Aruma Resources Limited
ABN 77 141 335 364
ASX: AAJ

ASX ANNOUNCEMENT
10 April 2014

ARUMA POISED FOR EXPLORATION SUCCESS

- **Bulloo Downs Copper Project exploration underway**
  - **1792m of RC drilling completed (14 holes)**
  - **Assay results pending**
  - **Heritage survey, soil sampling and mapping planned**
- **Glandore**
  - **Lake Yindarlgooda heritage delays resolved**
  - **Drilling of prospects intended to commence June-July**
- **Glandore Hub**
  - **Clinker Hill soil samples highlight large gold anomaly**

Junior explorer **Aruma Resources Limited (ASX: AAJ)** ("Aruma") is preparing to accelerate exploration on its flagship assets, the Bulloo Downs Copper Project and the Glandore Gold Project, in Western Australia.

Managing Director Peter Schwann said the company was now in a position to move forward with exploration programs at Bulloo Downs in the Ashburton region and its Glandore project, near Kalgoorlie.

"After several years of negotiations and scientific studies, Aruma is positioned to commence on ground exploration at Glandore and also start investigating the large and high grade copper anomalies at its new Bulloo Downs Project", Mr Schwann said, "to this end we have now completed a first pass drilling program at Bulloo on the western area of the Madison Line, where previous Heritage surveys allowed on ground work. The other areas will be cleared in May-June".

BULLOO DOWNS

Aruma has completed a 14-hole reverse circulation (RC) drilling program for a total of 1,792 metres at Bulloo Downs, where the company has optioned two granted ELs, E52/2024 and 2464. Another lease has been applied for to the west of the optioned leases.

Thirteen holes ranging in depth from 60m to 150m were drilled on the western Madison Trend, while one 172m hole was drilled under an old shaft known as the Bulloo Ilgarari on the Lachlan Trend. These holes are investigating a copper occurrence identified in recent sampling and shown on Figure 1.

Drill samples have been submitted and the results will be released when the assays are confirmed.

Bulloo Downs is considered by Aruma to potentially be a new copper district and has strong indications of deep-seated, structurally controlled hydrothermal copper bodies with low contaminants and good accessory metals. The area is in an established copper-producing province that is considered highly prospective for further discoveries.

HOLE ID	Easting	Northing	RL	Depth	Azimuth	Dip	Line
BMRC01	750647	7348724	561	150	330	-60	Madison
BMRC02	750710	7348736	568	150	330	-60	Madison
BMRC03	750642	7348748	565	120	345	-60	Madison
BMRC04	750721	7348752	568	120	330	-60	Madison
BMRC05	750832	7348781	572	120	330	-60	Madison
BMRC06	750914	7348797	561	120	330	-60	Madison
BMRC07	751014	7438825	554	120	350	-60	Madison
BMRC08	751078	7348800	559	150	356	-60	Madison
BMRC09	751194	7348885	564	120	355	-60	Madison
BMRC10	751200	7348857	564	120	355	-60	Madison
BMRC11	751421	7348897	564	120	355	-60	Madison
BMRC12	751507	7348828	563	150	355	-60	Madison
BMRC13	750639	7348757	567	60	345	-60	Madison
BLRC01	752636	7345021	567	172	330	-60	Lachlan

Table 1 **Drillhole details of RC at Bulloo Downs**

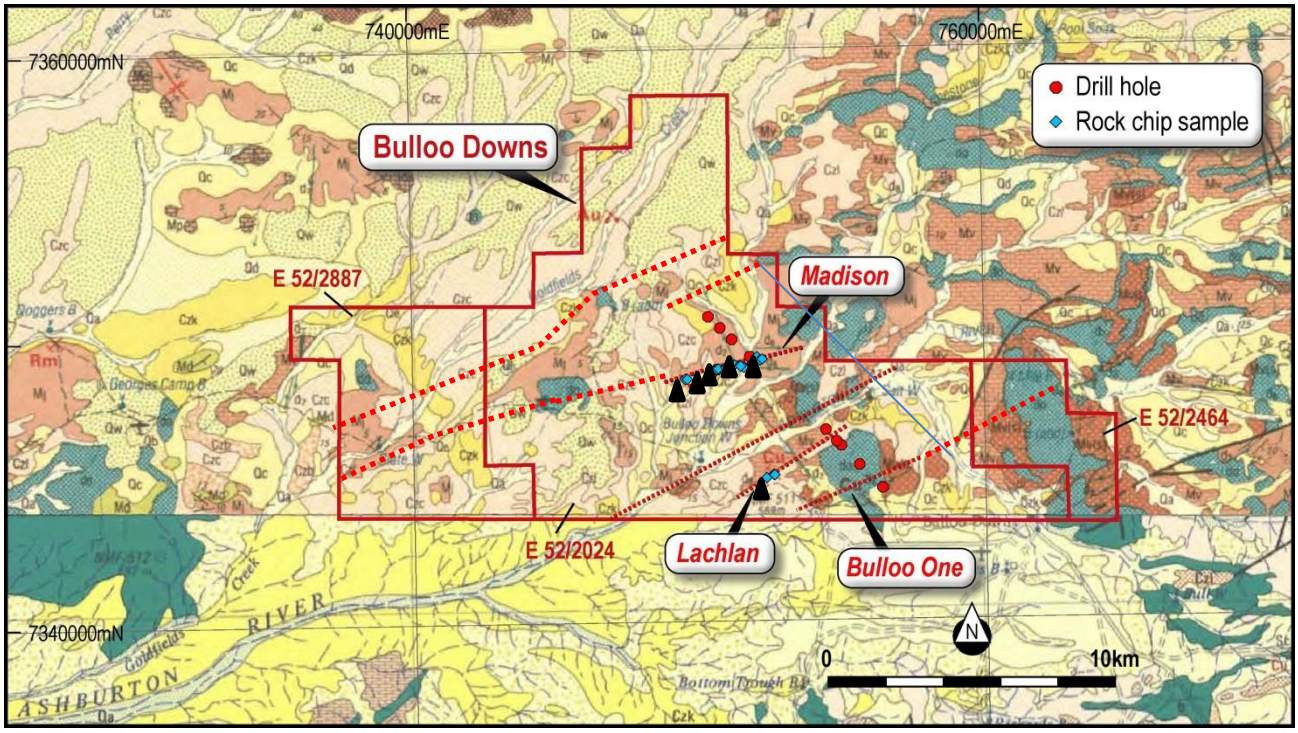

Figure 1 **Leases showing the mapped copper occurrences and the new copper trends (red dots). New drilling shown as black triangles.**

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Exploration Program

Another rock chip sampling program will be conducted using the HyVista information along the identified 60km of structures associated with the new copper mineralisation. Upon completion, the area will be reassessed and identified targets will be drilled.

The Lachlan Trend gossan will be investigated as previous drilling and rock chip sampling shows anomalism. The HyVista HyMap also shows a distinct SW-NE trending structure on which the anomalous results occur.

Following successful sampling and positive results, the area is to be drilled. The sampling results combined with HyVista and historical data analysis will assist in planning an RC program. The areas of outcropping gossan will be the primary targets along with the zones of significant grade identified by the initial rock chip sampling. Secondary targets will include the areas under cover along the established gossan trend line. These will be drilled in an attempt to establish continuity along the structure.

GLANDORE

Aruma has negotiated Native Title access to its flagship Glandore gold project, 40 kilometres east of Kalgoorlie in the West Australian goldfields, allowing the Company to commence exploration drilling after a three-year delay.

The resolution comes after the Goldfields Land and Sea Council (GLSC) and the Central East Native Title Group (CEG) conducted a heritage survey of the Glandore area, with Aruma receiving provisional approval from those parties to conduct a 3000 metre aircore drilling program at the project.

Historical drill chips scanned last week by Aruma confirmed that the mineralisation intersected previously at the Project is typical Golden Mile lode style with good grade and continuity.

The Figure 2 below shows the area to be drilled and the relationships with Lake Yindarlgooda and the geology, with the targets and drilling being done on the Fluid Flow areas reported in prior announcements.

The previously disputed leases P25/2215 and P25/2216 will also have standard Heritage Agreements signed, opening the way for granting and exploration.

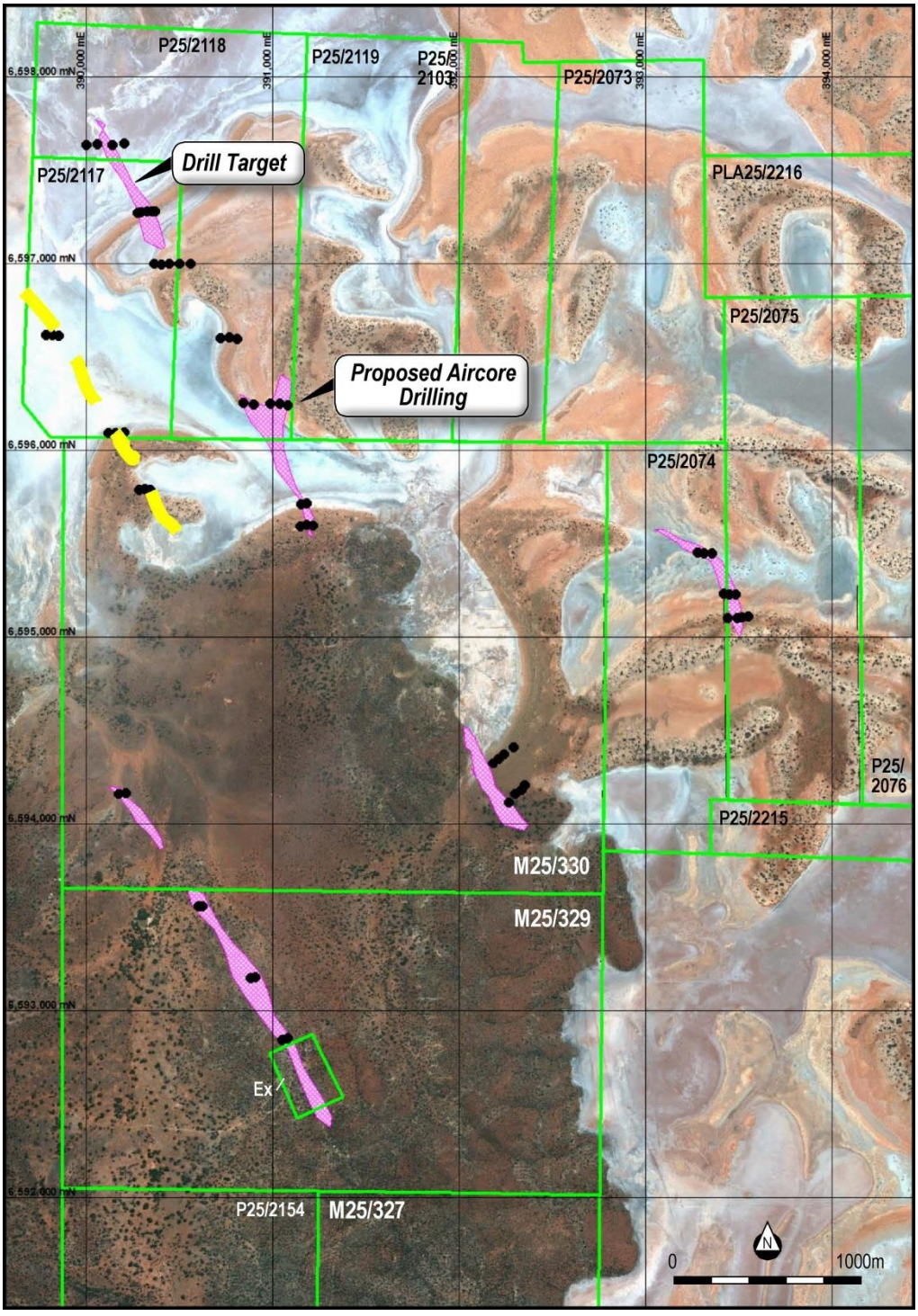

Figure 2 **Google ® image with Fluid Flow drilling targets at Glandore.**
The pink areas are >1.0g/t Au outlines from previous work and Fluid Flow.
The yellow dashes are the Steves Line trend.

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Results at Clinker Hill

At the end of the previous quarter, a soil sampling project was completed at Clinker Hill, some 30km east of Kalgoorlie and just south of the Trans Australian Railway line.

Aruma completed 255 soil samples taken at a GPS surveyed location point, sieved with the -80 micron fraction retained for assay. Samples were taken 20 metres apart on lines 160 metres to 220 metres apart. Lines were orientated east west. The sample points were described for the regolith, landform and any comment on geology as necessary.

Results of the survey indicate a 40 ppb gold anomaly extends from the north western corner of the lease to the south eastern corner. The anomaly has a strike length of approximately 2 kilometres. Within this anomaly there are several +60ppb anomalies, the largest occurring over 2 lines for a strike length of 400 metres. The width of the anomaly is from 40-160 metres for the +40 ppb contour and 20 to 60 metres for the +60ppb contour. Maximum gold value of 132 ppb was recorded.

Drilling by previous operators has only tested the anomaly on one line over the 2 kilometres of strike. This drill line on 6580540mN has not fully tested the anomaly. The drilling was by vertical relatively shallow RAB holes. Extensive metal detector and clearing has taken place on the eastern and western sides of the anomaly around 6580540mN and extends for a length of some 500 metres.

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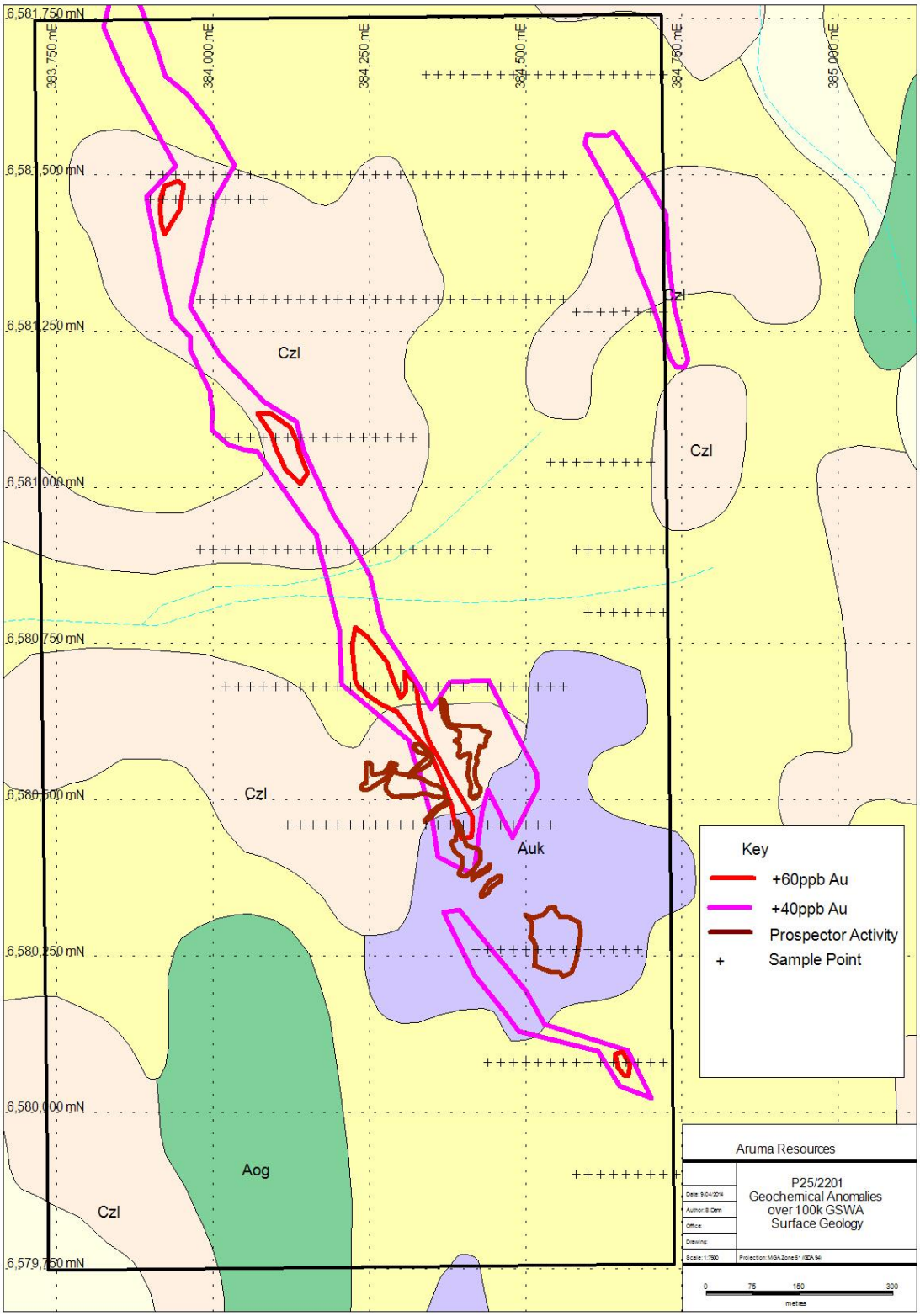

Figure 3 Local geology GSWA 100k Surface Geology

For further information please contact:

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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 and Chartered Professional (Geology). 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 Reserves'. 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.

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.*	• Clinker Hill soil samples of some ~500g were taken from the soil profile 150 to 200mm deep. • The sample was then sieved at 80µ and the residual of 50g placed in a paper Kraft bag. • All samples were 30g charge assayed. • The samples were taken at 20m spacing along E-W lines 160m to 220m apart • The regolith, terrain and soil type were recorded for each location. • The location of the samples were recorded by GPS.
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.).*	• No Drilling
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.*	• No drill samples.
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.*	• No drilling
Sub-sampling techniques and sample	• *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.*	• No drilling

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Criteria	JORC Code explanation	Commentary
preparation	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.*	• Laboratory standards and methods are industry standards.
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.*	• No drilling
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.*	• Samples were 20m apart olang E-W lines 160 to 220m apart. • All locations available for each sample.
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.*	• No drilling.

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Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• All samples cross referenced and numbered on site and checked as taken, as logged, as loaded to Laboratory and as submitted.
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 workers are available in the annual report to the DMP.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Stratabound and structurally controlled Hydrothermal 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*
		• No drilling

Criteria	JORC Code explanation	Commentary
	exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *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.* • *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.*	• No drilling
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').*	• No drilling
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 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.