

DECEMBER 16, 2014



RECONNAISSANCE FIELD PROGRAM REINFORCES PROSPECTIVITY OF THE KARANKASSO PROJECT JV IN BURKINA FASO

VANCOUVER, CANADA. Sarama Resources Ltd. (“Sarama” or the “Company”) is pleased to advise that Savary Gold Corp. (“Savary”), the operator of the Karankasso Project Joint Venture (“JV”) between Sarama and Savary, provided an update on December 15, 2014 of exploration findings and grab sample assay results from a recently completed reconnaissance field program on the Karankasso Project JV in south-western Burkina Faso (see Figure 1 below).

The reconnaissance field program covered the 750km² Karankasso Project JV area where previous exploration has identified several zones of gold mineralisation and prospective targets. Significant findings included the discovery of a number of new artisanal mining sites and the identification of several parallel trends within a belt 5-8km wide extending for a distance of 45km along strike. Multiple new zones of gold mineralisation were also identified and grab sampling returned grades up to 50.8g/t Au.

The field program was undertaken to improve the understanding of the controls on the previously identified zones of gold mineralisation, evaluate recently discovered artisanal mining sites and ground truth anomalous gold-in-soil zones. The results of this program will be used to plan the next phases of exploration.

Sarama’s President and CEO, Andrew Dinning commented:

“We are pleased with the results of this reconnaissance program, particularly the identification of a number of new zones and trends which when combined with the significant length of the mineralised corridor represents a significant target area and underscores the exploration potential of the project.”

For further information on the Company’s activities, please contact:

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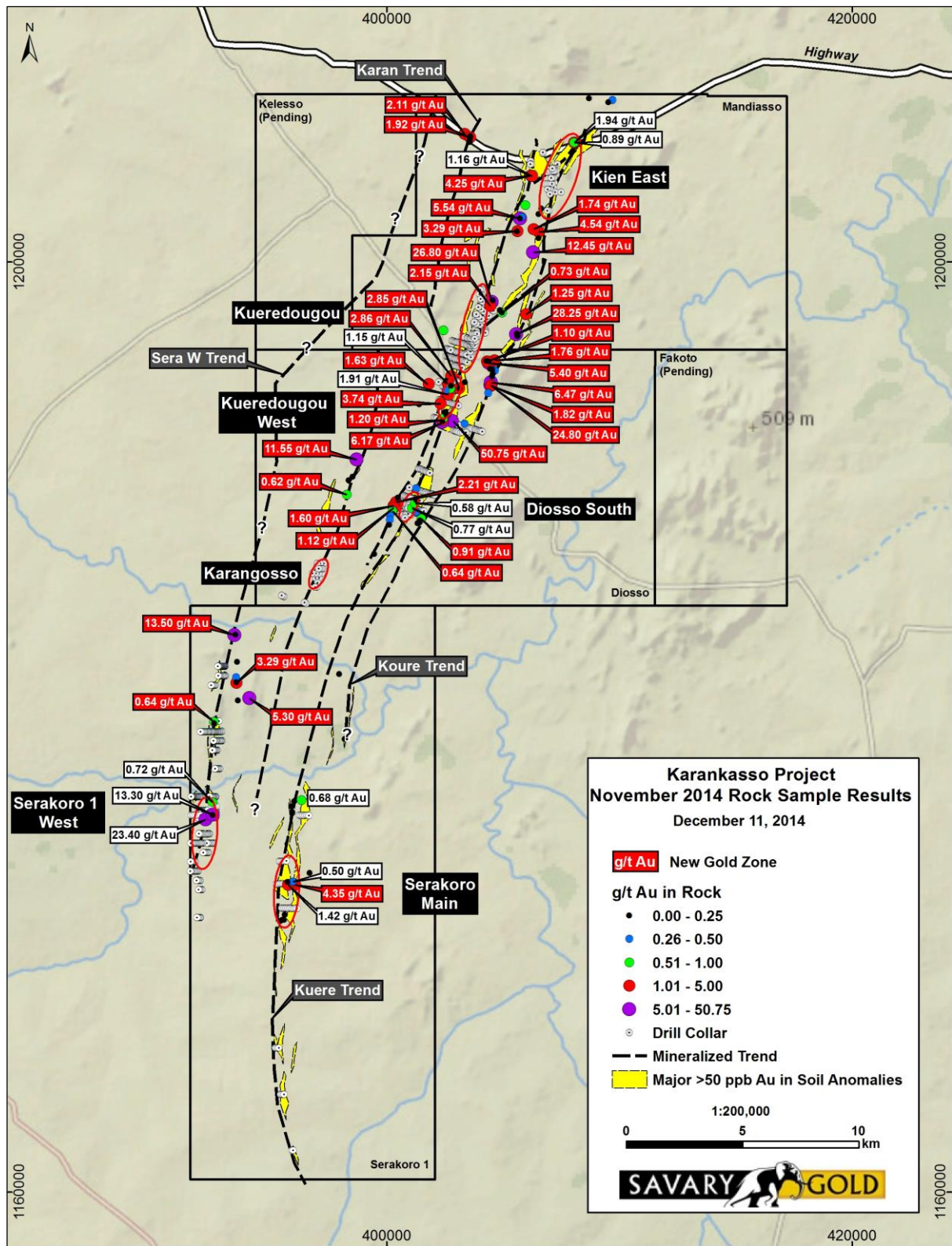


Figure 1 Rock Chip Sampling Results at Karankasso Project JV

ABOUT SARAMA RESOURCES LTD

Sarama Resources Ltd (TSX-V: SWA) is a West African focused gold explorer with substantial landholdings in Burkina Faso, Liberia and Mali.

Sarama's flagship property is the South Houndé Project in south-west Burkina Faso. Located within the prolific Houndé greenstone belt, Sarama's exploration programs have built on significant early success to deliver a maiden Inferred Mineral Resource estimate of 1.5 Moz gold^{1,2}. In November 2014, Sarama entered into an earn-in agreement with Acacia Mining plc ("**Acacia**") where Acacia has the right to earn a 70% interest in the Company's South Houndé Project by meeting certain conditions, including spending US\$14m on exploration and can earn a further 5% interest by generating a mineral reserve of 1.6Moz Au.

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 strong financial position and a sound exploration strategy across its property portfolio.

1. 29.13 Mt @ 1.6 g/t Au (at a 0.8 g/t Au cut-off)
2. The effective date of the Company's Mineral Resource estimate is September 16, 2013. For further information regarding the Mineral Resource estimate please refer to the technical report titled "NI 43-101 Independent Technical Report, South Houndé Project, Bougouriba and Ioba Provinces, Burkina Faso", dated October 28, 2013. The technical report is available under the Company's profile on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Information in this news release that is not a statement of historical fact constitutes forward-looking information. Such forward-looking information includes statements regarding the entering into of the joint venture agreement with Savary, the operation of the joint venture by Savary on property which includes Sérakoro 1 and Houndé South and future exploration on the land to be covered by the joint venture. 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 completion of the joint venture agreement depends on, among other things, the satisfaction of conditions precedent that are usual in a transaction of this nature, including the receipt of regulatory approvals, 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.

QUALIFIED PERSON'S STATEMENT

Scientific or technical information in this news release that relates to the preparation of the Company's 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 considered to be 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 news release of the information, in the form and context in which it appears.