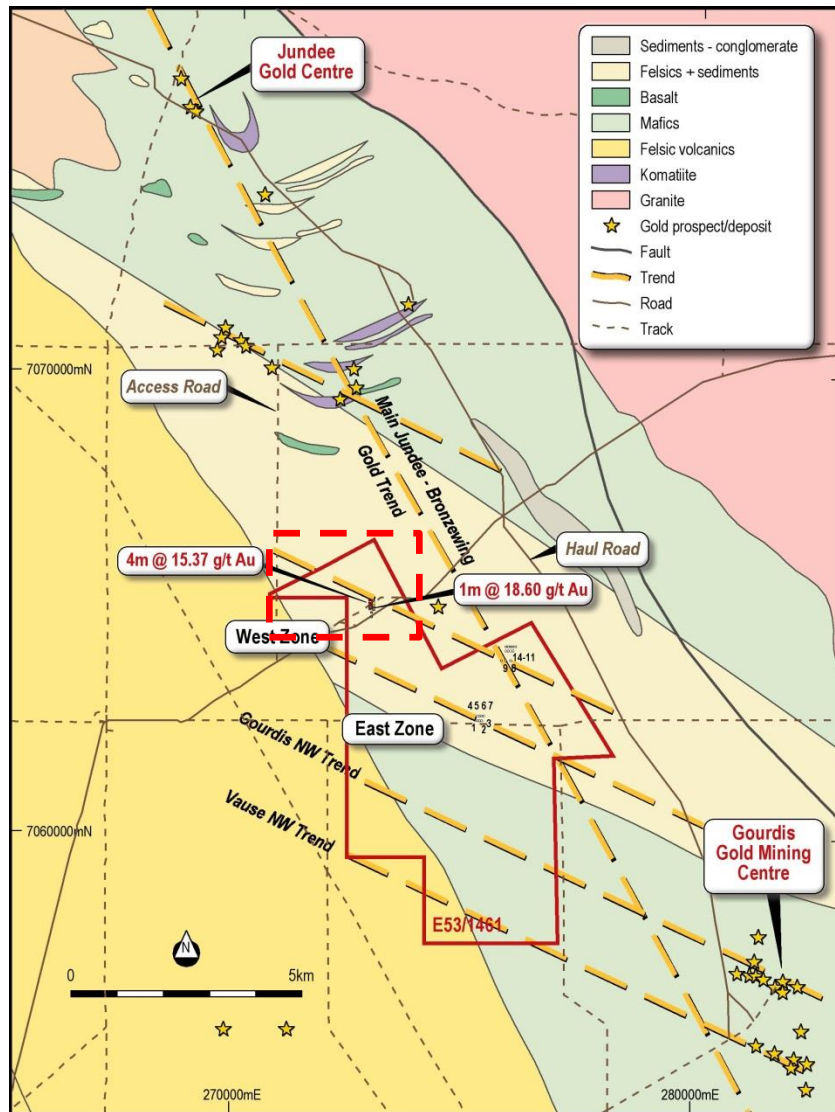
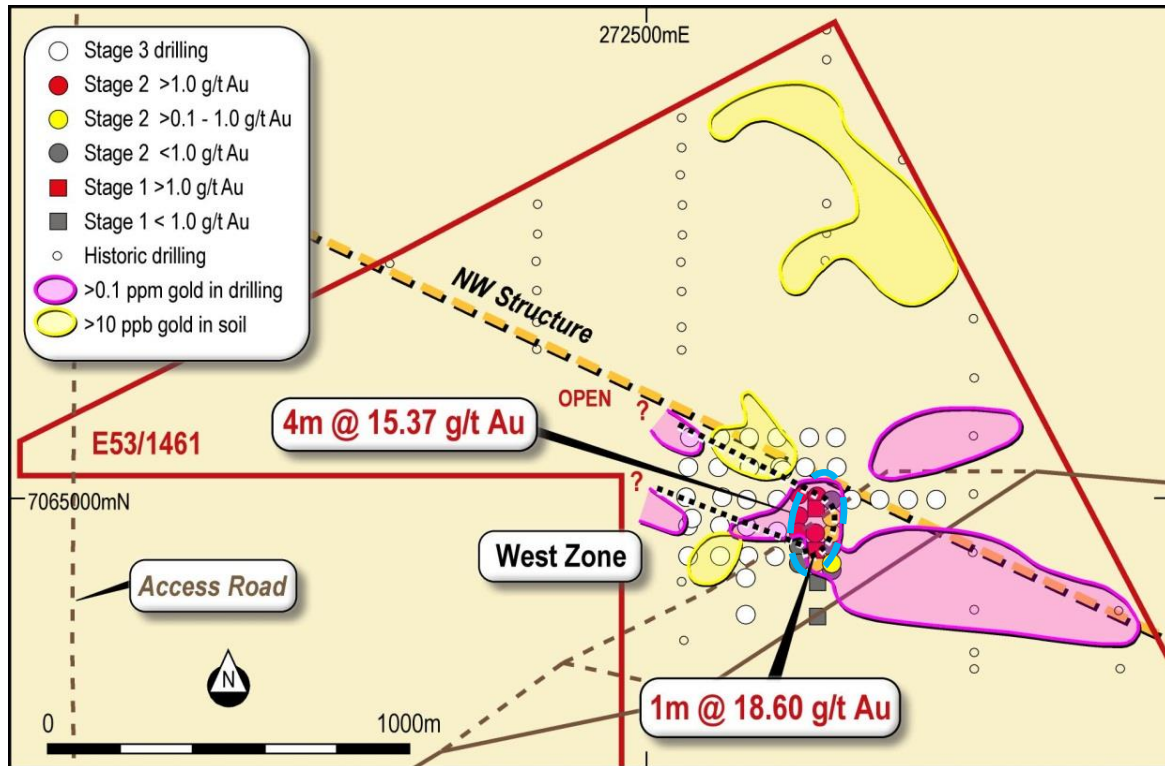


Figure 6: Drilling Plan on Geology with Figure 2 area (Enlargement) shown in red rectangle

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**Figure 7:** Drilling location plan with Geochem and Drilling anomalies and the RC target area as a blue ellipse

**Results from resplits of October 2012 Drilling**

The results of the resplits are listed below in Tables 2 and 3.

Hole	Easting	Northing	From	To	Interval	Average g/t Au
JSR50	272881	7065021	19	20	1	0.40
JSR53	272801	7064942	5	12	7	0.56
JSR59	272637	7065181	10	11	1	1.10
JSR63	272884	7064926	10	28	18	0.26
JSR63		including	19	26	7	0.48
JSR63			34	35	1	0.65
JSR63			40	41	1	0.10

**Table 2:** Anomalous 1m Resplits of the October 2012 drilling at Jundee South

**ARUMA RESOURCES LIMITED**

Hole	Easting	Northing	From	To	g/t Au
JSR53	272801	7064942	10	11	1.23
JSR53	272801	7064942	11	12	1.04
JSR59	272637	7065181	10	11	1.1
JSR63	272884	7064926	19	20	1.52

Note: All holes vertical and assays by Fire Assay 50g

**Table 3: 1m Resplits >1g/t of the October 2012 Drilling at Jundee South**

The resplits have extended the mineralised Western Area at Jundee south to a defined 400m by 100m area, and this will be RC drilled in January 2013. They have also confirmed the thick nature of the mineralisation, and this together with the high grades encountered are considered encouraging.

This highly mineralised area seen in Figure 7 above is now some 400m by 100m (Blue Ellipse) within a 1500m long trend ready to be RC drilled now that the Programme of Work (PoW) has been approved.

The mineralisation is in weathered Mafic/ultramafic with minor quartz veins and sediments, and consists of clays and limonite/goethite and is very soft down to 50 metres depth.

The significance of the October drill results were that the mineralisation is now defined over a 400m by 100m zone and the high grade thick zones are located in a 40m wide by 100m long initial target. This is shown in Table 4 below.

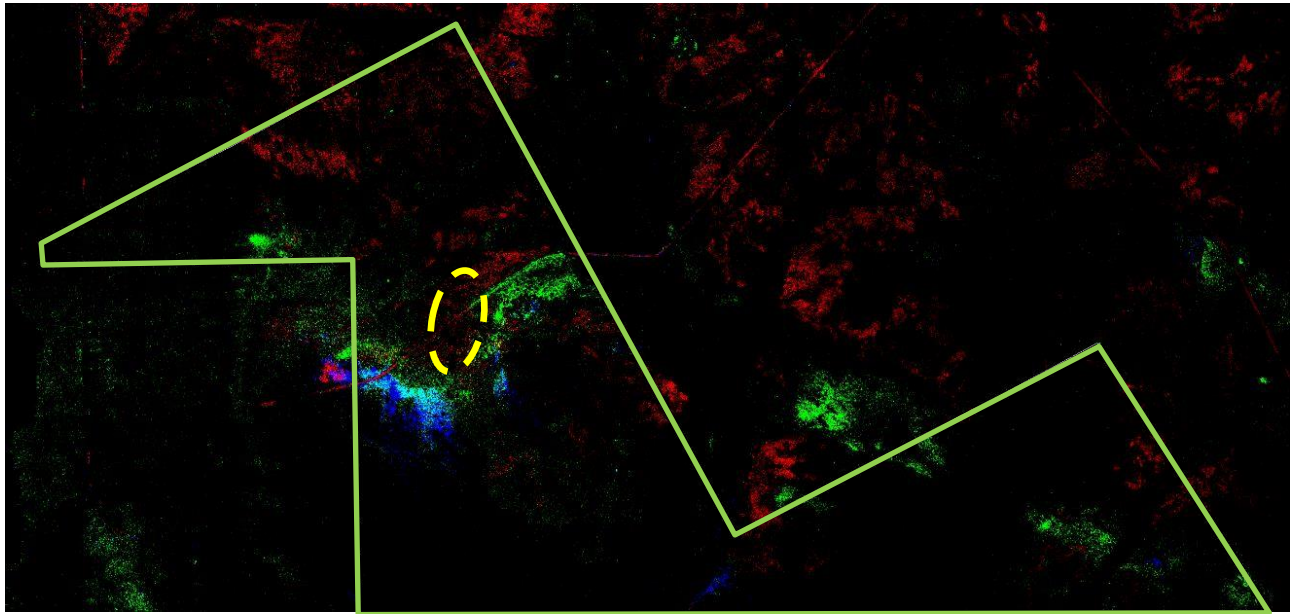
Hole	Easting	Northing	Total Interval (m)	Average g/t Au
JSR033	272960	7065040	17	<b>1.87</b>
JSR034	272958	7064978	12	<b>6.58</b>
JSR035	272960	7064941	10	<b>1.53</b>
JSR037	273000	7064940	3	<b>1.43</b>

Note: All holes vertical and assays by Fire Assay 50g

**Table 4: Thick and high grade mineralisation in the RAB area**

Figure 8 below is the HyMap interpretation which shows a definite bend in the WNW regional trend which hosts the RAB mineralisation (yellow ellipse). The colours are defining the Goethite after Pyrite as RED with the Mica as GREEN and the alteration of Chlorite to Phengite by the Gold mineralising solution as BLUE.

The lease area in the northern part of E53/1461 is shown in yellow and the anomalies generated are easily seen to reflect mineralisation and structure.



**Figure 8:** *HyMap Figure showing the Northern area of E53/1461 and the RC target area in Yellow ellipse*

There are now three types of targets at Jundee South Gold Project, namely:

1. Resource targets in the RAB Anomaly area;
2. Follow up targets under Drilling, HyMap and Geochemical anomalies; and
3. Regional HyMap and structural targets.

The Marks Prospect will be drilled in the June quarter after the rains and when the Heritage Survey is complete

#### **Steeple Hill Project**

The Steeple Hill area has been rehabilitated and further work will be considered in light of falling Ni and Cu prices.

#### **Laverton North Project**

The Paul Well lease area (EL28/2475) will be sampled after the HyMap interpretation in October 2012 revealed several anomalies.

## ARUMA RESOURCES LIMITED

### Proposed Exploration Activities for the next six months:

#### GLANDORE

- Initial drilling scheduled on Fluid flow Model under covered western areas
- 61 RAB holes pegged
- 56 RC holes pegged and PoW submitted
- Further Heritage surveys booked

#### GINDALBIE PROJECT

- Total package of 150km<sup>2</sup> of covered prospective ground
- Heritage and site access completed
- 6 RC holes scheduled on Lady Lauren Quartz Vein

#### JUNDEE SOUTH PROJECT

- 400m by 100m >1g/t RAB anomaly
- Heritage survey submitted
- 36 RC holes scheduled on anomaly

#### LAVERTON EAST

- Geochem over new Paul Well HyMap anomalies

#### REGIONAL ELs

- Field inspection and previous work will be investigated

#### Other Projects

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

#### Rehabilitation

All of Aruma's leases where drilling has occurred have been rehabilitated in the March Quarter.

### ***Competent Person's Statement***

*The information in this report 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 and Chartered Professional (Geology). Mr. Schwann is an employee of the Company.*

*Mr Schwann has sufficient relevant experience to qualify as a Competent Person as defined in the JORC Code (2004) and consents to the inclusion of this information in the form and context in which it appears.*

## ARUMA RESOURCES LIMITED

### REVIEW OF OPERATIONS (continued)

#### (b) Review of operations

The Group incurred an after tax loss for the half-year ended 31 December 2012 of \$466,390 (2011: \$669,273).

#### (c) Corporate

Refer to Events subsequent to the balance date below for details of a capital raising undertaken by the Company.

During the period the controlling shareholder, Nexus, reduced its interest in Aruma to 6%.

### EVENTS SUBSEQUENT TO THE BALANCE DATE

Subsequent to the balance date Aruma announced that it has agreed to raise up to \$2.5 million (before costs) under a placement of up to 50 million shares at a price of 5 cents per share.

A total of 42 million shares are to be issued to sophisticated investor clients of BBY Limited, Lead Broker to the offer. It is proposed to place the remaining 8 million shares to entities associated with Aruma's directors.

The funds raised will be used for targeted gold exploration programs on the Company's existing projects, Glandore, Gindalbie and Jundee South, located in the Kalgoorlie goldfields in Western Australia as well as general working capital.

The Placement comprises:

- Tranche 1 being 19.67 million shares to raise \$983,000 pursuant to the Company's placement capacity under ASX listing rule 7.1 and 7.1A;
- Tranche 2 for 25.04 million shares to investors unrelated to the Company to raise \$1,252,000 subject to shareholders approving the issue of those shares for the purposes of ASX listing rule 7.1 at a general meeting of the Company to be held in early April 2013; and
- Tranche 2 for 5.3 million shares to raise \$265,000 to entities associated with Aruma's directors, subject to shareholder approval at the general meeting to be held in April 2013.

Other than the above no matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

**ARUMA RESOURCES LIMITED**

**AUDITOR'S INDEPENDENCE DECLARATION**

Section 307C of the Corporations Act 2001 requires our auditors, Nexia Perth Audit Services Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 16 and forms part of the directors' report for the half-year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'P Schwann', with a horizontal line extending to the right.

P Schwann  
Managing Director

Perth, 8th March 2013



**Auditor's independent declaration under section 307C of the Corporations Act 2001**

To the directors of Aruma Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half year ended 31 December 2012, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

**NPAS**

**Nexia Perth Audit Services Pty Ltd**

**Amar Nathwani**

**Amar Nathwani B.Eng, CA**  
Director

Perth  
8 March 2013

**ARUMA RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	Note	CONSOLIDATED	
		Half-year ended 31 Dec 2012 \$	Half-year ended 31 Dec 2011 \$
<b>Revenue from continuing operations</b>	1(a)	250,984	353,164
Exploration expenditure expensed as incurred		(440,739)	(773,332)
Depreciation		(2,590)	(2,371)
Non-Executive Directors' fees		(51,000)	(70,880)
Employee benefits		(116,595)	(47,840)
Legal and professional fees		(21,972)	(26,559)
Occupancy expenses		(17,635)	(14,402)
Share options expense		(17,885)	-
Travel expenses		(5,153)	(19,435)
Other expenses		(88,040)	(165,883)
<b>Loss from operating activities</b>		(510,625)	(767,538)
Financial income		44,255	98,734
Financial expenses		(20)	(469)
Net financing income		44,235	98,265
<b>Loss before income tax expense</b>		(466,390)	(669,273)
Income tax benefit/(expense)		-	-
<b>Loss for the period</b>		(466,390)	(669,273)
<b>Total comprehensive loss for the period</b>		(466,390)	(669,273)
Basic and diluted loss per share (cents per share)		(0.59) cents	(0.93) cents

The accompanying notes form part of these financial statements.

**ARUMA RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

		<b>CONSOLIDATED</b>	
		<b>31 Dec 2012</b>	<b>30 Jun 2012</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
	Cash and cash equivalents	1,616,867	2,329,897
	Trade and other receivables	271,552	63,837
	Other current assets	34,457	8,735
	<b>Total current assets</b>	<b>1,922,876</b>	<b>2,402,469</b>
<b>Non-current assets</b>			
	Plant and equipment	17,122	19,712
	Exploration and evaluation	538,919	538,919
	<b>Total non-current assets</b>	<b>556,041</b>	<b>558,631</b>
	<b>Total assets</b>	<b>2,478,917</b>	<b>2,961,100</b>
<b>Current liabilities</b>			
	Trade and other payables	104,870	139,647
	Provisions	37,060	35,961
	<b>Total current liabilities</b>	<b>141,930</b>	<b>175,608</b>
	<b>Total liabilities</b>	<b>141,930</b>	<b>175,608</b>
	<b>Net assets</b>	<b>2,336,987</b>	<b>2,785,492</b>
<b>Equity</b>			
	Issued capital	2 5,837,880	5,837,880
	Reserves	3 17,885	-
	Accumulated losses	(3,518,778)	(3,052,388)
	<b>Total equity</b>	<b>2,336,987</b>	<b>2,785,492</b>

The accompanying notes form part of these financial statements.

**ARUMA RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	<b>CONSOLIDATED</b>	
	<b>Half-year ended 31 Dec 2012</b>	<b>Half-year ended 31 Dec 2011</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	27,203	-
Interest received	41,486	167,820
Interest paid	(20)	-
Payments for exploration and evaluation	(516,742)	(770,095)
Payments to suppliers and employees	(264,957)	(224,640)
<b>Net cash used in operating activities</b>	<b>(713,030)</b>	<b>(826,915)</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of tenements	-	(100,000)
Payments for purchases of plant and equipment	-	(7,754)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(107,754)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares and other equity securities	-	948,500
Costs of capital raising	-	(41,931)
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>906,569</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(713,030)</b>	<b>(28,100)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,329,897</b>	<b>2,975,228</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,616,867</b>	<b>2,947,128</b>

The accompanying notes form part of these financial statements.

**ARUMA RESOURCES LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

<b>Consolidated</b>	<b>Issued capital</b>	<b>Option premium reserve</b>	<b>Accumulated losses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2011</b>	4,841,311	373,066	(1,872,388)	3,341,989
Loss for the period	-	-	(669,273)	(669,273)
Total comprehensive loss for the period	-	-	(669,273)	(669,273)
Issue of shares for cash	948,500	-	-	948,500
Issue of shares for option agreements	90,000	-	-	90,000
Costs of issue of shares	(41,931)	-	-	(41,931)
<b>Balance at 31 December 2011</b>	<b>5,837,880</b>	<b>373,066</b>	<b>(2,541,661)</b>	<b>3,669,285</b>
<b>Balance at 1 July 2012</b>	5,837,880	-	(3,052,388)	2,785,492
Loss for the period	-	-	(466,390)	(466,390)
Total comprehensive loss for the period	-	-	(466,390)	(466,390)
Issue of share options	-	17,885	-	17,885
<b>Balance at 31 December 2012</b>	<b>5,837,880</b>	<b>17,885</b>	<b>(3,518,778)</b>	<b>2,336,987</b>

The accompanying notes form part of these financial statements.

## ARUMA RESOURCES LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### **Statement of compliance**

The interim financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed consolidated interim financial report does not include full disclosure of the type normally included in an annual financial report, and accordingly this report should be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of *the Corporations Act 2001* and the ASX listing rules.

##### **Basis of preparation**

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. The Company, Aruma Resources Limited and its subsidiary, Aruma Exploration Pty Ltd, are domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's financial report for the financial year ended 30 June 2012.

For the purpose of preparing the report the half-year has been treated as a discrete reporting period.

##### **Adoption of new and revised Accounting Standards**

In the half-year ended 31 December 2012, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2012. Management is in the process of assessing the impact of the adoption of these standards and interpretations on the consolidated entity.

## ARUMA RESOURCES LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Significant Accounting Judgements and Key Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this half-year report the significant judgements made by management in applying the Consolidated entity's accounting policies and key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2012.

##### (a) Income tax

The Company has prepared a draft claim for a refund under the R&D tax concession scheme for 2012 and has recognised an amount refundable of \$223,780 as per the draft return.

#### 2. Issued capital

	31 December 2012 \$	30 June 2012 \$
<i>Issued and paid up capital</i>		
Fully paid ordinary shares	5,837,880	5,837,880
	31 December 2012 Number	31 December 2012 \$
<i>Movements in fully paid shares on issue</i>		
At beginning of period	79,304,167	5,837,880
Balance at end of period	79,304,167	5,837,880

#### 3. Reserves

	31 December 2012 \$	31 December 2011 \$
Option premium reserve		
Balance at beginning of period	-	373,066
Issue of options to employee and contractor	17,885	-
Balance at end of period	17,885	373,066

## ARUMA RESOURCES LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4. Commitments

	31 December 2012 \$
<b>COMMITMENTS</b>	
<b>Exploration Expenditure Commitments</b>	
Minimum exploration expenditure:	
not later than 1 year	674,252
Later than 1 year but not later than 5 years	2,596,240
	<u>3,270,492</u>

#### 5. Contingent Liabilities

Under the Glandore project mineral rights agreement Nexus has provided a covenant to pay the sum of \$50,000 to AngloGold Ashanti Australia Pty Ltd and Mario Epis upon submitting a notice of intent to mine in respect of the tenements. At the date of this report Nexus has no immediate intentions to submit such a notice. Aruma has covenanted to reimburse up to \$50,000 that Nexus is obliged to pay under the covenant.

In the opinion of the directors, other than the matter disclosed above, there were no contingent liabilities at the date of this report.

#### 6. Segment Information

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Group's operations and allocation of working capital.

Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

The Group operates in one business segment and one geographical segment, namely mineral exploration industry in Australia only. AASB 8 Operating Segments states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely mineral exploration industry.

However, none of the other operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Consolidated entity has therefore decided to aggregate all their segments into one reportable operating segment.

The revenues and results of this segment are those of the Group as a whole and are set out in the statement of comprehensive income. The segment assets and liabilities of this segment are those of the Group and are set out in the statement of financial position.



## ARUMA RESOURCES LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### **7. Events after the balance date**

Subsequent to the balance date Aruma announced that it has agreed to raise up to \$2.5 million (before costs) under a placement of up to 50 million shares at a price of 5 cents per share.

A total of 42 million shares are to be issued to sophisticated investor clients of BBY Limited, Lead Broker to the offer. It is proposed to place the remaining 8 million shares to entities associated with Aruma's directors.

The funds raised will be used for targeted gold exploration programs on the Company's existing projects, Glandore, Gindalbie and Jundee South, located in the Kalgoorlie goldfields in Western Australia as well as general working capital.

The Placement comprises:

- Tranche 1 being 19.67 million shares to raise \$983,000 pursuant to the Company's placement capacity under ASX listing rule 7.1 and 7.1A;
- Tranche 2 for 25.04 million shares to investors unrelated to the Company to raise \$1,252,000 subject to shareholders approving the issue of those shares for the purposes of ASX listing rule 7.1 at a general meeting of the Company to be held in early April 2013; and
- Tranche 2 for 5.3 million shares to raise \$265,000 to entities associated with Aruma's directors, subject to shareholder approval at the general meeting to be held in April 2013.

Other than the above, no matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

#### **8. Related Parties**

Transactions with directors and director-related entities continue to be in place. For details on these arrangements, please refer to the 30 June 2012 annual financial report. No other related party transactions were entered into during the half year ended 31 December 2012.

Key management personnel continue to receive compensation in the form of short term employee benefits, post-employment benefits and share based payments.

**ARUMA RESOURCES LIMITED**

**DIRECTORS' DECLARATION**

In the directors' opinion:

- 1 the financial statements and notes set out on pages 17 to 24 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standards, AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date of the consolidated entity; and
- 2 there are reasonable grounds to believe that Aruma Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors



P. Schwann  
Managing Director

Perth, 8th March 2013

## Independent Auditor's Review Report to the members of Aruma Resources Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Aruma Resources Limited (the "Company") and its controlled entity (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2012, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the Group comprising the Company and the entity it controlled at the half-year end or from time to time during the half-year.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes: establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aruma Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aruma Resources Limited and its controlled entity is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**NPAS**

**Nexia Perth Audit Services Pty Ltd**

**Amar Nathwani**

**Amar Nathwani** B.Eng, CA  
Director

Perth 8 March 2013