VANCOUVER, May 5, 2015 /CNW/ - Sarama Resources Ltd. ("Sarama" or the "Company") is pleased to report that regional drilling at the MC and Obi Prospects has returned significant gold intersections in oxide material, leading to the interpretation of mineralised zones along newly-defined strike lengths of 800m and 1,900m respectively. The zones are situated south and along strike from the mineral resource at the MC Prospect and indicate the potential for a continuous eastern horizon extending over 5km. A USD$3.5M, multi-faceted exploration program is ongoing (50% complete) at the South Houndé Project (the "Project") which is subject to an earn-in agreement between Sarama and Acacia Mining plc

Highlights

- Two new zones of oxide mineralisation delineated at the MC and Obi Prospects, measuring 800m and 1,900m along strike respectively.
- Drilling shows potential for a 5km-long mineralised horizon, parallel to the well-defined 9.8km-long trend that lies approximately 800m to the west.
- Drilling continues to demonstrate the potential to add to the oxide mineral resource of the Project.
- Highlighted downhole intersections include:
  - AC1869 7.0m @ 2.09g/t Au from 37.0m
  - AC1868 7.0m @ 1.83g/t Au from 41.0m
  - AC1918 6.0m @ 1.59g/t Au from 64.0m
  - AC1921 12.0m @ 1.18g/t Au from 30.0m
  - AC1927 14.0m @ 1.12g/t Au from 52.0m
  - AC1914 14.0m @ 1.06g/t Au from 26.0m
  - AC1925 35.0m @ 0.80g/t Au from 22.0m
  - AC1924 22.0m @ 0.92 g/t Au from 24.0m, including 14.0m @ 1.24g/t Au from 24.0m
  - AC1920 26.0m @ 0.84g/t Au from 22.0m, including 18.0m @ 1.04g/t Au from 30.0m
- Further exploration will be conducted along the trend, targeting 'drilling gaps' and working towards understanding the geological controls on higher-grade and broad zones of mineralisation.
- USD$3.5M (CAD$4.4M) exploration program is budgeted for 2015 including geochemical and geophysical surveys and drill programs.

MC and Obi Prospects Drill Programs

The Project's mineral resource currently stands at 1.5 Moz[1,2] of contained gold, a majority of which is delineated at the MM and MC Prospects and hosted within a regional-scale structural-magmatic zone informally known as the Tankoro Structural Corridor. The area to the south of the defined mineral resources at the MC Prospect has only been lightly explored, with activities limited to regional scout drilling and ground-based geophysical and geochemical programs.

A 2,500m air-core ("AC") drill program, completed in March 2015, was designed to test shallow oxide targets generated by soil geochemistry and ground-based geophysical surveys in areas interpreted to be structural extensions to mineralised zones previously identified by drilling at the MC Prospects. The main focus areas were two 500m-long zones in the north-east and south-east of the Obi and MC Prospects respectively (refer Figure 1).

Highlighted downhole intersections from the northern part of the drill program at the MC Prospect include 7.0m @ 2.09g/t Au from 37.0m in AC1869 and 7.0m @ 1.83g/t Au from 41.0m in AC1868. The southern part of the program at the Obi Prospect returned several broad downhole intersections including 12.0m @ 1.18g/t Au from 30.0m in AC1921, 14.0m @ 1.12g/t Au from 52.0m in AC1927, 14.0m @ 1.06g/t Au from 26.0m in AC1914; 35.0m @ 0.80g/t Au from 22.0m in AC1925, 22.0m @ 0.92g/t Au from 24.0m (including 14.0m @ 1.24g/t Au from 24.0m) in AC1924 and 26.0m @ 0.84g/t Au from 22.0m (including 18.0m @ 1.04g/t Au from 30.0m) in AC1920.

The two new zones of mineralisation have strike lengths of 800m and 1,900m at the MC and Obi Prospects respectively. The location of these zones along strike from the mineral resource at the MC Prospect indicates the potential for a 5km-long mineralised horizon to be present, extending from the MC Prospect in the north to the Obi Prospect in the south. This is significant when considered in conjunction with the 9.8km-long trend of mineralisation that is defined by drilling approximately 800m to the west. This further expands the potential of the Project to host oxide mineralisation.

The drilling results illustrate the merit of using geophysical techniques to generate targets in areas with poor geochemical responses. The Company now looks forward to conducting further exploration in 'drilling gaps' along the newly defined horizon and working identify zones of higher grade and broader mineralisation along the greater MC-Obi trend.

Significant results from the drill program are listed in Appendices A and selected cross-sections are presented as Figures 2 to 4.

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

"These results have opened up the entire eastern part of the Obi Prospect to further exploration as the delineation of two new mineralised zones trending south from the MC Prospect provide evidence of a continuous mineralised trend extending 5km from the MC Prospect to the Obi Prospect.

We now need to understand the geological controls for high grade material and look for repeating zones of mineralisation similar to those seen at the MM and MC Prospects. We have been fortunate that in doing this work we are continuing to improve the likelihood of growing the oxide resource to a size that provides opportunities for development."

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

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Figure 1 – New Mineralisation at MC and Obi Prospects Illustrates Potential for Parallel 5km-Long Mineralised Horizon

Figure 2 – MC Prospect Section 1174770mN

Figure 3 – Obi Prospect Section 1173360mN

Figure 4 – Obi Prospect Section 1173160mN

About Sarama Resources Ltd

Sarama Resources Ltd. (TSX-V: SWA) is a West African focused gold explorer with substantial landholdings in Burkina Faso, Liberia and Mali.

Sarama's flagship property is the South Houndé Project in south-west Burkina Faso. Located within the prolific Houndé greenstone belt, Sarama's exploration programs have built on significant early success to deliver a maiden Inferred Mineral Resource estimate of 1.5 Moz gold.[1,2] In November 2014, Sarama entered in to an earn-in agreement with Acacia Mining plc where Acacia has the right to earn up to a 70% interest in the Company's South Houndé Project by meeting certain conditions, including spending US$14m on exploration and can earn a further 5% interest upon the estimation of a mineral reserve of 1.6Moz Au.

The Company's Board and management team have a proven track record in Africa and a strong history in the discovery and development of large-scale gold deposits. Sarama is well positioned to build on its current success with a strong financial position and a sound exploration strategy across its property portfolio.

1. 29.13 Mt @ 1.6 g/t Au (at a 0.8 g/t Au cut-off) inferred mineral resource
2. The effective date of the Company's Mineral Resource estimate is September 16, 2013. For further information regarding the Mineral Resource estimate please refer to the technical report titled "NI 43-101 Independent Technical Report, South Houndé Project, Bougouriba and Ioba Provinces, Burkina Faso", dated October 28, 2013. The technical report is available under the Company's profile on SEDAR at www.sedar.com.

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 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.

Notes – Drilling

Drilling results are quoted as downhole intersections. True mineralisation width is expected to be approximately 70% to 80% of intersection length for holes drilled on east-west sections, dipping at -50° to -75° and intersecting the north-north-east striking lenses, however the nature of some mineralised units is not well understood.

The reported composites for AC 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 AC drilling were undertaken by the SGS S.A. laboratory in Ouagadougou, Burkina Faso. Assays are determined by fire assay methods using a 50 gram charge, lead collection and an AAS finish with a 0.01g/t Au lower detection limit.

AC drilling was generally designed using west-east oriented holes, dipping at -55° to the east, of variable length. Holes were spaced at 25m intervals along drill lines. AC drill cuttings were sampled over regular 1m or 2m intervals, depending on the purpose of the hole.

Sarama undertakes geological sampling and assays in accordance with its quality assurance/quality control program which includes the use of certified reference materials and duplicates for RC and AC drilling.

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, Bougouriba and Ioba Provinces, Burkina Faso", dated October 28, 2013. The technical report is available under the Company's profile on SEDAR at www.sedar.com.

Qualified Person's Statement

Scientific or technical information in this news release that relates to the preparation of the Company's mineral resource estimate is based on information compiled or approved by Adrian Shepherd. Adrian Shepherd is an employee of Cube Consulting Pty Ltd and is considered to be independent of Sarama Resources Ltd. Adrian Shepherd is a chartered professional member in good standing of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101. Adrian Shepherd consents to the inclusion in this news release of the information, in the form and context in which it appears.

Scientific or technical information in this news release that relates to the 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.

Appendix A – Significant AC Drill Results

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