

Commitments for \$2.25M Placement to Accelerate Fieldwork at Core Projects

Highlights

- Firm commitments received for a Placement to raise approximately \$2.25m from sophisticated and professional investors
- Funds to be used for;
 - Targeted REE fieldwork at the Saltwater Project in the Pilbara region of WA to define targets for first-phase drilling;
 - Next phase of drilling and metallurgy testwork at Mt Deans Lithium Project in the lithium corridor of south-eastern WA;
 - Further drilling at Salmon Gums Gold Project in the eastern goldfields of WA to follow-up and extend previous bonanza grade gold intersection of 5m @ 50.2g/t Au; and
 - General working capital
- Strong balance sheet post-raising of ~\$3.7m to fund targeted work programs at core projects
- GBA Capital acted as lead manager to the Placement

Aruma Resources Limited (ASX: AAJ) (**Aruma** or the **Company**) is pleased to announce that it has received firm commitments for a placement to raise approximately \$2.25 million (before costs) from sophisticated and professional investors (Placement).

The Placement was strongly bid, which is testament to the Company's focus on its core rare earth elements (REE), lithium and gold projects, all located in active mineral belts in Western Australia.

The Placement also saw a number of investors join the Aruma share register for the first time.

Post the Placement, the Company will have a strong balance sheet with a cash balance of approximately \$3.7 million (before issue costs) to undertake its work programs, designed to drive shareholder value. This will be supported by ongoing newsflow.

Funds raised under the Placement will be predominantly used to fund Aruma's ongoing REE-focused fieldwork at the Saltwater Project in the Pilbara region in WA, the next phase of drilling and metallurgy test work at the Mt Deans Lithium Project in the 'lithium corridor' of south-east WA and further drilling at the Salmon Gums Gold Project in WA's eastern goldfields, and for general working capital.

Use of Funds

Saltwater Project – REE: Aruma is undertaking a Rare Earth Elements (REE)-focused fieldwork program at its 100% owned Saltwater Project. This initial phase of work consists of a systematic mapping and sampling program across an interpreted 80km strike, designed to provide targets for a maiden drilling program.

Aruma Resources Ltd

ACN 141 335 364
ASX: AAJ

Issued Capital

156,961,503 Shares
9,066,669 Options

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Board and Management

JAMES MOSES – Non-Executive Chairman
GLENN GRAYSON – Managing Director
PETER SCHWANN – Non-Executive Director
BRETT SMITH – Non-Executive Director

Material results will be progressively released to the market as they become available. The Project is considered highly prospective for REE. Dreadnaught Resources (ASX: DRE) holds a significant landholding via its Bresnahan REE Project which surrounds Aruma's Saltwater Project, and previous exploration along strike of Saltwater returned extremely high REE assay results of up to 11% REE (ASX announcements, 29 May and 15 February 2023).

Mt Deans Lithium Project: Aruma has identified up to 15 metre thick pegmatites at the Mt Deans Project, and drilling campaigns by the Company have confirmed the presence of lithium-rich pegmatites. Recently completed first-phase metallurgy has confirmed the ability to produce a lithium concentrate (ASX announcement, 3 May 2023). Further drilling and metallurgy are planned as next steps in the Company's systematic exploration and appraisal of the Project.

Salmon Gums Gold Project: The Salmon Gums Gold Project is situated 30km and along strike, in the same stratigraphy, as Pantoro Limited's (ASX: PNR) high-grade Scotia Gold Project, in the Eastern Goldfields of WA. Aruma has conducted multiple drilling programs at the Project, which have returned bonanza grade gold intersections, of 5m @50.2g/t Au (ASX announcement, 21 March 2022). Further targeted drilling is planned to extend this very high-grade mineralised zone.

Placement Details

The Placement consists of the issue of up to 38,793,103 shares ordinary fully paid shares (Shares) at an issue price of \$0.058 per Share, raising approximately \$2.25 million (before costs), to be completed under the Company's Listing Rule 7.1 and 7.1A capacity.

The Company advises that chairman James Moses and director Peter Schwann also participated in the Placement, and have subscribed for a total of 1,439,655 Shares. These Shares will be issued subject to shareholder approval.

The Placement Shares (with the exception of the Shares subscribed for by Directors) are scheduled to be issued on or about Tuesday 13 June 2023.

The Placement price of \$0.058 per Share a 16.2% discount to the 10-day VWAP up to the date of the Placement announcement.

The offer also includes one free attaching Option for every Share subscribed for in the Placement, with an exercise price of \$0.10 and an expiry date of 11 June 2026. The Options are proposed to be listed on the ASX, subject to meeting ASX listing requirements, and will be issued subject to Aruma shareholder approval.

Aruma thanks existing shareholders who participated in the Placement for their support and welcomes new shareholders to the Company.

GBA Capital acted as lead manager to the Placement and will be paid a 6% commission on funds raised, and, subject to shareholder approval, will receive 15,000,000 Options exercisable at an exercise price of \$0.10 per Option on or before 11 June 2026. These Options are proposed to be listed on the ASX, subject to meeting ASX listing requirements.

Aruma will convene a shareholder meeting in the coming weeks to seek shareholder approvals.

This announcement has been authorised for release by the Board of Aruma Resources Ltd.

ENDS

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About Aruma Resources

Aruma Resources Limited (ASX: AAJ) is an ASX-listed minerals exploration company focused on the exploration and development of a portfolio of prospective gold and lithium projects, strategically located in major, active mineralised belts in Western Australia. Its core assets include the Mt Deans Lithium Project in the lithium corridor of south-eastern WA, the Salmon Gums Gold Project in the Eastern Goldfields and the multi-commodity Saltwater Project in the Pilbara region.

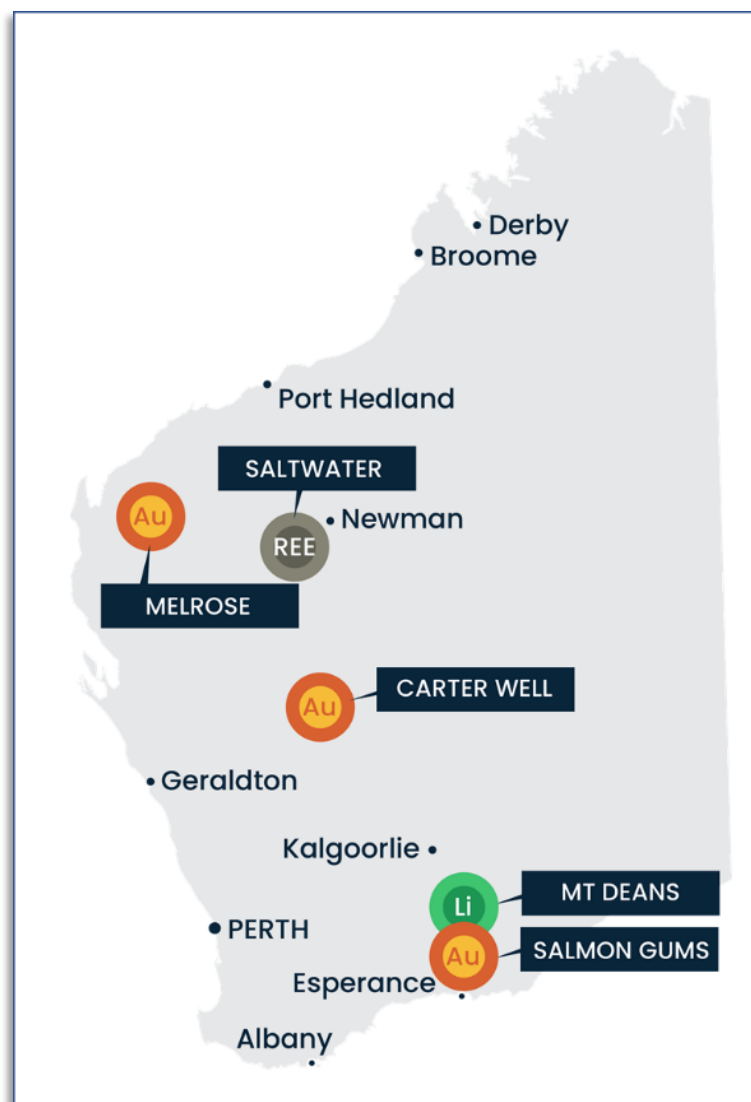


Figure 1: Aruma's project portfolio

Competent person statement

The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Glenn Grayson who is a Member of the Australian Institute of Geoscience (AIG). Mr Grayson is Managing Director and a full-time employee of the Company. Mr Grayson 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 Grayson 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. 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.

Forword 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 confirm 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.