DEEP DRILLING AT GLANDORE AND BULLOO DOWNS

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HIGHLIGHTS

- **Glandore Gold Project**
  - **Successful EIS application for a deep diamond drill hole**
  - **Four large-scale parallel mineralised structures to be tested**
  - **Drilling terms agreed at favourable rates**
- **Bulloo Downs Copper Project**
  - **Emissivity targets to be tested in deep diamond drill holes**
  - **Drill holes will test stratigraphy for Nifty-style mineralisation**
  - **Drilling to commence this quarter**
  - **Drilling terms agreed at favourable rates incorporating an equity component at Aruma's discretion.**

Aruma Resources Limited (Aruma) (ASX:AAJ) is pleased to announce it has been successful in its application for Round 11 of the WA Government's co-funded exploration drilling program under the Exploration Incentive Scheme (EIS).

The EIS grants are offered to explorers and prospectors with greenfields exploration projects within WA, with the overall goal being to assist in increasing the longevity and sustainability of the state's resource industry.

Through the program, Aruma has secured funding for 50% of the direct cost of drilling a single deep diamond drill hole at the Company's Glandore Gold Project, near Kalgoorlie, which could amount to $200,000. All appropriate approvals have been completed and once agreements have been signed, drilling will be able to commence.

The drill hole is intended to define the stratigraphy and nature of the mineralised structure in the Glandore area which will assist in understanding the prospectivity of the untested strike of the structures. Additionally this drill hole will reveal the stratigraphy of the geological units to the east of the outcropping Glandore antiform which has been largely unknown due to the lake cover (Figure 1).

DRILLING COMMENCES AT GLANDORE AND BULLOO DOWNS

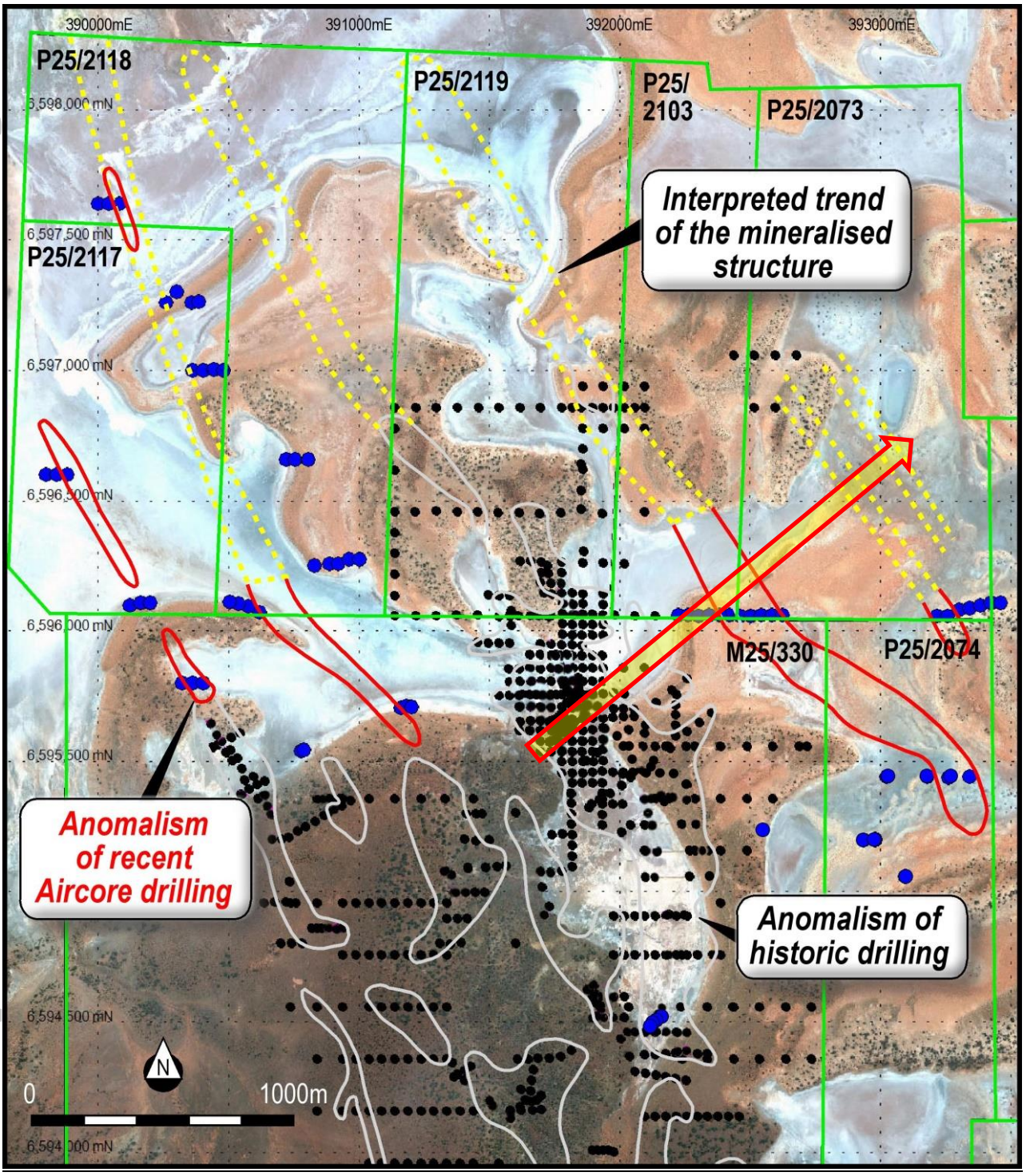

Figure 1 **Google Earth image of total drilling at Glandore with latest air core holes in blue. Arrow displaying the projection of proposed drill hole.**

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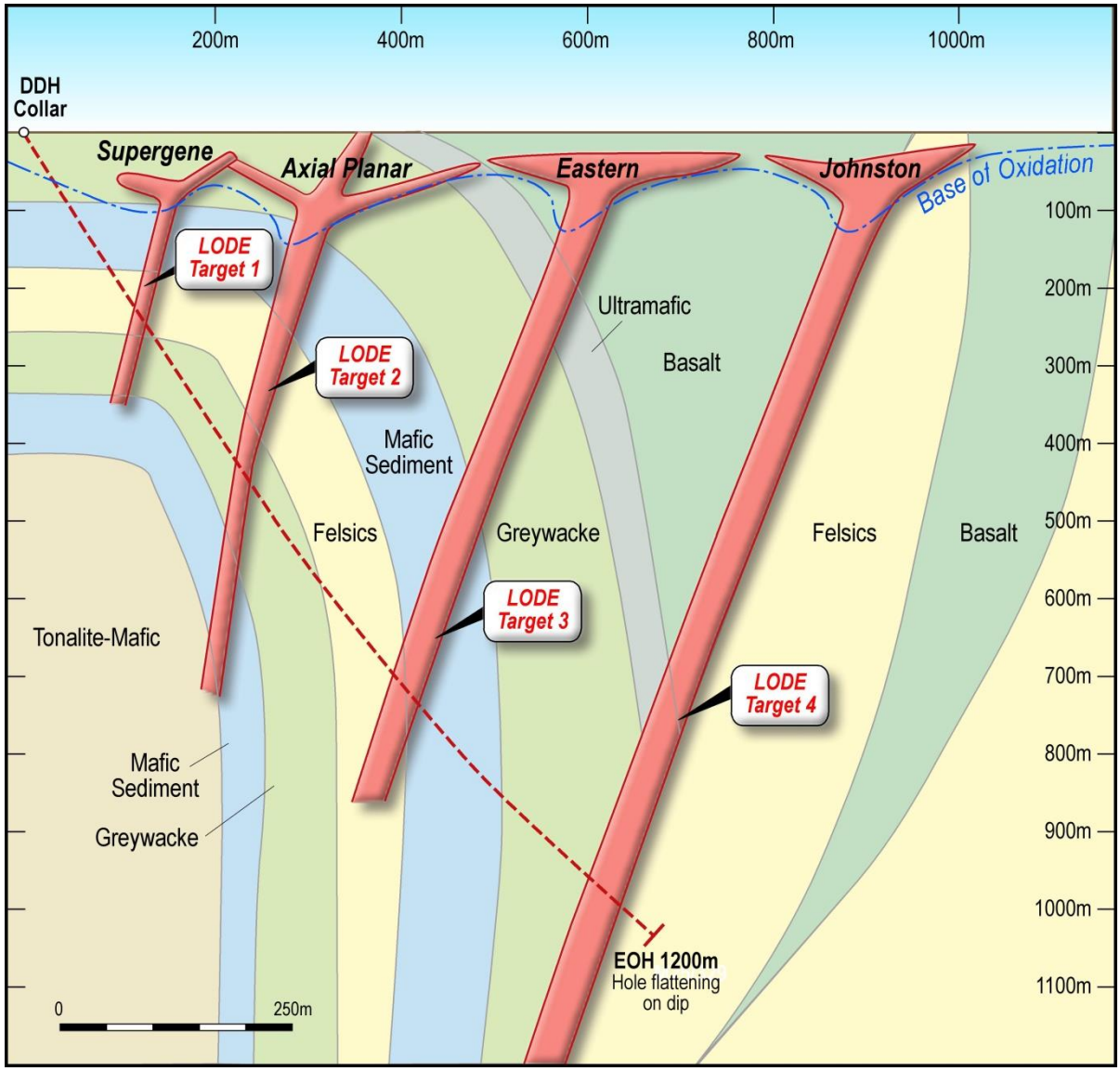

Figure 2 **Schematic section of the EIS drill hole (Figure 1) with predicted structure and geology (Looking North West)**

The aim of the drilling is to:

- Resolve the stratigraphic units (which are covered by recent lake sediments) to the east of the outcropping lithologies of the Glandore anticline;
- Understand the structural relationship of the main geological units along the Majestic structure;
- Test the Supergene , Axial Planar, Eastern and Johnston near surface anomalies at depth; and
- Test fluid flow modelling targets.

The drilling started this week and is expected to take another two weeks to complete.

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Bulloo Downs Copper Project Drilling

Aruma has invested about $1.5M on the exploration of the Bulloo Leases in the past 18 months. This has seen the definition of strong geological, geochemical and geophysical targets over an area of some 2,900km^2.

The culmination of this work is the drilling of two 500m diamond holes on separate, highly ranked targets to confirm the presence of hydrothermal copper orebodies. This drilling will establish the likely presence of the Nifty-style Copper-Phosphorous anomalism with the silica carbonate alteration in black shales and carbonate stratigraphy. The holes are targeting high grade copper mineralisation on strong hydrothermal structures with emissivity responses in a block faulted locality. Tests will also be carried out to date the mineralisation, as the surrounding hydrothermal orebodies like Nifty and Telfer are dated at 1550Ma.

Aruma's systematic exploration to date has confirmed that the area is well endowed with copper (along with minor gold and silver-lead-zinc) and has the structure and alteration required to form Nifty-style orebodies.

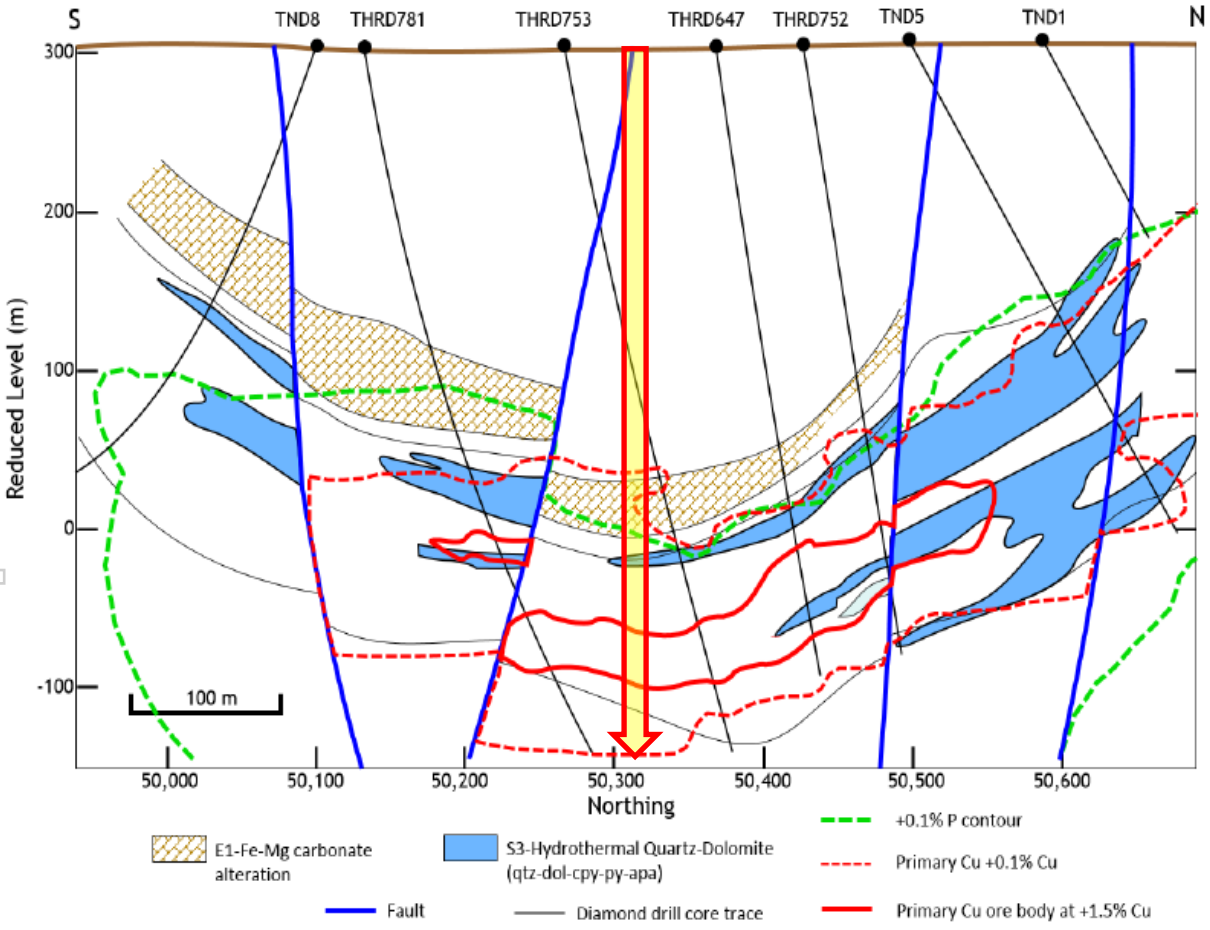

Figure 3 **The "Nifty "Model after Anderson, 1999, with the drillhole represented as the arrow above and schematically below in Figure 4**

The use of the "Nifty Model" (Figure 3) and the Cu-P relationship (Figure 5) halo will allow chemical vectoring from the results of the two initial diamond drill holes to establish the key indicators of Cu-P, kerogen rich (black) shales, Fe carbonates and alteration and replacement as well as the key copper sulphides. The deepest intersection of copper as chrysocolla is at 141m.

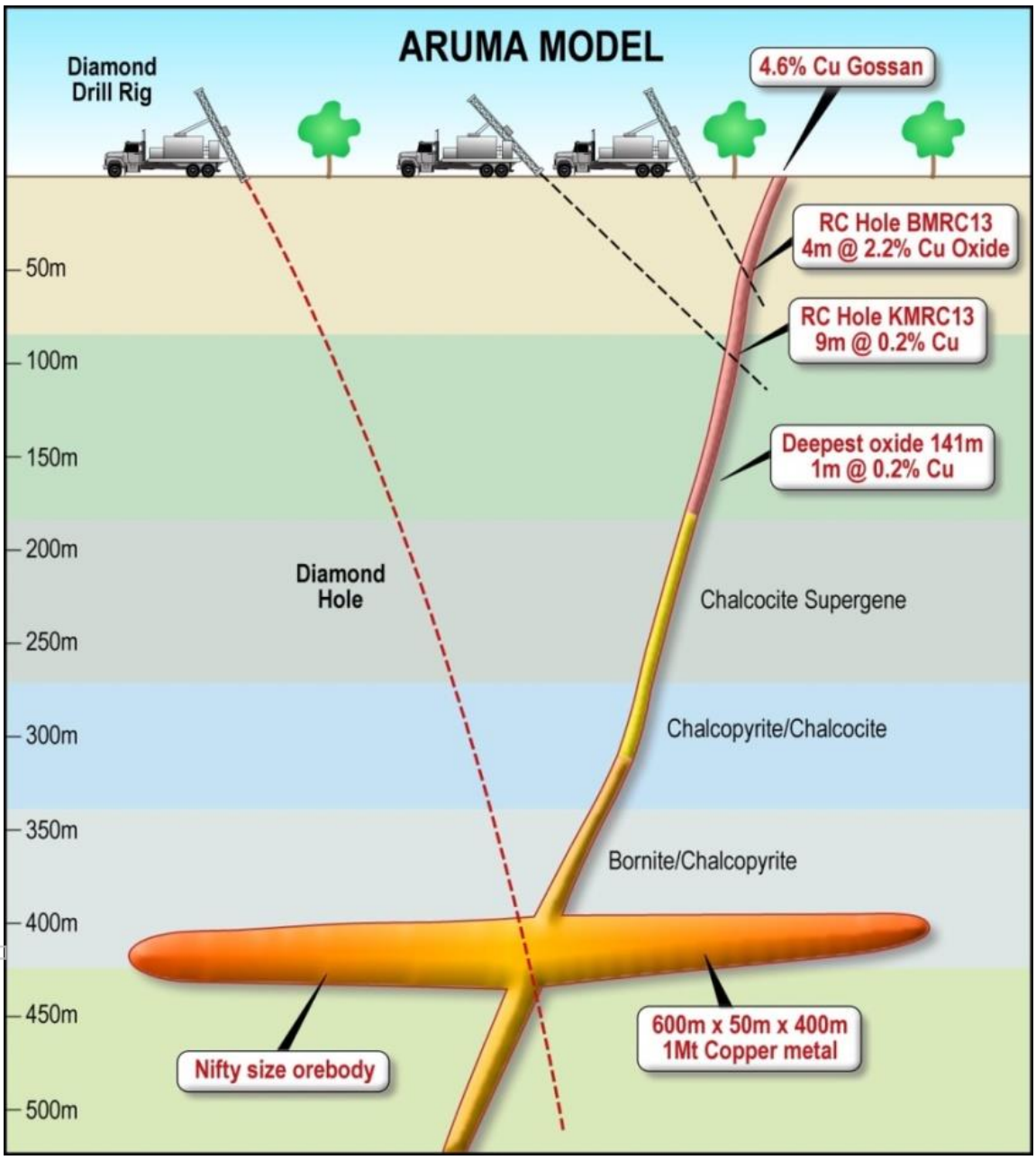

Figure 4 Schematic section and drill hole to test the Nifty Model.

As the drilling is based on new research and employs a new methodology in a new copper camp, Aruma will be eligible for an R & D tax refund on the cost of the program.

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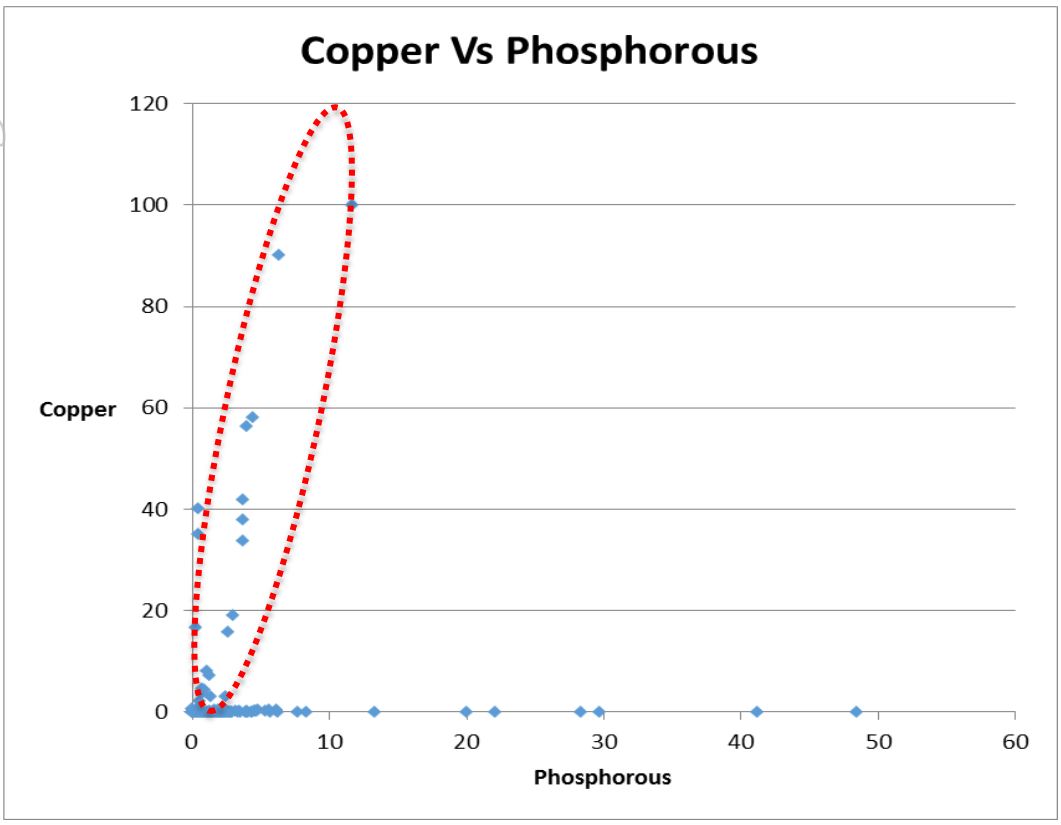

Figure 5 **Cu-P anomalous populations from the Bulloo copper outcrops**

The proposed drilling will test the emissivity anomalies on HyMap structures at depth and give detailed stratigraphy of the Bangemall Formation in the Bulloo and Neds Gap structural corridors.

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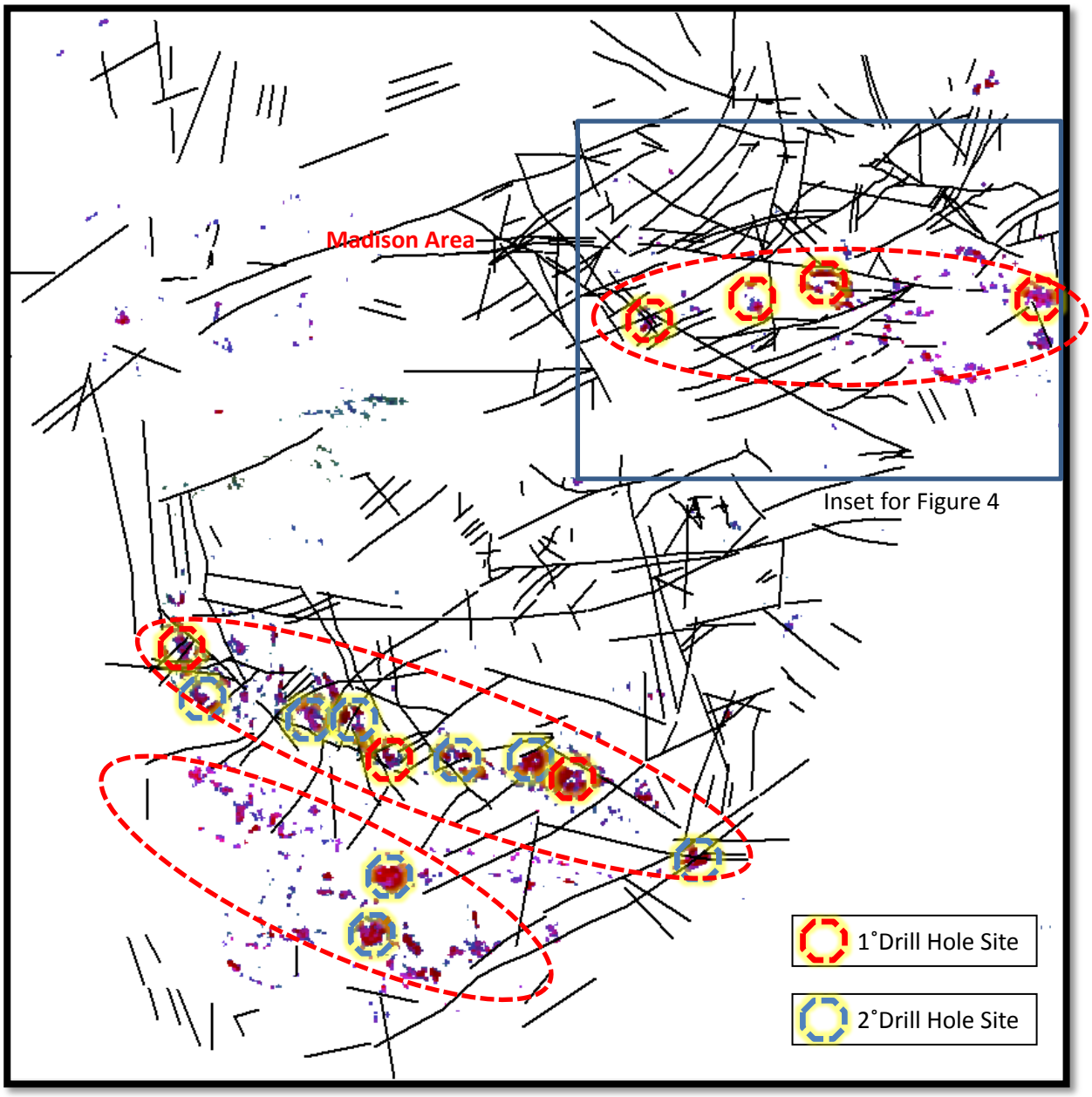

Figure 6 **Planned drill hole targets on coincident Copper anomalies on HyMap structure with emissivity anomalies. Note 7 first order and 8 second order targets. The first order targets be drilled to test for Cu-P vectoring and Carbonate alteration.**

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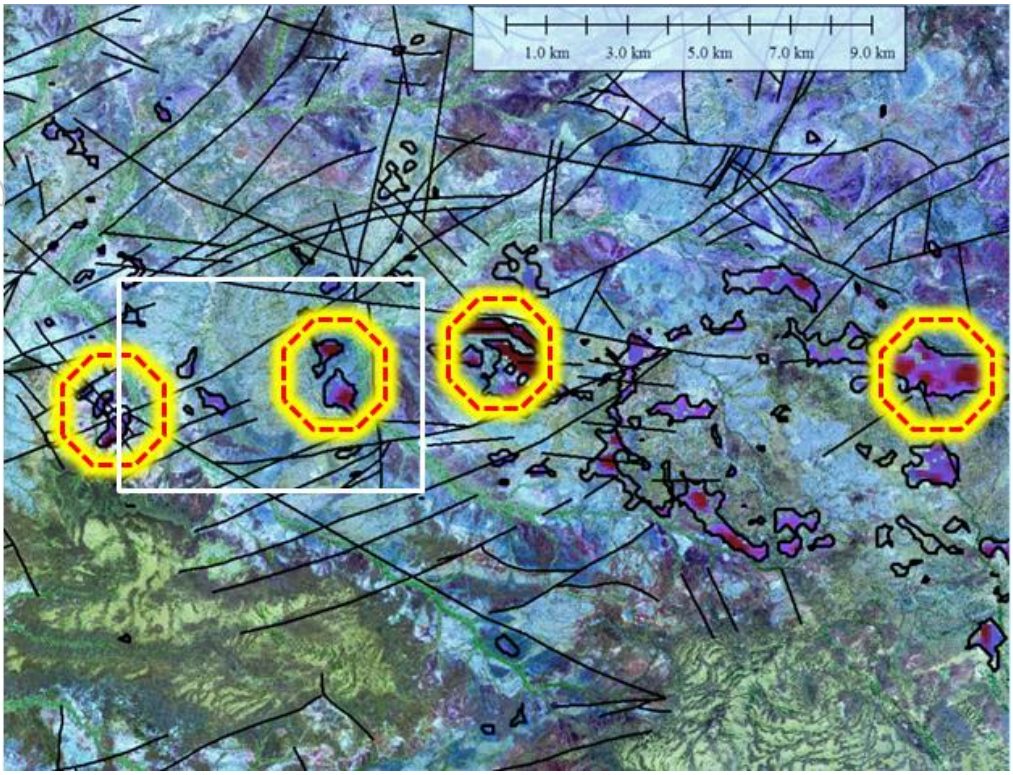

Figure 7 **Suggested Drill sites from the Bulloo Corridor on HyMap with emissivity anomalies detailed in Figure 8. The planned holes are the first and third from the left.**

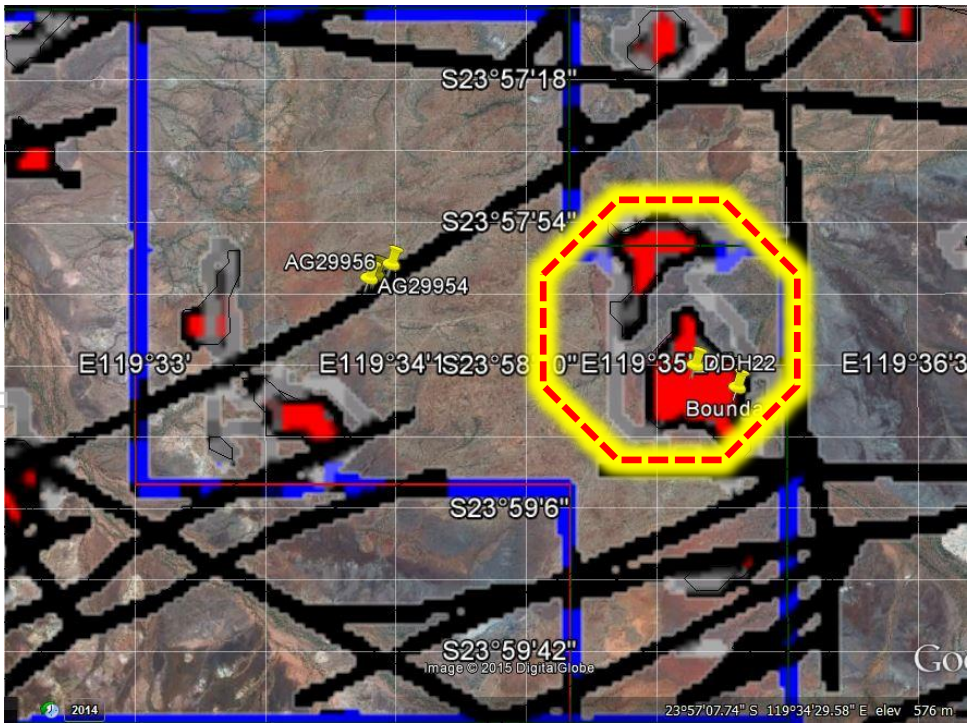

Figure 8 **Planned drill site from the emissivity anomalies detailed in Figure 7.**

It is easily seen that the structure and anomaly in Figure 6 is located on a Horsted Horst structure which is the preferred trap for mineralisation.

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Figure 9 below is the plan and section schematic of the targets in the drilling proposal with the planned 500m diamond drill (DDH) hole shown in Red.

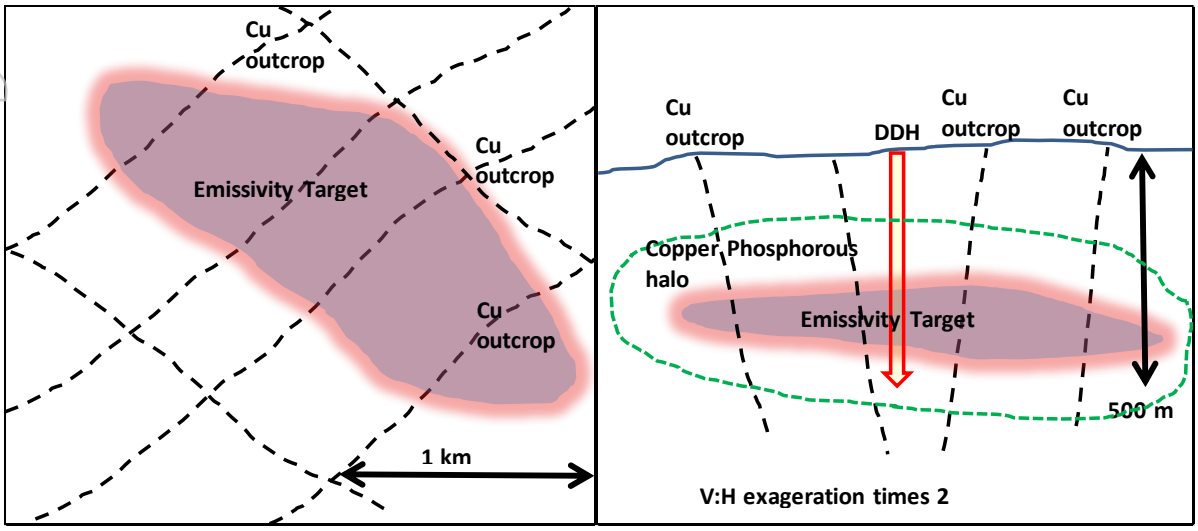

Figure 9 Schematic plan and section of anomaly drilling showing target and Cu-P halo

The drilling will test the structures with chrysocolla, gold, silver and Pb-Zn-U that are in an area with strong emissivity anomalies and is analogous to the drilling of the gravity-magnetic anomaly at Abra. We anticipate that Aruma's work and genetic model will be proven correct in understanding and discovering the copper endowment of this belt.

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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 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.

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