

November 18, 2019



## SARAMA RESOURCES REGAINS 100% INTEREST IN SOUTH HOUNDE PROJECT AND AMENDS COMMERCIAL TERMS

**VANCOUVER, CANADA.** Sarama Resources Ltd. (“**Sarama**” or the “**Company**”) (TSX-V:**SWA**) is pleased to announce that it has renegotiated certain terms of the previously announced (see news release May 14, 2019) Termination Agreement regarding the 2014 Earn-In Agreement on the South Houndé Project (the “**Project**”) in south-western Burkina Faso. Notably, the changes result in an immediate return to 100% ownership of the Project for Sarama and the reduction of the trailing reimbursement payment.

Sarama has agreed to waive certain closing conditions and, in return, Barrick TZ Ltd. (“**Barrick**”), formerly Acacia Mining plc, has agreed to amend and reduce the total trailing reimbursement from US\$2M to US\$1M, which is now payable in 12 months from the date of this amendment.

The South Hounde Project hosts a **2.1M** ounce<sup>(1)</sup> gold resource and is situated in the southern half of the prolific Houndé Belt, approximately 350km south-west of Ouagadougou in Burkina Faso. Drilling in mid-2019 intersected broad zones of oxide mineralisation, extending the strike length of drill-defined mineralisation to 12km (see news releases August 21, 2019 and September 4, 2019). The Company anticipates the drilling will add to the existing **670,000** ounce<sup>(1)</sup> (Inf) gold oxide and free-milling component of the Project’s current mineral resource.

The Company’s upcoming exploration activities will focus on pursuing areas of open-ended oxide-gold intercepts with the goal of increasing the oxide and free-milling component of the mineral resource to a level that will underpin future mine development in the region.

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### Sarama’s President and CEO, Andrew Dinning, commented:

*“Sarama appreciates the pragmatism and reasonableness shown by Barrick to expedite the closing of the Termination Agreement so that both parties can dedicate their energy to furthering their business interests in the region.*

*Sarama’s focus remains firmly on advancing our 100%-owned South Houndé and ThreeBee Projects in the southern Houndé Belt in Burkina Faso where we are strategically positioned between two key regional players who share the same ambition as us in establishing a new mining centre in the area.”*

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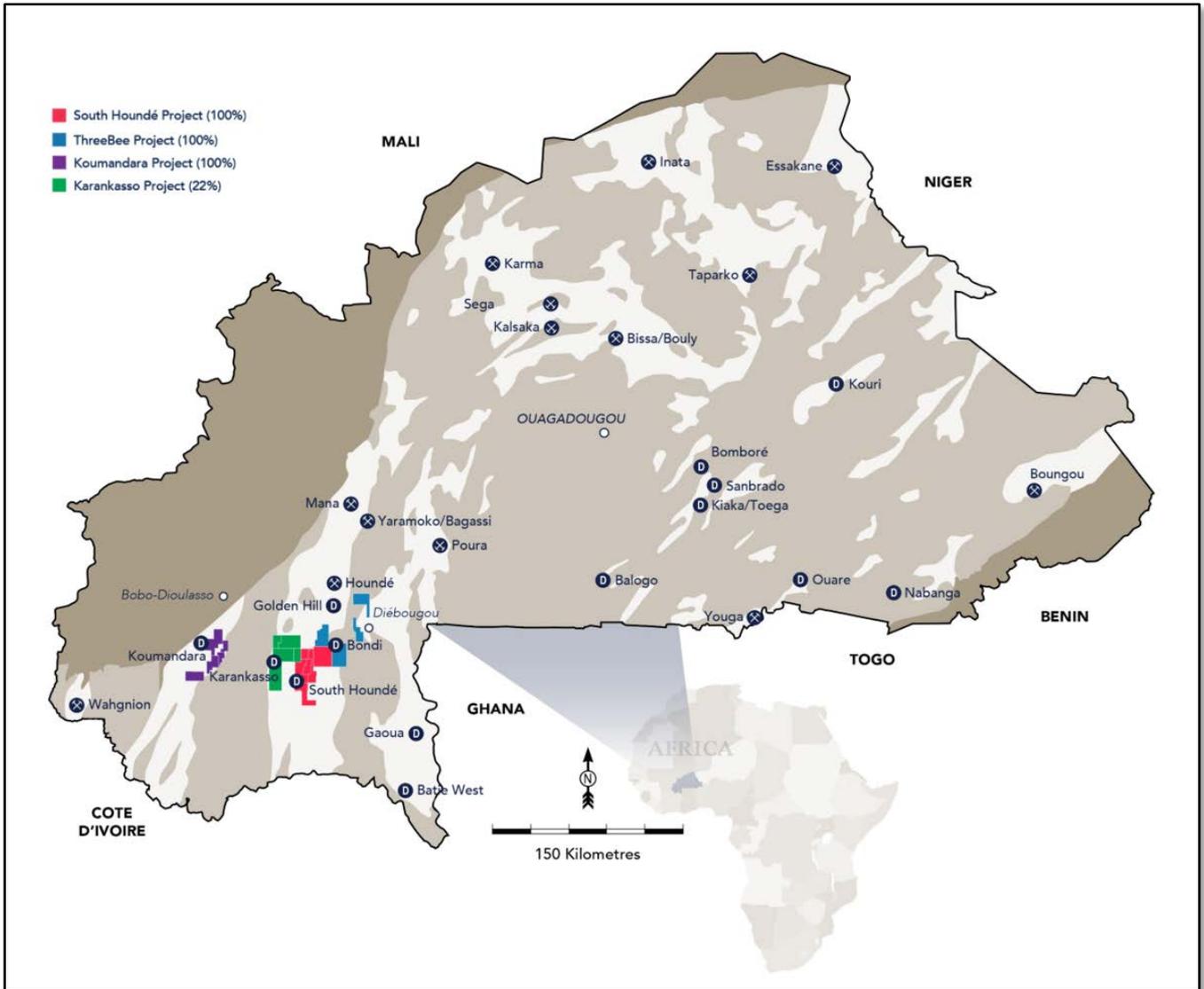


Figure 1 – Sarama’s Principal Property Interests<sup>(4)</sup> in the Southern Houndé Belt

## ABOUT SARAMA RESOURCES LTD

Sarama Resources Ltd (TSX-V: SWA) is a West African focused gold explorer and developer with substantial landholdings in south-west Burkina Faso. Sarama is focused on maximising the value of its strategic assets and advancing its key projects towards development.

Sarama's South Houndé and ThreeBee Projects, in which the Company holds a 100% interest<sup>(4)</sup>, are located within the prolific Houndé Greenstone Belt in south-west Burkina Faso and are the exploration and development focus of the Company. Its exploration programs have successfully discovered an inferred mineral resource of 2.1Moz gold<sup>(1)</sup> at the South Houndé Project which is complemented by the ThreeBee Project's Bondi Deposit<sup>(4)</sup> (historical estimate of mineral resources of 0.3Moz Au measured and indicated and 0.1Moz Au inferred<sup>(2)</sup>).

Together, the projects form a cluster of advanced gold deposits, within trucking distance of one another, which potentially offers a development option for a central processing facility fed from multiple sources in the southern Houndé Belt region of Burkina Faso.

Sarama has built further optionality into its portfolio including a 600km<sup>2</sup> exploration position in the highly prospective Banfora Belt in south-western Burkina Faso. The Koumandara Project hosts several regional-scale structural features and trends of gold-in-soil anomalism extending for over 40km along strike.

Sarama holds approximately 22% participating interest in the Karankasso Project Joint Venture ("JV") which is situated adjacent to the Company's South Houndé Project in Burkina Faso and is a JV between Sarama and Semafo Inc. ("Semafo"). Semafo is the operator of the JV, having acquired the previous operator, Savary Gold Corp. ("Savary"). In October 2015, Savary declared a maiden inferred mineral resource estimate of 671,000 ounces of contained gold<sup>(3)</sup> at the Karankasso Project JV.

The Company's Board and management team have a proven track record in Africa and a strong history in the discovery and development of large-scale gold deposits. Sarama is well positioned to build on its current success with a sound strategy to surface and maximise the value of its property portfolio.

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## FOOTNOTES

1. *South Houndé Project - 43.0Mt @ 1.5g/t Au (reported above cut-off grades ranging 0.3-2.2g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the inferred mineral resources having reasonable prospects for eventual economic extraction). This mineral resource contains an oxide and transition component of 16.0Mt @ 1.2g/t Au for 611koz Au (reported at a cut-off grade of 0.3g/t Au for oxide and 0.8g/t Au for transition material) and 1.5Mt @ 1.2g/t for 58koz free milling fresh material (reported at a cut-off grade of 0.8g/t Au). The effective date of the Company's inferred mineral resource estimate is February 4, 2016. For further information regarding the mineral resource estimate please refer to the technical report titled "NI 43-101 Independent Technical Report South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated March 31, 2016 and prepared by Adrian Shepherd. Adrian Shepherd is an employee of Cube Consulting Pty Ltd and is independent of Sarama. The technical report is available under Sarama's profile on SEDAR at [www.sedar.com](http://www.sedar.com).*
2. *Bondi Deposit - 4.1Mt @ 2.1g/t Au for 282,000oz Au (measured and indicated) and 2.5Mt @ 1.8g/t Au for 149,700oz Au (inferred), reported at a 0.5 g/t Au cut-off.*
  - i. *The historical estimate of the Bondi Deposit reflects a mineral resource estimate compiled by Orezone Gold Corporation ("Orezone") which has an effective date of February 20, 2009. The historical estimate is contained in a technical report titled "Technical Report on the Mineral Resource of the Bondigui Gold Project", dated date of February 20, 2009 and prepared by Yves Buro (the "Bondi Technical Report"). Yves Buro is an employee of Met-Chem Canada Inc and is independent of Orezone and Sarama. The technical report is available under Orezone's profile on SEDAR at [www.sedar.com](http://www.sedar.com).*
  - ii. *Sarama believes that the historical estimate is relevant to investors' understanding of the property, as it reflects the most recent technical work undertaken in respect of the Bondi Deposit.*
  - iii. *The historical estimate was informed by 886 drillholes, assayed for gold by cyanidation methods, were used to interpret mineralised envelopes and geological zones over the area of the historical estimate. Gold grade interpolation was undertaken using ID<sup>2</sup> methodology based on input parameters derived from geostatistical and geological analyses assessments. Field measurements and geological logging of drillholes were used to determine weathering boundaries and bulk densities for modelled blocks.*
  - iv. *The historical estimate uses the mineral resource reporting categories required under National Instrument 43-101.*
  - v. *No more recent estimates of the mineral resource or other data are available.*
  - vi. *Sarama is currently undertaking the necessary verification work in the field and on the desktop that may support the future reclassification of the historical estimate to a mineral resource.*

- vii. A qualified person engaged by Sarama has not undertaken sufficient work to verify the historical estimate as a current mineral resource and Sarama is therefore not treating the historical estimate as a current mineral resource.
3. Karankasso Project - 9.2Mt @ 2.3g/t Au (at a 0.5g/t Au cut-off). The effective date (“**Effective Date**”) of the most recent Karankasso Project JV mineral resource estimate that is supported by a technical report is October 7, 2015. For further information regarding that mineral resource estimate please refer to the technical report titled “Technical Report and Resource Estimate on the Karankasso Project, Burkina Faso”, dated October 7, 2015 and prepared by Eugene Puritch and Antoine Yassa. Eugene Puritch and Antoine Yassa are employees of P&E Mining Consultants Inc. and are independent of Savary and Sarama. The technical report is available under Savary’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Sarama has not independently verified Savary’s mineral resource estimate and takes no responsibility for its accuracy. Semafo is the operator of the Karankasso Project JV and Sarama is relying on their Qualified Persons’ assurance of the validity of the mineral resource estimate. Additional technical work has been undertaken on the Karankasso Project since the Effective Date, including but not limited to, metallurgical testwork, exploration drilling and mineral resource estimation, but Sarama is not in a position to quantify the impact of this additional work on the mineral resource estimate referred to above.
  4. The ThreeBee Project comprises the Djarkadougou, Botoro, Bamako 2<sup>(S)</sup> and Nakar (formerly Bouni)<sup>(S)</sup> Properties and Sarama has, or is entitled to have, a 100% interest in each of the properties. The Djarkadougou Exploration Permit is going through a process with the government of Burkina Faso where it is required it be re-issued as a new full-term exploration permit. The Company anticipates this to be completed in due course, though there can be no assurance that the process will be successfully completed on a timely basis, or at all.
  5. For further information regarding the drilling on the Bamako 2 (formerly Bamako) and Nakar (formerly Bouni) Properties, please refer to the technical report titled “NI 43-101 Independent Technical Report South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso”, dated October 28, 2013 and prepared by Adrian Shepherd. Adrian Shepherd is an employee of Cube Consulting Pty Ltd and is considered independent of Sarama. The technical report is available under Sarama’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **CAUTION REGARDING FORWARD LOOKING STATEMENTS**

Information in this disclosure that is not a statement of historical fact constitutes forward-looking information. Such forward-looking information includes statements regarding the potential for the receipt of regulatory approvals, the potential of the projects to host mineralization of significance to support regional development plans (including the establishment of a central processing facility), the timing and prospects for the re-issuance of the Djarkadougou Exploration Permit by the Government of Burkina Faso, plans for exploration and development at the South Houndé and ThreeBee Projects, the potential to expand the present oxide component of the existing estimated mineral resources at the South Houndé Project and the reliability of the historical estimate of mineral resources at the Bondi Deposit.

Actual results, performance or achievements of the Company may vary from the results suggested by such forward-looking statements due to known and unknown risks, uncertainties and other factors. Such factors include, among others, that the business of exploration for gold and other precious minerals involves a high degree of risk and is highly speculative in nature; Mineral Resources are not Mineral Reserves, they do not have demonstrated economic viability, and there is no certainty that they can be upgraded to Mineral Reserves through continued exploration; few properties that are explored are ultimately developed into producing mines; geological factors; the actual results of current and future exploration; changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company’s publicly filed documents. There can be no assurance that any mineralisation that is discovered will be proven to be economic, or that future required regulatory licensing or approvals will be obtained. However, the Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions have been made regarding, among other things, the Company’s ability to carry on its exploration activities, the sufficiency of funding, the timely receipt of required approvals, the price of gold and other precious metals, that the Company will not be affected by adverse political events, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain further financing as and when required and on reasonable terms. Readers should not place undue reliance on forward-looking information.

Sarama does not undertake to update any forward-looking information, except as required by applicable laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

## **QUALIFIED PERSONS' STATEMENT**

*Scientific or technical information in this disclosure that relates to exploration activities on the Company's properties in Burkina Faso is based on information compiled or approved by Guy Scherrer. Guy Scherrer is an employee of Sarama Resources Ltd and is a member in good standing of the Ordre des Géologues du Québec and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Guy Scherrer consents to the inclusion in this disclosure of the information, in the form and context in which it appears.*

*Scientific or technical information in this disclosure that relates to the preparation of the South Houndé Project mineral resource estimate is based on information compiled or approved by Adrian Shepherd. Adrian Shepherd is an employee of Cube Consulting Pty Ltd and is independent of Sarama Resources Ltd. Adrian Shepherd is a Chartered Professional Member in good standing of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Adrian Shepherd consents to the inclusion in this disclosure of the information, in the form and context in which it appears.*

*Scientific or technical information in this disclosure, in respect of the Bondi Deposit relating to mineral resource and exploration information drawn from the Technical Report prepared for Orezone on that deposit has been approved by Guy Scherrer. Guy Scherrer is an employee of Sarama Resources Ltd and is a member in good standing of the Ordre des Géologues du Québec and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Guy Scherrer consents to the inclusion in this disclosure of the information, in the form and context in which it appears.*

*Scientific or technical information in this disclosure that relates to the quotation of the Karankasso Project's mineral resource estimate is based on information compiled by Paul Schmiede. Paul Schmiede is an employee of Sarama Resources Ltd and is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy. Paul Schmiede has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Paul Schmiede consents to the inclusion in this disclosure of the information, in the form and context in which it appears. Paul Schmiede and Sarama have not independently verified Savary's mineral resource estimate and take no responsibility for its accuracy.*