

DECEMBER 21, 2015



SARAMA RESOURCES PROVIDES UPDATE ON SALE OF LIBERIAN EXPLORATION PROPERTIES TO AUREUS MINING INC.

VANCOUVER, CANADA. Sarama Resources Ltd. (the “**Company**” or “**Sarama**”) wishes to announce that Aureus Mining Inc. (“**Aureus**”) has agreed to an amendment to terms of the previously announced acquisition of three Liberian exploration properties held by the Company (see News Release dated November 3, 2015).

Aureus originally agreed to acquire the exploration properties for a total consideration of 2,600,000 Aureus common shares. To reflect the increased share capital and current share price of the company, Aureus has now agreed to increase the consideration of common shares by 4,045,070 to a total consideration of 6,645,070 Aureus common shares.

All other terms remain unchanged including the agreed purchase by Sarama of an uncapped 1% net smelter return royalty on gold produced from the Cape Mount property, from the previous owner.

Closing of the transaction with Aureus is subject to the satisfaction of usual conditions precedent, including receipt of all governmental and regulatory approvals including the approval of the Toronto Stock Exchange and TSX Venture Exchange. The shares issued to Sarama will be subject to the statutory four month hold period from the date of issue.

Sarama’s President and CEO, Andrew Dinning, commented:

“The divestment of our Liberian assets allows us to focus our resources on Burkina Faso and leverage our well established position there. This deal provides potential upside value to the Company and with permits being adjacent the New Liberty mine, has scope to provide a royalty stream earlier than if we had continued to progress the assets within Sarama.

We look forward to advancing our Burkina Faso interests where we have several separate project areas, including an inferred mineral resource of 1.5Moz of gold^{1,2} on our South Houndé Project and where Acacia is funding on-going exploration and earning into the Project as part of a US\$15 million deal agreed in late 2014.”

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

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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.

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}. 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") who is the operator of the JV. In October 2015, Savary declared a maiden Inferred Mineral Resource estimate of 671,000 ounces of contained gold^{3,4} at the Karankasso Project JV. Further details of the Karankasso mineral resource estimate and supporting information can be found in Savary's News Release dated 8 October, 2015.

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.
3. 9.16 Mt @ 2.28 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 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 acquisition by Aureus of three of Sarama's licences in Liberia, the royalty on gold production from the Cape Mount property, the Company's plans to advance and grow its asset base in Burkina Faso, the value and potential of the 6.6 million Aureus shares to be received by Sarama, mineral resources at the South Houndé Project, expenditures on the South Houndé Project by, and the earn-in agreement with, Acacia and interests in the South Houndé Project that may be acquired by Acacia, the receipt of approvals and satisfaction of conditions precedent to completion of the transaction with Aureus. Actual results, performance or achievements of the Company may vary from the results suggested by such forward-looking information due to known and unknown risks, uncertainties and other factors. Such factors include, among others, delay in receipt of, or failure to receive, approvals, whether Acacia will exercise its earn-in rights in whole, in part or at all, general market conditions, the price of gold and other commodities, 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 approvals will be obtained, or that the conditions precedent to completion of the transaction with Aureus will be satisfied. However, the Company believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Assumptions upon which such forward-looking information has been based include that the conditions to completion of the agreement will be satisfied or waived and approvals will be obtained. Assumptions have also 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, Aureus, Acacia and their respective Projects will not be affected by adverse political events, the ability of the Company, Aureus and Acacia to operate in a safe, efficient and effective manner and the ability of the

Company, Aureus and Acacia 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 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.

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.