

29 November 2024



SRR
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SARAMA COMPLETES A\$2M EQUITY PLACEMENT AND ASX CLEANSING NOTICE

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VANCOUVER, CANADA / PERTH, AUSTRALIA. Sarama Resources Ltd. (“Sarama” or the “Company”) (ASX:SRR, TSX-V:SWA) is pleased to report that on 29 November 2024, it closed Tranche 1 of its previously announced A\$2m equity placement (the “Placement”) (refer to Sarama’s news release dated 21 November 2024).

Tranche 1 of the Placement raised aggregate gross proceeds of A\$2,000,000 with the Company issuing 66,666,666 Chess Depository Instruments (“CDIs”) at an issue price of A\$0.03 per CDI. Each new CDI issued under the Placement will rank equally with existing CDIs on issue and each CDI will represent a beneficial interest in one common share of the Company. Tranche 2 of the Placement will consist of 16,666,666 free attaching unlisted options (each a “Placement Option”) and 14,000,000 broker options (each a “Broker Option” and together with the Placement Options, the “Options”), with each Option exercisable at A\$0.09 and expiring on 30 November 2028. The issuance of the Options is subject to shareholder approval at a general meeting expected to be held in late January/early February 2025. No funds will be received from Tranche 2.

The Placement was issued to institutional and other sophisticated and professional investors pursuant to the shareholder approval obtained at Sarama’s annual general meeting held on 11 September 2024.

Funds raised from the Placement will be used for exploration activities, general working capital purposes and for general and administration costs. None of the proceeds from the Placement will be used for payments to non-arm’s length parties or persons conducting investor relations activities. A management corporate fee and broker commission of A\$120,000 was paid to Ventnor Capital Pty Ltd in connection with the closing of Tranche 1 of the Placement.

Proceeds from the Placement will not be used to fund fees and expenses related to the Company’s damages claim in respect of an investment dispute with Burkina Faso, which is subject to arbitration proceedings. These costs are fully funded via a A\$6.7m non-recourse loan facility (refer to Sarama’s news release dated 24 October 2024).

The Placement remains subject to the final approval of the TSX Venture Exchange (“TSXV”). The CDIs issued under Tranche 1 of the Placement were not subject to any TSXV hold periods as all subscribers under Tranche 1 of the Placement were located outside of Canada.

Members of Sarama’s Board and Management did not subscribe for any CDIs in the Placement; however, concurrent with the Placement and subject to exchange and shareholder approval, the Company’s executives and non-executive directors intend to receive a portion of their deferred salaries and director fees, in an aggregate amount of approximately A\$394,000, in CDIs of the Company (the “Compensation Securities”). In September 2023, the Company’s executives and non-executive directors agreed to suspend the payment of salaries and fees to ensure the Company had sufficient financial resources to work through the period of uncertainty created by the illegal withdrawal of the Company’s rights to the Tankoro 2 exploration permit in Burkina Faso in August 2023. The Company intends to issue the Compensation Securities at the same price as the Placement (however, attaching options will no longer be included).

The Placement Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from registration is available. This announcement does not constitute an offer to sell or a solicitation of an offer to buy any of the Securities within the United States or to, or for the account or benefit of, U.S. Persons (as defined under Regulation S under the U.S. Securities Act), nor shall there be any sale of these Securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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Notice under section 708A(5)(e) of the Corporations Act 2001 (Cth)

The Corporations Act 2001 (Cth) (“**Corporations Act**”) restricts the offer for sale of securities without a disclosure document unless the relevant sale satisfies an exemption set out in section 708 or section 708A of the Corporations Act. ASIC Class Order [CO 14/827] (“**Class Order**”) provides relief so that an offer of CDIs over underlying foreign securities is regulated as an offer of securities under the Corporations Act. The Company seeks to rely on an exemption in section 708A of the Corporations Act (as modified by the Class Order) with respect to any sale of the CDIs.

As required by section 708A(5)(e) of the Corporations Act as modified by the Class Order, the Company gives notice that:

1. The CDIs were issued without disclosure to investors under Part 60.2 of the Corporations Act.
2. The Company, as at the date of this notice, has complied with:
 - a) the provisions of section 601CK of the Corporations Act as they apply to the Company; and
 - b) sections 674 and 674A of the Corporations Act.
3. As at the date of this notice, there is no information, for the purposes of section 708A(7) and 708A(8):
 - a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the CDIs.

Where applicable, references in this notice to sections of the Corporations Act are to those sections as modified by the Class Order.

This announcement was authorised by the Board of Sarama.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact:

Company Activities

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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, statements regarding the timing for closing tranche 2 of the Placement, the intended use of proceeds from the Placement, the intention to hold a general meeting and receiving the approval of the TSXV. 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 and security-related 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.