Sarama Resources Ltd.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2019 and 2018
(Unaudited)
(Expressed in United States Dollars)

DIRECTORS

Andrew Dinning (Chairman and CEO)
T. Sean Harvey (Non-executive Director)
Simon Jackson (Non-executive Director)
David A. Groves (Non-executive Director)

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The accompanying condensed interim consolidated financial statements and all other financial information included in this report are the responsibility of management. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Financial statements include certain amounts based on estimates and judgments. When alternative methods exist, management has chosen those it deems most appropriate in the circumstances to ensure that the condensed interim consolidated financial statements are presented fairly, in all material respects.

Management maintains appropriate systems of internal control, consistent with reasonable cost, to give reasonable assurance that its assets are safeguarded, and the financial records are properly maintained.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Audit Committee, which is comprised of three Directors, all of whom are non-management and independent, meets with management to review the condensed interim consolidated financial statements to satisfy itself that management is properly discharging its responsibilities to the Directors, who approve the condensed interim consolidated financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial reporting standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instruments 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financials statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

(signed) "Andrew Dinning"
Director, President and CEO
May 29, 2019

(signed) "Lui Evangelista"
CFO
May 29, 2019

Expressed in United States Dollars

	Note	As at March 31, 2019 $	As at December 31, 2018 $
ASSETS			
Current assets			
Cash and cash equivalents		225,878	398,960
Security deposits		24,843	24,661
Other receivables		48,552	36,982
Prepayments		7,775	7,775
Financial assets	9	-	228,633
Total current assets		307,048	697,011
Non-current assets			
Plant and equipment	3	67,094	73,860
Investment in associate	4	1,836,171	1,836,171
Royalty		23,131	23,131
Total non-current assets		1,926,396	1,933,162
Total assets		2,233,444	2,630,173
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		269,998	232,607
Total current liabilities		269,998	232,607
Non-current liabilities			
Provisions		163,347	47,030
Total non-current liabilities		163,347	47,030
Total liabilities		433,345	279,637
EQUITY			
Share capital	5(b)	45,832,829	45,835,363
Share based payments reserve		3,342,344	3,283,395
Foreign currency translation reserve		(295,067)	(295,067)
Deficit		(47,080,007)	(46,473,155)
Total equity		1,800,099	2,350,536
Total liabilities and equity		2,233,444	2,630,173

These financial statements are authorised for issue by the Board of Directors on May 29, 2019.

They are signed on the Company's behalf by:

(Signed) *"Andrew Dinning"* Andrew Dinning, Director

(Signed) *" Simon Jackson"* Simon Jackson, Director

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Loss and Other Comprehensive Loss (Unaudited)
Expressed in United States Dollars

	Note	Period ended March 31, 2019	Period ended March 31, 2018
Income			
Interest income		471	235
Foreign exchange gain		5,848	31,719
Gain on sale of financial assets		5,128	-
Total income		11,447	31,954
Expenses			
Accounting and audit		5,122	21,550
Business development		2,983	2,478
Depreciation		527	1,382
Directors fees		14,965	14,116
Exploration expenditure as incurred	2(c)	242,923	295,235
Insurance		17,623	13,452
Marketing and investor relations		22,757	18,967
Office and general		43,384	46,415
Professional fees		20,266	11,040
Salaries		181,751	180,711
Stock–based compensation	5(d)	58,949	194,800
Travel		7,049	3,583
Fair value loss on financial assets carried at fair value through profit or loss		-	28,219
Total expenses		618,299	831,948
Loss before income tax		**(606,852)**	**(799,994)**
Income tax benefit		-	-
Loss for the period from continuing operations		**(606,852)**	**(799,994)**
Loss after tax from discontinued operations		-	-
Loss after discontinued operations		**(606,852)**	**(799,994)**
Items that may be reclassified to the statement of income/(loss)			
Exchange differences on translation of foreign operations		-	2,440
Total comprehensive loss for the period		**(606,852)**	**(802,434)**
Basic and diluted loss per share			
- Continuing operations		(0.3) cents	(0.6) cents
- Discontinuing operations		-	-
Weighted average number of shares			
Basic and diluted		181,710,402	142,633,735

The accompanying notes are an integral part of these financial statements.

Expressed in United States Dollars

	Note	Period ended March 31, 2019	Period ended March 31, 2018
Cash flows used in operating activities			
Payments to suppliers and employees		(188,965)	(234,038)
Payments for exploration and evaluation		(196,118)	(702,671)
Fee received for earn in agreement		-	411,185
Interest received		471	235
Net cash used in operating activities	8	**(384,612)**	**(525,289)**
Cash flows used in investing activities			
Purchase of plant and equipment	3	-	(3,492)
Proceeds on sale of financial assets		213,505	-
Net cash generated/(used) in investing activities		**213,505**	**(3,492)**
Cash flows from financing activities			
Common shares and warrants issued for cash		-	3,134,844
Payment of share issue costs		(2,534)	(242,189)
Net cash generated by financing activities		**(2,534)**	**2,892,655**
Net increase/(decrease) in cash and cash equivalents		(173,641)	2,363,874
Net foreign exchange differences		559	(8,476)
Cash and cash equivalents at beginning of the period		398,960	394,090
Cash and cash equivalents at end of the period		**225,878**	**2,749,488**

The accompanying notes are an integral part of these financial statements.

Expressed in United States Dollars

	Number of common shares	Share capital (note 5)	Share based payments reserve	Foreign currency translation reserve	Deficit	Total
		$	$	$	$	$
Balance at January 1, 2018	**140,760,402**	**43,011,623**	**2,812,948**	**(202,966)**	**(43,572,492)**	**2,049,113**
Loss attributed to shareholders of the Company	-	-	-	-	(2,900,663)	(2,900,663)
Exchange differences on translation of foreign operations	-	-	-	(92,101)	-	(92,101)
Total comprehensive loss for the year	-	-	-	**(92,101)**	**(2,900,663)**	**(2,992,764)**
Transactions with owners in their capacity as owners:						
Proceeds from share issue	40,750,000	3,144,844	-	-	-	3,144,844
Share issuance costs	-	(336,612)	-	-	-	(336,612)
Share-based payments	-	-	91,669	-	-	91,669
Stock-based compensation expense (5(d))	-	-	378,778	-	-	378,778
Reduction in net smelter royalty obligations (5(b))	200,000	15,508	-	-	-	15,508
Balance at December 31, 2018	**181,710,402**	**45,835,363**	**3,283,395**	**(295,067)**	**(46,473,155)**	**2,350,536**
Loss attributed to shareholders of the Company	-	-	-	-	(606,852)	(606,852)
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	**(606,852)**	**(606,852)**
Transactions with owners in their capacity as owners:						
Proceeds from share issue	-	-	-	-	-	-
Share issuance costs	-	(2,534)	-	-	-	(2,534)
Share-based payments	-	-	58,949	-	-	58,949
Balance at March 31, 2019	**181,710,402**	**45,832,829**	**3,342,344**	**(295,067)**	**(47,080,007)**	**1,800,009**

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Sarama Resources Ltd (the "**Company**") was incorporated under the laws of the Province of British Columbia, Canada on April 8, 2010.

Statement of compliance

These condensed interim consolidated financial statements have been prepared in United States Dollars.

The board of directors of the Company have approved these condensed interim consolidated financial statements on May 29, 2019.

Business Activities

The consolidated entity, consisting of Sarama Resources Ltd. and its subsidiaries is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties. As at March 31, 2019, the Company is in the process of exploring its principal mineral properties and has not yet determined whether the properties contain gold reserves that are economically recoverable.

The unaudited condensed interim consolidated financial statements for the period ended March 31, 2019, comprise the accounts of Sarama Resources Ltd and its subsidiaries and the Company's interest in equity accounted investments.

Basis of Presentation

These condensed interim consolidated financial statements have been prepared under the historical cost convention except for financial assets and liabilities at fair value through profit or loss and in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and Interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). These condensed consolidated interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim consolidated financial statements, including International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*", and have been prepared following the same accounting policies as the annual consolidated financial statements for the year ended December 31, 2018 except as described in Note 2.

The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

Going Concern

For the period ended March 31, 2019, the consolidated entity recorded a net loss of $606,852 and had a net cash outflow from operating and investing activities of $171,107. As at March 31, 2019, the consolidated entity had available cash of $225,878 and surplus of current assets over current liabilities of $37,050.

The Directors have assessed the need to acquire additional funding to continue to operate as a going concern for the foreseeable future. The Directors believe such funding will be obtained and therefore consider it appropriate to prepare the financial report on a going concern basis, which assumes the realisation of the consolidated entity's assets and the discharge of its liabilities in the normal course of business and at the amounts stated in the condensed interim consolidated financial statements.

Should additional funding be unable to be obtained, the Directors believe that the Company can remain a going concern by the further reduction of various operating expenditure. However, these circumstances indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Standards and Interpretations applicable to March 31, 2019

In the period ended 31 March 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the IASB that are relevant to the Company and effective for the current annual reporting period. The adoption of the following standards effective January 1, 2019 had no impact on the Company's condensed interim consolidated financial statements.

IFRS 16: Leases (applicable to annual reporting periods beginning on or after January 1, 2019) introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard are as follows;

- recognition of right-to-use asset and liability for all leases (excluding short term leases with less than 12 months of tenure and leases relating to low value assets);
- depreciation of right to use assets in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non lease components and instead account for all component as a lease.

The transitional provisions of IFRS 16 allow a lessee to either retrospectively apply the Standard to comparatives or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Company has applied IFRS 16 retrospectively with the effect of initially applying this standard recognised at the date of initial application, being 1 January 2019 and has elected not to restate comparative information accordingly, the information presented for March 31, 2019 has not been restated. There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative years.

b) Basis of Consolidation

The condensed interim consolidated financial statements incorporate the assets and liabilities of the Company as at March 31, 2019 and the results of all subsidiaries for the period then ended.

Subsidiaries are all entities (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Expressed in United States Dollars unless otherwise stated

c) Exploration and Evaluation Assets

Mineral exploration and evaluation costs are expensed as incurred based upon each area of interest. Acquisition costs will normally be expensed but will be assessed on a case by case basis and if appropriate may be capitalised. These acquisition costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the tenement. Accumulated acquisition costs in relation to an abandoned tenement are written off in full against profit or loss in the year in which the decision to abandon the tenement is made. Where a decision has been made to proceed with development in respect of a particular area of interest, all future costs are recorded as a development asset.

3. PLANT AND EQUIPMENT

March 31, 2019

	Plant and Equipment $	Motor Vehicles $	Office Equipment $	Total $
Opening net book value	28,962	1,035	43,863	73,860
Depreciation	(2,145)	(1,027)	(3,595)	(6,767)
Closing net book value	**26,817**	**8**	**40,268**	**67,093**
Opening Cost	236,574	189,254	282,813	708,641
Accumulated Depreciation	(209,757)	(189,246)	(242,545)	(641,548)
Closing Net Book Value	**26,817**	**8**	**40,268**	**67,093**

December 31, 2018

	Plant and Equipment $	Motor Vehicles $	Office Equipment $	Total $
Opening net book value	56,346	9,379	95,021	160,746
Additions	25,526	-	21,451	46,977
Disposals	-	-	(2,363)	(2,363)
Depreciation	(52,910)	(8,344)	(70,246)	(131,500)
Closing net book value	**28,962**	**1,035**	**43,863**	**73,860**
Cost	236,574	189,254	282,813	708,641
Accumulated Depreciation	(207,612)	(188,219)	(238,950)	(634,781)
Closing net book value	**28,962**	**1,035**	**43,863**	**73,860**

Expressed in United States Dollars unless otherwise stated

4. INVESTMENT IN ASSOCIATE

The Company has a 24.80% (2018: 24.80%) interest in Joint Venture BF1 Inc., a joint venture focussed on the exploration and evaluation of the Karankasso Project in Burkina Faso. The Company's interest is accounted for using the equity method in the condensed interim consolidated financial statements. Summarised financial information of the joint venture, based on IFRS financial statements, and reconciliation with the carrying amount of the investment in the condensed interim consolidated financial statements are set out below. Please note that financial statements of the joint venture for the period ending March 31, 2019, have not been received from the Operator of the joint venture, Savary Gold Corp, as it was acquired by Semafo Inc in April 2019. The Company has made no change to the information reported since December 31, 2018. This will be updated in subsequent interim financial statements. The Company has not made any additional contributions during the quarter ended March 31, 2019.

Summarised statement of financial position of Joint Venture BF1 Inc.:

	March 31, 2019	**December 31, 2018**
	$	**$**
Current assets	471,662	471,662
Non-current assets	12,460,980	12,460,980
Current liabilities	(392,115)	(392,115)
Non-current liabilities	(6,160,529)	(6,160,529)
Equity	**6,379,998**	**6,379,998**
Reconciliation to carrying amount of investment		
Company's share of equity	1,582,239	1,582,239
Plus additional contributions	1,365,851	1,365,851
	2,948,090	2,948,090
Notional premium on acquisition by JV	(1,111,919)	(1,111,919)
Karankasso Project Joint Venture– at cost	**1,836,171**	**1,836,171**

The notional premium is due to the joint venture recording a higher value of the equity contributed by the Company upon transfer to the joint venture.

5. SHARE CAPITAL

(a) Authorised Share Capital

At March 31, 2019, the authorised share capital comprised an unlimited number of common shares without par value.

(b) Issued Share Capital

	Capital Stock	
	Number	**$**
Balance, December 31, 2018	181,710,402	45,832,829
Shares issued during the period ended March 31, 2019	-	-
Balance March 31, 2019 (net of cost)	**181,710,402**	**45,832,829**

Expressed in United States Dollars unless otherwise stated

(c) Company Stock Option Plan

The Company has a stock option plan (the "**Plan**") that provides for the issuance of up to 10% of the issued and outstanding shares of the Company. The board of directors is authorised to set the exercise price, expiry date, and vesting provisions for each grant, subject to the policies of the TSX Venture Exchange. The plan provides for a maximum grant period of ten years. Options can be exercised at any time prior to their expiry date.
Details are as follows:

Grant Date	**No.**	**Exercise Price**	**Expiry Date**
January 5, 2017 (fully vested)	4,995,000	0.20	January 5, 2020
January 8, 2018 (fully vested)	7,390,000	0.11	January 8, 2021
January 18,2019 (partially vested)	4,635,000	0.06	January 18, 2022
	17,020,000		

On January 18, 2019 the Company issued 4,635,000 options to directors, officers and employees of the company, exercisable at C$0.06 and expire 3 years after issue.

No options were exercised in the quarter ended March 31, 2019 (period ended March 31, 2018: 750,000).

1,075,000 options have expired in the quarter ended March 31, 2019 (period ended March 31, 2018: 890,000).

(d) Stock-Based Compensation

For the period ended March 31, 2019, the expense incurred relating to stock-based compensation was $58,949 (March 31, 2018: $194,800).

For the period ended March 31, 2019, the Company granted stock options to its directors, officers, employees and consultants and estimated the stock based compensation as follows:

	January 18, 2019
Total options granted	4,635,000
Exercise price	C$0.06
Estimated fair value of compensation recognised	$117,898
Balance to be recognised over remaining vesting period	$58,949
Estimated fair value per option	$0.03

The fair value of the stock-based compensation recognised in the accounts has been estimated using the Black-Schöles Option-Pricing Model with the following assumptions:

	January 18, 2019
Risk-free interest rate	1.91%
Expected dividend yield	0%
Expected stock price volatility	105%
Expected option life in years	3 years

The share price volatility is based on historical data and reflects the assumption that historical volatility over a period similar to the life of the option is indicative of future trends, which may not necessarily be indicative of exercise patterns that may occur.

Expressed in United States Dollars unless otherwise stated

(e) Warrants

The Company has issued warrants as part of its capital raising programs. The details of all warrants still on issue are detailed below.

Warrant issue	Total Warrants Issued	Exercise Price (C$)	Estimated fair value of warrants	Estimated fair value per warrant	Expiry Date
Acquisition Warrants issued December 12, 2016	2,000,000	$0.24	167,196	$0.084	December 12, 2019
Broker Warrants issued March 16, 2018	1,500,000	$0.14	91,669	$0.061	December 31, 2021
Total	**3,500,000**		**258,865**	**$0.074**	

3,615,040 warrants that were issued 17 March 2017, exercisable at a price of C$0.35 each, expired 17 March 2019.

The fair value of broker and acquisition warrants are recognised within share based payments reserve, within the equity section of the financial statements, in accordance with IFRS 2.

The fair value of shareholder warrants are recognised as a financial liability in the financial statements in accordance with IAS 32.

(i) The fair value of the warrants recognised in the financial statements has been estimated using the Black-Schöles Option-Pricing Model at inception with the following assumptions:

Warrant issue	Risk – free interest rate	Expected dividend yield	Expected stock price volatility	Remaining warrant life
Acquisition Warrants issued December 12, 2016	0.74%	0%	105%	12 months
Broker Warrants issued March 16, 2018	0.73%	0%	105%	36 months

Changes in the fair value of the Shareholder Warrants recognised as financial liability are as follows:

	$
Fair value at December 31, 2018	-
Fair value gain on warrants carried at fair value through profit or loss	-
Fair value at March 31, 2019	-

Expressed in United States Dollars unless otherwise stated

6. SEGMENT REPORTING

The Company consider the Board of Directors to be the chief decision maker.

The Company has one business segment, being the acquisition, exploration and potential development of mineral properties. The Company has operations in one geographic area, being Burkina Faso.

As at and for the period ending March 31, 2019

	Burkina Faso	Other	Total
	$	**$**	**$**
Segment current assets	50,627	256,421	307,048
Segment non-current assets			
Plant and equipment	61,976	5,117	67,093
Investment in Associate	1,836,171	-	1,836,171
Royalty	-	23,131	23,131
	1,898,147	28,248	1,926,395
Segment total assets	**1,948,774**	**284,669**	**2,233,443**
Segment liabilities	**20,103**	**413,242**	**433,345**
Segment Loss			
Loss for the period from continuing operations	**242,923**	**363,929**	**606,852**

As at and for the period ending March 31, 2018

	Burkina Faso	Other	Total
	$	**$**	**$**
Segment current assets	114,967	2,732,490	2,847,457
Segment non-current assets			
Plant and equipment	158,486	874	159,360
Investment in Associate	1,836,171	-	1,836,171
Royalty	-	23,131	23,131
	1,994,657	24,005	2,018,662
Segment total assets	**2,109,624**	**2,756,495**	**4,866,119**
Segment liabilities	**-**	**516,477**	**516,477**
Segment Loss			
Loss for the period from continuing operations	**275,168**	**524,826**	**799,994**

Expressed in United States Dollars unless otherwise stated

7. BASIC AND DILUTED LOSS PER SHARE

	March 31, 2019 Cents per share	March 31, 2018 Cents per share
Basic and diluted loss per share		
- Continuing operations	(0.3)	(0.6)
- Discontinuing operations	-	-
	$	$
Net loss used in calculating basic/diluted loss per share		
- Continuing operations	(606,852)	(799,994)
- Discontinuing operations	-	-
	(606,852)	(799,994)
Weighted average number of shares on issue during the financial year used in the calculation of basic loss per share	181,710,402	142,633,735

Diluted loss per share as at March 31, 2019 is the same as basic loss per share as it is unlikely that the warrants will be converted into common shares.

8. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of loss after tax to net cash flows from operations

	March 31, 2019 $	March 31, 2018 $
Loss for the period	(606,852)	(799,994)
Depreciation	527	1,382
Non cash exploration expenditure	6,240	19,257
Fair value loss/(gain) on warrants	-	28,219
(Gain)/Loss on sale of financial assets	(5,128)	-
Stock–based compensation	58,949	194,800
Net exchange and translation differences (gain)/loss	(5,848)	(31,719)
Net cash outflows used in operating activities before change in working capital	(552,112)	(588,055)
Change in working capital	167,500	62,766
Net cash outflows used in operating activities	(384,612)	(525,289)

9. SALE OF KANDIOLE SUD EXPLORATION PROPERTY

On April 23, 2018, the Company announced that it had entered into a binding agreement for the sale of its non-core Kandiole Sud Exploration Property, West Mali to Oklo Resources Limited ("Oklo", ASX:OKU)) for consideration comprising cash and shares in Oklo for a total value of A$1,000,000. On May 11, 2018, the Company announced the satisfaction of all conditions precedent in relation to the binding agreement. The Company has recorded the receipt of a cash payment of A$200,000 and shares in Oklo of value A$500,000 (calculated using a fixed Oklo share price of A$0.379/share), representing the Tranche 1 and Tranche 2 Consideration payments respectively, as Other Income of $524,880.

The market value of the shareholding in Oklo at March 31, 2019 is nil (Dec 31, 2018: $228,633) as the shares were sold during the current quarter. This had been recorded as Financial Asset at fair value through profit or loss (Level 1) within the Statement of Financial Position.

The Company is further entitled to a Tranche 3 Consideration payment in Oklo shares of value A$300,000 upon Oklo, or its nominee, being registered by the Mali Ministry of Mines as the 100% owner of the Property.

10. SUBSEQUENT EVENTS

On April 30, 2019, the Company announced that further to its press releases issued April 9, 2019 and April 26, 2019 in relation to the Company's proposed private placement, due to strong support from existing shareholders and new investors, the Company had closed its offering issuing 68,949,585 common shares at a price of C$0.085 per common share for aggregate gross proceeds to the Company of C$5,860,715 (the "Private Placement"). The proceeds of the Private Placement will be used to fund payments to regain 100% ownership of the South Houndé Project (news release dated 27 November 2018), exploration activities and to meet working capital requirements of the Company. Sarama intends to undertake a resource development program to firm-up and expand existing oxide and free-milling mineral resources on the South Houndé and ThreeBee Projects.

On May 14, 2019 The Company announced that it had executed a definitive agreement (the "Agreement") with Acacia Mining plc ("Acacia") that provides for the termination of the 2014 earn-in agreement between the two companies in respect of the South Houndé Project (or the "Project") in south-western Burkina Faso. The Agreement provides for the Company to regain a 100% interest in and sole operatorship of the Project upon satisfaction of certain conditions precedent. The Company will pay Acacia US$2 million in staged payments, US$2 million once commercial production commences and retain a net smelter return royalty (NSR) of 1-2%, based on a sliding rate basis on gold price received and a capped gold production of 1Moz Au. In addition, Acacia will be granted 5 million warrants for common shares in the Company, exercisable for five years.