

July 11, 2014



SARAMA RESOURCES PROVIDES UPDATE ON JOINT VENTURE PROGRESS WITH SAVARY GOLD

VANCOUVER, CANADA. Sarama Resources Ltd. (“Sarama” or the “Company”) is pleased to advise that Savary Gold Corp. (“Savary”) announced on July 8, 2014 that it completed the earn-in portion of the option agreement for the Houndé South gold project. Sarama entered in to a Heads of Agreement with Savary on March 10, 2014 to establish a Joint Venture Company (“JVCo”) holding Sarama’s Sérakoro 1 property and Savary’s Houndé South property in Burkina Faso. The JVCo will be 65% owned by Savary and 35% owned by Sarama and covers an area of 750Km². The earn-in was a pre-condition of the Savary-Sarama Joint Venture.

Savary has previously reported that the combined properties host 50 kilometre and 24 kilometre long, mining camp scale, gold-in-soil anomalies. On May 14, 2014, Savary reported results of its recently completed drill program which includes the following significant results*:

- 27.0m @ 2.9g/t Au at Karangosso
- 5.6m @ 2.92g/t Au at Karangosso
- 15.0m @ 1.51g/t Au at Kien
- 15.7m @ 1.52g/t Au at Kien
- 15.0m @ 1.51g/t Au at Kien
- 3.8m @ 8.9g/t Au at Kien
- 3.0m @ 7.26g/t Au at Kien
- 7.0m @ 2.34g/t Au at Kien
- 15.0m @ 1.36g/t Au at Kien
- 9.0m @ 1.87g/t Au at Kien

**As disclosed in Savary’s news release dated May 14, 2014, true widths are not estimated at this time due to insufficient information. For further information regarding these drill results, please refer to Savary’s news release.*

Sarama’s President and CEO, Andrew Dinning commented:

“We are pleased to be nearing the finalisation of the joint venture agreement with Savary and that they have achieved the requisite earn-in milestone on their Houndé South Project. We believe the South Houndé Gold Belt is a great exploration address and we are highly encouraged by the results of Savary’s recent drill program. We look forward to working with Savary and advancing our regional interests to the next stage.”

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

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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.

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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 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 a maiden Inferred Mineral Resource estimate of 1.5 Moz gold^{1,2}. Outside of Burkina Faso, Sarama is focused on consolidating a number of under-explored landholdings in other emerging and established mining jurisdictions.

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 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.