

29 July 2019

ASX Announcement

## QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 JUNE 2019

### HIGHLIGHTS

- **Plans for next phase of drilling at Slate Dam and Beowulf Gold Projects being finalised**
  - ~20 hole RC program at priority targets generated from Airborne AEM Survey and soil geochemistry
  - Programs of Works (PoWs) approved – drilling planned to commence in current quarter
- **Drilling at Kopai Gold Project completed**
  - Anomalous gold intersected in three holes

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to provide the following report on its activities for the quarter ending 30 June 2019.

Aruma continued to advance its 100% owned Kalgoorlie-region gold projects during the quarter. This work was highlighted by the completion a maiden drilling program at the Kopai Gold Project and preparations for the next phase of drilling at its core Slate Dam and Beowulf Gold Projects.



Figure 1: Regional Geological plan of Aruma leases - AEM survey areas in red

### ASX: AAJ

#### Capital Structure

657M Shares on Issue  
12M Options on issue

Cash \$0.63M

#### Board of Directors

Non-Executive Chairman  
**Paul Boyatzis**

Managing Director  
**Peter Schwann**

Non-Executive Director  
**Mark Elliott**

Company Secretary  
**Phillip MacLeod**

#### Active Gold Projects

SLATE DAM PROJECT

BEOWULF PROJECT

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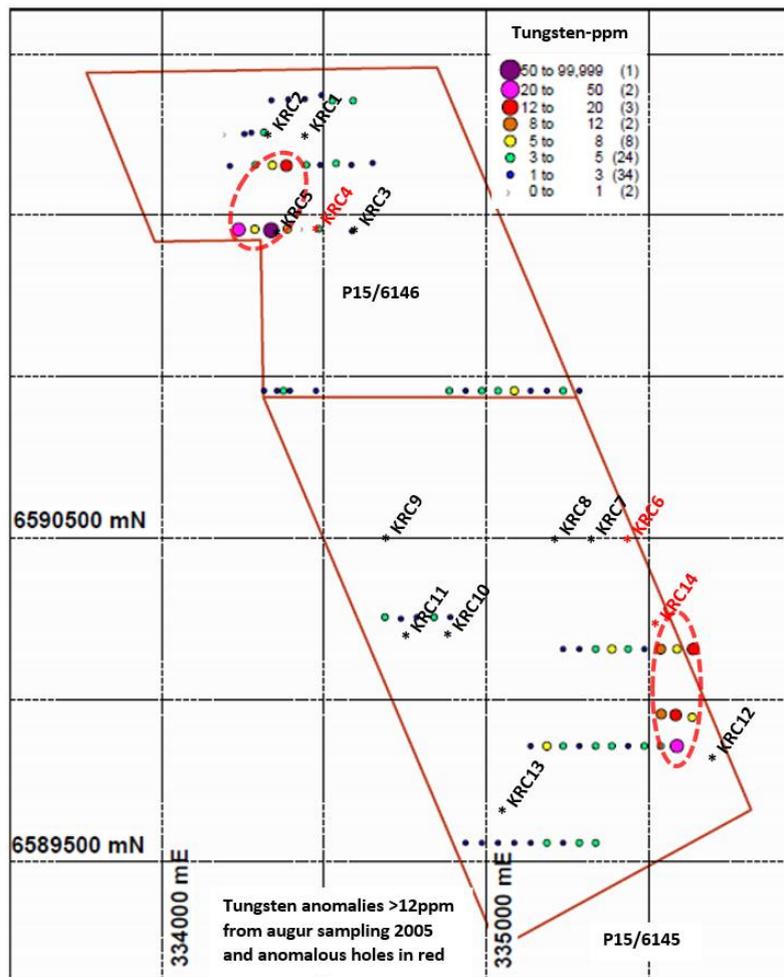
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## Kopai Drilling Complete

Aruma completed a 14-hole RC drilling program at the Kopai Gold Project, located 20km west of Kalgoorlie, for a total of 1,947 metres (with drilling depths to around 150 metres). The program targeted a 2.8km strike length on the Strzelecki Trend, along strike of Evolution Mining's (ASX: EVN) White Foil gold mine. Drilling was designed to test for gold and tungsten anomalism in historic auger holes at the Project.

Anomalous gold intersections were made in three holes, and appear to be related to the tungsten anomalies within the target area (as shown in Figure 2). This was highlighted by the intersection in hole KRC14, which targeted the eastern tungsten anomaly, and intersected 1m at 0.66g/t gold (Au) within a broader zone of 3m of 0.4g/t Au from a depth of 51 metres (Table 1) (ASX announcement 3 June 2019).



**Figure 2: The location of completed drilling with tungsten geochemistry**

Hole	UTM E	UTM N	From	To	Au g/t	Sample No
KRC04	334650	6591450	23	24	0.131	BG25544
KRC06	335300	6590500	35	36	0.143	BG25736
KRC06	335300	6590500	137	138	0.353	BG25838
KRC14	335325	6590250	51	52	0.477	BG26412
KRC14	335325	6590250	52	53	0.664	BG26413
KRC14	335325	6590250	53	54	0.101	BG26414

**Table 1: Anomalous Kopai drill results (Au >0.1g/t)**

Although the Kopai drill program produced anomalous results, at this stage the Company's prime focus is on advancing the exploration of its core Slate Dam and Beowulf Gold Projects, and no further exploration is currently planned at the Kopai Project.

## Next Phase of Drilling at Beowulf and Slate Dam Gold Projects

During the quarter, Aruma commenced plans and preparations for the next phase of drilling at its core eastern goldfields assets, the Slate Dam and Beowulf Gold Projects.

Environmental studies have been completed and Program of Works (PoW) for drilling at Slate Dam and Beowulf have been approved by the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS). Site clearance and preparation is currently being undertaken and is expected to be completed by mid-August with drilling to commence soon after.

The drilling program is planned to consist of a total of approximately 20 reverse circulation (RC) holes across both projects, with drilling depths to around 100 metres. Drilling is designed to test high priority gold targets identified by the Company's AEM survey and soil sampling program undertaken earlier in the year.

Aruma's exploration at Slate Dam and Beowulf is targeting interpreted new greenstone belts defined by the Company, which have proven gold endowment and mineralised structure in rocks that host very large Tier 1 gold deposits in surrounding areas.

### Background to Regional Evaluation at Slate Dam and Beowulf

Aruma completed a detailed and comprehensive airborne Electromagnetic survey (AEM) over the Slate Dam and Beowulf project areas (ASX announcement, 27 March 2019). The results were highly encouraging and have helped the Company to identify and define a total of 19 priority drill targets, which it plans to systemically drill in the coming quarter.

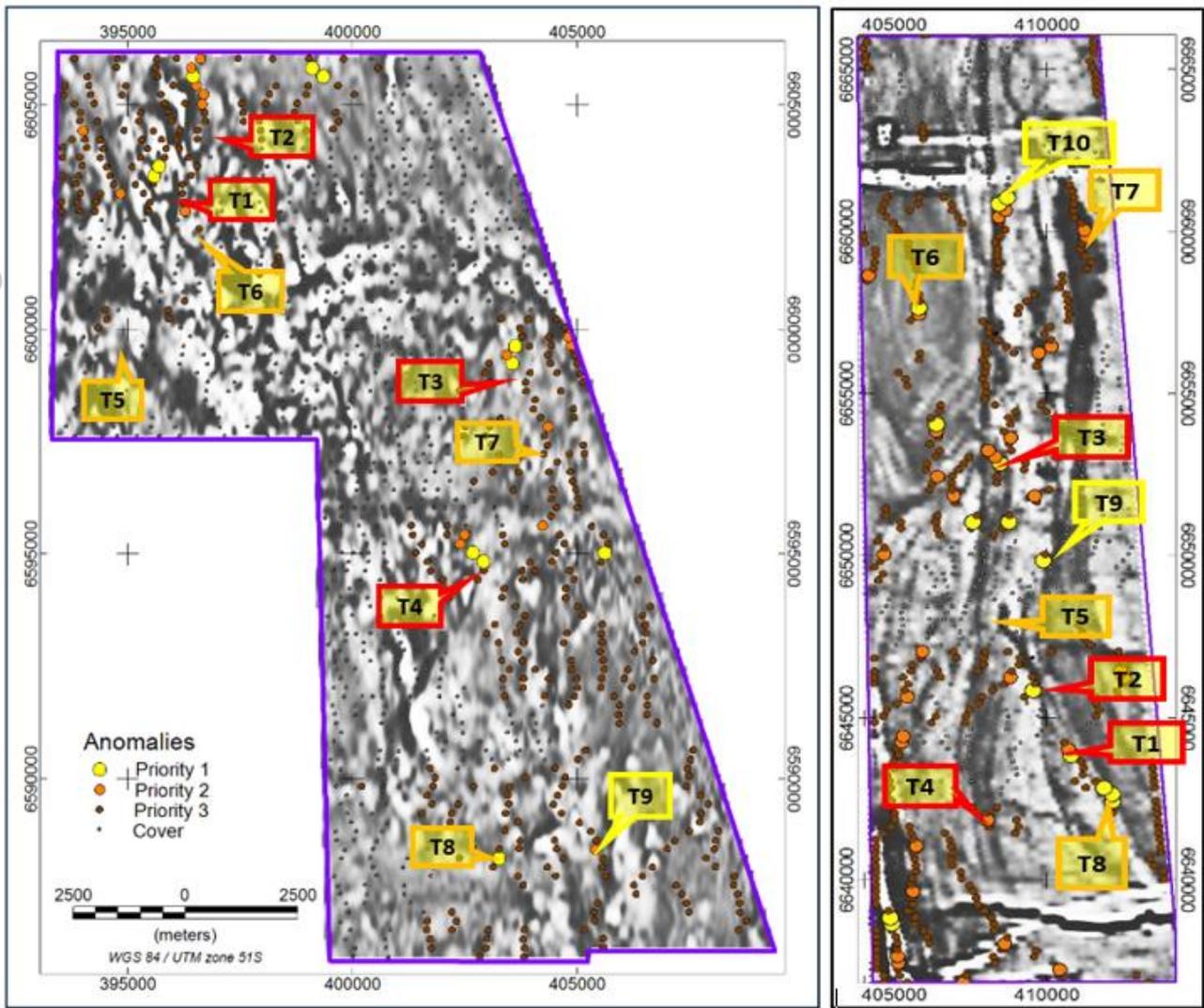
### AEM - Magnetic Survey Results

- Interpretation and targeting undertaken by independent geophysical consultants Terra Resources of Perth in conjunction with Aruma personnel.
- Eighteen medium-high to very high class AEM targets have been identified for follow up work.
- These targets potentially represent sulphides associated with gold mineralisation (Table 2).

Targets	Class	Slate Dam	Beowulf
7	very high	4	3
8	high	4	4
3	medium-high	1	2
1	Additional		1
<b>19</b>		<b>9</b>	<b>10</b>

**Table 2: Target Distributions**

Targets were ranked using EM conductors, alteration, structure, stratigraphy and intrusive relationships along with new gold soil geochemistry and are shown in Figure 3. This process involved using data from the high resolution AEM Survey, new magnetics as well as the new geochemistry at Beowulf, and regional databases at Slate Dam. In addition, public domain gravity was used to confirm stratigraphy.



**Figure 3: Ranked anomalies shown on 1VD RTP Magnetics - Slate Dam (left) and Beowulf (right). Target 5 at Beowulf is a strong structural -soil anomaly on the target 8-1-2 trend.**

The ranking of the AEM-Magnetic anomalies was assisted by the results of Aruma's major soil sampling program for gold conducted in late 2018 and early 2019. The results of the soil sampling showed a maximum value of 29.5ppb Au with some 92 samples above 5ppb Au. This is considered an outstanding result in an area that has thick soil cover as well as a paleochannel that can be seen in the AEM results.

## CORPORATE

The Company had a cash balance at 30 June 2019 of \$0.63 million.

The preparation of the 2019 R&D submission has commenced and the Company anticipates this year's rebate amount to be similar to last year's refund of approximately \$0.5 million.

## Projects Summary

<b>EASTERN GOLDFIELDS</b>	<b>Kalgoorlie Projects</b>	<ul style="list-style-type: none"> <li>▪ <b>Glandore Gold Project</b> - JV completed by Southern Gold for 90% and leases being transferred and royalty option chosen</li> </ul>
		<ul style="list-style-type: none"> <li>▪ <b>Slate Dam</b> - Drilling in Q3</li> <li>▪ <b>Beowulf</b>- Drilling in Q3</li> <li>▪ <b>Goddards Dam</b> - Several leases expired in the quarter</li> <li>▪ <b>Clinker Hill</b> – Tribute agreement sought by alluvial miner</li> <li>▪ <b>Kopai</b> – Joint venture sought</li> </ul>

**Table 3: Gold Project Status and Activity Table**

### Proposed Exploration Activities for Q4 FY2018-2019

<b>Glandore:</b>	Southern Gold Ltd achieved a 90% interest in the joint venture. Aruma has elected not to contribute at this point.
<b>Slate Dam:</b>	PoW for drilling on 9 target areas approved for start of drilling
<b>Beowulf:</b>	PoW for drilling on 10 target areas approved for start of drilling
<b>Clinker Hill:</b>	Tribute planned
<b>Kopai:</b>	Rehabilitation and joint venture or sale discussions
<b>Mt Deans:</b>	DBCAs recommendation for granting of lease achieved

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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 and Australasian Institute of Mining and Metallurgy. 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 exploration results reported have previously been released to ASX and are available to be viewed on the Company website [www.arumaresources.com.au](http://www.arumaresources.com.au). The Company confirms it is not aware of any new information that materially affects the information included in the original announcement. 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 a number of estimates and assumptions made by the Company and its consultants in light of 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.

**Aruma Resources Limited** is a proud supporter and member of the Association of Mining and Exploration Companies, 2019.



### Summary of tenements

Glandore)	Interest at beginning of Quarter	Interest at end of Quarter
M25/327 M25/329 M25/330	75% Southern Gold Limited JV Southern Gold can earn up to 90%	Southern Gold earnt 90% Aruma elected for 1.25% NSR
P25/2073 P25/2074 P25/2075 P25/2076 P25/2117 P25/2118 P25/2154		0%

Goddards Dam (Gold)	Interest at beginning of Quarter	Interest at end of Quarter
P25/2580	100% Aruma Exploration Pty Ltd	0%
P25/2153		100% Aruma Exploration Pty Ltd
P25/2202		
P25/2203		
P25/2204		
P25/2388		
P25/2400		
P25/2401		
P25/2402		
P25/2389		

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Slate Dam	Interest at beginning of Quarter	Interest at end of Quarter
E25/553 E25/534 E25/556 E25/558 E25/526 P25/2333 P25/523 M25/104	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd
E25/571	Under application by Aruma Exploration Pty Ltd	100% Aruma

Clinker Hill	Interest at beginning of Quarter	Interest at end of Quarter
P25/2201 P25/2319	100% Aruma Exploration Pty Ltd	Amalgamated with E25/568
P25/2320 E25/568		100% Aruma Exploration Pty Ltd

Beowulf	Interest at beginning of Quarter	Interest at end of Quarter
E28/1900 E28/1901 E28/2086 E28/2087 E28/2706 E28/2707 E28/2713 E28/2714 E31/1165	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Kopai	Interest at beginning of Quarter	Interest at end of Quarter
P15/6145 P15/6146	100% Aruma Exploration Pty Ltd	100% Aruma Exploration Pty Ltd

Mt. Deans	Interest at beginning of Quarter	Interest at end of Quarter
P63/2063	Under application by Aruma Exploration	Under application by Aruma Exploration Pty Ltd