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**QUARTERLY ACTIVITIES STATEMENT**  
**For the quarter ending 31 December 2011**

**HIGHLIGHTS**

➤ **Corporate**

- Ground acquisition on target for 4 major projects
- Fund Raising completed
- ~\$3m cash position

➤ **Glandore Project**

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

➤ **Jundee South Project**

- First pass RAB drilling completed for 1024m

➤ **Twin Hills Tenement Package**

- 15 km of prospective anomalism with known gold endowment
- E29/823 granted and leases total 180km<sup>2</sup>
- PoW submitted
- ELA29/853 located over the southern extension of the Belt

➤ **Gindalbie Tenement Package**

- Known gold endowment over 150 km<sup>2</sup>
- Several anomalous zones
- Area fully covered by Hyvista Survey

➤ **Regional Exploration**

- Hyvista flown on Gindalbie, Darlot, Kurnalpi South, Patricia and Laverton



## 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 1550km<sup>2</sup> in WA's Eastern and Murchison Goldfields.

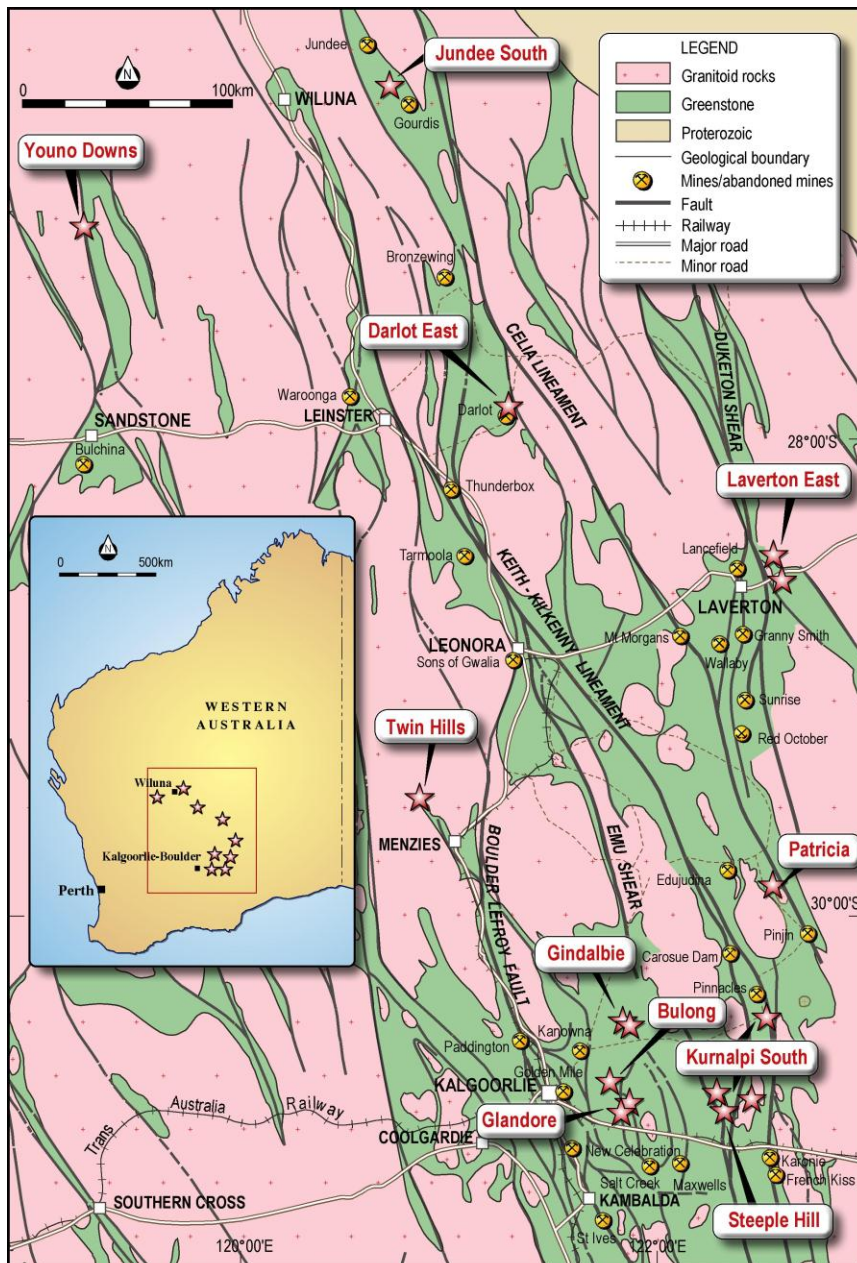


Figure 1 Aruma Projects in the Eastern Goldfields

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**ACTIVITY REPORT TO THE ASX  
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**Project Locations**

<b>EASTERN GOLDFIELDS</b>	<b>Glandore Hub</b>	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 – RAB drilling defines Ni Cu prospectivity at Steeple Hill
		Bulong Project - 30 km east of Kalgoorlie-Boulder Status – Awaiting grant and data base assembled
		Patricia Project - 20km south of Jundee Mine Status – Awaiting grant and data base assembled
	<b>Regional Projects</b>	Twin Hills Project - The Twin Hills belt 25 km north of Menzies Status – PoW submitted and site access arranged
		Carbine Project - In the Kunanalling Belt Status – Awaiting grant and data base assembled
		Jundee South Project - 20km south of Jundee Mine Status - First Pass RAB drilling hits 2 g/t Au over 4m
		Darlot East Project - 20km east of Laverton Status – Awaiting grant and data base assembled
		Laverton East Project - 20km east of Laverton Status - Second Phase drilling completed
<b>MURCHISON GOLDFIELDS</b>		Youno Downs Project - 20km west of Gidgee Gold Mine Status – Awaiting grant and data base assembled
		Big Bell West Project - 10km west of Big Bell Mine Status – Awaiting grant and data base assembled

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## Expanding Footprint

The Company continues to expand its footprint in the Eastern Goldfields and Murchison regions – both proven and prolific gold provinces. In line with this strategy, Aruma has applied for and negotiated several new Exploration Licences covering the extensions of gold mineralisation trends. The leases contain rock types and structural lineaments favourable for gold mineralisation covered by transported soil, now totalling over 1550 km<sup>2</sup>.

Aruma has a clear strategy to efficiently explore the gold mineralisation potential of a growing 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 721km<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.

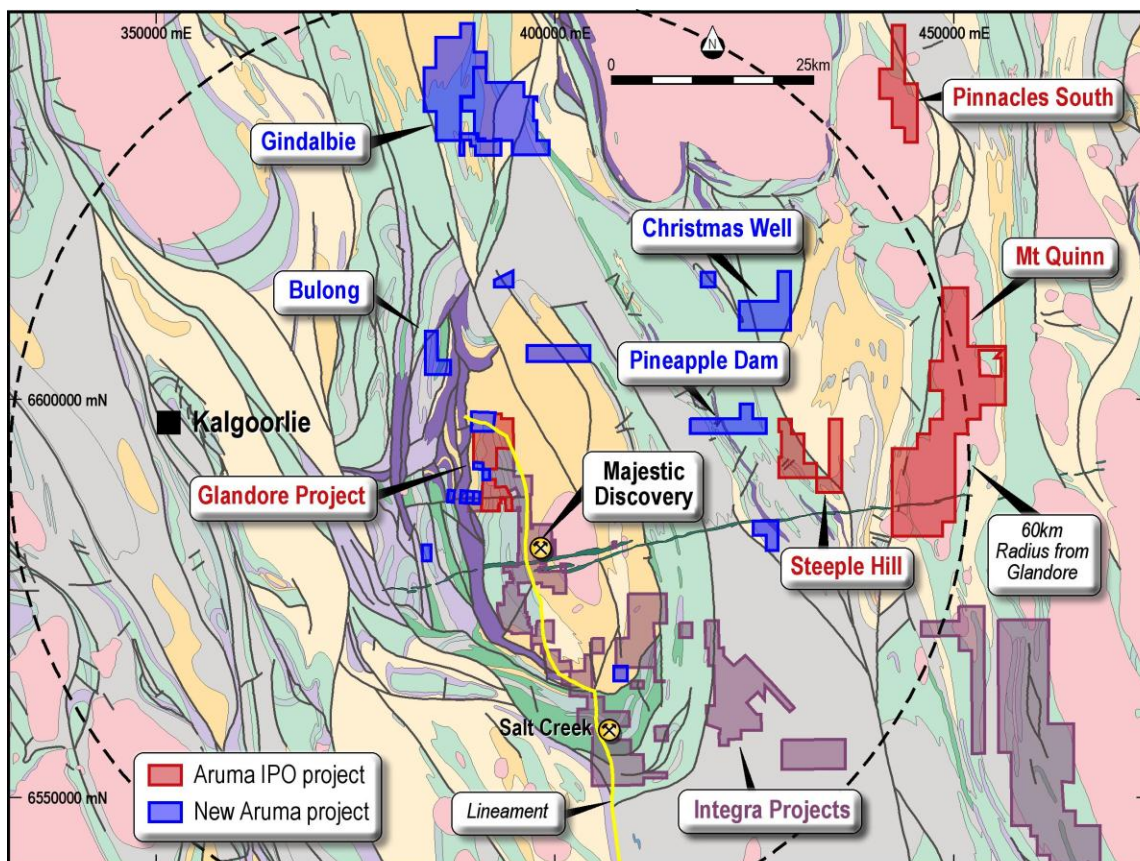


Figure 2 The Glandore Hub Leases





## EFFICIENT EXPLORATION OF FLAGSHIP GLANDORE PROJECT

Given the extent of Aruma's growing 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 Aruma commissioned CSIRO to carry out a Fluid Study at its flagship Glandore Project.

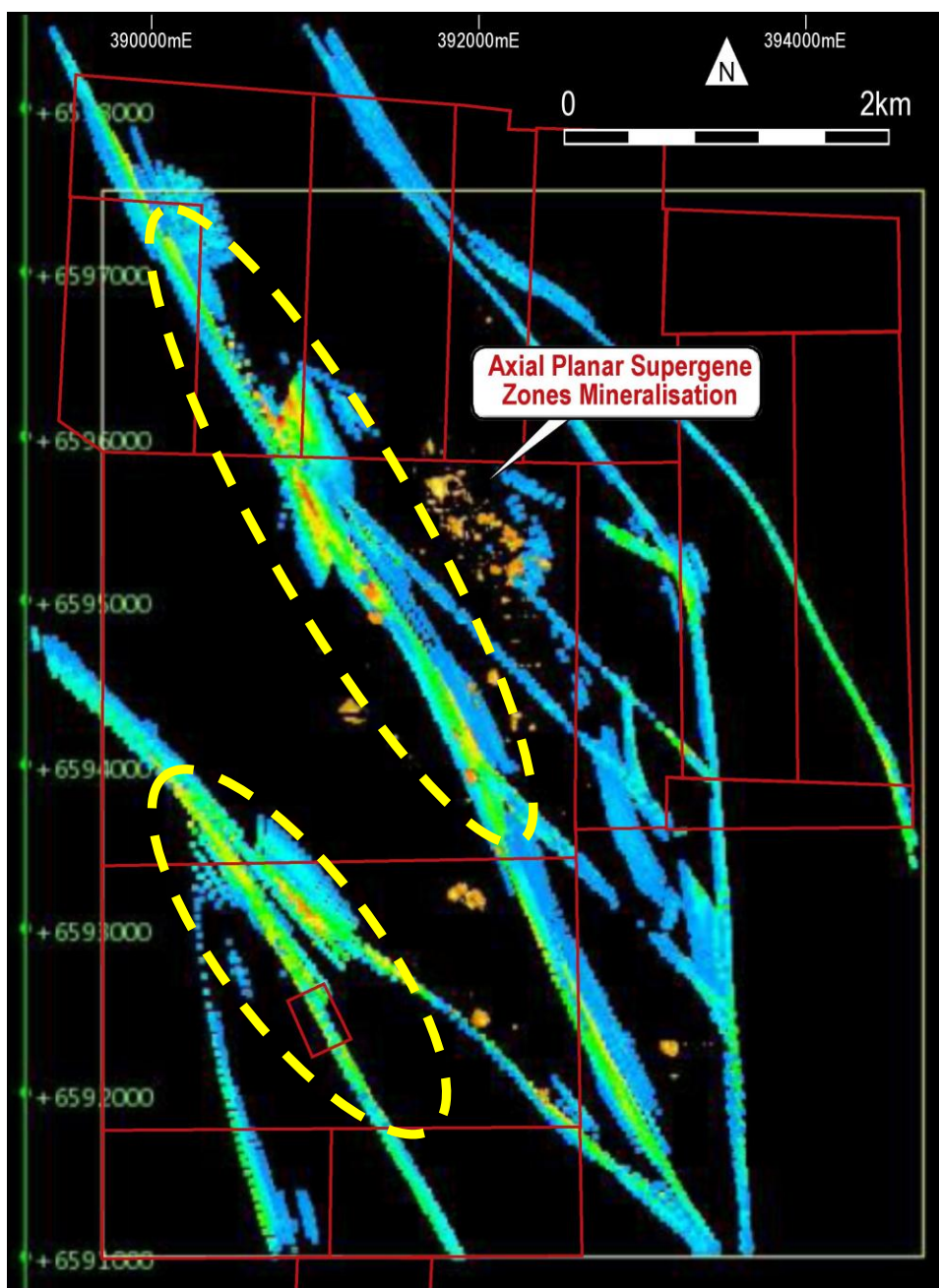
The Study, which was completed before year-end, has demonstrated outcomes comparable to a 20,000m pattern drilling program, but in a considerably shorter timeframe and at a considerably less cost.

The use of Hyvista, proven at Laverton East and Jundee South; has now been flown on all the other Eastern Goldfields properties.

Corescan Pty Ltd have also completed a PIMA scan of all the drilling at Glandore to help understand the alteration and the Company will be investing in a portable scanner for testing RAB samples. This method has been used successfully by other companies in the area to track and map the alteration associated with gold mineralisation.

### Glandore Fluid Flow Modelling

The diagram below shows the areas of high Fluid Flow (warm colours) from the draft CSIRO Report which will be finalised in February for drilling soon thereafter. 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 Preliminary targets (Yellow 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 (yellow solids on the Figure 4 above) and the final Report will fully define all the anomalous areas.

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ACTIVITY REPORT TO THE ASX  
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## TWIN HILLS NORTH PROJECT OVERVIEW

### Background

As previously announced, Aruma has successfully negotiated and 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.

**Table 1 Table of historical intersections**

Hole ID	MGA mN	MGA mE	From	To	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

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.

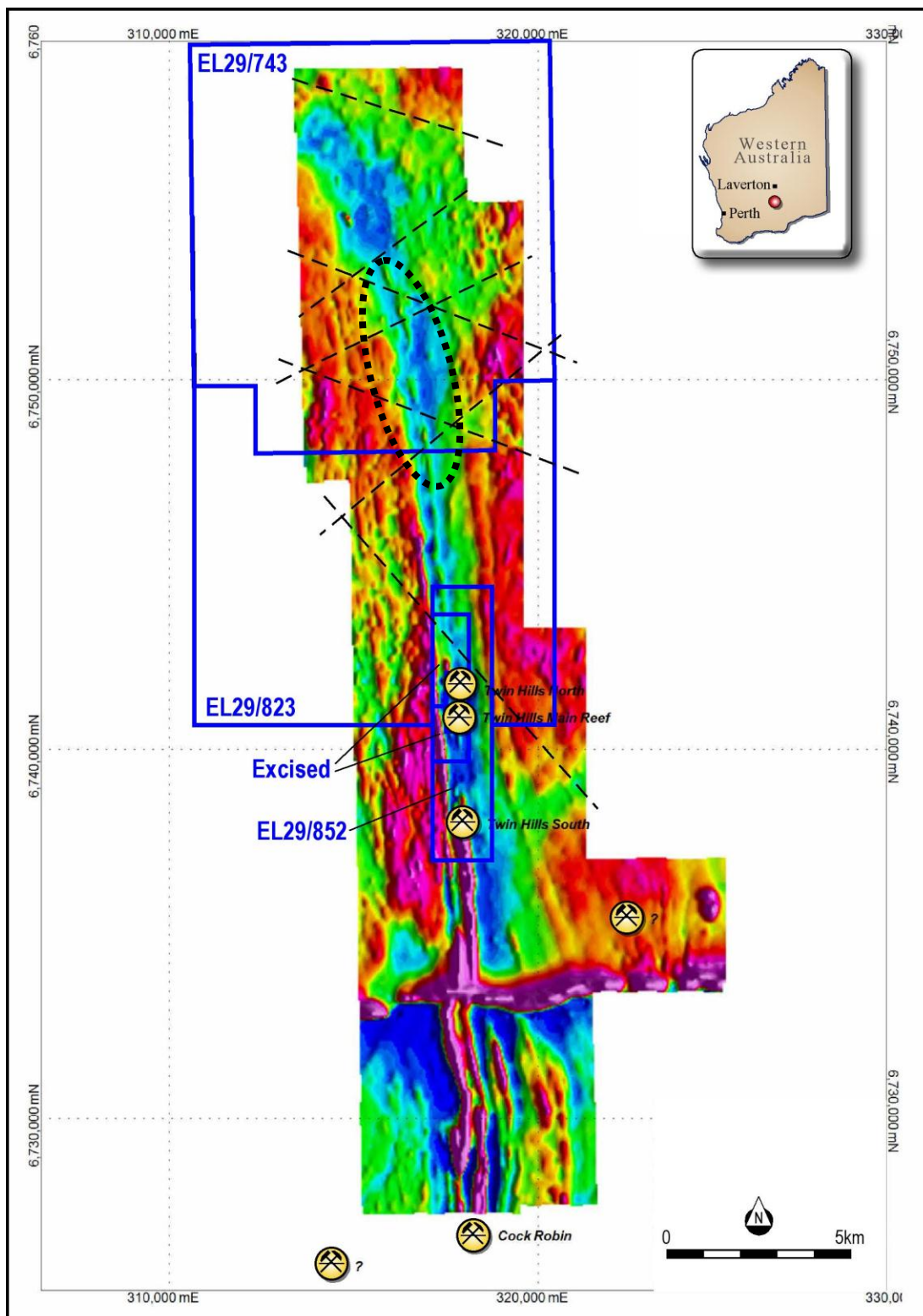
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**Figure 4** TMI Map of Twin Hills North Project on the N-S Moriarty Shear.  
The planned drilling area is outlined in black ellipse

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### Previous Exploration

1989-90	CRA: 500m spaced Auger Sampling produced six areas >20ppb Au, with the best at 0.6g/t. The reports do not state the depth of the Augur Samples but it would be less than 2m in 1989 on tractor mounts.	
	Work included 200m spaced Mag-Rad aerial survey - identifying the mafics extending under cover to the north.	
1996-97	Global Exploration (GEM) was exploring for diamonds but instead hit gold in the T4 target area that was drilled in five lines at 50m spacing. The results included:	
	THR 301	22m at 1.04g/t Au from 25m
	THR 288	1m at 2.56 g/t Au from 25m
	THR 331	20m at 0.54 g/t Au from 50m
1996-97	Astro Mining explored for diamonds after GEM.	
1997-2006	No exploration due to low gold price.	
2006/7	Teakdale Nominees completed eight RC holes in the T4 area, with some good intersections over three of the five lines from the GEM drilling, including best results:	
	WRC01	12m at 0.84g/t Au from 43m
	Incl	1m at 1.79 g/t Au and 0.25% Cu from 53m
	WRC03	28m at 0.86 g/t Au from 32m
	WRC04	24m at 0.51 g/t Au from 24m
	WRC06	24m at 0.39 g/t Au from 24m

These results were originally considered to be steep and plunging to the north in two zones. It is suggested that the zone is actually flat and shallow dipping to the east. The zones are also on a major NW trending dislocation and possible feeder structure that is repeated to the north and south and are targets for major systems.

Intrusive hosted major gold zones are just being recognised in the region with the new deposits at Integra's new Majestic and Imperial zones, and are being targeted at Glandore and other leases in the Aruma property list.

The Copper Gold signature seen here together with the intrusive monzogranites and mafic-ultramafic belt make this 15km long trend highly attractive for new techniques to identify major gold orebodies. In addition, the Garden Well ultramafic-sediment targets, as well as the Majestic Tonalite target types, are both present, as is proven mineralisation identified in previous drilling.

### Work Program

1. Immediately to start work on both areas with full data base examination;
2. RAB drill the geochemical anomalies and favourable geological structures on a 500 by 50m grid for 200 holes at 40m deep; and
3. Follow up drilling RC for resource drilling.

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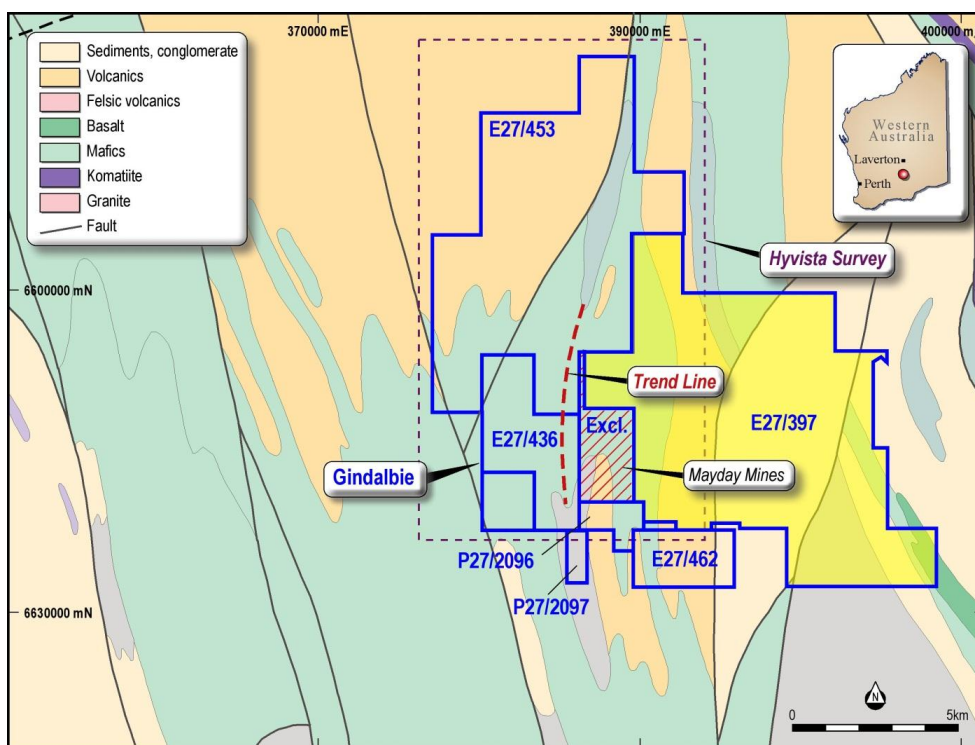
## Target and range

The Exploration Target<sup>1</sup> would be an open cut tonnage of economic grade to enable custom milling for medium to high grade small tonnes, ranging to full plant construction for large tonnages.

The resource range is expected to be 2-20 Mt with a head grade of >0.8 g/t Au with a probable 2 g/t Au head grade<sup>1</sup>. The current and expected gold price is now making lower grades economical.

## 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.

<sup>1</sup> Aruma Resources has not yet reported Mineral Resources at Twin Hills North and any discussion in relation to targets and mineral resources is conceptual in nature. There has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.



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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

1. Immediately start work on both areas with full data base examination;
2. Fly Hyvista of total Gindalbie package and drill some 100 RAB holes on geochemical anomalies;
3. On Granting of E27/453, commence exploration as normal on full package.

### 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 is the first gold intersection in the area. The Laverton exploration work is at a very early stage, the results are highly encouraging, and confirm the Hyvista and Rock Chip Sampling in the area. The area in which the intersections were made is under thin cover and has no previous mining or exploration intersections from previous workers. This intersection was in the easternmost hole on the section and is open to the east and along the 4+ km strike length.

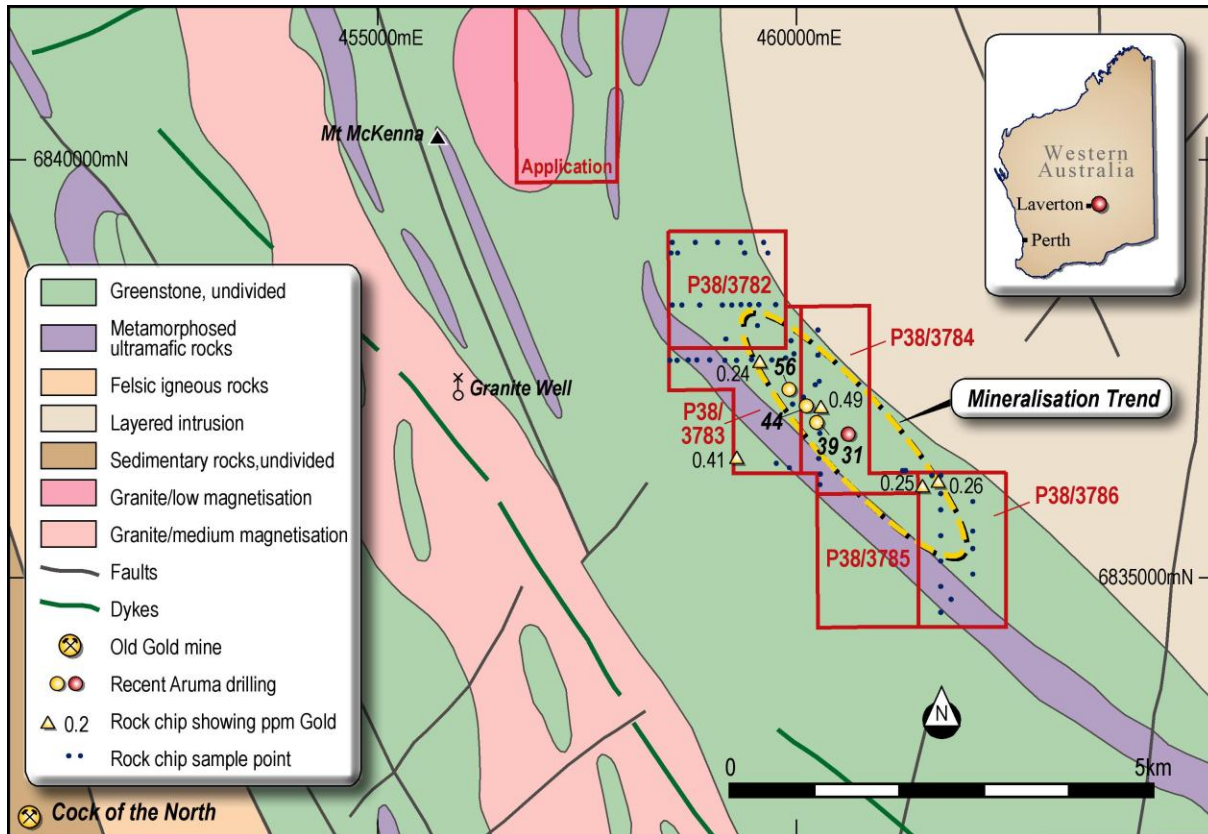
Hole No	Easting	Northing	Angle	Azimuth
LEAC 31	460776	6836876	-60	245°
From	To	Au g/t	Au(R) g/t	Rock Type
7	8	0.33	0.33	Adamellite
15	16	1.22	-	Adamellite
16	17	7.33	8.07	Adamellite
22	23	0.16	0.2	Adamellite

**Table 1 Significant (>0.1) Au assays in LEAC 31**

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This drilling result is seen to be coincident with the edge of the Hyvista anomaly, with hole LEAC 31 located 160m from the 0.49 g/t Rock Chip sample as shown on Figure 6 below. Further follow up drilling will be carried out when the area dries out.



**Figure 6 Laverton East Leases showing Geology and Coincident Rock Chip Gold and Drill Hole locations with LEAC 31 in red and the anomalous holes in yellow**

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.

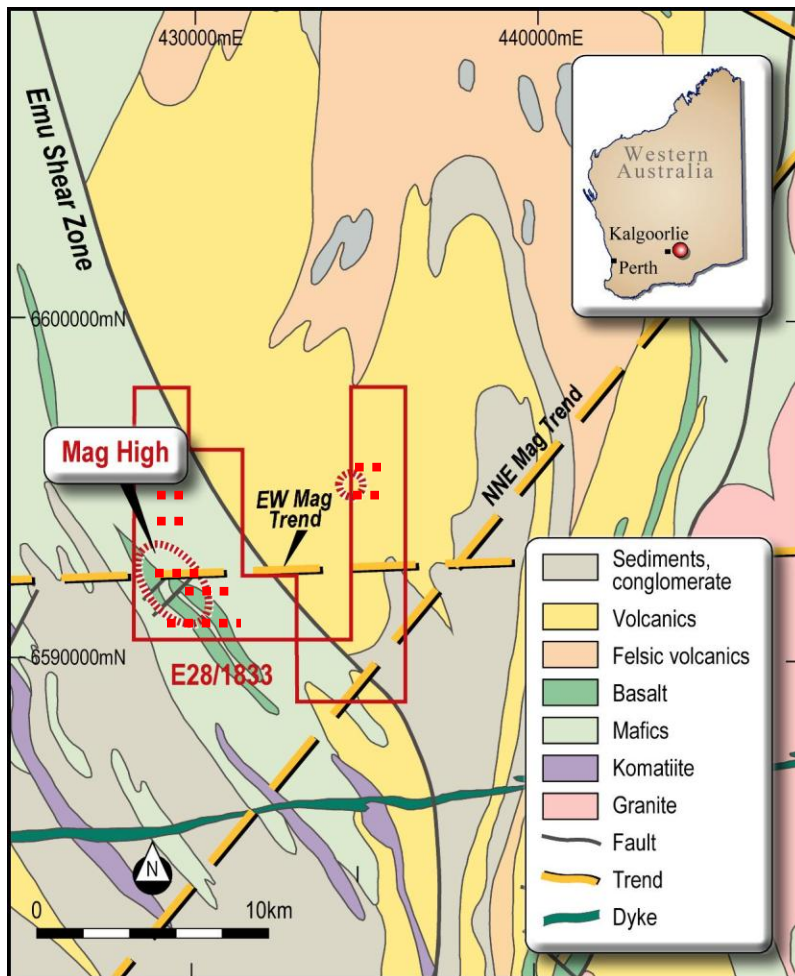
## KURNALPI SOUTH-STEEPLE HILL

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.





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**Figure 7 Steeple Hill Lease showing Geology and drill lines in red**

The drilling on the second line revealed some alteration in quartz-biotite in 4 holes which are near the Gossans previously reported. All the anomalies were on Magnetic and Hyvista targets.

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## North Eastern Goldfields Projects Progressing

Application for a PoW over Twin Hills was submitted during the quarter as well as a large Hyvista program over the new leases.

## Proposed Exploration Activities for Q3 2011/2012

### GLANDORE

- Initial drilling on Fluid flow Model under covered areas

### TWIN HILLS PROJECT

- PoW submitted for North Lease
- 240 RAB holes scheduled
- New leases to be granted in the future

### GINDALBIE PROJECT

- Total package of 150 km<sup>2</sup> of covered prospective ground
- PoW prepared for Camel Dam Lease to investigate
- 240 RAB holes scheduled
- New leases to be granted

### KURNALPI SOUTH AND GINDALBIE SATELLITE PROJECTS

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

### LAVERTON EAST

- Possible Farm out of lease

### REGIONAL ELs

- Hyvista Survey to be Interpreted
- 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.



ACTIVITY REPORT TO THE ASX  
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## Capital Raising Successful

Aruma completed a placement to sophisticated investors, raising \$630,000 before costs during September 2011. A Share Purchase Plan was put in place and raised an additional \$151,000 during October 2011. With the approval of shareholders following the AGM held in November 2011, entities associated with directors invested a further \$157,500 on the same terms as the September placement. This funding will allow further evaluation of the Company's growing portfolio of landholdings and gold projects in the coming year.

### For further information please contact:

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*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 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.*

### Background

Aruma Resources (ASX: AAJ) is a focussed West Australian gold exploration company with twelve prospective project areas within WA's Eastern Goldfields region. Inclusive of several tenements which are still under application, Aruma's tenement package now spans some 1,550km<sup>2</sup>, covering regional structures in the Norseman - Wiluna Greenstone Belt which contains most of Australia's lode-type gold deposits.

The flagship Glandore Project is approximately 40km east of Kalgoorlie-Boulder. Previous exploration of the Glandore Project has identified several advanced exploration areas and some twenty under-explored prospective exploration targets. Exploration will give priority to the new Fluid Flow study generated targets.

The Glandore Hub Project lies within 60 km of the Glandore Project and comprises several gold exploration prospects including Kurnalpi South, Glandore, Gindalbie, Bulong and the Patricia within a minimally explored area of a greenstone belt that hosts several major mines. Gold anomalism and chip samples will be followed up at Gindalbie as well as Ni Cu at Steeple Hill.

The recently acquired Twin Hills Project hosts a full greenstone belt and has over 15km of prospective strike with known gold endowments. The initial target is to prove up major thick medium grade (1 to 4 g/t Au) deposits around known 20m thick mineralised zones.

The Laverton East Project is located approximately 20km east of Laverton. Previous exploration of the area includes relatively shallow RAB drilling over much of the tenement and reconnaissance rock chip sampling returned several gold assays of greater than 0.2 g/t. Recent drilling has shown grades of 2m at 4.3 g/t in newly identified areas.

The Jundee South Project is approximately 50km to the east of Wiluna within the Yandal Greenstone belt. Recent drilling has identified new mineralised zones under surface Geochem with strike lengths up to 2 km.

Each of the project areas can be readily accessed from the regional towns of Kalgoorlie-Boulder, Laverton or Wiluna.

The opportunities for prospective ground in the Murchison Goldfields has allowed Aruma to recently apply for two areas with known gold occurrences near the major mining centres of Gidjee and Big Bell.

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