

SARAMA RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

For the three months (first quarter) ended March 31, 2021

Dated: May 31, 2021

(All amounts expressed in United States dollars, unless otherwise stated)

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INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is intended to supplement the condensed interim consolidated financial statements of Sarama Resources Ltd. (the "Company" or "Sarama") and its subsidiaries for the three months ended March 31, 2021.

The condensed interim consolidated financial statements for the three months ended March 31, 2021 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are expressed in United States dollars, unless otherwise stated.

This MD&A is current as at May 31, 2021.

Additional information relating to the Company is available on SEDAR at www.sedar.com under the Company's profile.

FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's planned exploration and development activities, costs and timing of future exploration, results of future exploration and drilling, timing and receipt of approvals, consents and permits under applicable legislation, and the adequacy of financial resources. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be forward-looking information. Wherever possible, words such as "plans", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify forward-looking information.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: our limited operating history, negative operating cash flow and need for additional financing; the early stage of our exploration and the fact that we have no mineral reserves; global economic conditions; our dependence on key management and qualified personnel; exploration, development and mining risks; title and property risks; risks related to the presence of artisanal miners; risks associated with operations in Africa; risks associated with pandemics and health, risks associated with maintaining a skilled workforce; risks relating to government regulations; environmental laws, regulations and risks; uncertainty regarding our ability to acquire necessary permits and comply with their terms; infrastructure risks; uninsurable risks; risks regarding our ability to enforce our legal rights; market factors and volatility of commodity prices; fluctuations in foreign exchange rates; competition; acquisition risks; conflicts of interest; price volatility in publicly traded securities; dilution; dividends and "passive foreign investment company" tax consequences to U.S. shareholders.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Assumptions have been made regarding, among other things: our ability to carry on exploration and development activities, our ability to meet our obligations under our property agreements, the timing and results of drilling programs, the discovery of mineral resources and mineral reserves on our mineral properties, the timely receipt of required approvals, the price of gold, the costs of operating and exploration expenditures, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. We cannot assure you that such information will prove to be accurate,

as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

OVERVIEW

Sarama is a Canadian-incorporated mineral exploration and development company whose principal business objective is to explore for and develop gold deposits in West Africa.

The Company was incorporated on April 8, 2010 under the Business Corporations Act (British Columbia). The Company's primary office is located in Perth, Western Australia. The Company's common shares are listed on the TSX Venture Exchange ("**TSXV**"). The Company's symbol is "SWA".

The Company has built and advanced substantial exploration landholdings in prospective and underexplored areas in south-west Burkina Faso, West Africa. As at May 31, 2021, the Company has significant interests in three projects located principally in the Houndé and Banfora Belts, which are considered highly prospective for gold and remain under-explored.

Sarama's main focus for exploration and development is the Sanutura Project, which is located in the southern Houndé Belt and which has a mineral resource estimate of 0.6Moz gold (indicated) and 1.9Moz (inferred)⁽¹⁾ for the Tankoro Deposit. In addition, the project also hosts the Bondi Deposit which has a historical estimate of mineral resources of 0.1Moz gold (indicated) and 0.3Moz gold (inferred)⁽⁵⁾.

The 600km² Koumandara Project is an early-stage, regional exploration project located within the Banfora Belt which has potential to host gold mineralisation of significance.

The Company holds an approximate 19% interest in the Karankasso Project (0.7Moz Au inferred mineral resources²⁾ which is operated by Endeavour Mining Corporation ("**Endeavour**") under a joint-venture arrangement.

CORPORATE

Treasury

As at March 31, 2021, the Company had cash and cash equivalents of \$1,086,403.

Second Listing on the Australian Stock Exchange

The Company is pursuing a second listing of its securities on the Australian Stock Exchange ("**ASX**") in addition to the continued listing of its common shares on the TSXV. Sarama has engaged leading resources-focused broker, Euroz Hartleys Securities Limited, to act as Lead Manager for its Australian listing. The proposed ASX listing will comprise the issuance of Chess Depositary Instruments ("**CDI**") to participants in the ASX listing which will rank equally and will trade on a 1:1 basis with the Shares listed on the TSXV.

The Company's board of directors (the "**Board**") considers this a natural progression given location of the Board and management team, the availability of equity capital, and the market's support of Sarama's peers engaged in gold exploration and development in West Africa.

The Company has temporarily paused its ASX listing process whilst it awaits clarity regarding the timing of re-issue of the Tankoro exploration permit⁽¹⁾. The Minister of Energy, Mines and Quarries has verbally advised Sarama management that the Tankoro and Djarkadougou Exploration Permits will be re-issued in due course however the Company is yet to receive written confirmation or timing on when this will happen. The permit re-issue process in Burkina Faso has taken longer than anticipated following the appointment of new government ministers and changes in key administrative personnel.

The listing process is well advanced; filing paperwork is largely complete including advanced drafts of the Independent Technical Assessment Report, Investigating Accountant's Report, Solicitor's Report, and Prospectus. The Company anticipates being able to expedite the listing process when timing of the Tankoro exploration permit re-issue is clarified.

Proceeds raised pursuant to the ASX listing will be used, in part, to expedite an extensive drilling campaign planned to total approximately 50,000m. The planned drill programs aim to augment and upgrade the currently

defined mineral resources with a focus on oxides and near surface material, to test a number of high priority targets that have the potential to significantly impact project growth, and to evaluate early-stage targets.

Grant of Options – January 14, 2021

On January 8, 2021, 2,463,333 options granted on January 8, 2018 and exercisable at C\$0.33 had expired.

On January 14, 2021, The Board of Directors of Sarama granted 3,158,336 options to directors, officers, employees and consultants of the Company. The option grant is the result of the Company's annual compensation review. This granting of options is made in accordance with the Company's stock option plan which was approved by shareholders on September 17, 2020 and allows for the issuance of a number of options up to 10% of its rolling issued and outstanding common shares. The options have an exercise price of C\$0.35, will immediately vest and are exercisable for a period of 3 years from the date of the grant thereof. The Company's 5-day and 20-day VWAPs at market close on January 14, 2021 was C\$0.3130 and C\$0.3135, respectively.

EXPLORATION AND EVALUATION EXPENDITURE

During the current quarter the Company incurred exploration expenditure of \$244,884.

The costs per active project area per each quarter for the current period ending March 31, 2021 and preceding four quarters is as follows;

	Three months ended March 31, 2020	Three months ended June 30, 2020	Three months ended September 30, 2020	Three months ended December 30, 2020	Three months ended March 31, 2021
Sanutura	426,565	157,336	224,536	312,534	207,231
Koumandara	24,461	10,385	49,206	58,414	35,403
Other – Burkina Faso **	4,964	1,943	2,297	4,408	2,250
Foreign Currency Translation	-	3,375	-	90,024	-
Total	455,990	173,039	276,039	465,380	244,884

** "Other – Burkina Faso" comprises properties within the Boromo and Bingo Projects

For the three months ended March 31, 2021, the Company incurred exploration expenditure of \$245k. Expenditure incurred at the Sanutura Project was \$207k which included permit taxes and renewal fees (\$7k), plus allocation of administration, camp and technical support (\$200k). Costs at Koumandara project of \$35k included permit taxes and renewal fees (\$1k) plus allocation of administration, camp and technical support (\$34k).

PROPERTY INFORMATION, RECENTLY COMPLETED ACTIVITIES AND OUTLOOK

Burkina Faso

As at March 31, 2021 the Company had interests, directly and indirectly, in mineral properties covering an area of approximately 3,000km² located principally within the southern Houndé and Banfora Greenstone Belts, in south-west Burkina Faso (refer Figure 1). The exploration activities are primarily focussed within 2 geographical areas:

1. The southern Houndé Belt project area hosting the
 - a. Sanutura Project; and
 - b. Karankasso Project and;
2. The northern Banfora Belt project area hosting the
 - a. Koumandara Project.

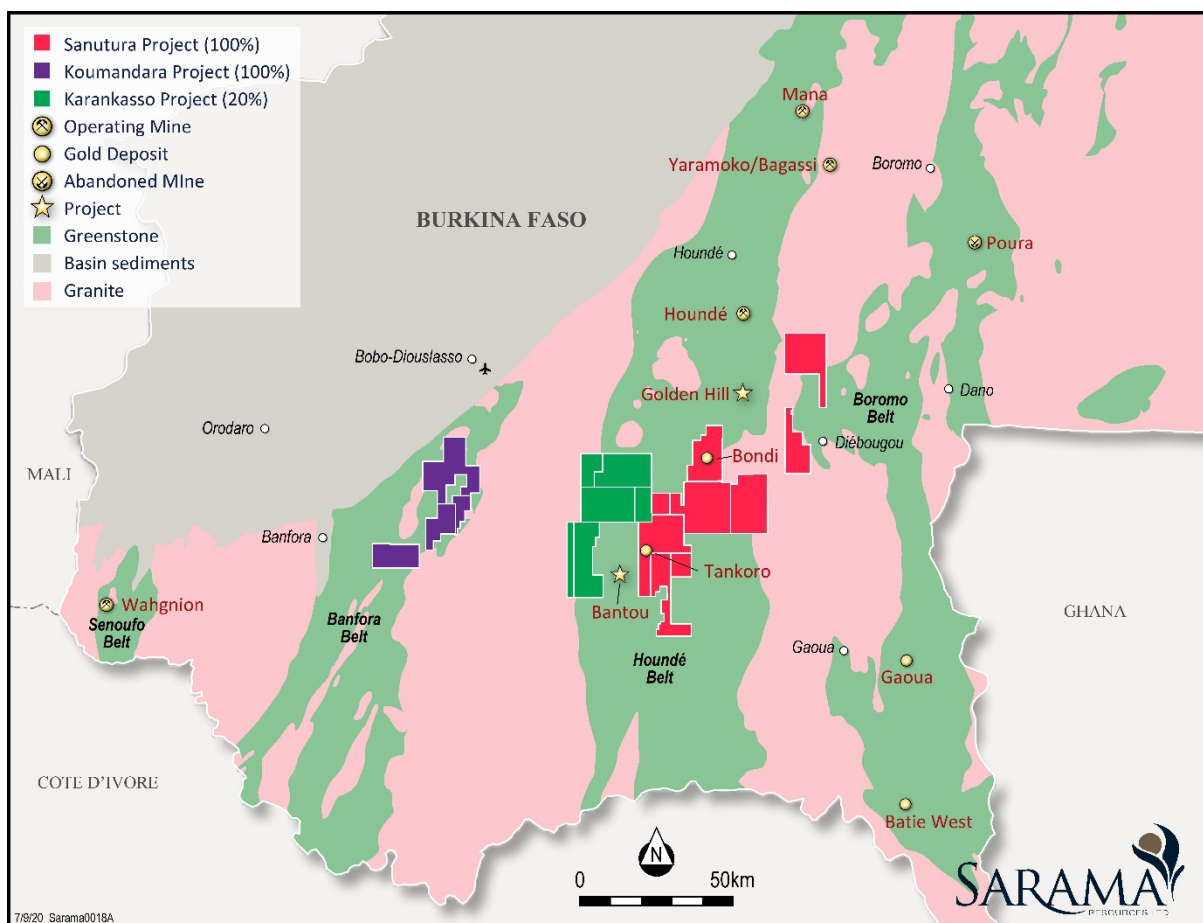


Figure 1 – Location of Sarama's Projects in South-West Burkina Faso

Sanutura Project

Property Information

The primary focus of the Company has been the advancement of its 100%-owned Sanutura Project covering approximately 1,450km² (refer Figure 2) in south-west Burkina Faso. The project is an advanced-stage exploration project that hosts a significant, well-defined mineral resource base and a suite of exploration targets.

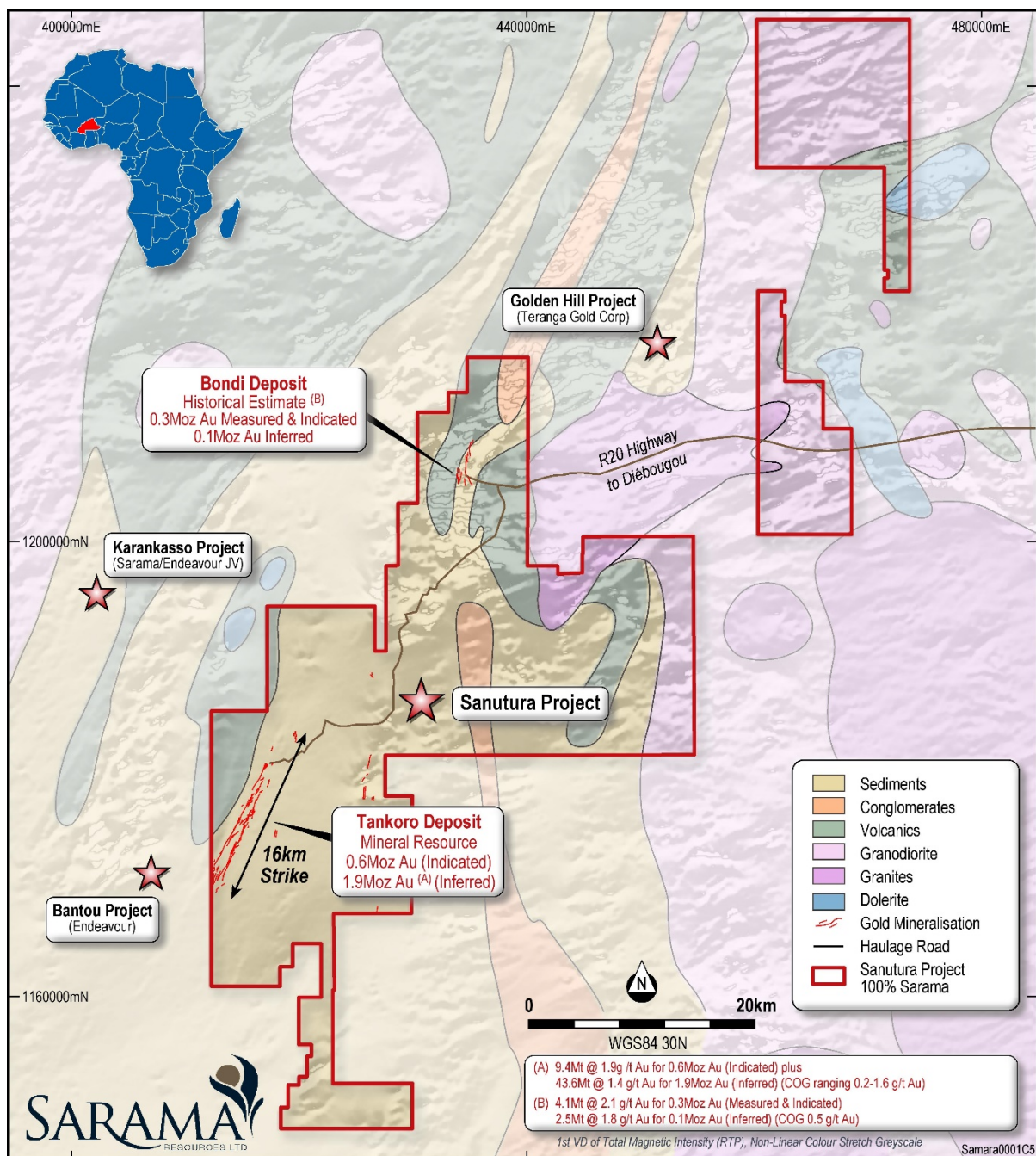


Figure 2 Sanutura Project – Tankoro and Bondi Deposits within Sanutura Project

The project is located in the southern Houndé Belt, which hosts Endeavour’s Mana and Houndé Gold Mines and Roxgold Inc.’s Yaramoko Gold Mine and recent +1Moz Au discoveries including Endeavour’s Golden Hill and Kari Pump deposits. More recent exploration by Endeavour has produced the Bantou Nord discovery approximately 5km west of the Tankoro Deposit at Sarama’s Sanutura Project.

On September 8, 2020 the Company announced an updated mineral resource estimate for the **Tankoro Deposit**⁽¹⁾ of:

- **9.4Mt @ 1.9g/t Au for 0.6Moz gold** (indicated); and
- **43.6Mt @ 1.4g/t Au for 1.9Moz gold** (inferred).

The mineral resource contains a significant higher-grade component of **6.3Mt @ 2.5g/t Au for 0.5Moz gold** (indicated) plus **24.7Mt @ 1.8g/t Au for 1.5Moz gold** (inferred)⁽²⁾ using a 1.0g/t Au cut-off. This highlights the presence of higher-grade zones within the greater mineralised system which will be the focal point for development. Infill drilling in certain higher-grade areas provides considerable geological confidence, allowing for the classification of a significant part of the mineral resources as ‘indicated’.

The combined oxide and transition component of the mineral resource totals **0.2Moz gold** (indicated) plus **0.7Moz gold** (inferred)⁽³⁾, representing a significant increase to the previous estimate of 0.6Moz gold (inferred) for corresponding material types. This increase reflects the Company's exploration focus on near-surface, oxide targets to provide significant, early plant feed to support a potential staged development of the Project.

A supporting technical report titled "NI 43-101 Technical Report, Sanutura Project, South-West Burkina Faso", dated October 20, 2020 is filed on SEDAR (www.sedar.com). There are no material differences in the technical information contained in the technical report compared to the disclosure in the September 8, 2020 news release.

In addition to the Tankoro Deposit, the Sanutura Project also hosts the **Bondi Deposit**, which has a historical estimate of mineral resources⁽⁵⁾ of:

- **4.1Mt @ 2.1g/t Au for 0.3Moz gold** (measured and indicated); and
- **2.5Mt @ 1.8g/t Au for 0.1Moz gold** (inferred).

By virtue of the high-grade and free milling nature of the mineralisation, the deposit has potential to provide valuable satellite feed for a centralised processing facility that targets regional mineral resources.

Exploration by the Company has identified a number of targets within the Sanutura Project which have the potential to make meaningful additions to the mineral resource base of the project, namely:

- an exploration target of **3.5-4.3Mt @ 1.2-1.4g/t Au for 135-190koz Au**⁽⁴⁾, consisting of modelled and estimated (but unclassified) mineralisation contained within open pit shell and underground blockouts which constrain the mineral resource at the Tankoro Deposit;
- the Zanawa Prospect, located approximately 4km north-east of the Bondi Deposit, which has returned 22m @ 3.85g/t Au from 5m in DJR0029, 29m @ 1.44g/t Au from 1m and 10m @ 1.24g/t Au from 67m in DJR0030 and 5m @ 4.54g/t Au from 15m in DJA0141;
- a large area of artisanal workings at the Bamako 2 Property, measuring approximately 3km-long x 2km-wide, where numerous, subparallel gold-bearing quartz veins, extending for over 3km in strike length have been exposed. Gold-in-soil surveys returned peak values of 13.6g/t Au and drilling has returned a number of significant intercepts including 15m @ 6.17g/t Au from 9m in FRC384, 8m @ 18.4g/t Au from 42m in BAR004 and 18m @ 1.20g/t Au from 44m in BAR003; and
- numerous extensional and additional targets throughout the project generated from soil geochemistry and geophysical surveys.

Activities Completed in Q1 2021

- With restrictions and risk mitigation measures in place as a result of the COVID-19 pandemic, no fieldwork was undertaken during the quarter. The Company however continued to work on integration and review of recent and historical work on the project focussing on oxide and free-milling exploration targets in the main mineralised corridor and in certain regional areas.
- The Company completed an initial phase of a QAQC review of historical drilling and assay information for the Bondi Deposit and the greater Djarkadougou Property. The objective of the review was to provide a high-quality drill database that has sufficient confidence to support an updated estimation of mineral resources on the Djarkadougou Property. This work is being used in a second phase review to determine the usability of historical drill data for future exploration and resource estimation activities.
- The Company continued to engage with relevant and senior government authorities to expedite the re-issue of the exploration permits for the Djarkadougou and Tankoro Properties (which host the Bondi and Tankoro Deposits). The Minister of Energy, Mines and Quarries has verbally advised Sarama management that the Tankoro and Djarkadougou exploration permits will be re-issued in due course. However, due to the government not processing permit applications for a protracted period of time and the number of companies now waiting on the government to process and re-issue exploration permits, timing remains indeterminate.

Outlook

Exploration is anticipated to recommence following the ASX listing, the timing of which is dependent upon the government of Burkina Faso making acceptable progress with the re-issue of key Sarama exploration permits. The Company is taking reasonable steps to minimise in-country exposure of the Covid 19 pandemic to employees and local communities and will continue to monitor in-country conditions and make operating adjustments as required. The significant increase in the oxide resource outlined in the September 2020 mineral resource estimate has the potential to broaden the scope for development of the Project and allow for the establishment of a CIL project with compelling economics based on oxide feed alone. This in turn will allow the Company to leverage the significant resource base through a multi-stage, longer life and higher output project.

Sarama will continue to investigate potential development options with historical evaluation work identifying a \$1,500/oz gold price as being a major inflection point for a material step change in the mineable resource.

The Company intends to undertake a resource development program aimed at firming up and increasing the oxide and free milling component of the mineral resource and upgrading a large percentage of the inferred mineral resource. Additional drilling is anticipated to further bolster the size and life of the first phase of the project prior to minor plant modifications to progress to stage two which will access a significant inventory of high-grade fresh material. Field activities will nominally include reconnaissance and mapping, AC and RC drilling and metallurgical testwork to better characterise transition zones and support feasibility work anticipated to commence in the latter part of 2021.

The Company will continue to work with the relevant government authorities to expedite the re-issue of the exploration permits for the key Tankoro and Djarkadougou Properties, as well as other minor properties within the project area. Based on verbal advice from the Minister of Energy, Mines and Quarries, the Company anticipates outstanding permits will be re-issued however due to the number of companies waiting on the government to process and re-issue exploration permits, timing remains indeterminate.

Sarama has had multiple exploration permits re-issued however there is no assurance of the timing and prospects for the re-issuance of these exploration permits. As a matter of practice however, the application is typically granted providing work done by the holder is significant and the application is submitted in a timely manner, both of which Sarama is compliant.

Koumandara Project

Property Information

The Koumandara Project comprises four exploration properties covering an area of approximately 600 km² in the Banfora Belt and lies approximately 80km west of the South Houndé Project. Historical work conducted by the Company has resulted in the identification of significant zones of gold-in-soil anomalism and encouraging scout drilling results which are aligned with regional structural features, illustrating the region's prospectivity.

Activities Completed in Q4 2020

- No fieldwork or desktop work was undertaken in Q1 2021.
- The Company continued to monitor the progress of the renewal and re-issue of exploration permits by the Government of Burkina Faso for several properties within the project.

Outlook

The Company has developed high-quality drill targets on the Koumandara Project and has planned a 5,000m drill program to follow up high-grade scout drilling intercepts from previous programs.

Karankasso Project

Property Information

The Karankasso Project ("**Karankasso**") is located approximately 400 kilometres southwest of Ouagadougou, in Burkina Faso. The project can be accessed by a paved highway with both rail and grid power coming within approximately 65 kilometres.

In September 2014 the Company completed joint venture ("**JV**") negotiations and executed a binding agreement with Savary Gold Corp. ("**Savary**") which resulted in the unified ownership of Sarama's Sérakoro 1 Property and several of Savary's contiguous exploration properties in the southern Houndé Belt. The resultant Karankasso JV was initially 65% owned by Savary and 35% owned by Sarama with Savary the operator as long as it controls a majority interest in the joint venture project.

On April 30, 2019, Semafo announced it had completed the acquisition of Savary, Sarama's joint venture partner in the Karankasso Project.

On February 24, 2020, Semafo announced an updated inferred mineral resource estimate⁽⁶⁾ of 12.74Mt @ 1.73g/t Au for 709,000 oz of contained gold of which Sarama's equity interest is 141,000 oz gold.

As at March 31, 2021, the Company held an approximate 19% interest in the Karankasso JV and Endeavour is now the operator following the successful acquisition of Semafo which closed on July 1, 2020.

Exploration activities have been focussed on extending mineralised lodes as well as generating new exploration targets within the project area. This has involved additional drilling, soil geochemistry and geophysical surveys. Sarama considers the property to have potential to add satellite feed to a regional development scenario.

Activities Completed in Q1 2021

- Fieldwork remained suspended by the operator for the duration of Q1 2021, however desktop assessment of targets and data integration continued.

Outlook

Endeavour is undertaking a systematic review of historical exploration data and have been re-logging drilling undertaken by the previous two operators and re-doing surface gold-in-soil sampling to an acceptable standard. The Company anticipates minor drilling activity may recommence on this project in Q4 2021.

Sarama's ongoing investment in the project will be reviewed on a periodic basis and be subject to exploration and technical results.

SELECTED AUDITED FINANCIAL INFORMATION

The following information has been extracted from the Company's condensed interim consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), for each of the quarters ended March 31.

Please refer to Results of Operations for analysis of Operations for the three months ended March 31, 2021 compared to the three months ended March 31, 2020.

	2021 \$	2020 \$	2019 \$
Interest income - year	94	3,089	471
Net loss - quarter	1,093,251	1,100,730	606,852
Net loss per share for the quarter - basic and diluted (cents)	1.2	1.3	1.0
Total assets	3,261,023	3,327,989	2,233,444
Total liabilities	1,603,972	1,312,614	433,345

RESULTS OF OPERATIONS

Quarters ended March 31, 2021 and 2020

	Q1 2021 \$	Q1 2020 \$	Variance \$
Income			
Interest income	94	3,089	(2,995)
Other income	-	5,191	(5,191)
	94	8,280	(8,186)
Expenses			
Accounting and audit	5,282	4,462	(820)
Directors' fees	27,301	12,755	(14,546)
Insurance	16,890	5,084	(11,806)
Finance charges	25,528	-	(25,528)
Marketing and investor relations	39,684	5,781	(33,903)
Office and general	46,864	41,036	(5,828)
Professional fees	816	6,551	5,735
Salaries	174,933	136,067	(38,866)
Travel	-	17,775	17,775
Foreign exchange (gain)/loss	(2,533)	137,658	140,191
Total general and administration	334,765	367,169	32,404
Exploration expenditure as incurred	244,884	455,995	211,111
Depreciation	584	527	(57)
Stock-based compensation	513,112	308,095	(205,017)
Fair value (gain)/loss on financial assets carried at fair value through profit or loss	-	(22,776)	(22,776)
Net loss	1,093,251	1,100,730	7,479

The Company reported a loss of \$1,093,251 (\$0.012 per share) for the quarter ended March 31, 2021, compared to a loss of \$1,100,730 (\$0.013 per share) for the quarter ended March 31, 2020 (positive variance \$7,479).

Exploration and related expenditure for Q1 2021 was \$245k compared to \$456k in Q1 2020 (positive variance \$211k) due mainly to no field activity as a result of awaiting the reissue of exploration permits. Marketing and investor relations were \$39k in Q1 2021 compared to \$5k in Q1 2020 (negative variance \$34k) due to attendances at virtual conferences and promotional activities in anticipation of dual listing on the ASX. Travel costs were nil in Q1 2021 compared to \$18k in Q1 2020 (positive variance (\$18k), due to restriction of movement and activity resulting from COVID-19 pandemic. Directors' fees have increased due to changes in composition of the Board (refer news release of June 24, 2020). Salaries of \$175K in Q1 2021 compared to \$136k in Q1 2020 (negative variance \$39k) was due to a strengthening of the Australian dollar against the US dollar of 28% in the current period compared to the same period last year. Finance charges of \$26k relate to accrual of interest relating to the trailing reimbursement of \$1 million payable to Barrick (refer New release June 24, 2020). Insurance expense was \$17k in Q1 2021 compared with \$5k (negative variance \$12K) due to an increase in the Directors and Officers liability insurance.

Foreign exchange gain for the current quarter of \$3k compared to a foreign exchange loss in the March 2020 quarter of \$138k (positive variance \$140k) represented exchange gains from cash held in Australian and Canadian dollars against a weakening US dollar. Stock-based compensation was greater in Q1 2021 compared to Q1 2020 (negative variance \$205k) due to an increase in the fair value per option as a result of an increase in volatility in Sarama's share price.

SUMMARISED UNAUDITED QUARTERLY RESULTS

Summarised unaudited quarterly results for the past eight quarters are:

Quarter ended	Interest income (\$)	Net profit/(loss) for the period (\$)	Basic earnings/(loss) per share (cents)	Diluted earnings/(loss) per share (cents)
March 31, 2021	94	(1,093,251)	(1.2)	(1.2)
December 31, 2020	330	(725,672)	(0.8)	(0.8)
September 30, 2020	518	(470,637)	(0.6)	(0.6)
June 30, 2020	1,044	(280,164)	(0.3)	(0.3)
March 31, 2020	3,089	(1,100,730)	(1.3)	(1.3)
December 31, 2019	5,319	(867,096)	(0.9)	(0.9)
September 30, 2019	1,390	86,140	0.0	0.0
June 30, 2019	929	(3,059,761)	(3.9)	(3.9)

On October 7, 2020, Sarama implemented a consolidation of its issued and outstanding Shares on a 3 old for 1 new share basis (the "Share Consolidation"). For the quarters ending September 2020 and prior, the earnings per share have been restated for comparative purposes.

The primary driver for the variance in net profit and loss across multiple quarterly periods is due to the expensing of exploration expenditure programs and the revaluation of warrants carried at fair value through profit or loss.

Other components within the net profit/loss are general and administrative costs of running the Perth office, foreign exchange gains and losses, stock-based compensation costs and depreciation.

LIQUIDITY AND CAPITAL RESOURCES

At this point in time, the Company does not generate cash from mining operations. In order to fund its exploration and administrative activities, the Company is dependent upon raising capital through the issue of shares and warrants. The Company continues to believe such financing will be available, as and when required and on acceptable terms but there is no guarantee that is the case.

As at March 31, 2021 the Company had working capital surplus of \$100,201 (December 31, 2020: \$1,678,471 surplus). Working capital is defined as current assets less current liabilities.

COMMON SHARE DATA (as at May 31, 2021)

Common shares outstanding	90,099,894
Options issued to directors, executive officers, and a consultant	8,983,333
Warrants issued to shareholders and agents	2,166,666
Common shares outstanding assuming exercise of all options and warrants	101,249,893

RISK AND UNCERTAINTIES

The Company's operations and results are subject to a number of different risks at any given time. These risk factors include, but are not limited to:

1. exploration and development risk;
2. market factors and volatility of commodity prices;
3. negative operating cash flow and the need for additional financing;
4. limited operating history;
5. global economic conditions;
6. price volatility in publicly traded securities;
7. title and property risks;
8. dependence on key management and qualified personnel;
9. risks associated with operations in Africa;
10. risks associated with maintaining a skilled workforce;
11. risks relating to government regulations;
12. environmental laws, regulations and risks;
13. uncertainty of acquiring necessary permits and compliance with terms;
14. infrastructure risks;
15. uninsurable risks;
16. enforcement of legal rights;
17. risks relating to the presence of artisanal miners;
18. fluctuations in foreign exchange rates;
19. competition;
20. acquisition risks;
21. conflicts of interest;
22. dilution;
23. dividends;
24. PFIC classification;
25. renewal and reissue of exploration permits
26. pandemic risks;
27. geopolitical and security risks

For a detailed explanation of each of these risks number 1 to 24, please refer to page 9 of the Company's Annual Information Form dated September 1, 2016. The Company's Annual Information Form is published at www.sedar.com.

In December 2019, a novel strain of coronavirus ("COVID-19") emerged in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. In response to the outbreak, governmental authorities in Canada, Australia, Burkina Faso and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the Company's business, operations and financial results, as well as a deterioration of general economic conditions including a possible national or global recession. Given the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on the Company's business, operations or financial results; however, the impact could be material.

OFF-BALANCE SHEET TRANSACTIONS

During the period ended March 31, 2021, and up to the date of this report, the Company had no off-balance sheet transactions.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

The condensed interim consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"), effective as of March 31, 2021. The Company's significant accounting policies are described in note 2 of the Company's consolidated financial statements for the years ended December 31, 2020 and 2019 and note 2 of the Company's condensed interim consolidated financial statements for the period ended March 31, 2021 and 2020.

CHANGES IN ACCOUNTING STANDARDS

The accounting policies applied in the preparation of the Company's condensed interim consolidated financial statements for the period ended March 31, 2021 and 2020, are consistent with those applied and disclosed in the Company's annual consolidated financial statements.

The Company has reviewed all the new and revised Standards and Interpretations issued by the IASB that are relevant to the Company and effective for the current reporting period. As a result of this review, the Company has determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to the Company's accounting policies.

The Company has also reviewed all the new and revised Standards and Interpretations in issue not yet adopted for the period ended March 31, 2021. As a result of this review the Company has determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Footnotes

1. *Sanutura Project, Tankoro Deposit - mineral resource estimate - 9.4Mt @ 1.9g/t Au for 0.6Moz Au (indicated) plus 43.6Mt @ 1.4g/t Au for 1.9Moz (inferred), reported at cut-off grades ranging 0.2-1.6g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the mineral resources to have reasonable prospects for eventual economic extraction. The effective date of the Company's inferred mineral resource estimate is September 8, 2020. For further information regarding the mineral resource estimate please refer to the technical report titled "NI 43-101 Technical Report, Sanutura Project, South-West Burkina Faso", dated October 20, 2020 (effective date: September 8, 2020) and prepared by Paul Schmiede, Adrian Shepherd & Fred Kock. The technical report is available under Sarama's profile on SEDAR at www.sedar.com.*
2. *Sanutura Project, Tankoro Deposit - higher grade component of the current mineral resource - 6.3Mt @ 2.5g/t Au for 0.5Moz Au (indicated) plus 24.7Mt @ 1.8g/t Au for 1.5Moz (inferred) reported at a cut-off grade of 1.0g/t Au for all material types.*
3. *Sanutura Project, Tankoro Deposit - oxide & transition component of the current mineral resource - 3.2Mt @ 1.6g/t Au for 0.2Moz Au (indicated) plus 20.1Mt @ 1.0g/t Au for 0.7Moz Au (inferred), reported above cut-off grades of 0.2g/t Au and 0.3g/t Au for oxide and transition material respectively.*
4. *Sanutura Project, Tankoro Deposit - exploration target expressed as a +/-10% range of modelled and estimated mineralisation of 3.1Mt @ 1.1g/t Au for 113koz Au (open pit) and 0.8Mt @ 2.0g/t Au for 53koz Au (underground) reported at cut-off grades of 0.5g/t Au and 1.6g/t Au respectively. This material has low geological, spatial and estimate confidence and cannot be considered as a mineral resource, but is contained within the open pit and underground mining shapes used to constrain the reported mineral resource.*
5. *Sanutura Project, Bondi Deposit – historical estimate of mineral resources - 4.1Mt @ 2.1g/t Au for 282,000 oz Au (measured and indicated) and 2.5Mt @ 1.8g/t Au for 149,700 oz Au (inferred), reported at a 0.5 g/t Au cut-off.*
 - i. *The historical estimate of the Bondi Deposit reflects a mineral resource estimate compiled by Orezone Gold Corporation ("Orezone") which has an effective date of February 20, 2009. The historical estimate is contained in a technical report titled "Technical Report on the Mineral Resource of the Bondigui Gold Project", dated date of February 20, 2009 and prepared by Yves Buro*

(the “Bondi Technical Report”). Yves Buro is an employee of Met-Chem Canada Inc and is considered to be independent of Orezone and Sarama. The technical report is available under Orezone’s profile on SEDAR at www.sedar.com.

- ii. Sarama believes that the historical estimate is relevant to investors’ understanding of the property, as it reflects the most recent technical work undertaken in respect of the Bondi Deposit.
 - iii. The historical estimate was informed by 886 drillholes, assayed for gold by cyanidation methods, were used to interpret mineralised envelopes and geological zones over the area of the historical estimate. Gold grade interpolation was undertaken using ID² methodology based on input parameters derived from geostatistical and geological analyses assessments. Field measurements and geological logging of drillholes were used to determine weathering boundaries and bulk densities for modelled blocks.
 - iv. The historical estimate uses the mineral resource reporting categories required under National Instrument 43-101.
 - v. No more recent estimates of the mineral resource or other data are available.
 - vi. Sarama is currently undertaking the necessary verification work in the field and on the desktop that may support the future reclassification of the historical estimate to a mineral resource.
 - vii. A qualified person engaged by Sarama has not undertaken sufficient work to verify the historical estimate as a current mineral resource and Sarama is therefore not treating the historical estimate as a current mineral resource.
6. Karankasso Project – mineral resource estimate - 12.74Mt @ 1.73g/t Au for 709koz Au (effective date of December 31, 2019). The mineral resource estimate was disclosed on February 24, 2020 by Semafo Inc (“**Semafo**”, now Endeavour) and is presented in combination with the mineral resource estimate for the adjacent Bantou Property (owned 100% by Semafo). For further information regarding the mineral resource estimate please refer to the technical report titled “Bantou Project NI 43-101 Technical Report – Mineral Resource Estimate”, dated April 3, 2020 and prepared by Patrik Perez, Claude Bisailon, Jordan Zampini, Francois Thibert and Richard Roy. Messers Perez, Bisailon and Zampini are employees of Met-Chem (DRA Americas Inc) and are independent of Sarama and Semafo (now Endeavour). Messers Thibert and Roy are employees of Semafo Inc and are independent of Sarama only. The technical report is available under Semafo’s profile on SEDAR at www.sedar.com. Sarama has not independently verified the mineral resource estimate and takes no responsibility for its accuracy. Semafo (now Endeavour) is the operator of the Karankasso Project JV and Sarama is relying on their Qualified Persons’ assurance of the validity of the mineral resource estimate.

Qualified Persons' Statement

Scientific or technical information in this disclosure that relates to the Company's exploration activities in Burkina Faso is based on information compiled or approved by Guy Scherrer. Guy Scherrer is an employee of Sarama Resources Ltd and is a member in good standing of the Ordre des Géologues du Québec 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. Guy Scherrer consents to the inclusion in this disclosure of the information, in the form and context in which it appears.

Scientific or technical information in this disclosure that relates to the preparation of the Company's mineral resource estimate for the Tankoro Deposit within the Sanutura Project is based on information compiled or approved by Paul Schmiede. Paul Schmiede is an employee of Sarama Resources Ltd and is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy. Paul Schmiede 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. Paul Schmiede consents to the inclusion in this disclosure of the information, in the form and context in which it appears.

Scientific or technical information in this disclosure, in respect of the Bondi Deposit relating to mineral resource and exploration information drawn from the Technical Report prepared for Orezone on that deposit has been approved by Guy Scherrer. Guy Scherrer is an employee of Sarama Resources Ltd and is a member in good standing of the Ordre des Géologues du Québec 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. Guy Scherrer consents to the inclusion in this disclosure of the information, in the form and context in which it appears.

Scientific or technical information in this disclosure that relates to the quotation of the Karankasso Project's mineral resource estimate is based on information compiled by Paul Schmiede. Paul Schmiede is an employee of Sarama Resources Ltd and is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy. Paul Schmiede 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. Paul Schmiede consents to the inclusion in this disclosure of the information, in the form and context in which it appears. Paul Schmiede and Sarama have not independently verified Semafo's (now Endeavour's) mineral resource estimate and take no responsibility for its accuracy.