VANCOUVER, BC--(Marketwired - December 13, 2016) - Sarama Resources Ltd. ("Sarama" or the "Company") (TSX VENTURE: SWA) is pleased to announce an update with respect to its transaction to acquire a 100% interest in the Bondi gold deposit ("Bondi") in Burkina Faso, West Africa from Orezone Gold Corp. (TSX VENTURE: ORE). For details of transaction see news release dated May 24, 2016.

Agreements supporting the acquisition have been executed and shares of Sarama issued in consideration of the acquisition have been placed in escrow. The shares will remain in escrow until related approvals and opinions from the government of Burkina Faso have been received and the transfer of the underlying Djarkadougou exploration permit from Orezone to Sarama has been completed. Sarama is hopeful the transaction can be completed in due course such that a planned exploration program can commence in Q1 2017.

Orezone and Sarama consider Bondi to be a strategic permit within the package of land currently being explored by Sarama and its partners. The acquisition of Bondi puts Sarama in a unique position to play a key role in the consolidation of the area, as Sarama will have ownership interests in three advanced projects including the 2.1 million ounce South HoundÃ© Project and the 0.7 million ounce Karankasso JV Project where it holds 75% and 31% interests, respectively. On closing, Sarama will control 100% of the Bondi deposit and the surrounding Djarkadougou exploration permit.

Bondi is located immediately adjacent to Sarama's South HoundÃ© Project in south-western Burkina Faso. The deposit has a historical estimate of Mineral Resources of 0.28 million ounce Au (measured and indicated) and 0.15 million ounce Au (inferred)[5,6] and is within trucking distance of Sarama's South HoundÃ© Project. Completion of this acquisition bolsters Sarama's position in the region, consolidates ownership of advanced assets and provides Sarama with various options to pursue the development of a mine in the region.

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

"Sarama looks forward to completing the process of acquiring the Bondi deposit, and we are pleased that a successful industry player like Orezone recognises the value of combining the project with others in the belt. In our opinion, this transaction starts the consolidation of the highly prospective southern HoundÃ© Belt.

We look forward to the completion of this transaction which will result in Sarama having significant interests in three advanced gold projects that, collectively, provide optionality and pathways for potential project development."

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 31% 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 likelihood 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. For further information regarding the mineral resource estimate please refer to the technical report titled "NI 43-101 Independent Technical Report South HoundÃ© 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. 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 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.
5. 1 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.
6. The effective date of the historical estimate of the Bondi deposit mineral resource estimate is February 20, 2009. For further information regarding the mineral resource estimate please refer to the technical report titled "Technical Report on the Mineral Resource of the Bondigui Gold Project", dated February 20, 2009. The technical report is available under Orezone Gold Corp. '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 HoundÃ© Project, the Earn-In Agreement with Acacia, including the amounts that may be spent on exploration and interests in the South HoundÃ© 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.

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 GÃ©ologues du QuÃ©bec 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 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 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. Sarama has not independently verified Savary's mineral resource estimate and takes no responsibility for its accuracy.

Scientific or technical information in this news release, in respect of the Bondi gold deposit, relating to metallurgical testwork information drawn from the Technical Report prepared for Orezone on that deposit and the Metallurgical Report prepared for Orezone on that deposit has been approved by Fred Kock. Fred Kock is an employee of Orway Mineral Consultants Pty. Ltd. and is considered 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, in respect of the Bondi gold 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 GÃ©ologues du QuÃ©bec 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.

Contact

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