

12 December 2024



SARAMA RESOURCES SUBMITS REQUEST FOR ARBITRATION AGAINST BURKINA FASO

Formal Commencement of International Arbitration Proceedings for Significant Damages Claim

VANCOUVER, CANADA/PERTH, AUSTRALIA. Sarama Resources Ltd. (“Sarama” or the “Company”) (TSX-V:SWA, ASX:SRR) announces that it has formally commenced arbitration proceedings against the State of Burkina Faso in relation to a dispute concerning the expropriation of the Company’s Sanutura Project (*refer to news release dated 5 September 2023*).

The Company will seek full compensation for the loss and damages the Company has suffered as a result of certain acts and omissions by the Government of Burkina Faso. Based on a preliminary estimate, the Company will be seeking damages of no less than A\$180 million and as the arbitration proceeds, the Company expects to appoint a quantum expert who will prepare a professional damages assessment for review by the arbitration tribunal.

Following the establishment of a non-recourse litigation funding facility of A\$6.7M (*refer to news release dated 24 October 2024*), the Company has submitted a Request for Arbitration (“RFA”) to the International Centre for Investment Disputes (“ICSID”), a division of the World Bank Group. The submission of the RFA setting out the preliminary details of the case and addressing certain procedural matters marks the formal commencement of the arbitration process.

The Company’s arbitration claim will be pursued according to the established and enforceable legal framework of ICSID which has heard numerous investor-state disputes, including recent proceedings brought by Indiana Resources (IDA:ASX) and GreenX Metals (ASX:GRX) which resulted in awards in favour of the claimants of A\$180M and A\$490M respectively.

The submission of the RFA follows the prior issuance of a Notice of Intent to Submit Claims to Arbitration to the Government of Burkina Faso (*refer to news release dated 30 November 2024*) which initiated a 60-day consultation period between the parties to amicably resolve the dispute. Despite the Company’s best efforts, the Government of Burkina Faso neglected to respond and no settlement was reached, leaving Sarama with no alternative but to initiate international arbitration proceedings.

The Company has engaged Boies Schiller Flexner (UK) LLP (“BSF”), a leading international law firm, to assist with legal matters pertaining to the dispute (*refer to news release dated 17 October 2023*). BSF is an internationally recognised dispute resolution law firm with extensive experience representing investors in international investment arbitrations in the mining and natural resources sectors worldwide.

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CAUTION REGARDING FORWARD LOOKING INFORMATION

Information in this news release that is not a statement of historical fact constitutes forward-looking information. Such forward-looking information includes, but is not limited to, the quantum and pursuit of compensation for the loss and damages; the intention to appoint a quantum expert and preparation of a professional damages assessment; and the pursuit and outcome of the arbitration claim. Actual results may vary from the forward-looking information due to known and unknown risks, uncertainties and other factors. Such factors include, among others, foreign country and political risks, including risks relating to foreign operations and expropriation or nationalization of mining operations; delays in obtaining or failure to obtain governmental permits, or non-compliance with permits; as well as those factors disclosed in the Company's publicly filed documents. 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.

This announcement has been authorised by the Board of Sarama Resources.

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.
