

21 January 2022

Exploration Update

Highlights

- Thick anomalous gold zones intersected in first phase of drilling at Salmon Gums Gold Project
- Initial results received from recently completed drilling programs at Salmon Gums and Saltwater Gold Projects
- Full results to be interpreted and released upon receipt
- Second phase of drilling at Salmon Gums Gold Project underway – up to 3,000m RC drilling
- First phase of drilling at Mt Deans Lithium Project expected to commence next month – up to 3,000m RC drilling

Aruma Resources Limited (ASX: AAJ) (“Aruma” or “the Company”) is pleased to provide the following update on exploration activities, including preliminary results from drilling at the Company’s Salmon Gums and Saltwater Gold Projects in Western Australia.

Following a recent share price and volume query from the ASX, Aruma announces an update on preliminary drilling results from reverse circulation (RC) drilling programs at the Salmon Gums and Saltwater Projects.

The results reported in this announcement represent only a portion of the total assay results across both programs. The remaining results remain subject to laboratory analysis, the timing of which is unknown by the Company.

All results are required to be received and a thorough interpretation undertaken, and the results in this announcement are preliminary results, and should be viewed in this context.

Samples were sent for laboratory analysis from the recently completed first-phase drilling at the Salmon Gums Project and the second phase of drilling at the Saltwater Project in the Pilbara region of WA.

A total of 53 RC drill holes were completed in the first-phase drilling at the Salmon Gums Project in the Goldfields region and the second phase of drilling at the Saltwater Project in the Pilbara region, and

ASX: AAJ

Capital Structure

126M Shares on Issue
22M Options on issue

Board of Directors

Non-Executive Chairman
Paul Boyatzis
Managing Director
Peter Schwann
Non-Executive Director
Mark Elliott
Company Secretary
Phillip MacLeod

Exploration Manager
Stephen Denn

Gold Projects -1,696km²

Norseman

SCOTIA SOUTH - 222km²

Pilbara

MELROSE - 372km²

SALTWATER -744km²

Li Ta Project -Norseman

MT DEANS 1.44 km²

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more than 4,100 samples across both projects have been sent for Chrysos™ Photon Assay method gold analysis. These results are from the first 28 holes (some 2,140 samples of 4,170 samples total) of a total of 53 holes, with assays from a further 25 holes (1,030 assays) still to be received.

Aruma's Managing Director, Peter Schwann, commented

"The drill programs were designed to regionally test the gold anomalies and geophysical targets to find large scale trends for follow-up gold exploration."

"These initial results are broadly consistent with our expectations from our models and the historic exploration. These observations support the reactive sediment model, and confirm the geophysical and historic data, which will generate our next phase of drilling. The Company has access on several new targets it plans to test in drilling which commenced this month."



Figure 1 Aruma's Project locations

Preliminary Results at the Salmon Gums Gold Project

The Salmon Gums Project (EL63/2037, EL63/2122) covers a total area of 222km², 200km south of Kalgoorlie, and 60km south of the mining town of Norseman. The Project is situated 30km south and directly along strike in the same stratigraphy as Pantoro Limited's (ASX: PNR) rapidly expanding high grade Scotia Gold Project.

The Company recently completed its first phase of drilling at Salmon Gums, which consisted of 2,298m of RC drilling in a total of 33 holes on E63/2037. Drilling consisted of four lines of wide-spaced drilling of magnetic targets in the south of the Project area, plus closer-spaced confirmation drilling (of 15 holes across four lines) in the area around historic intersections.

Assay results have been received from 21 of the 33 holes, and reinforce Aruma's exploration model for the potential presence of a large gold system with thick, low tenor anomalism intersected in the targeted southern areas of the Project.

Drilling has intersected granites and greenstone rocks including sediments, mafic and ultramafic rocks. Talc chlorite shears and quartz veining have been observed. Assay results received to date have been encouraging with broad intervals of low-level anomalous gold in several holes including;

- 0.21g/t Au in hole SGRC0009; and a thickest value of
- 38m at 0.12g/t Au from 23 metres to EOH in SGRC0010.

A total of 15 of the 21 holes assayed to date have recorded a gold value of greater than 0.1 g/t Au in the hole.

The anomalous results with drill-holes with better than a combined 1 gram-metre define a broad anomalous zone striking 2.3 kilometres in a south-south-west direction from the Thistle Prospect and with a thickness of 100 to 200 metres.

See Table 1 for details of assay results of the 21 holes received to date.

Aruma expects to receive the remaining assays from the drill at Salmon Gums in the near future.

Aims of Salmon Gums drilling:

1. Test for prospective greenstone stratigraphy in the area to the south of the Thistle Prospect. The area has no historic soil geochemistry undertaken.
2. Follow up historic intersections (best results of 7m at 2.71g/t Au in hole T26R002) (refer announcement 6 July 2021)
3. Test anomalous zones of historic soil geochemistry and drilling north from hole T26R002 including regional stratigraphic lines for geological investigation.

Table 1 Drillhole results for assays of 21 holes received to date. NSR is no significant result (>0.1g/t Au). Grid is GDA94-50

Hole ID	Easting	Northing	Hole Depth	Dip Azimuth	From m down hole	Thickness m down hole	Grade g/t Au	Comment
SGRC01	377101	6359650	66	-60°/270°	9	5	0.12	
SGRC02	377204	6359652	48	-60°/270°				NSR
SGRC03	377300	6359655	54	-60°/270°	53	1	0.14	EOH
SGRC04	377401	6359649	54	-60°/270°	34	1	0.1	
SGRC05	377498	6359651	87	-60°/270°	6	13	0.13	
SGRC06	377582	6359649	48	-60°/270°				NSR
SGRC07	376801	6359149	90	-60°/270°	37	1	0.12	
SGRC08	377000	6359150	42	-60°/270°				NSR
SGRC09	377200	6359152	48	-60°/270°	10	23	0.15	Max value 0.21 g/tAu
SGRC10	377402	6359151	54	-60°/270°	23	38	0.12	EOH
SGRC11	377599	6359151	72	-60°/270°	52	1	0.1	
SGRC12	376801	6358655	66	-60°/270°	39	4	0.1	
SGRC13	377011	6358667	84	-60°/270°				NSR
SGRC14	377280	6358644	74	-60°/270°				NSR
SGRC15	377899	6360547	60	-60°/270°	11	32	0.15	
SGRC16	377970	6360555	54	-60°/270°	12	32	0.14	
SGRC17	378300	6360301	66	-60°/270°				NSR
SGRC18	378423	6360300	67	-60°/270°	8	1	0.11	
SGRC19	378425	6361555	62	-60°/270°	29	3	0.1	
SGRC20	378457	6361551	108	-60°/270°	72	4	0.1	
SGRC21	378496	6361770	38	-60°/270°	9	22	0.12	

Aruma also advises that the next phase of drilling at the Salmon Gums Gold Project commenced in January 2022 and 23 holes have been drilled to date.

This second-phase, follow up, program will be up to 5,000m of RC drilling in around 50 holes to drilling depths of 100m (with up to 15 lines of drilling and up to 5 holes in each line).

Preliminary Results at the Saltwater Gold Project

The Company also completed its second phase of drilling at Saltwater in late November 2021, which consisted of 1,872m of RC drilling in a total of 20 holes.

Assay results have been received for 7 holes. These results are low tenor and further modelling and interpretation will be undertaken when the complete assay results are available. See Table 2 for details of assay results received to date.

Table 2 Drillhole results for assays >0.1g/t Au of the holes received to date. Grid is GDA94-50

Hole ID	Easting	Northing	Hole Depth	Dip Azimuth	From m down hole	Thickness m down hole	Grade g/t Au	Comment
SWRC042	377204	6359652	99	-60°/360°	6	7	0.20	Max Value 0.5g/t Au
SWRC043	377300	6359655	99	-60°/360°	12	2	0.25	
					21	1	0.18	
					28	1	0.11	
SWRC056	377582	6359649	99	-60°/360°	62	2	0.18	
SWRC058	376801	6359149	99	-60°/360°	26	1	0.13	
SWRC060	377000	6359150	99	-60°/360°	10	1	0.1	

Drilling at Mt Deans Lithium Project Scheduled for February 2022

Aruma eagerly awaits the commencement of drilling at the Mt Dean Lithium Project, situated in the lithium corridor of south-east WA. Confirmation has now been received from the drilling contractor that the drill rig is expected to be onsite in February to start the first phase of drilling at the Project, of up to 3,000m of RC holes.

Aruma views the Mt Deans Project as being highly prospective for lithium minerals, as well as tantalum and rare earth element (REE) minerals. Previous exploration has identified swarm pegmatites over a strike length of 1 kilometre.

Heritage agreements completed for over Melrose Gold Project

Aruma also advises it has now received the fully executed Heritage Agreement with the PKKP Native Title Aboriginal Corporation in respect of the Melrose Project in the Pilbara region. The Company has submitted a works program for Heritage Approval for a planned first phase of drilling.

Authorised for release by Peter Schwann, Managing Director.

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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 AIG. 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 Reserve'. 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. All previously released exploration results reported have been released to ASX and are available at the Company's website www.arumaresources.com and in the Western Australian DMIRS WAMEX and MINEDEX Reports. The Company confirms it is not aware of any added information that materially affects the information included in the original reports. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Forward Looking Statement

Certain statements contained in this document constitute forward looking statements. Such forward-looking statements are based on several estimates and assumptions made by the Company and its consultants considering experience, current conditions and expectations of future developments which the Company believes are appropriate in the current circumstances. These estimates and assumptions while considered reasonable by the Company are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, achievements and performance of the Company to be materially different from the future results and achievements expressed or implied by such forward-looking statements. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. There can be no assurance that Aruma plans to develop exploration projects that will proceed with the current expectations. There can be no assurance that Aruma will be able to conform the presence of Mineral Resources or Ore Reserves, that any mineralisation will prove to be economic and will be successfully developed on any of Aruma's mineral properties. Investors are cautioned that forward looking information is no guarantee of future performance and accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.

Section 1 Sampling Techniques and Data

The following data is in relation to Drill Holes in the announcement and the individual holes are listed in the Announcement.

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none">• <i>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.</i>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘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.</i>	<ul style="list-style-type: none">• RC drill samples are taken from each hole and sampled in 1m intervals• Samples are identified from depth down hole and sampled into pre numbered bags.• Samples were rotary split into calico bags for assay with the remaining sample spoil left on site
Drilling techniques	<ul style="list-style-type: none">• <i>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.).</i>	<ul style="list-style-type: none">• Drilling was done with RC rigs using industry standard sampling methods.
Drill sample recovery	<ul style="list-style-type: none">• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>• <i>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.</i>	<ul style="list-style-type: none">• The best endeavors were used to ensure sample recovery and splitting gave the best quality possible.
Logging	<ul style="list-style-type: none">• <i>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</i>	<ul style="list-style-type: none">• All samples were logged geologically and qualitatively.

Criteria	JORC Code explanation	Commentary
	<p>studies.</p> <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> All samples rotary split and noted wet or dry. Where sample quality precluded riffle splitting, the material was tube sampled. The sample size satisfied the Gy size requirements.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Laboratory standards and methods are industry standards. Duplicate samples were not taken as any anomalous holes would be assayed in the 1m splits Sample weights used in assaying were recorded and displayed good consistency with the majority between 200 to 642g. (average 400g)
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All significant intersections were inspected by at least two competent and relevant geologists. No current holes were twinned as this is not required in grass roots exploration.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Initial hole layout was by handheld GPS. All locations are GDA94-51 for Salmon Gums and GDA94-50 for

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	Saltwater
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • The grid spacing at Salmon Gums was designed to be regional in scope with drill lines targeting geological features in available paddocks rather than a specific designed regular grid. • The Saltwater holes were nominally 50m apart and the regional Eastern holes 100m apart
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • All holes drilled as close to tangential to the interpreted strike and dip of the regional geology. As the programs are first pass exploration drilling actual orientations may vary as further information is acquired
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • All samples logged and numbered on site and checked as drilled, as logged, as loaded to laboratory and as submitted.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits have been undertaken at this stage of initial grass roots exploration

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • All tenements and issues required are detailed in the reports. • All work done under PoWs. • All work was done in heritage cleared and permitted areas
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The reports are acknowledged in the announcement and is numbered as an A report in Minedex

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Detailed in the "Gold in Sediments" exploration model published by Aruma in previous announcements and presentations.
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ◦ <i>easting and northing of the drill hole collar</i> ◦ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ◦ <i>dip and azimuth of the hole</i> ◦ <i>down hole length and interception depth</i> ◦ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • All Salmon Gums drill holes tabled, and information from Saltwater only lists the holes that returned >0.1g/tAu
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Drill holes are oriented to get intersections as close to true widths as possible based upon the assumptions on dip and strike. The Salmon Gums project is grass roots and geometry of geological units and mineralization are still yet to be determined. • Aggregate intercepts were used on historical drilling with a nominal cut off of the industry standard of 0.1g/t Au. • Metal equivalents are not used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Mineralisation widths are expected to be close to true widths based on the assumptions of dip and strike. However previous comments on the grass roots nature of the exploration apply.
Diagrams	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • As done

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The individual hole assays are not listed as they are below the 0.1 g/t cutoff as stated as significant
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All A reports and associated previous data are listed to source the original reported data.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg 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. 	<ul style="list-style-type: none"> As detailed in the report.