

NEWS RELEASE
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Sarama Resources Ltd Announces C\$12 Million Bought Deal Financing

Vancouver, BC, Canada, September 26, 2012 – Sarama Resources Ltd (TSX Venture: SWA) (“Sarama” or “the Company”) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by GMP Securities L.P. and including Cormark Securities Inc., BMO Capital Markets and Raymond James Ltd. (collectively, the “Underwriters”), pursuant to which the Underwriters have agreed to purchase, on a bought deal basis, 13,333,334 units of the Company (the “Units”), at a price of C\$0.90 per Unit (the “Offering Price”) for aggregate gross proceeds to Sarama of C\$12,000,000.60 (the “Offering”). Each Unit will consist of one Common Share in the capital of the Company (each a “Common Share”) and one-half of one Common Share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one Common Share (a “Warrant Share”) at a price of C\$1.20 per Warrant Share (the “Exercise Price”) for a period of 2 years following the closing of the Offering. The Offering is expected to close on or about October 16, 2012 and is subject to the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange and applicable securities regulatory authorities.

The Company has agreed to grant the Underwriters an over-allotment option to purchase up to an additional 2,000,000 Units at the Offering Price, exercisable in whole or in part, from and including the closing date and for 30 days thereafter to cover over-allotments, if any, and for market stabilization purposes. If the over-allotment option is exercised in full, an additional approximately C\$1,800,000 will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering to the Company will be approximately C\$13,800,000.

The Units will be offered by way of a short form prospectus to be filed in all of the provinces of Canada, other than the Province of Québec.

The net proceeds are intended to be used by the Company to advance its ongoing exploration programs at material exploration properties in Burkina Faso, and to advance exploration at its other properties in Liberia and Mali and for general working capital and corporate purposes.

The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any State where such offer, solicitation, or sale would be unlawful.

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Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 test gold in soil anomalies located in a 20km-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 km²), Liberia (>2,400 km²) and Mali (>1,200 km²) and is aggressively exploring across the property portfolio.

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 proposed bought deal financing and the Company's planned exploration programs. 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, that all approvals necessary for the proposed bought deal financing will be obtained in a timely fashion, the Company's ability to carry on its exploration activities, the sufficiency of funding, the timely receipt of all 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.