

NEWS RELEASE  
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## SARAMA RESOURCES PROGRESSES EXPLORATION IN LIBERIA

PERTH, WESTERN AUSTRALIA. Sarama Resources Limited ("Sarama" or the "Company") is pleased to provide an update on the Company's operations in Liberia, West Africa.

### Highlights

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- *Initial 20% earn-in milestone achieved in respect of PedSam Mining Limited exploration properties.*
- *Completion of detailed fixed-wing airborne geophysical survey over 1,200km<sup>2</sup> exploration licence area.*
- *Completion of a large-scale soil geochemistry program on highest priority exploration target at the Cape Mount property.*
- *Commencement of trenching at the Cape Mount property based on encouraging initial gold-in-soil geochemical results.*
- *Commencement of large scale gold-in-soil geochemistry programs in priority targets at the Gbarpolu and Grand Bassa properties.*
- *Diamond drilling continues in Burkina Faso at the Tankoro Permit with the next round of assay results pending and anticipated before the end of April 2012.*

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## ***Acquisition of 20% of PedSam Mining Limited (Liberia)***

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Pursuant to an exploration earn-in agreement (the “**Agreement**”) between Sarama and Pedra Mining AS (Norway) (“**Pedra**”), Sarama is pleased to report that it has achieved the first earn-in milestone and has acquired a 20% interest in PedSam Mining Limited (“**PedSam**”).

PedSam is the Liberian entity that is managed by Sarama and has title to the three exploration licenses that are subject to the Agreement. The licences are located in Grand Cape Mount, Gbarpolu and Grand Bassa Counties and total approximately 1,200km<sup>2</sup> in area.

The 20% earn-in milestone was achieved by Sarama incurring US\$500,000 in eligible expenditures across the three exploration licences. Pedra holds the remaining 80% interest in PedSam.

The Agreement gives Sarama the right to earn a 90% interest in PedSam, with the ability to acquire 100% of PedSam subject to certain conditions being met.

Sarama expects to increase its interest in PedSam by mid-2012 as a result of achieving prescribed earn-in milestones.

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## ***Update on Field Exploration Programs – Cape Mount, Gbarpolu & Grand Bassa Licences***

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### ***Cape Mount Exploration Licence (refer Figure 1)***

Sarama reports that its highest priority geochemical soil sampling program has been completed at the Cape Mount exploration licence.

The priority target area is located in the southern portion of the licence and covers an area of 10km x 5km that hosts active artisanal mining activity and is viewed by the Company to have favourable geological setting.

Sarama employed a systematic gridded soil sampling approach, with principal lines orientated in a north-south direction spaced 200m apart. Sampling along the lines was on 50m centres, resulting in approximately 4,400 samples being collected.

The samples are being processed by the SGS Group laboratory in Tarkwa, Ghana with approximately 50% of the samples collected assayed to date. SGS Group has recently commissioned an assay laboratory in Monrovia, Liberia capable of full sample preparation and assay, and it is expected that this facility will alleviate some of the assay delays that have been experienced to date.

The Company expects that the full results of this survey on the Cape Mount exploration licence will be available by the third quarter of 2012.

Given the strength of the initial soil assays received to date, Sarama has commenced a trenching program over selected targets. It is hoped that the program will provide information on the width and style of mineralisation to assist in the generation of drill targets.

After completing the first priority soil sampling program, SEMS Exploration Services (“**SEMS**”), an experienced West African based geo-services consultant/contractor, has moved its sampling crews to secondary targets defined on the Cape Mount licence. These areas will be sampled at either 200m x 50m or 400m x 50m depending on geological setting of the target areas with approximately 6,500 samples planned to be collected in these areas.

**Gbarpolu Exploration Licence** (refer Figure 1)

Sarama has identified 5 target areas on its Gbarpolu exploration licence that will be systematically explored using a gridded soil sampling program. A combination of 200m x 50m and 400m x 50m grids will be used with a total of 6,900 samples are planned to be collected. A dedicated field camp has been established by SEMS to support the program, the results of which are expected in the third quarter of 2012.

**Grand Bassa Exploration Licence** (refer Figure 1)

Sarama has mobilised a separate, West African based geo-services consultant/contractor, West African Geo-Services, to conduct a detailed soil sampling program on its Grand Bassa exploration licence. A grid of 400m x 50m will be used in several areas that were identified as having potential by the previous licence holder to host gold mineralisation. A total of 6,500 samples is planned to be collected in the initial phase of the program, with results expected late in the third quarter of 2012.



Figure 1: Location of Sarama's Liberian Property Interests

## ***Completion of 2<sup>nd</sup> Phase Airborne Geophysical Survey***

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Sarama reports that a second phase of detailed fixed-wing airborne geophysical surveys covering the entire licence areas of the Cape Mount (~200km<sup>2</sup>) and Grand Bassa (~600km<sup>2</sup>) exploration properties has been completed.

The Company has now covered approximately 1,200km<sup>2</sup> of the exploration licences, in which it has an interest, with detailed airborne geophysical surveys.

The recently completed survey collected magnetic, radiometric and topographic information from principal flight lines oriented in a north-south (Cape Mount) and east-west (Grand Bassa) directions, spaced 100m laterally, and flown at a height of approximately 100m above ground surface.

Sarama is awaiting delivery of the processed data and once obtained will move quickly to interpret the data to further enhance the Company's understanding of the structural and lithological setting of its exploration properties. Coupled with the soil geochemistry surveys, this is expected to provide a solid foundation for systematic exploration and drill-target generation across Sarama's properties.

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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 all seasoned resource industry professionals with extensive experience in the exploration and development of world class gold projects in Africa.

The Company has built substantial early stage exploration landholdings in prospective and underexplored areas of Burkina Faso (>2,700 km<sup>2</sup>), Liberia (>2,400 km<sup>2</sup>) and Mali (>1,300 km<sup>2</sup>) and is aggressively exploring across the property portfolio.

The South Houndé Project in south-west Burkina Faso is the Company's flagship property group and is currently the focus of a reverse circulation and diamond drilling program to further test gold-in-soil anomalies extending over 20km in length along trend. Previous reverse circulation drilling conducted by Sarama yielded encouraging downhole intersections. For full details, refer to the Company's news releases which can be accessed on [www.saramaresources.com](http://www.saramaresources.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 Company's planned exploration programs, including when results may be available, and ability to earn an interest in the Cape Mount, Gbaprolu and Grand Bassa Mineral Exploration Licences. 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 mineralization will be discovered, that mineralization will be proven to be economic, or that future required regulatory licensing or approvals will be obtained. 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 minerals, 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.*