ARUMA RESOURCES LIMITED

ABN 77 141 335 364

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

ARUMA RESOURCES LIMITED

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CORPORATE INFORMATION

Directors
Paul Boyatzis (Non-Executive Chairman)
Peter Schwann (Managing Director)
Ki Keong Chong (Non-Executive Director)

Company Secretary
Phillip MacLeod

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ASX Code
Ordinary shares - AAJ

DIRECTORS' REPORT

The directors of Aruma Resources Limited ("Aruma") submit herewith the financial report of Aruma Resources Limited and its subsidiary ("Consolidated entity" or "Group") for the half-year ended 31 December 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the Company during or since the end of the half-year are:

Mr. P. Boyatzis	Non-Executive Chairman
Mr. P. Schwann	Managing Director
Mr. K. K. Chong	Non-Executive Director

Directors were in office for the entire period unless otherwise stated.

REVIEW OF OPERATIONS

EXPLORATION

Bulloo Downs

During the half-year Aruma Resources Limited increased its Bulloo Downs Copper Project (in WA's Ashburton region) in area to 2,800km^2. This area has now been flown with HyMap mineral mapping covering a total of 3,000km^2 with 10 prospects identified. A new thermal imaging method has also been tested and identified several targets which have also produced anomalous copper results.

A 2,708m RC drilling program was concluded in early December 2014 and the final assay results published on 14 January 2015.

Highlights of the program included:

- 3m at 1.3% copper including 2m at 1.7% from 79m BLRC03; and
- 3m at 2.8% copper including 2m at 4.1% and 1m at 8% from 20m BLRC21.

The results demonstrate the grade and thickness of the mineralised structures at Bulloo Downs, with high grade oxide mineralisation of up to 8% Cu and thick mineralised intersections (two returned 0.2% Cu over 16m). This powerful hydrothermal system is likely to host sulphide mineralisation and the next drilling phase will be focused on identifying this type of material.

Emissivity Testing

This new technique was tried at Bulloo Downs to identify potential copper anomalies using satellite data. The technique is in a developmental stage and has located several new anomalies that were not previously identified.

The initial targets identified from the HyMap data with the emissivity anomalies were field inspected in December 2014. The results with copper analysed by fXRF (field portable XRF) gave values up to 0.75% Cu. These confirmed that emissivity is the next phase tool before deeper RC and diamond drilling of Nifty style targets.

From Figure 1 some of the emissivity targets are several kilometres long and fit the new Nifty Model.

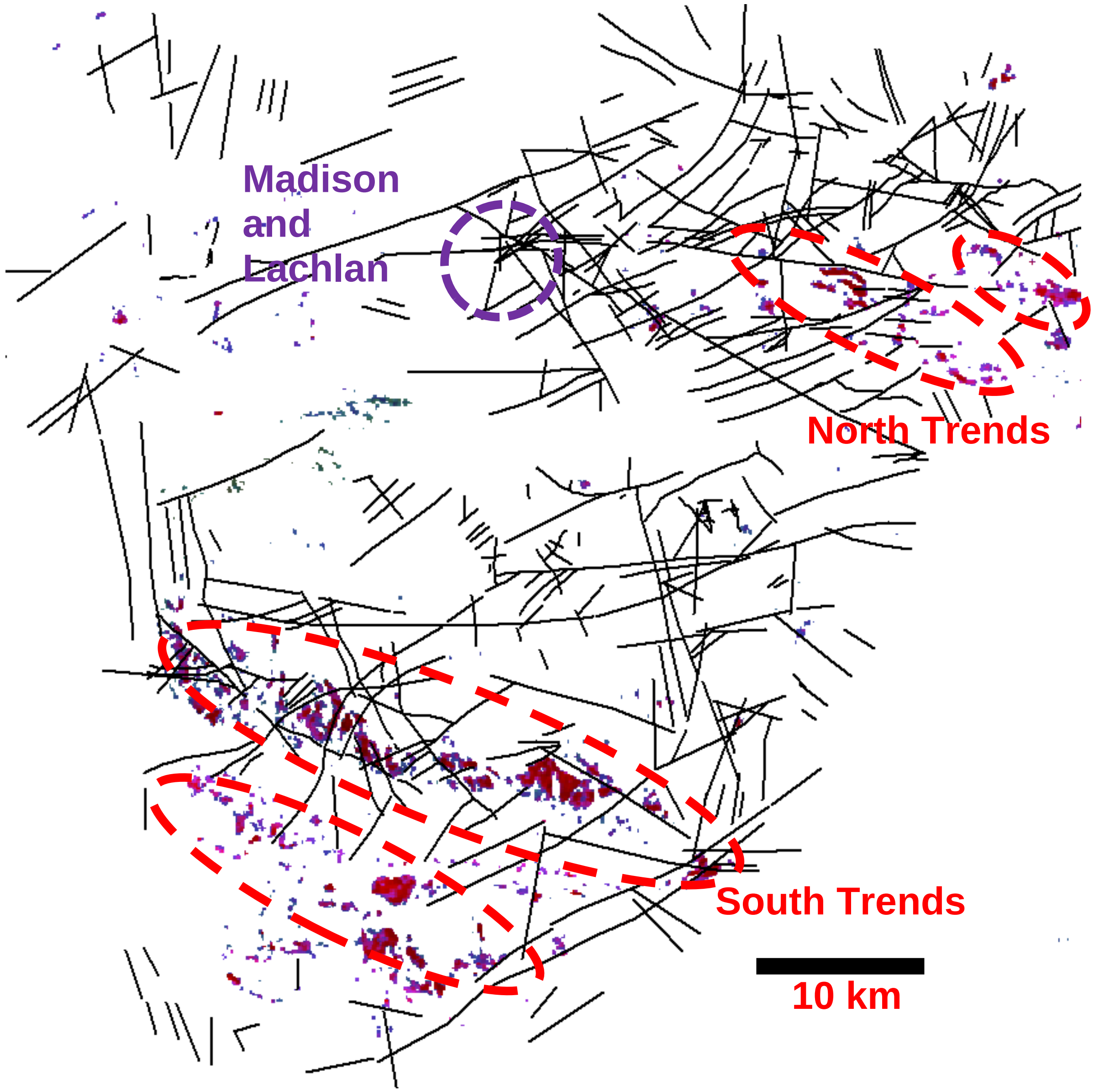

Figure 1: Bulloo Copper Project Emissivity Patterns on structures

The trends are in dashed red with the original target areas in purple.

Glandore

An air core drilling programme was completed in September 2014, with 57 holes for 2,519m which covered targets on the lake identified by the HyMap and Fluid Flow studies.

The air core drilling is the first drilling that has targeted structures on the lake away from the historic drilling at the Axial Planar and Supergene structures where results of up to 10m at 10.27g/t in GDJD336 and 8m at 10.4 g/t Au in EGRC 004 have been recorded by previous operators.

The drilling has recorded a number of anomalous gold values (better than 0.1g/t Au) mostly in the supergene blanket at the base of weathering. The highest gold values were 0.96g/t in AGAC055, 12-13m at the southern end Axial Planar, and 0.93g/t in AGAC012, 20-21m at Genge to the north. The anomalous results coincide with interpreted structures from the previously completed Fluid Flow modelling by the CSIRO as can be seen in Figure 2.

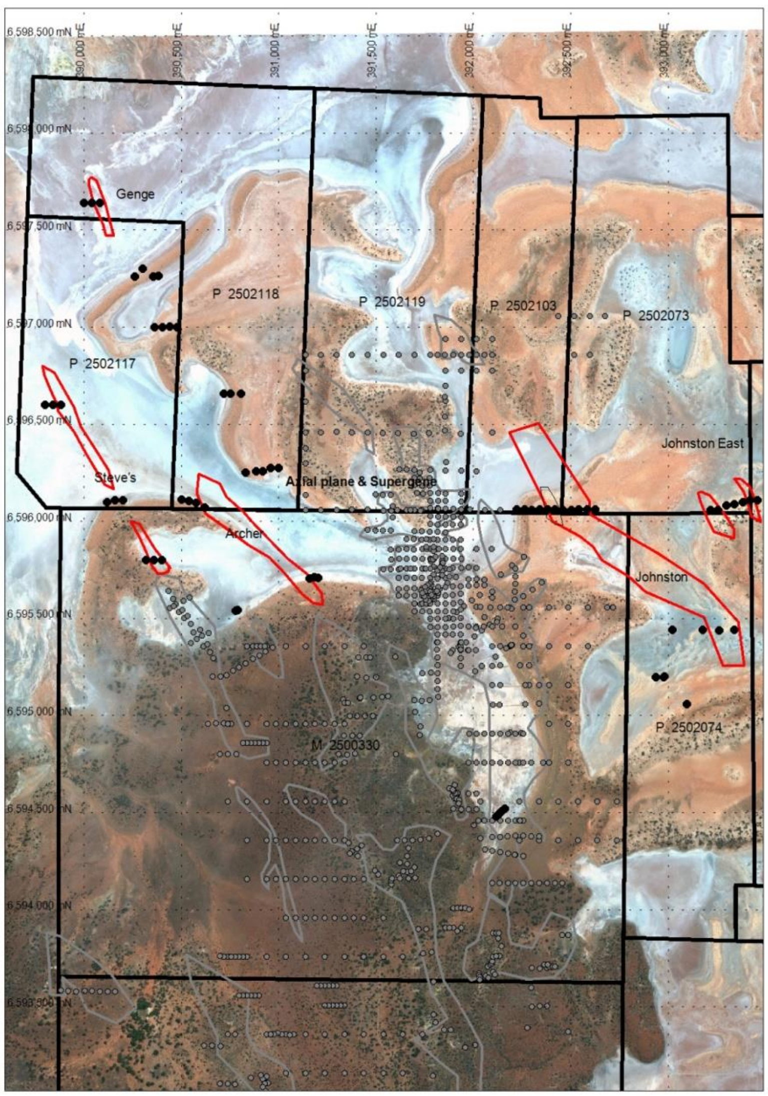

Figure 2 **Google Earth image with air core holes completed (solid dots) with the new >0.1g/t gold anomalies (in red)**

ARUMA RESOURCES LIMITED

DIRECTORS' REPORT (CONTINUED)

The previously identified Steves prospect (with historical results of up to 10 metres at 2.31 g/t Au) has been extended to the north-west for some 1,100 metres and remains open. Additional new targets have been identified as "Genge" in the most northern line drilled, "Archer" a prospect between the Axial Planar and Steves, and " Johnston" a zone on the eastern side of Axial Planar open both to the north and south.

The results are considered high tenor for aircore holes in salt lake material, and what is significant is the thickness of the mineralized envelopes as well as the number of holes (17 out of 67) with anomalous (>0.1g/t Au) intersections.

Clinker Hill

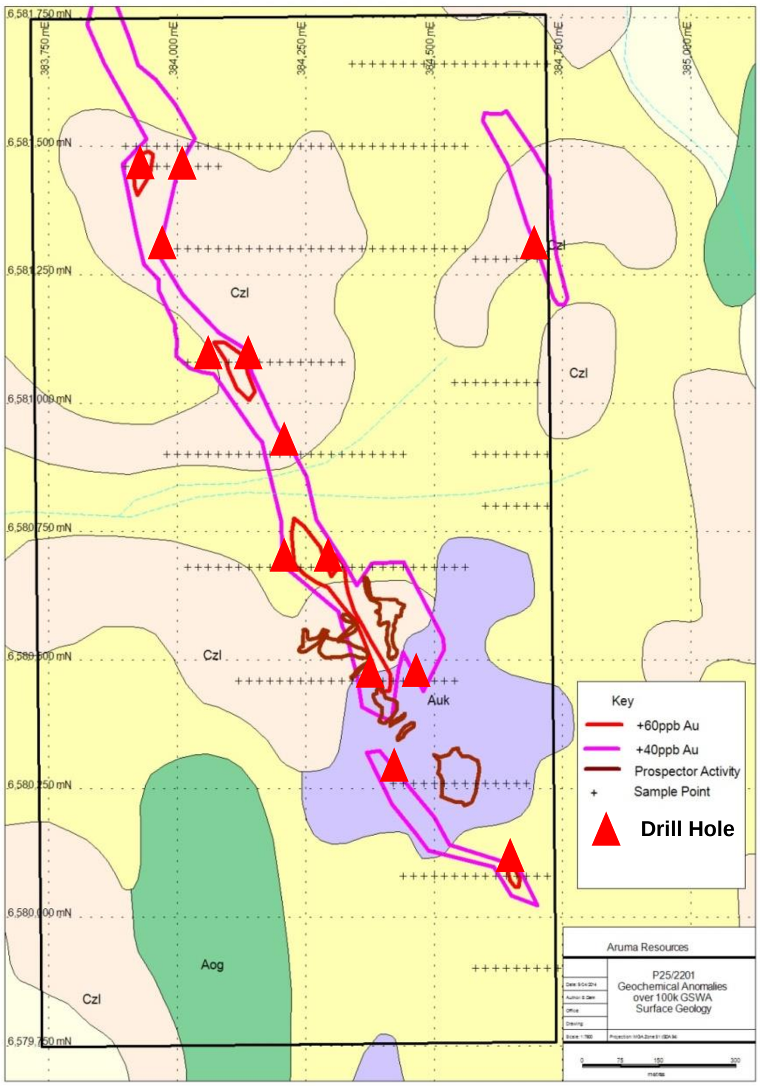

Figure 3 **Proposed RC drilling on geochemistry and geology at Clinker Hill**

A program of work has been approved and the first phase of drilling is expected to commence in the first quarter of 2015. The program will investigate the strong >50ppb gold in soil anomaly which coincides with several dry blowing areas. The anomaly is continuous over >1,600m of strike and between 150 to 250m wide. It is expected that 10 to 12 RC drill holes at 120m to 150m will be drilled in March 2015.

Jundee South

No work was completed during the half-year. An imaging program using the emissivity data is planned before year end.

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 a full time employee of the Company. Mr Schwann has sufficient relevant experience to qualify as a Competent Person as defined in the JORC Code (2012) and consents to the inclusion of this 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 present have not been materially modified from the original announcements.

The Group incurred an after tax loss for the half-year ended 31 December 2014 of $1,081,296 (2013: $322,156).

Corporate

The Company has submitted a claim for $515,000 before costs under the 2014 Research & Development Tax Incentive Program. A similar claim in 2013 realised $636,552 before costs.

EVENTS SUBSEQUENT TO THE BALANCE DATE

No matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Nexia Perth Audit Services Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 9 and forms part of the directors' report for the half-year ended 31 December 2014.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors

P. Schwann
Managing Director

Perth, 13 March 2015

Auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Aruma Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the period ended 31 December 2014, there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

NPAS

Nexia Perth Audit Services Pty Ltd

Amar Nathwani

Amar Nathwani CA, B. ENG
Director

Perth
13 March 2015

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ARUMA RESOURCES LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

		CONSOLIDATED	
	Note	Half-year ended 31 Dec 2014 $	Half-year ended 31 Dec 2013 $
Revenue from continuing operations	1(a)	515,000	636,552
Exploration expenditure expensed as incurred		(1,120,247)	(409,848)
Impairment of exploration assets		-	(190,000)
Depreciation		(2,860)	(1,953)
Non-Executive Directors' fees		(51,000)	(51,000)
Employee benefits		(123,905)	(123,487)
Legal and professional fees		(93,316)	(122,557)
Occupancy expenses		(26,381)	(18,526)
Share options expense		(90,380)	-
Travel expenses		(1,220)	(4,702)
Other expenses		(114,481)	(86,356)
Loss from operating activities		(1,108,790)	(371,877)
Financial income		27,837	49,721
Financial expenses		(343)	-
Net financing income		27,494	49,721
Loss before income tax expense		(1,081,296)	(322,156)
Income tax benefit/(expense)		-	-
Loss for the period		**(1,081,296)**	**(322,156)**
Total comprehensive loss for the period		**(1,081,296)**	**(322,156)**
Loss per share			
Basic and diluted loss per share (cents per share)		(0.72) cents	(0.25) cents

The accompanying notes form part of these financial statements.

ARUMA RESOURCES LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	CONSOLIDATED 31 Dec 2014 $	CONSOLIDATED 30 Jun 2014 $
Current assets			
Cash and cash equivalents		1,071,022	928,001
Trade and other receivables		621,604	63,329
Term deposit investments		-	1,565,158
Other current assets		28,992	12,403
Total current assets		1,721,618	2,568,891
Non-current assets			
Plant and equipment		57,612	54,486
Deferred exploration expenditure		256,969	256,969
Total non-current assets		314,581	311,455
Total assets		2,036,199	2,880,346
Current liabilities			
Trade and other payables		212,195	118,707
Provisions		74,247	65,049
Total current liabilities		286,442	183,756
Total liabilities		286,442	183,756
Net assets		**1,749,757**	**2,696,590**
Equity			
Issued capital	2	8,729,961	8,729,961
Reserves	3	211,967	95,389
Accumulated losses		(7,192,171)	(6,128,760)
Total equity		**1,749,757**	**2,696,590**

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	CONSOLIDATED	
	Half-year ended 31 Dec 2014 $	Half-year ended 31 Dec 2013 $
Cash flows from operating activities		
Interest received	5,674	53,969
Interest paid	(343)	-
Payments for exploration and evaluation	(1,061,592)	(653,381)
Payments to suppliers and employees	(359,890)	(267,249)
Net cash used in operating activities	(1,416,151)	(866,661)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(5,986)	-
Transfer (to)/from term deposit investment	1,565,158	(32,515)
Payment of stamp duty on exploration asset	-	(522)
Net cash provided by/(used in) investing activities	1,559,172	(33,037)
Net increase/(decrease) in cash and cash equivalents	143,021	(899,698)
Cash and cash equivalents at the beginning of the period	928,001	1,702,347
Cash and cash equivalents at the end of the period	**1,071,022**	**802,649**

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Consolidated	Issued capital $	Share based payment reserve $	Accumulated losses $	Total $
Balance at 1 July 2013	8,175,511	95,389	(4,884,585)	3,386,315
Loss for the period	-	-	(322,156)	(322,156)
Total comprehensive loss for the period	-	-	(322,156)	(322,156)
Balance at 31 December 2013	8,175,511	95,389	(5,206,741)	3,064,159
Balance at 1 July 2014	8,729,961	95,389	(6,128,760)	2,696,590
Loss for the period	-	-	(1,081,296)	(1,081,296)
Total comprehensive loss for the period	-	-	(1,081,296)	(1,081,296)
Issue of share options to directors and staff	-	90,380	-	90,380
Issue of share options for exploration payment	-	44,083	-	44,083
Transfer on expiry of options	-	(17,885)	17,885	-
Balance at 31 December 2014	8,729,961	211,967	(7,192,171)	1,749,757

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The interim financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed consolidated interim financial report does not include full disclosure of the type normally included in an annual financial report, and accordingly this report should be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of *the Corporations Act 2001* and the ASX listing rules.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. The Company, Aruma Resources Limited and its subsidiary, Aruma Exploration Pty Ltd, are domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's financial report for the financial year ended 30 June 2014.

For the purpose of preparing the report the half-year has been treated as a discrete reporting period.

Amendments to AASBs and the new Interpretation which are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 1031 'Materiality' (2013)
- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'
- AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'
- AASB 2013-9 'Amendments to Australian Accounting Standards' – Part B: 'Materiality'
- AASB 2014-1 'Amendments to Australian Accounting Standards'
  Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycles'
  Part C: 'Materiality'

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact of the application of AASB 1031 'Materiality' (2013)

The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations, and once all these references have been removed, AASB 1031 will be withdrawn. The adoption of AASB 1031 does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'

The Group has applied the amendments to AASB 132 for the first time in the current year. The amendments to AASB 132 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements. The Group has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments does not have any material impact on the amounts recognised in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'

The Group has applied the amendments to AASB 136 for the first time in the current year. The amendments to AASB 136 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure required by AASB 13 'Fair Value Measurements'.

The application of these amendments does not have any material impact on the disclosures in the Group's condensed consolidated financial statements.

Impact of the application of AASB 2013-9 'Amendments to Australian Accounting Standards'– Part B: 'Materiality'

This amending standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, at the same time it makes various editorial corrections to Australian Accounting Standards as well. The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact of the application of AASB 2014-1 'Amendments to Australian Accounting Standards'

Part A: 'Annual Improvements 2010-2012 and 2011-2013 Cycle'

The Annual Improvements 2010-2012 Cycle include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to AASB 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to AASB 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of AASB 9 or AASB 139 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to AASB 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to AASB 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of AASB 13 clarify that the issue of AASB 13 and consequential amendments to AASB 139 and AASB 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to AASB 116 and AASB 138 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to AASB 124 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The ‘Annual Improvements 2011-2013 Cycle’ include a number of amendments to various AASBs, which are summarised below.

The amendments to AASB 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to AASB 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, AASB 139 or AASB 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within AASB 132.

The amendments to AASB 140 clarify that AASB 140 and AASB 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of AASB 140; and

(b) the transaction meets the definition of a business combination under AASB 3.

Part C: ‘Materiality’

This amending standard makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031, which historically has been referenced in each Australian Accounting Standard.

The adoption of amending standard does not have any material impact on the disclosures or the amounts recognised in the Group's condensed consolidated financial statements.

Significant Accounting Judgements and Key Estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this half-year report the significant judgements made by management in applying the Consolidated entity’s accounting policies and key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2014.

(a) Research & Development tax concession

The Company is to lodge a claim for a refund under the R&D tax concession scheme for 2014 and has recognised an amount refundable of $515,000 (2013: $636,552) as per the draft return and based on the Company’s prior experience of receiving refunds commensurate with the claims lodged.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Going concern

The Interim financial report is prepared on a going concern basis. At the balance date the Group had an excess of current assets over current liabilities of $1,435,176 (30 June 2014: $2,385,135). Notwithstanding this positive working capital position, the Group has forecast that it will need to seek additional funding in the coming year in order to meet its planned exploration expenditure for the next twelve months from the date of signing this financial report. These arrangements may include a capital raising or entering into a sale or joint venture of assets. This need may be adversely impacted by uncertain market conditions, approval by regulatory bodies or by adverse results from exploration activity. As a result of these conditions there exists a material uncertainty which may cast significant doubt about the ability of the Company to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the Interim financial report.

2. ISSUED CAPITAL

	31 December 2014	30 June 2014
	$	$
Issued and paid up capital		
Fully paid ordinary shares	8,729,961	8,729,961

	31 December 2014	30 June 2014
	Number	Number
Movements in fully paid shares on issue		
Balance at beginning of period	149,304,167	129,304,167
Shares issued for cash	-	20,000,000
Balance at end of period	149,304,167	149,304,167

3. RESERVES

	31 December 2014	30 June 2014
	$	$
Share based payment reserve		
Balance at beginning of period	95,389	95,389
Transfer to accumulated losses on expiry of options	(17,885)	-
Issue of options to third party	44,083	-
Issue of options to directors, employees and contractors	90,380	-
Balance at end of period	211,967	95,389

4. COMMITMENTS

	31 December 2014 $	30 June 2014 $
COMMITMENTS		
Exploration Expenditure Commitments		
Minimum exploration expenditure:		
Not later than 1 year	1,483,380	863,380
Later than 1 year but not later than 5 years	5,933,520	3,453,520
	7,416,900	4,316,900
Operating Lease Commitments		
Not later than 1 year	25,208	8,397
	25,208	8,397

5. CONTINGENT LIABILITIES

In the opinion of the directors, other than the matter disclosed above, there were no contingent liabilities at the date of this report.

6. SEGMENT INFORMATION

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the Group's operations and allocation of working capital.

Due to the size and nature of the Group, the Board as a whole has been determined as the chief operating decision maker.

The Group operates in one business segment and one geographical segment, namely mineral exploration industry in Australia only. AASB 8 Operating Segments states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely mineral exploration industry.

The revenues and results of this segment are those of the Group as a whole and are set out in the statement of comprehensive income. The segment assets and liabilities of this segment are those of the Group and are set out in the statement of financial position.

7. EVENTS AFTER THE BALANCE DATE

No matter or circumstance has arisen subsequent to the balance date, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

8. RELATED PARTIES

Transactions with directors and director-related entities continue to be in place. For details on these arrangements, please refer to the 30 June 2014 annual financial report. No other related party transactions were entered into during the half year ended 31 December 2014.

Key management personnel continue to receive compensation in the form of short term employee benefits, post-employment benefits and share based payments.

ARUMA RESOURCES LIMITED

DIRECTORS' DECLARATION

In the Directors' opinion:

1 the financial statements and notes set out on pages 10 to 20 are in accordance with the *Corporations Act 2001*, including:

   (a) complying with Accounting Standards, AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

   (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date of the consolidated entity; and

2 there are reasonable grounds to believe that Aruma Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors

P. Schwann
Managing Director

Perth, 13 March 2015

the next solution

Independent Auditor's Review Report to the members of Aruma Resources Limited

Report on the Interim Financial Report

We have reviewed the accompanying half-year financial report of Aruma Resources Limited (the "Company") and its controlled entity (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2014, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period ended on that date, other selected explanatory notes and the directors' declaration of the Group comprising the Company and the entity it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Interim Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting and the *Corporations Act 2001.* This responsibility includes: establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2014 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aruma Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim financial report of Aruma Resources Limited and its controlled entity is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2014 and of its performance for the period ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001.*

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1(b) in the financial report, which indicates that the Group will require further equity funding within the next twelve months from the date of this report to fund its operations and planned exploration projects. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business

NPAS

Nexia Perth Audit Services Pty Ltd

Amar Nathwani

Amar Nathwani CA, B. ENG
Director

Perth
13 March 2015