

NEWS RELEASE  
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## SARAMA RESOURCES EXTENDS HIGH-GRADE MINERALISATION AT MM PROSPECT IN BURKINA FASO

**VANCOUVER, CANADA.** Sarama Resources Limited (“Sarama” or the “Company”) is pleased to report that recent reverse-circulation (“RC”) and diamond drilling at its South Houndé Project in south-western Burkina Faso has extended high-grade mineralisation in the southern area of the MM Prospect to a vertical depth of 260m. Associated infill drilling has also confirmed the geological continuity and grade distribution of the interpreted mineralisation system.

### Highlights

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- *Southern high-grade mineralisation extended to 260m vertical depth.*
- *Infill RC and diamond drilling confirms continuity of major mineralised lenses within the MM system.*
- *Downhole intersection highlights include:*

<i>FRC677 (RC)</i>	<i>31.0m @ 7.07 g/t Au</i>	<i>from 24.0m</i>	<i>including 13.0m @ 20.42 g/t Au</i>
<i>DDH054 (DDH)</i>	<i>30.8m @ 5.54 g/t Au</i>	<i>from 288.0m</i>	<i>including 2.0m @ 35.77 g/t Au</i>
<i>FRC655 (RC)</i>	<i>17.0m @ 5.45 g/t Au</i>	<i>from 11.0m</i>	<i>including 13.0m @ 7.03 g/t Au</i>
<i>FRC647 (RC)</i>	<i>19.0m @ 2.23 g/t Au (EOH)</i>	<i>from 83.0m</i>	<i>including 5.0m @ 5.48 g/t Au</i>
<i>FRC501RE1 (DDH)</i>	<i>15.2m @ 2.40 g/t Au</i>	<i>from 81.5m</i>	
<i>FRC624 (RC)</i>	<i>9.0m @ 2.99 g/t Au</i>	<i>from 4.0m</i>	<i>and</i>
	<i>7.0m @ 4.41 g/t Au</i>	<i>from 36.0m</i>	
<i>FRC654RE1 (DDH)</i>	<i>11.8m @ 2.50 g/t Au</i>	<i>from 192.3m</i>	

- *Potential remains for further extensions along strike and across the stacked-lode system.*
- *Maiden mineral resource estimate planned for Q3 2013.*

Sarama has received assay results from recent RC and diamond drilling programs at the MM Prospect which is situated on the Tankoro exploration property within the Company's South Houndé Project. The infill and extensional programs commenced in October 2012 and the last assay results for 2,500m diamond drilling (16 holes) and 1,700m RC drilling (13 holes, including 2 pre-collars) are listed in Appendices A and B respectively.

The drilling program was designed to test for strike and down-dip extensions around the southern and northern extents of the mineralised system and other minor lodes within the central part of the system that had returned significant intersections from drilling in 2012. The recent program successfully intersected the targeted mineralisation, delivering depth extensions in the north and south, as well as better defining the grade characteristics of the 1.9km-long mineralisation system (refer Figure 1).

Drilling in the southern area continued to demonstrate continuity of mineralisation in both down-dip and southerly directions with new intersections including **31.0m @ 7.07 g/t Au** and **30.8m @ 5.54 g/t Au** supporting the interpretation of high-grade shoot-controlled mineralisation. The strength of the mineralisation, which now extends to a vertical depth of 260m in the southern area, provides an attractive target for deeper exploration.

Infill and extensional drilling in the central area of the MM Prospect targeted the eastern-most lodes of the system. The drilling returned encouraging near-surface (<50m vertical depth) intersections including **17.0m @ 5.45 g/t Au**, **10.0m @ 2.17 g/t Au** and **13.5m @ 1.59 g/t Au** which are expected to contribute positively to the estimated grade of the mineralisation in this area. Deeper drilling (50-100m vertical depth) returned intersections of **19.0m @ 2.23 g/t Au (EOH)** and **6.3m @ 2.16 g/t Au** which demonstrate continuity and an increase in the local grades.

The drilling in the northern area, which was designed to target the deeper parts of the stacked lode system (approximately 140-250m vertical depth), demonstrated the continuity of the system at depth with broad, lower-grade intersections returned in the western-most lode and narrower (<5m) intersections featuring in the secondary lodes in the centre and east of the system. Highlighted intersections of **4.5m @ 3.90 g/t Au**, **2.8m @ 6.41 g/t Au** and **11.8m @ 2.50 g/t Au** again suggest the influence of higher-grade shoot controls to the mineralisation. The results of the infill drilling in the upper parts of the system (<100m vertical depth) were in line with expectations, with highlighted intersections of **15.2m @ 2.40 g/t Au**, **9m @ 2.99 g/t Au** and **7.0m @ 4.41 g/t Au**.

With the completion of the programs in the currently interpreted area of MM, Sarama is now focussing on the extension and further definition of lode systems to the south, north and east which the Company anticipates will contribute to the estimation of a maiden resource in Q3 2013. The Company's regional exploration at the South Houndé Project is ongoing.

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Sarama's President and CEO, Andrew Dinning commented:

*"We are pleased with the results of these drilling programs which continue to demonstrate a significant mineralised system at the MM Prospect. The depth extension of the high-grade zone in the south is encouraging given the strength of the intersections and now presents a legitimate target for deeper exploration in the area. Sarama is well funded with a cash balance of approximately US\$11M (unaudited as at 31 March 2013) and will now focus on regional exploration programs in the south of the MM Prospect which are expected to contribute to the maiden resource estimate planned for Q3 2013."*

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

**Andrew Dinning or Paul Schmiede**

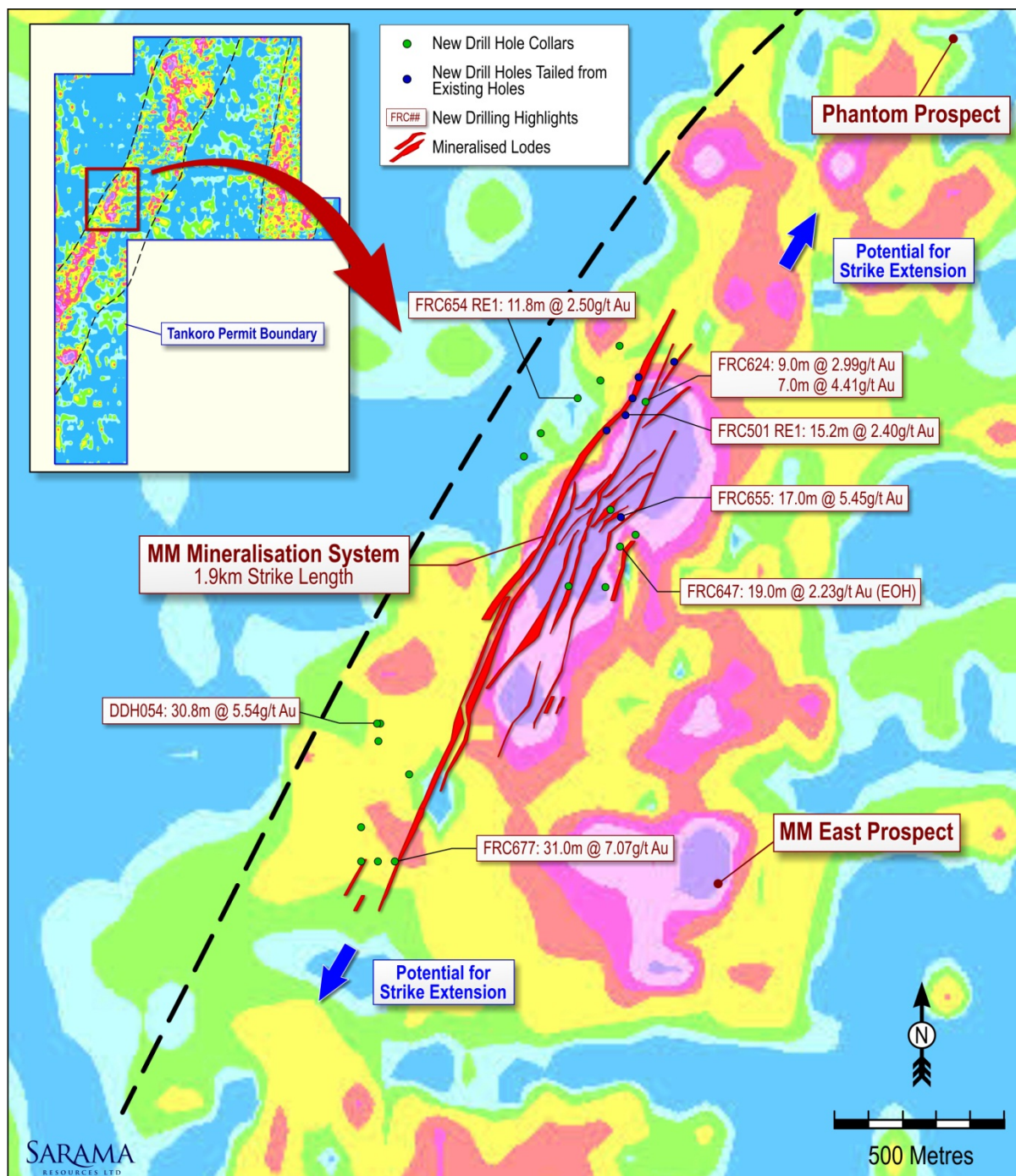
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**ABOUT SARAMA RESOURCES LTD**

Sarama Resources Ltd is a Canadian company with a focus on the exploration and development of gold deposits in West Africa. The board of directors and management team, a majority of whom are founders of the Company, are seasoned resource industry professionals with extensive experience in the exploration and development of world-class gold projects in Africa.

The South Houndé Project in south-west Burkina Faso is the Company's flagship property and is currently the focus of an aggressive exploration program to increase the size of its maiden discovery and to test gold-in-soil anomalies located in a 30km-long structural corridor. Recent drilling programs at the South Houndé Project have intersected significant mineralisation in several prospect areas which the Company is actively following up. The Company has built substantial early stage exploration landholdings in prospective and underexplored areas of Burkina Faso (3,100 km<sup>2</sup>), Liberia (>2,400 km<sup>2</sup>) and Mali (>560 km<sup>2</sup>) and is aggressively exploring across the property portfolio.



**Figure 1: Recent Infill and Extensional Drilling at MM Prospect**

### **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 Company's planned exploration programs and maiden resource estimate. 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; 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.*

### **NOTES –DRILLING**

*Drilling results are quoted as downhole intersections. True mineralisation width is approximately 70% to 80% of intersection length for holes drilled on east-west sections, dipping at -50° to -55° and intersecting the NNE striking lenses.*

*The reported composites for RC and diamond drilling were determined using a cut-off grade of 0.30g/t Au to select significant and anomalous intersections, with a maximum of 2m internal dilution being incorporated into the composite where appropriate. No top-cuts were applied to assay grades. Isolated mineralised intersections less than 2m in length have not been reported.*

*Sarama undertakes geological sampling and assays in accordance with its QA/QC program which includes the use of certified reference materials for both RC and diamond drilling and duplicates in the case of RC drilling.*

*Gold assays for the RC and diamond drilling were undertaken by the SGS S.A. laboratory in Morila, Mali. Assays are determined by fire assay methods using a 50 gram charge, lead collection and an AAS finish with a 0.01g/t Au lower detection limit.*

*RC drilling was generally designed using west-east oriented holes, dipping at -50° to -55° to the east, approximately 130m in length. Holes were spaced approximately 40-60m apart along the drill lines. RC drill cuttings were sampled over regular 1m intervals.*

*Diamond drilling was generally designed using west-east oriented holes, dipping at -50° to -55° to the east, of variable length. Holes were spaced approximately 40-60m apart along the drill lines. Diamond core was logged and sampled according to geological intervals. Samples submitted for assay were half core.*

### **QUALIFIED PERSON'S STATEMENT**

*Scientific or technical information in this news release that relates to the Company's exploration activities in Burkina Faso is based on information compiled or approved by Michel Mercier. Michel Mercier 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. Michel Mercier consents to the inclusion in this report of the information, in the form and context in which it appears.*

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.

## APPENDIX A – SIGNIFICANT DIAMOND DRILL RESULTS

Location (Prospect)	Hole Number	Downhole Intersection	Depth From	Depth To	Dip	Azimuth	Hole Length
MM	DDH022RE1	4.5m @ 3.90 g/t Au	296	300.5	-54.7	91	140.5
MM	DDH051	17.8m @ 0.77 g/t Au <i>including 2.3m @ 2.16 g/t Au</i>	258	275.8	-48.4	88.9	352
MM	DDH052	13.5m @ 1.59 g/t Au 5.0m @ 1.90 g/t Au	7.5 34	21 39	-49.8	92.1	212
MM	DDH053	2.3m @ 0.72 g/t Au 18.1m @ 0.81 g/t Au <i>including 6.8m @ 1.36 g/t Au</i>	205.8 211.9	208 230	-53.4	89	253
MM	DDH054	2.0m @ 0.56 g/t Au	59.5	61.5	-50.4	88.2	330
<b>MM</b>	<b>DDH054</b>	<b>30.8m @ 5.54 g/t Au</b> <b>including 2m @ 35.77 g/t Au</b>	<b>288</b>	<b>318.8</b>			
MM	FRC253RE1	2.8m @ 6.41 g/t Au 2.0m @ 2.55 g/t Au	121 146.6	123.8 148.6	-55	90	62
<b>MM</b>	<b>FRC501RE1</b>	<b>15.2m @ 2.40 g/t Au</b> 4.3m @ 2.21 g/t Au	<b>81.5</b> 147	<b>96.7</b> 151.3	-50	90	111.5
MM	FRC502RE1	2.8m @ 1.61 g/t Au 2.9m @ 3.65 g/t Au	169.7 212.6	172.5 215.5	-50	90	107.5
MM	FRC503RE1	5.0m @ 2.51 g/t Au 2.0m @ 1.25 g/t Au	118 129	123 131	-50	90	127.5
MM	FRC508RE1	2.1m @ 4.90 g/t Au 2.4m @ 1.09 g/t Au 3.0m @ 0.93 g/t Au 2.3m @ 0.63 g/t Au	199.1 233.9 276 289.5	201.2 236.3 279 291.8	-52	90	142.5
MM	FRC633RE1	10.0m @ 1.77 g/t Au	221	231	-50	90	92
MM	FRC649RE1	6.3m @ 2.16 g/t Au 6.0m @ 1.33 g/t Au	120 134.5	126.3 140.5	-50	90	151.5
MM	FRC650RE1	17.6m @ 1.01 g/t Au	232.4	250	-50	90	122
MM	FRC651RE1	6.0m @ 0.49 g/t Au	119	125	-50	90	70.5
MM	FRC652RE1	12.5m @ 0.88 g/t Au	221	233.5	-50	90	100.5
<b>MM</b>	<b>FRC654RE1</b>	<b>11.8m @ 2.50 g/t Au</b> 2.5m @ 0.49 g/t Au	<b>192.3</b> 274	<b>204</b> 276.5	-50	90	174.5

### Notes:

1. Drillhole identifiers with a prefix of 'FRC' and a suffix of 'RE1' are diamond drill extensions of existing RC drillholes

## APPENDIX B – SIGNIFICANT RC DRILL RESULTS

Location (Prospect)	Hole Number	Downhole Intersection	Depth From	Depth To	Dip	Azimuth	Hole Length
MM	FRC508	4.0m @ 0.32 g/t Au	113	117	-52	90	165
		9.0m @ 0.52 g/t Au	151	160			
<b>MM</b>	<b>FRC624</b>	<b>9.0m @ 2.99 g/t Au</b>	<b>4</b>	<b>13</b>	-50	120	140
		<b>7.0m @ 4.41 g/t Au</b>	<b>36</b>	<b>43</b>			
MM	FRC625	2.0m @ 0.54 g/t Au	53	55	-50	90	180
MM	FRC633	3.0m @ 0.41 g/t Au	105	108	-50	90	210
		2.0m @ 0.34 g/t Au	132	134			
MM	FRC647	2.0m @ 0.39 g/t Au	69	71	-52	102	102
<b>MM</b>	<b>FRC647</b>	<b>19.0m @ 2.23 g/t Au (EOH)</b>	<b>83</b>	<b>102</b>			
		<i>including 5.0m @ 5.48 g/t Au</i>					
MM	FRC648	10.0m @ 2.17 g/t Au	47	57	-50	90	110
		<i>including 5.0m @ 3.4 g/t Au</i>					
		2.0m @ 0.38 g/t Au	105	107			
MM	FRC649	2.0m @ 1.38 g/t Au	23	25	-50	90	85
		2.0m @ 3.84 g/t Au	38	40			
MM	FRC653	3.0m @ 0.52 g/t Au	21	24	-50	90	180
<b>MM</b>	<b>FRC655</b>	<b>17.0m @ 5.45 g/t Au</b>	<b>11</b>	<b>28</b>	-50	90	70
		<i>including 13.0m @ 7.03 g/t Au</i>					
		5.0m @ 1.45 g/t Au	38	43			
		2.0m @ 0.95 g/t Au	48	50			
MM	FRC656	2.0m @ 0.96 g/t Au	88	90	-50	90	100
MM	FRC675	3.0m @ 0.91 g/t Au	41	44	-55	90	102
		2.0m @ 2.38 g/t Au	56	58			
MM	FRC676	17.0m @ 0.47 g/t Au	102	119	-55	90	132
		3.0m @ 0.39 g/t Au (EOH)	129	132			
<b>MM</b>	<b>FRC677</b>	<b>31.0m @ 7.07 g/t Au</b>	<b>24</b>	<b>55</b>	-55	90	102
		<i>including 13.0m @ 20.42 g/t</i>					
		9.0m @ 0.49 g/t Au	77	86			
		2.0m @ 0.36 g/t Au	89	91			