**26 August 2020**

**ASX Announcement**

# FURTHER HIGHLY ANOMALOUS GOLD RESULTS AT MELROSE PROJECT

## Mapping and Targeting Studies Underway

### Highlights

- **Aruma has identified further highly anomalous gold mineralisation at the Melrose Gold Project in the Pilbara region of WA**
- **Results come from two new licence - ELA08/3244 and ELA47/4414**
- **ELA08/3244 hosts 0.5m-wide quartz veins assaying up to 1.74g/t Au**
- **ELA47/4414 has rock chip assays grading up to 0.36g/t Au**
- **Gold anomalies on structure with Northern Star's Belvedere Prospect**
- **Conductivity and Mapping studies underway to define alteration and mineralisation**

Aruma Resources Ltd (AAJ) is pleased to announce further highly anomalous gold results at the Company's Melrose Gold Project in the Pilbara region of Western Australia.

The Melrose Project is situated on the southern edge of the Pilbara Craton, adjacent to Northern Star Resources' (ASX: NST) Paulsens Gold Mine and the Belvedere Deposit.

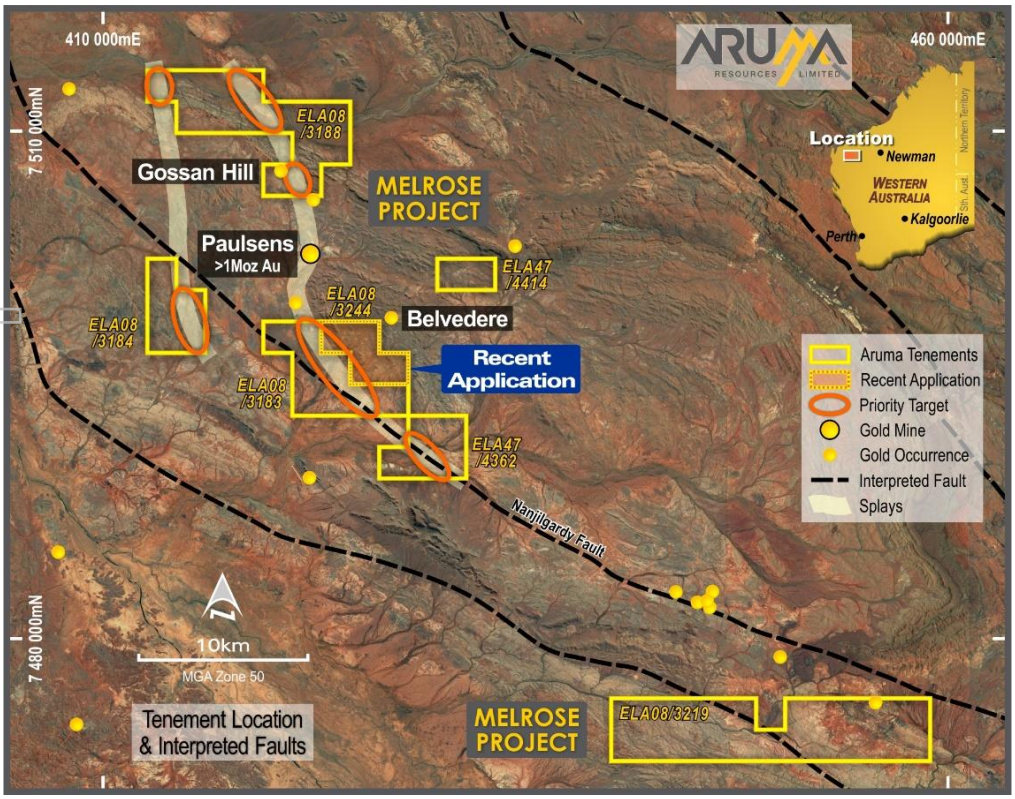


**Figure 1:** Melrose Project area (yellow outlined) with new licences with highly anomalous quartz veins adjacent to Northern Star's Belvedere Prospect.

## ASX: AAJ

**Capital Structure**
1,139M Shares on Issue
75M Options on issue

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

**Yilgarn Gold Projects**

SLATE DAM

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**Pilbara Gold Projects**

MELROSE

SALTWATER

**NSW Gold Project**

**CAPITAL**

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These latest results come from two new Exploration Licence Applications (ELA47/4414 and ELA08/3244) which cover a total of 19km$^2$ at the Melrose Project, and have delivered highly anomalous historical gold samples up to 1.74g/t in quartz veins as well as rock chips assays.

ELA08/3244 hosts gold mineralisation as shown in Figure 2 within quartz veins (as reported in Northern Star Resources' 2012 Annual Exploration Report on the Ashburton Project). Details and results of gold samples from that report (Minedex report A96294) are provided below.

"*Significant results included 1.74ppm Au (NPGER000889) from south west of the Belvedere Prospect. Elevated copper, up to 25% (NPGER000821), is located through the areas and is often associated with the gold mineralisation in quartz veins.*"

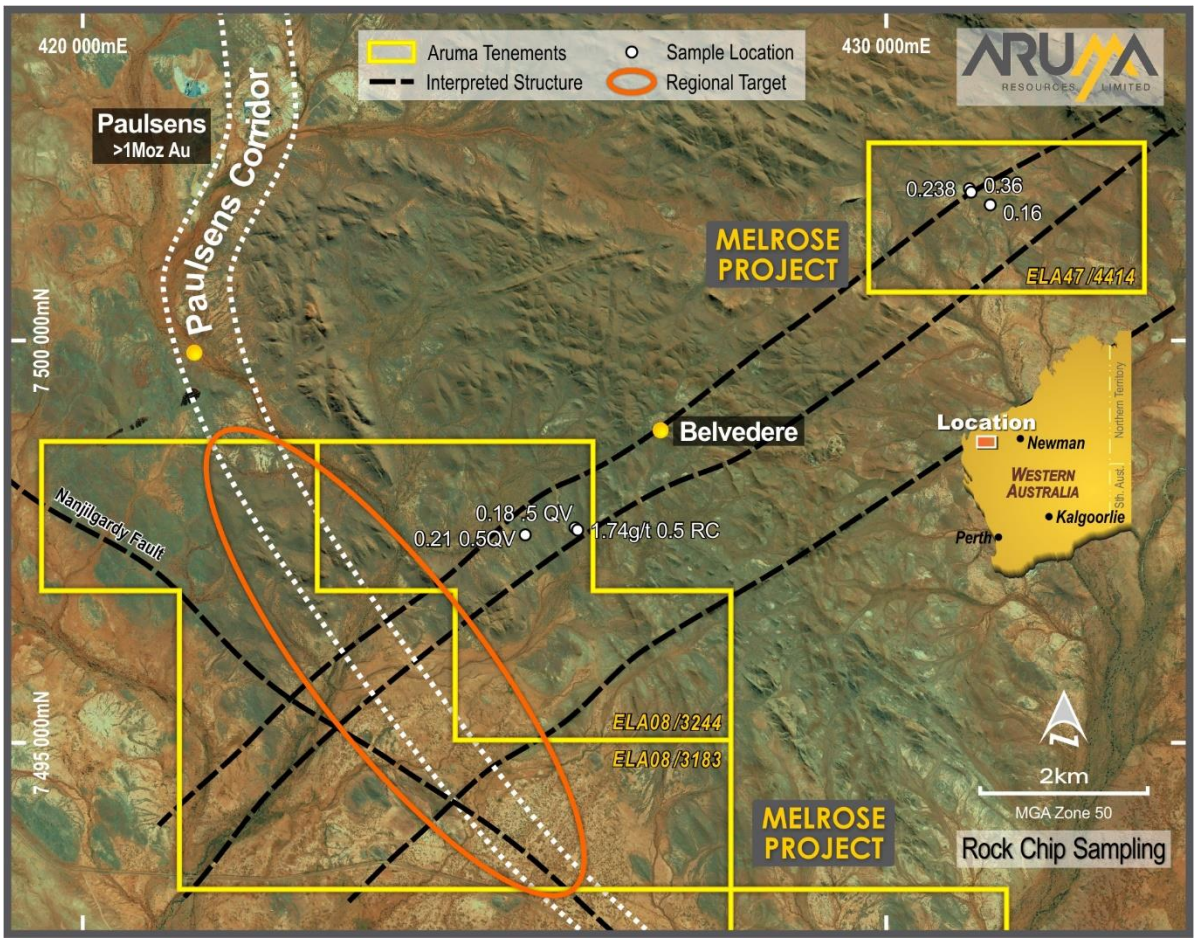


**Figure 2:** Aruma's new licence ELA08/3244 in proximity to NST's Belvedere Resource* (267,000t at 4.2g/t for 35,000oz gold - as announced by NST ASX- March 2013 Quarterly announcement 29 April 2013).
** (Resource details: Indicated 168,000t @3.6g/t for 19,000oz, Inferred 267,000t @5.2g/t for 16,000oz)*

The significance of the quartz veins in the new lease area is that they are expected to be associated with adjacent lode style gold mineralisation. Aruma will be utilising these veins to identify any associated lodes systems.

| | Northern Star Rock Chip sampling 2012 (A96294) | | | Au | Ag | Ba | Cu | Sb | Zn | Pb | Fe |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | MGA50 | MGA50 | | PPM | PPM | PPM | PPM | PPM | PPM | PPM | % |
| Date | Easting | Northing | Comments | FAA505 | ICP40Q | ICP40Q | ICP40Q | ICP40Q | ICP40Q | ICP40Q | ICP40Q |
| 10/10/2012 | 426152 | 7497632 | .5m wide VQ as part of an anastomsing vein set. | 1.74 | 0.9 | 104 | 1060 | 44 | 24 | 17 | 25.3 |
| | | | Stylolitic with massive sulphide | | | | | | | | |
| 10/10/2012 | 425507 | 7497579 | .5m wide VQ as part of an anastomsing vein set. | 0.21 | -0.01 | 20 | 29 | -0.01 | 10 | 5 | 1.46 |
| | | | Limonite stockworks. | | | | | | | | |
| 10/10/2012 | 426122 | 7497660 | .5m wide VQ as part of an anastomsing vein set. | 0.18 | 1.8 | 164 | 1270 | 7 | 103 | 98 | 8.31 |
| | | | Stylolitic with massive sulphide. | | | | | | | | |
| | | | Crackle breccia texture plus hematite alteration. | | | | | | | | |

**Table 1:** Results for assays >0.15 PPM Au from the Minedex report A96294

**Conductivity and Mapping Studies Underway - to detect Alteration and Mineralisation**

The Melrose Project area is interpreted to cover a strike extent of more than 22km of the highly significant Nanjilgardy fault (and splays such as the Hardy Fault), the same regional structure reported as the primary source of gold mineralisation at Northern Star Resources' (ASX: NST) Paulsens Gold Mine and the Mt Olympus Gold Mine in the region.

The Melrose project covers these gold bearing structures and stratigraphy, which are intimately associated with the 1 million-ounce Paulsens Mine.

Aruma has now commenced a HyVista multispectral mineral mapping and Radar conductivity study, as well as Aster Thermal mineral mapping program over a targeted 80km$^2$ area within the Melrose Project area (shown in Figure 3).

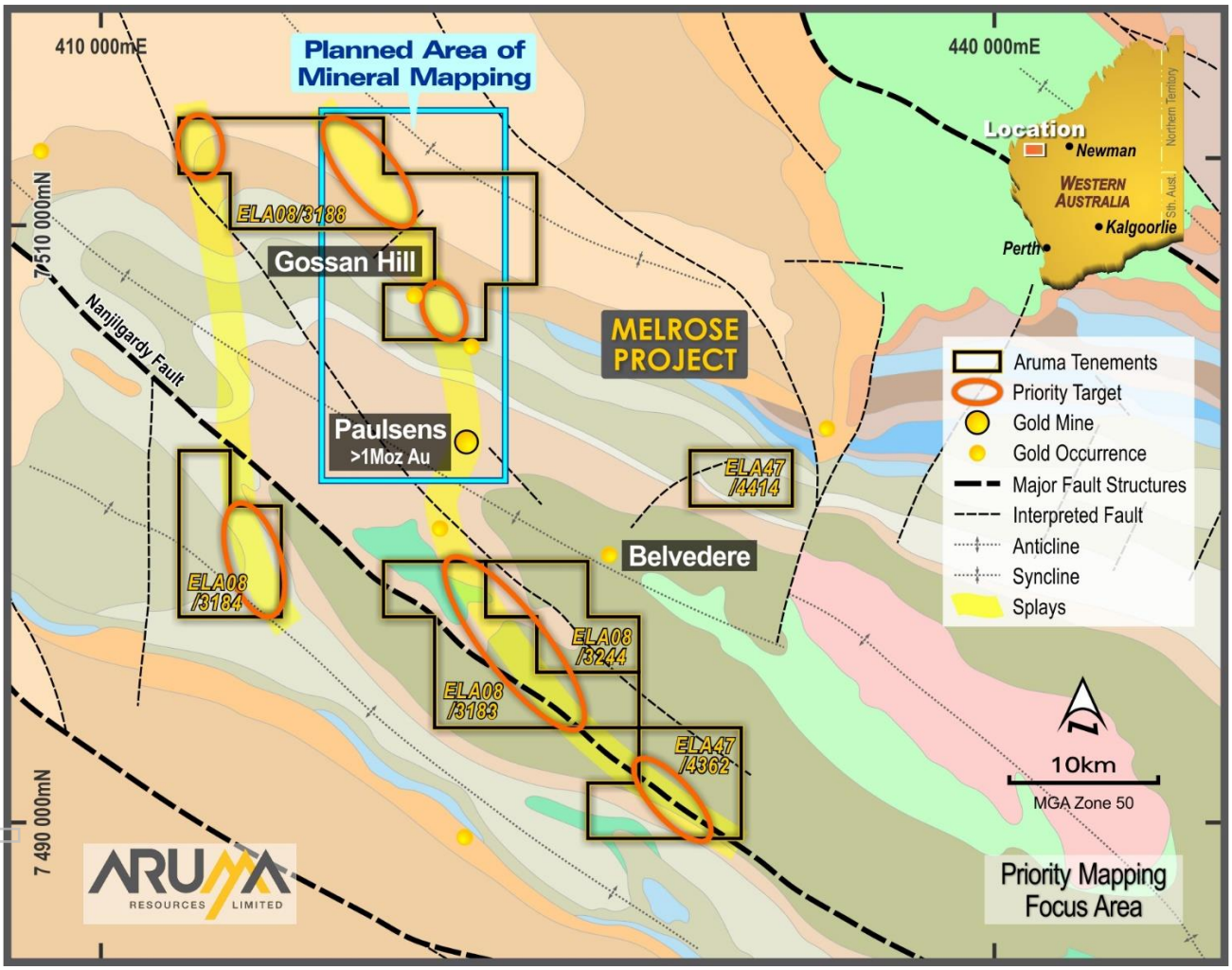


**Figure 3:** Aruma's Melrose Project area showing licences and the major structures with the Mapping Test area (light blue rectangle) over Paulsens and Gossan Hill.

This mapping program over known mineralisation will utilise the pre-mining spectral data and this method and approach also has the potential to be deployed by Aruma to help target gold forming alteration and mineralization at its other project areas.

**Melrose Project Background**

The Melrose Gold Project consists of seven Exploration Licence Applications and covers a total area of 185km$^2$. It is located approximately 105 km south of the mining town of Pannawonica on the border of the Ashburton and West Pilbara Mineral Fields (see Figure 1 and 4).

The Project is situated on the same regional structure reported as the main source of gold mineralisation at the nearby Paulsens Gold Mine, and also the Mt Olympus Gold Mine in the region. The structural corridors that control the mineralisation at Paulsens appear to continue into Aruma's Melrose Project area (see Figures 1, 2 and 3).

The Paulsens Deposit was discovered and mined in the early 1930s and was then called the Melrose Mine. It is situated in a +3M oz. gold camp and most production has come from multiple lodes at the Paulsen Mine.

Modern evaluation and mining of the Paulsens mine by NuStar Mining Corporation commenced in May 2004 and the Paulsens process plant poured the first bar in June 2005. In July 2010, Northern Star Resources took over the mine and successfully mined it until late 2017 producing up to 100,000 oz. Au per year through both existing and new ore shoots.

Since 2017 Northern Star have relinquished areas in the Paulsens district following initial exploration, and these areas represent the ground that Aruma has appraised, using "gold in sediment" models to seek stratigraphic repetitions in favourable structures associated with the Nanjilgardy Fault.

Most of the reported historic drilling and sampling was conducted on east-west traverses at a spacing that Aruma believes has left windows of opportunity for the discovery of further gold mineralisation.

| Tenement | Project | State | Holder | Status | Applied | Area km$^2$ | Totals km$^2$ |
|---|---|---|---|---|---|---|---|
| ELA08/3183 | Melrose | WA | AEPL (100%) | Pending | 20/04/2020 | 26 | |
| ELA08/3184 | Melrose | WA | AEPL (100%) | Pending | 20/04/2020 | 16 | |
| ELA08/3188 | Melrose | WA | AEPL (100%) | Pending | 21/04/2020 | 45 | |
| ELA47/4362 | Melrose | WA | AEPL (100%) | Pending | 21/04/2020 | 16 | |
| ELA08/3219 | Melrose | WA | AEPL (100%) | Pending | 4/06/2020 | 65 | |
| ELA47/4414 | Melrose | WA | AEPL (100%) | Pending | 22/07/2020 | 6 | |
| ELA08/3244 | Melrose | WA | AEPL (100%) | Pending | 10/08/2020 | 12 | **185** |

**Table 2:** Melrose Tenements


**Figure 4:** Aruma's Gold Project Portfolio

Authorised for release by Peter Schwann, Managing Director.

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2020 MEMBER

## 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, a Competent Person 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 that have previously been reported and released to ASX are available to be viewed on the Company website www.arumaresurces.com.au . The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from any relevant original market 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.*

## Section 1 Sampling Techniques and Data

The following data is in relation to Historic rock chip data in the announcement and the individual holes are listed in the relative Minedex A Report number.

| 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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *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.* | • Rock samples were taken and width, rock types and presence of sulphides noted.<br>• Location and date were recorded with sample descriptions.<br>• The type of sampling was rock chip and quartz vein sampling.<br>• The quartz veins were sampled across the vein and the width noted |
| *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 is reported in this announcement |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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 drilling is reported in this announcement |
| *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* | • All samples were logged geologically and qualitatively with the field description in the report |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • The sampling was either chip sampling across veins or rock sample. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • The samples were gathered using standard rock and vein sampling techniques<br>• The sample size satisfied the Gy size requirements. |
| *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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • Laboratory standards and methods are industry standards.<br>• Standards were not used as the samples were preliminary and not for estimation |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • The samples were reconnaissance rock chip and vein samples after soils identified areas of interest.<br>• No drilling is reported in this announcement. |
| *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.* | • Sample layout was by GPS.<br>• All locations are GDA94 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • The rock sample locations were recorded and plotted for verification |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • The spacing was done to look a previous geochemical anomaly and identify bedrock where it looked promising. |
| *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.*<br>• *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.* | • Samples were taken across stratigraphy where possible or across quartz veins. |
| *Sample security* | • *The measures taken to ensure sample security.* | • All samples logged and numbered on site and checked as collected, logged, when sent to Laboratory and as submitted. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • No audits were listed in the reports |

## 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.*<br>• *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.* | • All tenements and details required are detailed in the reports.<br>• All work done under PoWs.<br>• All work quoted was done by previous lease holders and is referenced by the Minedex A Report numbers |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • The reports are acknowledged in the announcement and is numbered as an A report in Minedex |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • Detailed in the "Gold in Sediments" exploration model published by Aruma in previous announcements and presentations. |
| *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:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *hole length.*<br>• *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.* | No drilling is reported in this announcement |
| *Data aggregation methods* | • *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.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No data aggregation was done for the report<br>• Metal equivalents never used. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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').* | • Sections are not used in the AAJ announcement |
| *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 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *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.* | • The complete list of individual sample assays are listed and they are available in the quoted A reports from Minedex. |
| *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.* | • All A reports and associated previous data are listed to source the original reported data. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *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. |