VANCOUVER, BC--(Marketwired - February 08, 2016) - Sarama Resources Ltd. (TSX VENTURE: SWA) ("Sarama" or the "Company") is pleased to announce an 87% increase[1] in the oxide component of inferred mineral resources[2] to 0.5 Moz[3] of contained gold and a 40% increase[4] in total inferred mineral resources to 2.1 Moz[5] of contained gold at the South HoundÃ© Project (the "Project") in south-west Burkina Faso. The revised mineral resource estimate represents a substantial increase in modelled gold mineralisation which is interpreted to extend for a strike length of over 10km within the Tankoro Structural Corridor, further demonstrating the scale of the mineralised system.

Highlights

- 2.1 Moz gold contained in inferred mineral resource - 43.0 Mt @ 1.5 g/t Au[5]
- 0.5 Moz gold[3] contained within the oxide component of the inferred mineral resource
- Growth in oxide component advances the mineral resource towards the critical mass required to support development of a modest heap leach operation if preferred to a larger gold plant configuration
- Inferred mineral resource estimate includes 1.1 Moz gold @ 2.7 g/t Au[6], reflecting higher grade shoots within the mineralised system
- Mineral resources extend approximately 10.2km along strike within a lithological and structural corridor approximately 1.3km wide
- High-grade zones in the MM and MC Prospects have been locally tested down to approximately 415m below surface and represent ongoing exploration targets to delineate apparent controlling cross structures
- Preliminary metallurgical testwork demonstrates viable processing routes with resulting extractions of 85% for oxide using heap leaching, 93% for oxide using a conventional cyanidation process and 91% for fresh rock using an oxidation stage prior to cyanidation
- A US$3.5M (C$4.9M) exploration program is budgeted for 2016, focussing on new regional targets as well as extensional targets to move the project towards development

1. *Previous oxide component of the inferred mineral resource estimate was 5.4 Mt @ 1.6 g/t Au for 0.3 Moz Au reported above 0.8 g/t Au (refer to technical report titled "The South HoundÃ© Project, Bougouriba and Ioba Provinces, Burkina Faso, 28 October 2013")*
2. *As defined under Canadian National Instrument 43-101 ("NI 43-101"), Standards of Disclosure for Mineral Projects*
3. *13.5 Mt @ 1.2 g/t Au for 0.5 Moz Au reported above 0.3 g/t Au*
4. *Previous inferred mineral estimate was 29.1 Mt @ 1.6 g/t Au for 1.5 Moz Au reported above 0.8 g/t Au (refer to technical report titled "The South HoundÃ© Project, Bougouriba and Ioba Provinces, Burkina Faso, 28 October 2013")*
5. *43.0 Mt @ 1.5 g/t Au for 2.1 Moz Au, reported above cut-off grades of 0.3-2.2 g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the mineral resources having reasonable prospects for eventual economic extraction*
6. *12.1 Mt @ 2.7 g/t Au for 1.1 Moz Au reported above 1.6 g/t Au*

Mineral Resource Estimate

The independent mineral resource estimate was undertaken by Cube Consulting Pty Ltd (Perth) and focused solely on exploration activities conducted at Sarama's 100% owned Tankoro property, the key permit in the Company's South HoundÃ© Project.

The inferred mineral resource of 43.0 Mt @ 1.5 g/t Au for 2.1 Moz Au (refer Table 1) is contained in a package of mineralised lenses interpreted to extend over a strike length of approximately 10.2km in a trend that spans approximately 1.3km across the strike (refer Figure 1). The mineralized corridor, as presently defined by drilling, lies within a 30km-long gold-in-soil geochemical anomaly that remains a key focus for ongoing exploration.

Sarama's historical exploration activities have largely focused on the MM and MC Prospects, which account for 82% of the gold in the mineral resource estimate and include several high-grade shoots extending down to approximately 415m below surface. These and several other higher-grade zones contain an estimated 12.1 Mt @ 2.7 g/t Au for 1.1 Moz Au (at a 1.6 g/t Au cut-off) representing approximately 50% of contained gold within the inferred mineral resource.

More recent exploration activities, conducted by Sarama and funded by Acacia Mining plc pursuant to its earn-in agreement with Sarama, have principally focused on exploring the strike extents of the mineralized system and delineating shallow mineral resources at the Obi and Kenobi Prospects in the south and the Phantom group of prospects in the north areas of the Project. Strike extensions in these areas have contributed significantly to the expansion of the oxide component of the inferred mineral resource which is estimated to be 13.5 Mt @ 1.2 g/t Au for 0.5 Moz Au (at a 0.3 g/t Au cut-off).

The revised mineral resource estimate benefits from the addition of approximately 18,000m air-core, 12,000m reverse-circulation and 6,000m diamond drilling in areas hosting mineralisation since the 2013 estimate. This drilling has confirmed gold mineralization to be hosted predominantly within altered porphyritic intrusions and meta-sedimentary rocks along an anastomosing shear zone, with higher-grade mineralised zones located at structural intersections. The mineralized structural corridor is located in a sequence of metasedimentary rocks that include mudstone, sandstone, greywacke and conglomerate.

Sub-vertical felsic porphyry units of multiple intrusive phases are the dominant host unit for gold mineralization, however the sedimentary sequence also hosts gold mineralization associated with quartz veining and disseminated pyrite-arsenopyrite.

Various phases of alteration have been noted, with sericite-carbonate alteration locally overprinted by albite and chlorite assemblages. Higher grade zones of mineralization are associated with well-developed, structurally controlled silica-albite proximal alteration zones.

Structural interpretation within the immediate area of the inferred mineral resource has been improved by recently acquired airborne geophysical data and detailed core logging. This work has resulted in the correlation of higher grade zones of mineralization with apparent cross structures, a key relationship which will be used to generate near and far-field targets in future exploration programs.

Table 1 summarises the inferred mineral resource and Appendix A contains detailed breakdowns as well as notes outlining the interpretation and estimation methodology.

Table 1 - Inferred Mineral Resource [1,2] - All Prospects

Depth Below Surface [3,4]	Material Type [5]	Reporting Cut-off Grade [6]	Tonnage Above Cut-off Grade	Average Grade Above Cut-off
		g/t Au	Mt	g/t Au
0-200m	Oxide	0.3	13.5	1.2
	Transition	0.8	2.5	1.4
	Fresh	0.8	25.0	1.5
	Sub-total		41.0	1.4
>200m	Fresh	2.2	2.0	3.9
Total Mineral Resource			43.0	1.5

1. *Mineral resources are not mineral reserves and do not demonstrate economic viability.*
2. *All tonnage, grade and ounces have been rounded and minor discrepancies in additive totals may occur.*
3. *Depth below surface classification used as a guide to assess the modelled minerslisation for likelihood of reasonable prospects of eventual economic extraction and is not supported by a preliminary economic assessment or a feasibility study. The classification does not imply that mineral resources demonstrate economic viability.*
4. *Mineral resources reported above and below 140mRL, corresponding to a depth of approximately 200m below surface.*
5. *Weathering classification is based on visual assessment of drill core and cuttings by geologists and does not represent a definitive geo-metallurgical classification.*
6. *Cut-off grades were determined using a gold price of US$1500/oz, metallurgical recoveries supported by testwork and based on oxide material being processed by heap leach flowsheet and fresh and transition material being processed by a flotation+BIOX ®+CIL flowsheet.*

The Company will prepare and file a technical report under National Instrument 43-101 within 45 days of the date of this news release.

Sarama's President and CEO, Andrew Dinning commented:

"We are very pleased with the increase in inferred mineral resources at the South HoundÃ© Project to 2.1 Moz gold. The increase in the oxide component of the mineral resource to 0.5 Moz gold highlights a potential oxide-only development pathway for the Project, whilst we explore for a significantly larger resource that will meet Acacia's development criteria. We also view this mineral resource update as an important milestone for Sarama as the updated mineral resources stake a material value to the Project for Sarama, regardless of the development route taken. We are pleased that Acacia is showing on-going commitment to the Project and we look forward to working with Acacia to create further value for all stakeholders."

Figure 1 - Mineralisation Overlying Soil Geochemistry Contours

About Sarama Resources Ltd

Sarama Resources Ltd. (TSX VENTURE: SWA) is a West African focused gold explorer with substantial landholdings in Burkina

Faso.

Sarama's flagship properties are situated within the Company's South HoundÃ© Project area in south-west Burkina Faso. Located within the prolific HoundÃ© greenstone belt, Sarama's exploration programs have built on significant early success to deliver an inferred mineral resource estimate of 2.1 Moz gold[1,2]. Acacia Mining plc is earning up to a 70% interest in the South HoundÃ© 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. Sarama is focused on consolidating under-explored landholdings in Burkina Faso and other established mining jurisdictions.

Sarama holds a 35% participating interest in the Karankasso Project Joint Venture ("JV") which is situated adjacent to the Company's South HoundÃ© 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[3,4] at the Karankasso Project JV.

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.

1. *43.0 Mt @ 1.5 g/t Au (reported above cut-off grades ranging 0.3-2.2 g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the liklihood of the inferred mineral resources having reasonable prospects for eventual economic extraction)*
2. *The effective date of the Company's inferred mineral resource estimate is February 4, 2016. A technical report will be filed within 45 days of the date of this news release and will be available under the Company's profile on SEDAR at www.sedar.com*
3. *9.2 Mt @ 2.3 g/t Au (at a 0.5 g/t Au cut-off)*
4. *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 the Savary Gold Corp.'s profile on SEDAR at www.sedar.com*

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 it not limited to, statements regarding the Company's future exploration, the potential for open pit and underground mining at the South HoundÃ© Project, the updated inferred mineral resource estimate and the timing of the filing of the new technical report. 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, 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.

QUALIFIED PERSONS' 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 heap leach focused metallurgical testwork and mineral processing is based on information compiled or approved by Randall Pyper. Randall Pyper is an employee of Kappes, Cassiday & Associates Australia Pty Ltd and is considered to be independent of [Sarama Resources Ltd.] Randall Pyper is a Fellow 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. Randall Pyper 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 tank-based and oxidative metallurgical testwork and mineral processing is based on information compiled or approved by Fred Kock. Fred Kock is an employee of Orway Mineral Consultants Pty Ltd and is considered to be independent of [Sarama Resources Ltd.] Fred Kock is a Fellow 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. Fred Kock 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 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 GÃ©ologues du QuÃ©bec 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.

Appendix A - Mineral Resource Estimation

Table A1 - Inferred Mineral Resource by Prospect

Table A2 - Sensitivity of Inferred Mineral Resource Estimate Grade & Tonnage to Cut-Off Grade - All Prospects

Contact

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