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SARAMA RESOURCES CONSOLIDATES POSITION IN WESTERN AUSTRALIAN GOLDFIELDS

Agreement Executed for Acquisition of Majority Interest⁽¹⁾ in Belt-Scale Mt Venn Project

PERTH, AUSTRALIA / VANCOUVER, CANADA. Sarama Resources Ltd. (“Sarama” or the “Company”) (ASX:SRR, TSX-V:SWA) is pleased to advise that it has executed a non-binding Heads of Agreement (the “HoA”) with Orbminco Limited (“Orbminco”) (ASX: OB1), an arm’s length third party, to acquire a majority⁽¹⁾ and controlling interest⁽¹⁾ in the under-explored, belt-scale 420km² Mt Venn Project (the “Project”)⁽²⁾, located in the Eastern Goldfields of Western Australia.

This follows Sarama’s **recent acquisition** of a majority interest in the 580km² Cosmo Project, approximately 45km to the west of the Mt Venn Project. Both projects are well-positioned and underexplored, presenting an exciting opportunity for Sarama in the **Laverton Gold District** which is known for its **prolific gold endowment** (refer Figure 1).

Highlights

- Non-binding Heads of Agreement executed for **acquisition of 80% interest** in belt-scale **Mt Venn Project**
- Located in the prolific Laverton Gold District, **35km** from the producing **Gruyere Gold Mine** and less than **20km** from **Gold Road’s Golden Highway Deposit**
- Project covers **420km²** and features a favourable litho-structural setting, primarily in greenstone rocks
- Includes **regional shear zone of ~50km strike length** and 1-3km width extending full length of greenstone belt
- **Advanced gold targets** generated through historical exploration, including **broad drill-defined gold mineralisation**
- Highly complementary to Sarama’s recently acquired, underexplored and prospective Cosmo Project
- Creates 1,000km² exploration position in the Laverton Gold District, capturing 100km of strike length
- Land access agreement with Traditional Owners in place for exploration
- 100% scrip consideration with initial exploration funded by the November 2024 equity raise of A\$2M

Sarama’s President, Executive Chairman, Andrew Dinning commented:

“We are very pleased to have reached agreement to acquire the Mt Venn Project and when completed, this acquisition will significantly consolidate our position in the prolific Laverton Gold District of Western Australia. The addition of this project creates a major 1,000km² area-play which significantly enhances the probability of making the next big discovery in a region that continues to deliver new deposits in previously unexplored areas, including the regionally-significant Gruyere Deposit just 35km east of the Mt Venn Project. We look forward to working towards completing the transaction and will provide updates in due course.”

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Mt Venn Project

The Project is comprised of **3 contiguous exploration tenements covering approximately 420km²** in the Eastern Goldfields of Western Australia, approximately 110km north-east of Laverton and 35km west of the regionally-significant **Gruyere Gold Mine⁽³⁾**. The Project is readily accessible via the Great Central Road which services the regional area east of Laverton.

The Project captures the majority of the underexplored **Jutson Rocks Greenstone Belt** over a **strike length of ~50km**. Rocks within the belt feature a diverse sequence of volcanic lithologies of varying composition, together with pyroclastics and metasediments. Several internal intrusive units have been identified throughout the Project and are commonly associated with local structural features. A regionally extensive **shear zone, spanning 1-3km in width, extends the entire length of the belt** with subordinate splays interpreted in the southern area of the Project which provides a favourable structural setting for mineralisation.

Gold mineralisation was first discovered in the 1920's with sampling returning very high grades and prompting the commencement of small-scale mining operations in the mid 1920's. **Multiple gold occurrences** have since been identified throughout the Project, demonstrating the prospectivity of the system. Despite the identification of **several km-scale gold-in-soil anomalies** by soil geochemistry and auger drilling, many of these targets are yet to be properly tested. Encouragingly, drilling by Cazaly Resources Limited ("**Cazaly**") (ASX: CAZ) at the Project intersected **broad, gold mineralisation** over several fences in weathered and fresh rock at the Three Bears Prospect, presenting a **priority target** for exploration (Cazaly news release 27 February 2017: "*Widespread Gold & Zinc Mineralisation Defined*").

In addition to the attractiveness of the Project for gold, it is considered prospective for base metals and platinum group elements. Historical exploration work including auger geochemistry and geophysical surveys identified several targets for copper, nickel and zinc mineralisation. Several of these targets remain untested due to historical funding and land access constraints. Exploration in the belt to the immediate south of the Project area is noted to have intersected copper mineralisation of significant grade over a significant strike length⁽⁴⁾.

In summary, the Project is located within a **prolific gold district** and has a favourable lithological and structural setting. A **solid database of base-level historical exploration** work by previous operators, including generation of **drill-ready targets**, provides a good platform for Sarama to advance the Project in conjunction with its activities at the Cosmo Project. The **size and prospectivity of the landholding** that Sarama will have in the Laverton Gold District upon completion of this transaction **significantly enhances the chances of making an economic discovery**, particularly given the infrastructure and proliferation of mines in the region which will have a favourable impact on the size threshold for finding something of economic value.

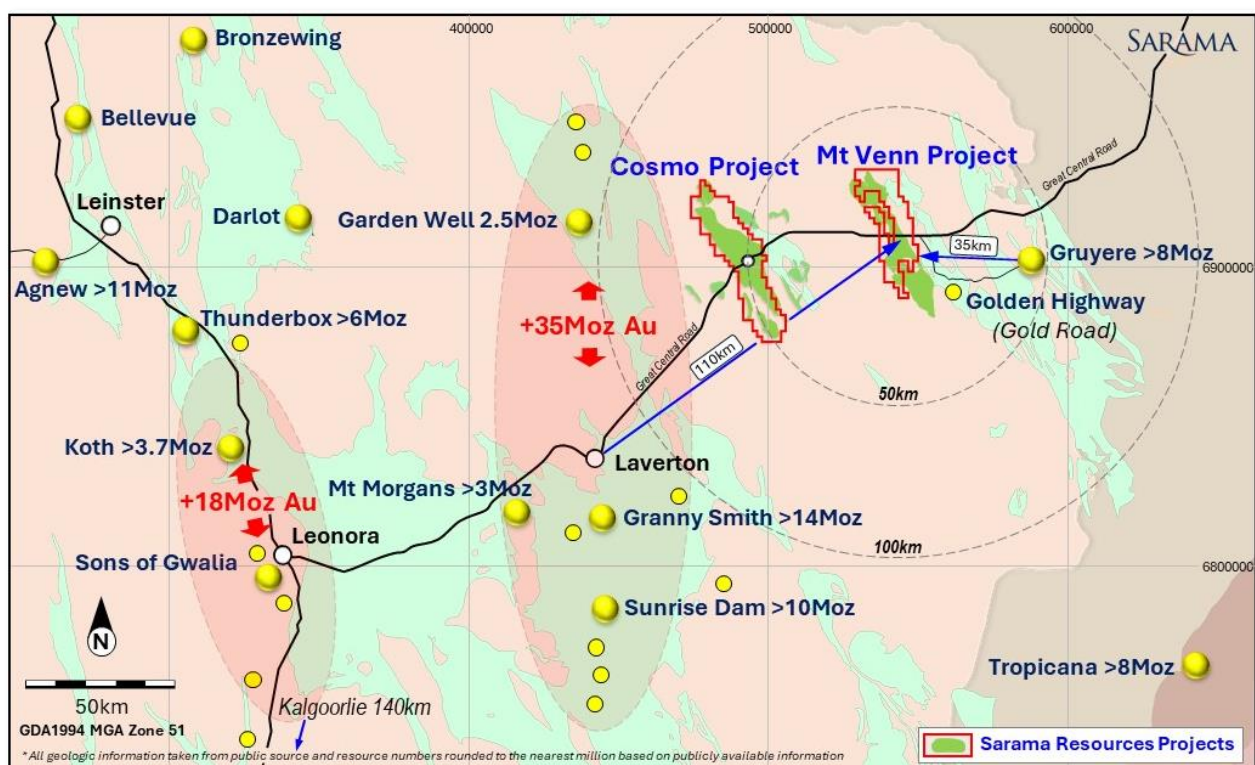


Figure 1 – Mt Venn and Cosmo Project Locations, Eastern Goldfields, Western Australia

Transaction & Joint Venture Summary

Transaction Details

Orbminco's interest in the Project is held through the participation of its 100%-owned subsidiary Yamarna West Pty Ltd ("Yamarna") in an unincorporated joint venture ("JV") with Cazaly under which Yamarna is acting as operator/manager of the JV.

The HoA contemplates that a nominee of Sarama be assigned (as provided for in the JV agreement) all of Yamarna's rights, entitlements and obligations under the JV (and associated Native Title Access Agreement(s)) in return for consideration as set out below (the "**Transaction**"). The mineral tenements subject to the JV, which are currently held 100% by Yamarna, shall be transferred into the nominee of Sarama at completion of the Transaction.

As consideration for the assignment of its interests in the JV, Orbminco, or its nominee, will receive 12,000,000 Chess Depository Instruments ("CDIs") in Sarama (the "**Consideration Securities**"). Each Consideration Security issued to Orbminco, or its nominee, in connection with the Transaction will rank equally with existing Sarama CDIs and each Consideration Security will represent a beneficial interest of 1 common share in Sarama.

Orbminco has granted Sarama a right of exclusivity commencing the date of execution of the HoA and ending after a period of 4-months or the date of execution of a binding agreement in respect of the Transaction, whichever is earlier. In return for this right of exclusivity, Sarama has agreed to make a non-refundable cash payment of A\$20,000. During this time, Sarama has undertaken to make payments on behalf of Orbminco for annual exploration licence government rental fees totalling approximately A\$39,900 to ensure continuity of tenure for two of the exploration licences subject of the Transaction.

The Transaction is an arm's length acquisition which is expected to constitute an Expedited Acquisition pursuant to TSX Venture Exchange Policy 5.3 – *Acquisitions and Disposition of Non-Cash Assets*. No finder's fees will be paid in connection with the completion of the Transaction.

Completion of the Transaction will be subject to the satisfaction or waiver by Sarama of the following key conditions:

- execution of a definitive binding agreement for the Transaction;
- receipt of Orbminco Board and shareholder approval for the Transaction, if required;
- receipt of TSX Venture Exchange final acceptance of the Transaction and issuance of the Consideration Securities;
- receipt of Sarama Board and shareholder approval for the issue of the CDIs as consideration for the Transaction;
- complete assignment of all applicable Native Title Access Agreements affecting the Project;
- execution of an assignment deed/agreement by Yamarna and Cazaly for Yamarna's interest in the Project JV;
- receipt of confirmation by Orbminco that it has not novated, assigned or otherwise changed the structure or holding of Yamarna's interest in the JV or Project from the date of its entry into the JV;
- receipt of unconditional guarantee by Orbminco that it will be responsible for any debts and liabilities that have been incurred by Yamarna in relation to the Project JV up to the date of completion of the Transaction; and
- receipt of government extension/renewal notices covering new annual periods for tenements E38/3150 and E38/3581.

Project Joint Venture Structure

The Project is currently in exploration phase and is operated by Yamarna as an unincorporated joint venture in which Yamarna and Cazaly hold interests of 80% and 20% respectively. The JV agreement grants Yamarna exclusive right of access to the Project to conduct exploration and feasibility activities. The JV agreement currently covers mineral tenements E38/3111, E38/3150 and E38/3581 for a total area of approximately 418km².

At present, Yamarna is responsible for all costs incurred by the JV until the completion of a Pre-Feasibility Study on the Project (the "**Free Carry Period**"). At that point, Cazaly may elect to start contributing its pro-rata share of future JV expenditure to maintain its 20% interest, or alternatively, elect to withdraw from the JV. In the event that Cazaly withdraws, its interest will be transferred to Yamarna and it will be granted a 2% net smelter return ("**NSR**") royalty on minerals extracted from the Project.

Following the end of the Free Carry Period and in the event Cazaly has elected to contribute its pro rata share of Project costs, the JV participants will be subject to industry standard 'contribute or dilute' provisions in respect of their interests. In the event a JV participant's interest falls below 5%, it will be deemed to have withdrawn from the JV and its interest automatically converted to a 2% NSR royalty on minerals extracted from the Project.

The JV agreement includes customary protections for the participants associated with, but not limited to, surrender of mineral tenements, disposals of JV property and assets, material revisions to approved work programs and budgets, change of operatorship and decision to mine.

For further information, please contact:

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FOOTNOTES

1. The Project's Exploration Licences are currently held 100% by Yamarna but are subject to the joint venture agreement between Yamarna and Cazaly under which the parties have joint venture interests of 80% and 20% respectively. The Transaction contemplates Sarama (or its nominee) being assigned Orbminco's joint venture interests and continuing under the existing joint venture agreement with Cazaly.
2. The Project is comprised of the following contiguous Exploration Licences: E38/3111, E38/3150 and E38/3581 covering approximately 420km².
3. Gruyere Project Mineral Resources December 2023: 113.3Mt @ 1.32g/t Au for 4.8Moz Au (Measured & Indicated) and 68.6Mt @ 1.44g/t Au for 3.2Moz (Inferred) (December 2023 Quarterly Report, Gold Road Resources Limited, 29 January 2024).
4. Cosmo Metals Limited News Release 4 November 2022.

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 prospectivity of the Mt Venn and Cosmo Projects, information with respect to Sarama's planned exploration activities, having or acquiring mineral interests in areas which are considered highly prospective for gold and other commodities and which remain underexplored, costs and timing of future exploration, the potential for exploration discoveries and generation of targets, the intention to gain the best commercial outcome for shareholders of the Company, timing and receipt of various approvals, consents and permits under applicable legislation and the completion of a transaction to acquire an interest in the Mt Venn Project. 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.

QUALIFIED PERSON'S STATEMENT

Scientific or technical information in this disclosure that relates to exploration is based on information compiled or approved by Paul Schmiede. Paul Schmiede is an employee of Sarama Resources Ltd and is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy. Paul Schmiede 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. Paul Schmiede consents to the inclusion in this news release of the information in the form and context in which it appears.

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.
