

February 26, 2020



SARAMA RESOURCES ANNOUNCES UPDATED MINERAL RESOURCE ESTIMATE FOR THE KARANKASSO JOINT VENTURE PROJECT, SOUTH-WEST BURKINA FASO

VANCOUVER, CANADA. Sarama Resources Ltd. (“Sarama” or the “Company”) (TSX-V:SWA) advises that an updated mineral resource estimate has been compiled on the Karankasso Project (the “Project”), located in south-west Burkina Faso (refer Figure 1). The Project is a joint venture between Sarama and Semafo Inc (“Semafo”), with the parties holding approximate interests of 20% and 80% respectively.

The updated mineral resource estimate of **12.74Mt @ 1.73g/t for 709koz Au⁽⁴⁾** (reported using a US\$1,500/oz gold price assumption) was fully compiled by, or under the supervision of, Semafo in its capacity as operator of the joint venture. The previous mineral resource estimate of **12.3Mt @ 2.03g/t Au for 805koz Au⁽³⁾** was compiled by Savary Gold Corp (“Savary”) and published in November 2017 (reported using a US\$1,250/oz gold price assumption). Savary was acquired by Semafo in April 2019 and was the operator of the joint venture and fully compiled, or supervised, the compilation of the November 2017 mineral resource estimate.

In the interests of clarity, Sarama notes that in conjunction with the updated mineral resource estimate for the Karankasso Project, Semafo also reported⁽⁷⁾ an update of the mineral resource estimate on its adjacent, 100%-owned Bantou Property of 38.37Mt @ 1.24g/t Au for 1.535Moz Au.

In conjunction with the updates to the mineral resource estimates, Semafo reported⁽⁷⁾ selected recent exploration results from satellite prospects within the joint venture project area, including **21m @ 14.63g/t Au** from 63m (KARC19-0127) at the Tiébi Zone, situated at the northern extremities of the Karankasso Project. Sarama notes Semafo’s commentary on the 2020 exploration program which indicates that the Tiébi Zone will be a key focus for the Project exploration.

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

“Sarama is pleased that the Karankasso Project’s mineral resource estimate has been reviewed and revised. The recent high-grade drill results at the Tiébi Zone and other areas within the joint venture between Sarama and Semafo are encouraging and we look forward to further exploration success. The higher grades being realised should result in feed from the Karankasso Project being brought to account earlier in a potential regional development scenario.”

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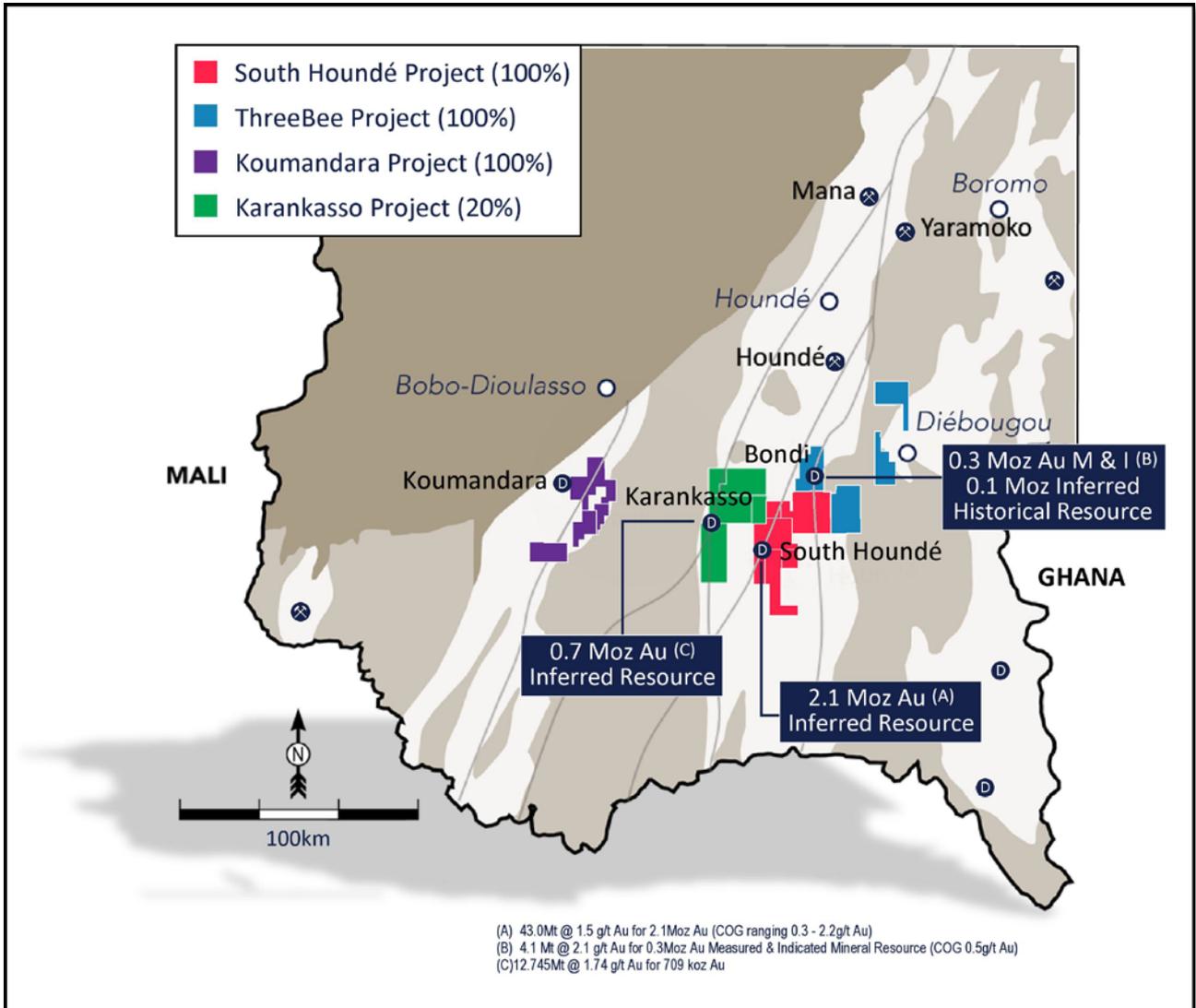


Figure 1 – Sarama’s Principal Property Interests^(1,2,4,5) in the Southern Houndé Belt

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⁽⁵⁾, 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⁽¹⁾ at the South Houndé Project which is complemented by the ThreeBee Project's Bondi Deposit⁽⁵⁾ (historical estimate of mineral resources of 0.3Moz Au measured and indicated and 0.1Moz Au inferred⁽²⁾).

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 600km² 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 20% 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**") in which Semafo is the operator of the JV. In February 2020, Semafo declared an updated inferred mineral resource estimate of 709koz gold⁽⁴⁾ for 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.

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). 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*
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*
 - 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 ID² 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 previous mineral resource estimates – the previous mineral resource estimate for the Karankasso Project of 12.3Mt @ 2.03g/t Au for 805koz Au (effective date October 5, 2017) and was disclosed on November 1, 2017 by Savary Gold Corp (“Savary” and since acquired by Semafo Inc “Semafo”). For further information regarding that mineral resource estimate, refer to the news release “Savary Gold Announces Updated Mineral Resource Estimate for Karankasso JV Project”, dated November 1, 2017. The news release is available under Savary’s (now Semafo Inc’s) profile on SEDAR at www.sedar.com. The mineral resource estimate was prepared by Eugene Puritch, Yungang Wu and Antoine Yassa. Eugene Puritch, Yungang Wu and Antoine Yassa are employees of P&E Mining Consultants Inc. and are independent of Savary and Sarama. 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.

The 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 (now Semafo Inc’s) profile on SEDAR at 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. Karankasso Project current mineral resource estimate – the current mineral resource estimate for the Karankasso Project of 12.74Mt @ 1.73g/t Au for 709koz Au (effective date of December 31, 2019) was disclosed on February 24, 2020 by Semafo Inc (“Semafo”). For further information regarding that mineral resource estimate, refer to the news release “Semafo: Bantou Project Inferred Resources Increase to 2.2Moz” dated February 24, 2020. The news release is available under Semafo’s profile on SEDAR at www.sedar.com. The mineral resource estimate was fully prepared by, or under the supervision of Semafo. Sarama has not independently verified Semafo’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 but Sarama is not in a position to quantify the impact of this additional work on the mineral resource estimate referred to above.
5. The ThreeBee Project comprises the Djarkadougou, Botoro, Bamako 2⁽⁶⁾ and Nakar (formerly Bouni)⁽⁶⁾ 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 is in discussion with senior government officials regarding certain impediments to the re-issue of the Exploration Permit and anticipates these discussions will 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.
6. 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 Houmde 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
7. Semafo Inc news release dated February 24, 2020.

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 Karankassom South Houndé and ThreeBee Projects to host mineralization of economic significance, any potential development of a central processing facility as part of regional project development, the potential for the receipt of regulatory approvals, the potential of the projects to host mineralization of significance to support regional development plans, 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, ThreeBee and Karankasso 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 and exploration activities 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 or Semafo's mineral resource estimates and take no responsibility for their accuracy.