

16 December 2021

Aruma to commence drilling at Mt Deans Lithium Project

Highlights

- **First phase of drilling to commence at Mt Deans Lithium Project this month – program to consist of up to 3,000m RC drilling**
- **Project situated in the lithium corridor in south-east WA - Aruma views Mt Deans as being highly prospective for lithium, tantalum and REE minerals**
- **Second phase of drilling to commence at Salmon Gums Gold Project in January 2022 – program to consist of up to 3,000m RC drilling**
- **Results from recently completed drilling programs at Saltwater and Salmon Gums Gold Projects expected in early 2022**

Aruma Resources Limited (ASX: AAJ) (Aruma or the Company) is pleased to announce that the first phase of drilling at the Mt Deans Lithium-Tantalite Project (P63/2063) in the Goldfields region of Western Australia is scheduled to commence this month.

The Mt Deans Project sits within WA's lithium corridor in south-east WA, which hosts multiple significant hard-rock lithium projects. It is interpreted to sit within the same host rocks and structures as the significant nearby Mt Marion, Bald Hill and Buldania Lithium Projects.

The Project is situated in the Mt Deans pegmatite field, within the Eastern Goldfields Terrane of the Yilgarn Craton, approximately 170 kilometres south of the major regional centre of Kalgoorlie, and approximately 10 kilometres south of the mining town of Norseman (Figure 1).

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.

A drilling contractor has been engaged, a drill rig has been confirmed and all requisite approvals for drilling have been granted.

The first phase of drilling at Mt Deans will comprise approximately 3,000m of reverse circulation (RC) drilling to a depth of up to 200m (in pegmatite), with holes spaced approximately 50 metres apart, to confirm the presence of a thick pod of pegmatite interpreted from convergent dips seen in historic drilling.

ASX: AAJ

Capital Structure

126M Shares on Issue
22M Options on issue
Cash \$3.5m

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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The maiden drilling program is designed to intersect an interpreted pegmatite chamber or 'cauldron' (Figure 2).

The drill rig is a track mounted unit that will meet the access requirements at the drill targets.

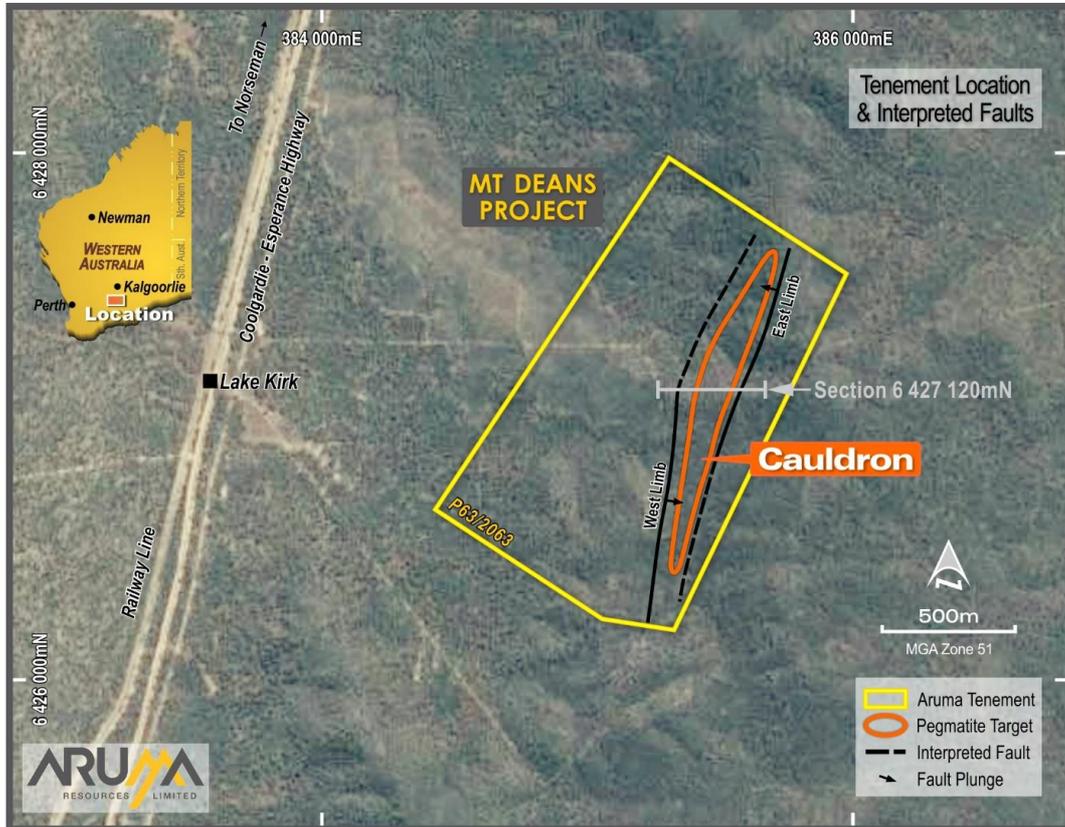


Figure 1: Mt Deans Lithium-Tantalite Project area, with pegmatites and projected cauldron

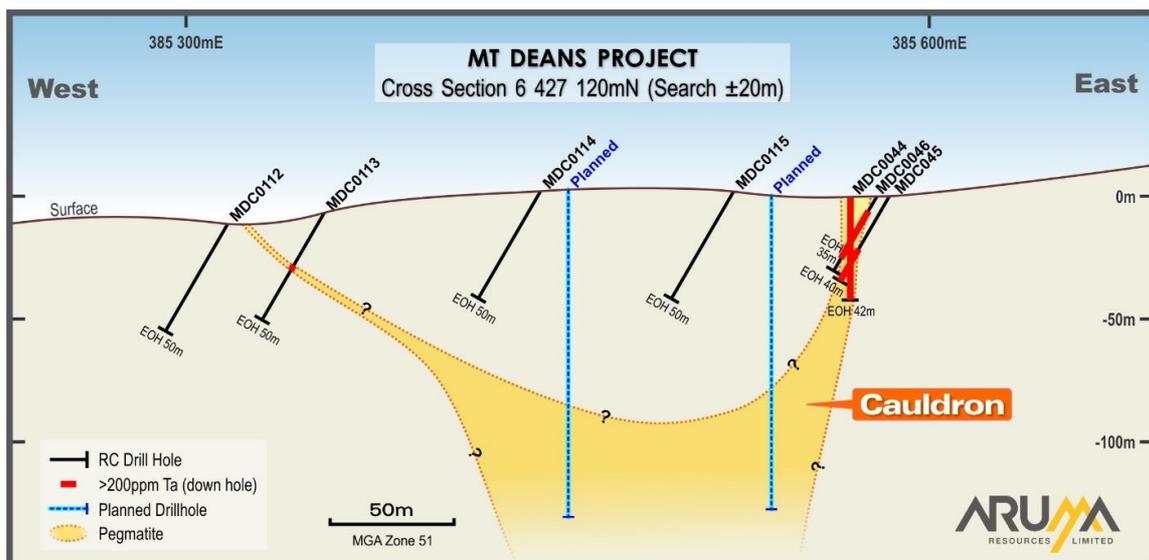


Figure 2: Mt Deans Lithium-Tantalite drill section with pegmatites and projected cauldron with the planned holes (From Tantalum Australia Operations Pty Ltd Annual Report 2002 (A65809)).

Subject to results, the Company plans to investigate the potential for the Project to host direct shipping lithium ores, given its location adjacent to the Coolgardie-Esperance Highway and rail infrastructure which provides direct access to the Port of Esperance rail hub. Combined, these offer the potential for significant transport and infrastructure advantages.

Next Phase of Drilling at Salmon Gums Gold Project

Aruma also advises that the next phase of drilling at the Salmon Gums Gold Project (EL63/2037, EL63/2122) in WA's Goldfields is planned to commence in January 2022.

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. This was made up 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 at the Thistle Prospect.

The proposed second-phase, follow up, program will be up to 3,000m RC drill program, of around 30 holes to drilling depths of 100m – with up to 10 lines of drilling and up to 5 holes in each line. Land access agreements cover the main portion of the known gold-in-soils anomalies, where historic drilling returned intersections of up to 7m at 2.74g/t Au in T26R002 (ASX announcement 6 July 2021).

The Salmon Gums Project 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.

Results Pending from Salmon Gums and Saltwater Gold Projects

Assays have been 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 on these program, and more than 4,000 samples from both projects have been sent for ChrysoTM Photon Assay method gold analysis.

Results are expected to be received in early 2022, and will be released when available.

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 exploration results reported have previously been released to ASX and are available 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.