

FEBRUARY 20, 2018



SARAMA RESOURCES IDENTIFIES +3KM-LONG GOLD QUARTZ-VEIN SYSTEM PROXIMAL TO ITS BONDI DEPOSIT IN BURKINA FASO

VANCOUVER, CANADA. Sarama Resources Ltd. (“Sarama” or the “Company”) (TSX-V:SWA) is pleased to announce that a series of high-grade gold-quartz veins, extending over a strike length of +3km, have been identified on the Bamako Property (“Bamako” or the “Property”) which is situated 25km east of the Company’s Bondi Deposit in south-west Burkina Faso.

In addition to historical high-grade drilling and soil sampling results, recent rock-chip sampling has returned grades up to 18.9g/t Au from the newly exposed quartz-veins. The Company has also outlined a large artisanal mining area within a 3km x 2km area associated with the gold-quartz veins, reinforcing the Property’s prospectivity for high-grade gold deposits.

The Bamako Property is part of the Company’s 100%-owned, 660km² ThreeBee Project⁽⁴⁾ in the highly prospective southern Houndé Belt.

Highlights

- Discovery of a series of high-grade quartz-veins, extending over a strike length of +3km, which are being exploited by artisanal mining activities.
- Rock-chip sampling has returned values up to **18.9g/t Au**, indicating the presence of high-grade gold mineralisation associated with quartz veins cutting mafic host rocks.
- Previous soil sampling by Sarama identified a broad, km-scale corridor of gold anomalism associated with a band of mafic volcanic and gabbroic rocks with soil values ranging up to **13.6g/t Au**.
- A previously disclosed⁽⁵⁾ 3,700m reverse circulation (“RC”) reconnaissance drill program tested a north-trending, 800m-long band of anomalous gold-in-soil values close to the new quartz vein discovery. Several significant results were returned and include:
 - 6m @ 1.78g/t Au from surface, and
 - **15m @ 6.17g/t Au** from 9m (including 2m @ 38.45g/t Au 20m) from in FRC384;
 - 2m @ 2.65g/t Au from 58m, and
 - **3.0m @ 3.81g/t Au** from 63m in FRC489;
 - 4m @ 1.94g/t Au from 48m in FRC385; and
 - 15m @ 0.54g/t Au from 86m in FRC386.
- Follow-up work has commenced and includes detailed mapping and drill programs to test the widths and lengths of the various high-grade veins and also other significant soil anomalies.
- The discovery of high-grade mineralisation further supports Sarama’s regional development plan which encompasses the ThreeBee Project, including the Bondi Deposit at the nearby Djarkadougou Property.

AUSTRALIA

Suite 8, 245 Churchill Avenue
Subiaco, Western Australia 6008

PO Box 575, Subiaco
Western Australia 6904

T +61 (0) 8 9363 7600
F +61 (0) 8 9382 4309

E info@saramaresources.com
ARBN: 143 964 649

www.saramaresources.com

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

"The acquisition of the Bondi Deposit has dramatically opened up Sarama's options and led us to reassess our suite of properties within reasonable trucking distance of this deposit. The high-grade nature of the Bamako mineralisation provides Sarama with various exploitation options upon development, including as satellite feed for a project at Bondi. Sarama's aim, is to grow the mineral resource base at the Bondi Deposit and the greater Djarkadougou Property, and any additional ounces added from Bamako are expected to be highly accretive in value."

Bamako Property Exploration

The 90km² Bamako Property is part of the Company's 100%-owned, 660km² ThreeBee Project (refer Figures 1 and 2), which is positioned on the eastern flank of the well-endowed Houndé Greenstone Belt in south-west Burkina Faso. The Property is well located with respect to known gold occurrences, being within trucking distance to Sarama's Bondi Deposit and South Houndé Project as well as Teranga Gold Corp's Golden Hill Project.

Sarama first carried out initial-stage exploration over the Property in 2011-2012 and successfully identified several clusters of anomalous gold-in-soil values. Peak values of 13.6g/t Au were encountered (mean of 36ppb Au and a 98th percentile of 179ppb Au), prompting a reconnaissance drill program of 3,700m RC. The drill program intersected high-grade mineralisation in several holes with previously reported highlights of:

- 6m @ 1.78g/t Au from surface, and
- **15m @ 6.17g/t Au** from 9m (including 2m @ 38.45g/t Au from 20m) in FRC384;
- 2m @ 2.65g/t Au from 58m, and
- **3m @ 3.81g/t Au** from 63m in FRC489;
- 4m @ 1.94g/t Au from 48m in FRC385; and
- 15m @ 0.54g/t Au from 86m in FRC386.

Further work on the Project was limited while Sarama's focused on its South Houndé Project where the Company had made a significant gold discovery.

With the recent addition of the Djarkadougou and Botoro Properties to the previously-held Bamako and Bouni Properties, creating the ThreeBee Project, Sarama has renewed exploration interest of the Bamako Property.

Recent field mapping and reconnaissance work at Bamako revealed the establishment of a large artisanal mining camp, which has now opened a block of current workings measuring approximately 3km-long x 2km-wide. The workings have exposed numerous, subparallel gold-bearing quartz veins, extending for over 3km in strike length, trending to the north and north-west (refer Figure 2). These quartz vein trends are co-incident with previously identified anomalous gold-in-soil zones and remain untested by drilling.

The quartz-veins are located within a wedge of Birimian-aged greenstone rocks which underlie part of the eastern side of the Property and are mostly represented by weakly-foliated and massive mafic volcanic and gabbroic rocks. The quartz veins appear to broadly follow the contacts of the gabbroic intrusion.

Recent rock-chip sampling of fresh and altered rocks over several campaigns have also been encouraging with assay results including: 18.9g/t Au, 12.5g/t Au, 8.8g/t Au, and 4.5g/t Au from sample sites both within the gabbroic intrusion and in the bounding mafic volcanic unit.

Gold-in-soil anomalism is noted to extend for a further 3km to the north of the new, high-grade vein exposures, giving a total potential strike length of more than 6km for the system. The area will be the subject of mapping and drilling programs in the near future in support of the advancement of the ThreeBee Project.

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

Andrew Dinning or Paul Schmiede

e: info@saramaresources.com

t: +61 (0) 8 9363 7600

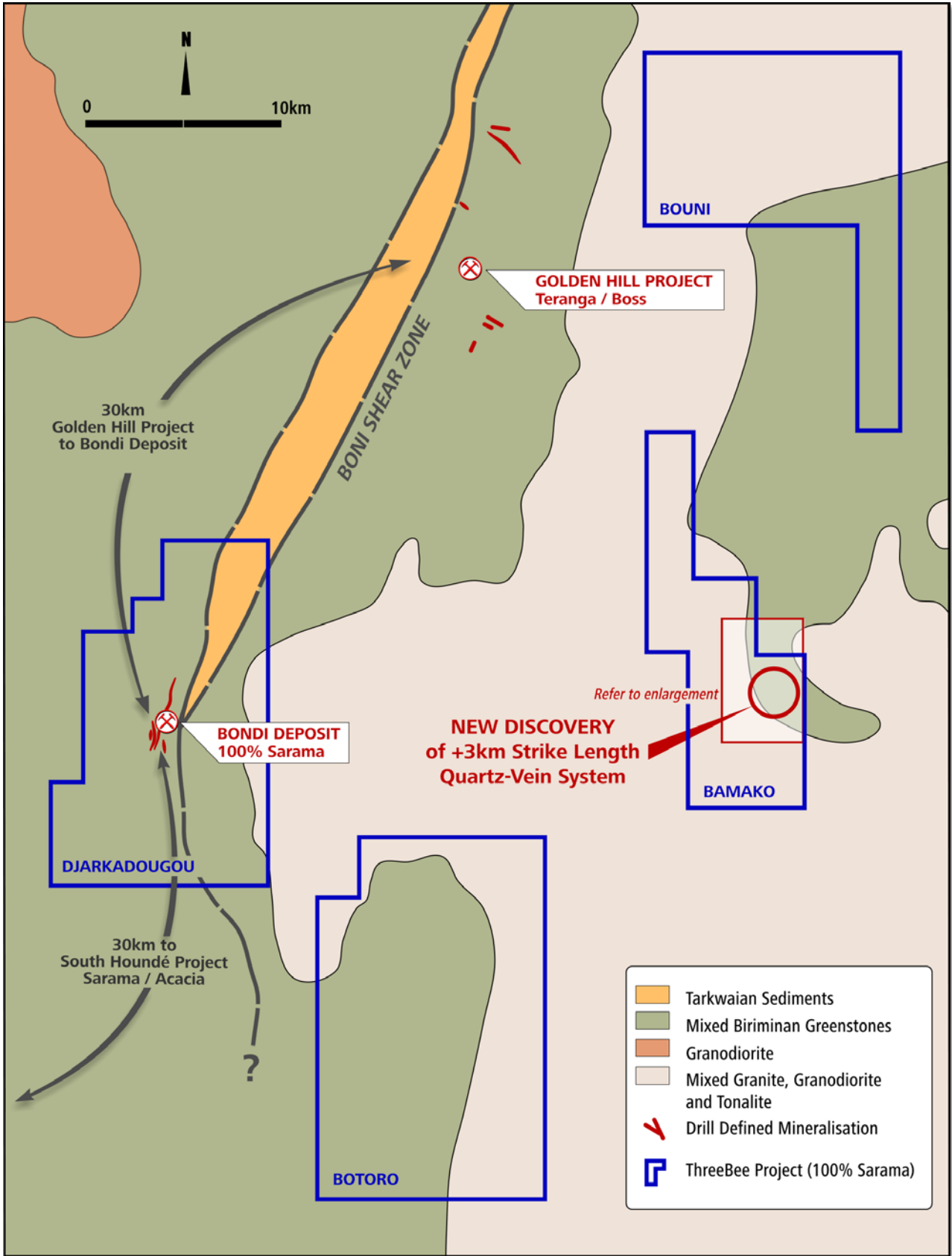


Figure 1 – Simplified Geology Plan of the ThreeBee Project Area

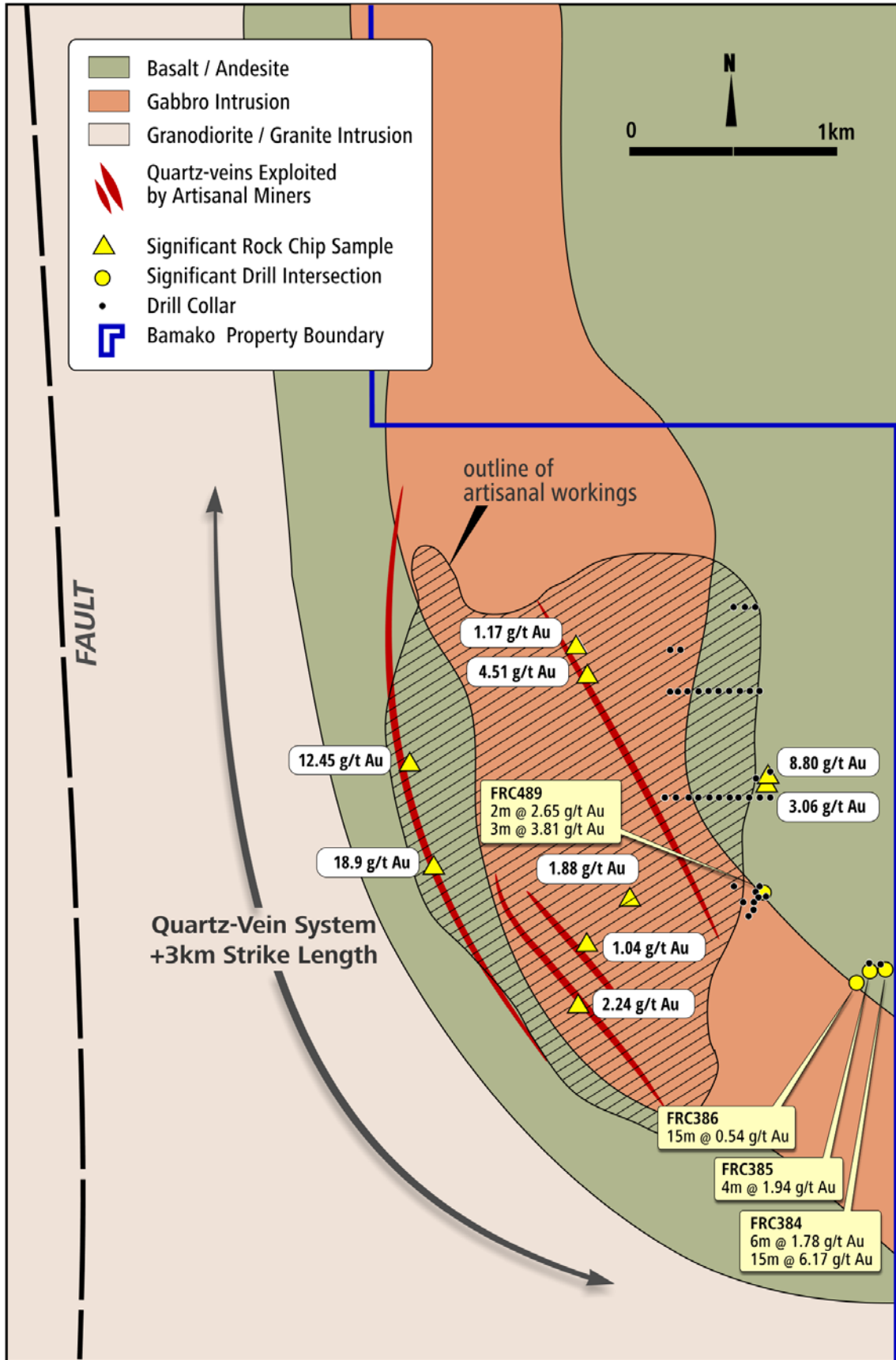


Figure 2 – Geology of the Bamako Property Showing Location of Quartz Vein System

ABOUT SARAMA RESOURCES LTD

Sarama Resources Ltd (TSX-V: SWA) is a West African focused gold explorer with substantial landholdings in Burkina Faso. Sarama is focused on consolidating under-explored landholdings in Burkina Faso and other established mining jurisdictions.

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 an inferred mineral resource estimate of 2.1Moz gold⁽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. Acacia has satisfied certain milestones and currently holds a 50% interest in the South Houndé Project and is continuing to sole fund exploration activities.

Sarama holds a 31% 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"). Savary is the operator of the JV and in October 2015, declared a maiden inferred mineral resource estimate of 671,000 ounces of contained gold⁽³⁾ at the Karankasso Project JV.

Sarama has also acquired a 100% interest in the Bondi Deposit from Orezone Gold Corporation (refer news release May 24, 2016). Bondi has a historical estimate of mineral resources of 0.3Moz Au (measured and indicated) and 0.1Moz Au (inferred)⁽¹⁾.

Together, the South Houndé Project, Bondi Deposit and the Karankasso Project form a cluster of advanced gold deposits, within trucking distance of one another, which potentially offers a development option for a multi-source fed central processing facility in the southern Houndé Belt region of Burkina Faso.

Sarama had recently established a new 600km² exploration position in the highly prospective Banfora Belt in south-western Burkina Faso. The Koumandara Project hosts several regional-scale structural features and trends of gold-in-soil anomalism extending for over 40km along strike.

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 sound exploration strategy across its property portfolio.

FOOTNOTES

1. *Bondi Deposit - 4.1Mt @ 2.1g/t Au for 282,000oz Au (measured and indicated) @ 2.5Mt @ 1.8g/t Au for 149,700oz 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 (the "Bondi Technical Report") and is available under the profile of Orezone 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.*

2. *South Houndé Project - 43.0Mt @ 1.5g/t Au (reported above cut-off grades ranging 0.3-2.2g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the inferred mineral resources having reasonable prospects for eventual economic extraction). The effective date of the Company's inferred mineral resource estimate is February 4, 2016. For further information regarding the mineral resource estimate please refer to the technical report titled "NI 43-101 Independent Technical Report South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated March 31, 2016. The technical report is available under Sarama Resources Ltd.'s profile on SEDAR at www.sedar.com.*
3. *Karankasso Project - 9.2Mt @ 2.3g/t Au (at a 0.5g/t Au cut-off). 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 Savary Gold Corp's profile on SEDAR at www.sedar.com. Sarama has not independently verified Savary's mineral resource estimate and takes no responsibility for its accuracy. Savary 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.*
4. *The ThreeBee Project comprises the Djarkadougou, Botoro, Bamako and Bouni Properties and Sarama has, or is entitled to have, a 100% interest in each of the properties.*
5. *For further information regarding the drilling on the Bamako and Bouni Properties, please refer to the technical report titled "NI 43-101 Independent Technical Report South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated October 28, 2013. The technical report is available under Sarama Resources Ltd.'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 Company's plans for exploration at the ThreeBee Project and the potential for the Bamako Property to host gold mineralization of significance, drilling and geochemical and geophysical surveys at the South Houndé Project, the Earn-In Agreement with Acacia, including the amounts that may be spent on exploration and interests in the South Houndé Project that may be earned by Acacia upon making certain expenditures and estimating a minimum reserve, the potential to expand the present oxide component of the Company's existing estimated mineral resources, and future exploration plans.

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; 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 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, Acacia's continued funding of exploration activities, 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 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.

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.

NOTES – SOIL GEOCHEMISTRY

An initial soil geochemistry survey with 400m spaced east-west lines sampled at 100m spacing was completed within a restricted zone along the eastern margin of the property. Granitic rocks underlie the majority of Bamako to the west and were not covered by the soil program. In addition, several planned soil lines across cultivated fields were not completed. A generally north-west trending gold anomalous zone has been defined along the eastern contact between Birimian greenstones and the granitoids. The anomaly is erratic and patchy, developed along a 6.5km strike length and up to 3km wide. The artisanal workings are located along the western edge of the anomalous area within the 100ppb Au contour. The threshold for anomalous areas is defined by contoured assays above 70 ppb Au by the 95th percentile of all the soil assays. The mean value of all soil assays is 13.5 ppb Au, and a total of 49 samples returned values greater than 50 ppb Au with a maximum of 535 ppb Au.

An infill soil geochemistry survey was conducted over anomalous areas defined by the initial survey. Infill samples were collected at intervals of 50m along east-west oriented lines spaced at 100m. The combined mean assay grade is 36 ppb Au, with the 95th percentile being defined by a gold content of 94 ppb Au. The maximum value returned is 13,575 ppb Au. In general terms, the infill program resolved the existing gold anomalies, with the main north-west trend containing 2 discrete areas of elevated BLEG soil values. Two other discrete anomalies were defined in the extreme eastern portions of the property, with the southern-most anomaly registering reasonably high values (>179 ppb Au and a maximum of 13,575 ppb Au).

For further information regarding the Company's general sampling and QA/QC protocols please refer to the technical report titled "NI 43-101 Independent Technical Report, South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated March 31, 2016. The technical report is available under the Company's profile on SEDAR at www.sedar.com.

NOTES –DRILLING

Drilling results are quoted as downhole intersections. True widths and orientation of mineralisation intersected by the drilling are not yet well understood.

The reported composites for the drilling were determined using a cut-off grade of 0.30g/t Au to select significant and anomalous intersections, with a maximum of 2m internal dilution being incorporated into the composite where appropriate. No top-cuts were applied to assay grades. Isolated mineralised intersections less than 2m in length have not been reported.

Gold assays for the drilling were undertaken by the SGS-Morila, Mali. Assays are determined by fire assay methods using a sub sample of 50g charge, it is fused with litarge based flux, prill dissolved in aqua regia and gold determined by flame AAS. The detection limit is 0.01g/t Au (SGS-Morila, analyse code FAA505).

The drilling was generally designed using west-east azimuths, according to program aims and expected mineralization orientation, dipping at approximately -55-° and were of variable length. Holes were spaced at various intervals according to targeting intent.

All RC holes were sampled at regular 1m downhole intervals. Intersection oxidation state classification is based on visual logging of the drillholes.

Sarama undertakes geological sampling and assays in accordance with its quality assurance/quality control program which includes the use of certified reference materials as well as field duplicates. For further information regarding the Company's QAQC protocols please refer to the technical report titled "NI 43-101 Independent Technical Report, South Houndé Project Update, Bougouriba and Ioba Provinces, Burkina Faso", dated March 31, 2016. The technical report is available under the Company's profile on SEDAR at www.sedar.com.

QUALIFIED PERSONS' STATEMENT

Scientific or technical information in this news release 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 report 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 South Houndé Project 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, 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 report 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. Sarama has not independently verified Savary's mineral resource estimate and takes no responsibility for its accuracy.