

JUNE 23, 2016



SARAMA RESOURCES RECEIVES TSXV APPROVAL OF EXTENSION TO WARRANT TERM

VANCOUVER, CANADA. Sarama Resources Ltd. (the “**Company**”) announces that it has received TSX Venture exchange approval to extend the expiry date of 10,496,183 warrants that were issued in connection with its mid-2014 non-brokered private placement.

The term of the warrants will be extended by one year. All other terms and conditions of the warrants will stay the same.

The following warrants issued will be extended by one year as follow:

- 2,330,100 warrants expiring on May 30, 2016 will now expire May 30, 2017;
- 7,054,750 warrants expiring on June 12, 2016 will now expire June 12, 2017;
- 211,333 warrants expiring on June 18, 2016 will now expire June 18, 2017;
- 900,000 warrants expiring on July 4, 2016 will now expire July 4, 2017.

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

Andrew Dinning

e: info@saramaresources.com

t: +61 (0) 8 9363 7600

AUSTRALIA

Suite 8, 245 Churchill Avenue
Subiaco, Western Australia 6008

PO Box 575, Subiaco
Western Australia 6904

T +61 (0) 8 9363 7600
F +61 (0) 8 9382 4309

E info@saramaresources.com
ARBN: 143 964 649

www.saramaresources.com

ABOUT SARAMA RESOURCES LTD

Sarama Resources Ltd (TSX-V: SWA) is a West African focused gold explorer and developer whose principal focus is in Burkina Faso, where it has had significant exploration success including the definition of 2.1 Moz of gold^{1,2} at the South Houndé Project.

Sarama's flagship properties are situated within the Company's South Houndé Project area in south-west Burkina Faso. Located within the prolific Houndé greenstone belt, Sarama's exploration programs have built on significant early success to deliver an inferred mineral resource estimate of 2.1 Moz gold^{1,2}. Acacia Mining plc is earning up to a 70% interest in the South Houndé Project by satisfying certain conditions, including funding earn-in expenditures of up to US\$14 million, over a 4-year earn-in period and may acquire an additional 5% interest, for an aggregate 75% interest in the Project, upon declaration of a minimum mineral reserve of 1.6 million ounces of gold. Sarama is focused on consolidating under-explored landholdings in Burkina Faso and other established mining jurisdictions.

Sarama holds a 35% 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 Savary Gold Corp. ("Savary"). Savary is the operator of the JV and in October 2015, declared a maiden inferred mineral resource estimate of 671,000 ounces of contained gold^{3,4} at the Karankasso Project JV.

Incorporated in 2010, 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 exploration strategy across its property portfolio.

1. 43.0 Mt @ 1.5 g/t Au (reported above cut-off grades ranging 0.3-2.2 g/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)
2. 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 "South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated March 31, 2016. The technical report is available under the Sarama Resources Ltd.'s profile on SEDAR at www.sedar.com
3. 9.2 Mt @ 2.3 g/t Au (at a 0.5 g/t Au cut-off)
4. The effective date of the Karankasso Project JV mineral resource estimate is October 7, 2015. For further information regarding the 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. The technical report is available under the Savary Gold Corp's profile on SEDAR at www.sedar.com

CAUTION REGARDING FORWARD LOOKING INFORMATION

Information in this news release that is not a statement of historical fact constitutes forward-looking information. Such forward-looking information includes, but is not limited to, statements regarding the Company's strategies and the earn-in by Acacia Mining plc into the South Houndé Project. 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 Acacia Mining plc will complete its earn-in as indicated, 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 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.

Scientific or technical information in this news release that relates to heap leach focused metallurgical testwork and mineral processing is based on information compiled or approved by Randall Pyper. Randall Pyper is an employee of Kappes, Cassidy & Associates Australia Pty Ltd and is considered to be independent of Sarama Resources Ltd. Randall Pyper is a Fellow 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. Randall Pyper consents to the inclusion in this news release of the information, in the form and context in which it appears.

Scientific or technical information in this news release that relates to tank-based and oxidative metallurgical testwork and mineral processing is based on information compiled or approved by Fred Kock. Fred Kock is an employee of Orway Mineral Consultants Pty Ltd and is considered to be independent of Sarama Resources Ltd. Fred Kock is a Fellow 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. Fred Kock consents to the inclusion in this news release of the information, in the form and context in which it appears.

Scientific or technical information in this news release that relates to the preparation of the Karankasso Project's mineral resource estimate is based on information compiled or approved by Eugene Puritch and Antoine Yassa. Eugene Puritch and Antoine Yassa are employees of P&E Mining Consultants Inc. and are considered to be independent of Savary Gold Corp. and Sarama Resources Ltd. Antoine Yassa is a member in good standing of the Ordre des Géologues du Québec and Eugene Puritch is a member in good standing of Professional Engineers Ontario. Eugene Puritch and Antoine Yassa have sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which they are undertaking to qualify as a Qualified Person under National Instrument 43-101. Eugene Puritch and Antoine Yassa consent to the inclusion in this news release of the information, in the form and context in which it appears.