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# **SARAMA RESOURCES LTD.**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS**

**For the three months (first quarter) ended March 31, 2025**

**Dated: May 13, 2025**

**(All amounts expressed in United States dollars, unless otherwise stated)**

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## INTRODUCTION

The following Management's Discussion and Analysis ("**MD&A**") is intended to supplement the interim consolidated financial statements of Sarama Resources Ltd. (the "**Company**" or "**Sarama**") and its subsidiaries for the period ending March 31, 2025.

The interim consolidated financial statements for the period ended March 31, 2025 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

This MD&A is current as at May 13, 2025.

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the Company's profile.

## FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's planned exploration and development activities; having interests in projects in areas which are considered highly prospective for gold and remain under-explored; actively assessing opportunities in other jurisdictions; statements related to a potential mine development opportunity featuring an initial, long-life CIL project which was believed could have been established and paid for by the significant oxide mineral resource base; costs and timing of future exploration; statements regarding results of future exploration and drilling, timing and receipt of approvals, consents and permits under applicable legislation; updated plans for the advancement of the Sanutura Project (as defined below); the identification of targets within the Sanutura Project, which, prior to the illegal withdrawal of the Permit (as defined below), the Company believed had the potential to make meaningful additions to the mineral resource base of the Sanutura Project; the intention to gain the best commercial outcome for shareholders of the Company; preserving and maximising shareholder value; the pursuit of legal rights in connection with the Permit, which was withdrawn in a manner the Company believes to be unlawful; the expectation that it will receive all of the requisite Exploration Permits' *arretés*; plans to continue with limited desk-top work on the Karankasso Project; plans to review Sarama's ongoing investment in the Karankasso Project on a periodic basis; and the adequacy of financial resources. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be forward-looking information. Wherever possible, words such as "plans", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify forward-looking information.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: our limited operating history, negative operating cash flow and need for additional financing; the early stage of our exploration and the fact that we have no mineral reserves; global economic conditions; our dependence on key management and qualified personnel; exploration, development and mining risks; title and property risks; risks related to the presence of artisanal miners; risks associated with operations in Africa; risks associated with pandemics and health; risks associated with maintaining a skilled workforce; risks relating to government regulations; environmental laws, regulations and risks; changes in national and local government regulation of mining operations and regulations; risks associated with inconsistent application of governing laws; uncertainty regarding the Company's ability to acquire necessary permits and comply with their terms; uncertainty regarding the issuance of supporting documentation following the granting of permits, including but not limited to Exploration Permits' *arretés*; infrastructure risks; uninsurable risks; risks regarding our ability to enforce our legal rights; market factors and volatility of commodity prices; fluctuations in foreign exchange rates; competition; acquisition risks; conflicts of interest; price volatility in publicly traded securities; dilution; dividends and "passive foreign investment company" tax consequences to U.S. shareholders.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in

the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Assumptions have been made regarding, among other things: our ability to carry on exploration and development activities, our ability to meet our obligations under our property agreements, the timing and results of drilling programs, the discovery of mineral resources and mineral reserves on our mineral properties, the timely receipt of required approvals, the price of gold, the costs of operating and exploration expenditures, our ability to operate in a safe, efficient and effective manner, our ability to obtain or maintain the necessary approvals, permits or licenses that may be required to explore and develop our current or future properties, the governing laws are applied consistently, transparently and in a timeframe sufficient to continue activities and our ability to obtain financing as and when required and on reasonable terms. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. We cannot assure you that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

## OVERVIEW

Sarama is a Canadian-incorporated mineral exploration and development company whose principal business objective is to explore for and develop mineral deposits.

The Company was incorporated on April 8, 2010 under the *Business Corporations Act* (British Columbia). The Company's primary office is located in Perth, Western Australia. The Company's common shares are listed on the TSX Venture Exchange ("**TSXV**") and Chess Depositary Interests ("**CDIs**") on the Australian Securities Exchange ("**ASX**") under the codes 'SWA' and 'SRR' respectively.

The Company has acquired two large, area-scale gold exploration projects in Australia. The acquisition of the Mt Venn gold Project is pending shareholder approval in June 2025. The Company continues to evaluate opportunities that support its objective of exploring for and developing mineral deposits.,

The Cosmo Gold Project ("**Cosmo Project**") in Australia was acquired in December 2024 and captures one of the last relatively unexplored greenstone belts in Western Australia. The Cosmo Newbery Belt has a strike length of +50km representing a large and prospective system with gold first being discovered in the area in the 1890's. Multiple historical gold workings are documented within the Cosmo Project area and work undertaken to date, has identified multiple exploration targets for follow up.

Despite its significant prospectivity, the Cosmo Project has seen virtually no modern exploration or drilling of merit due to a lack of land access persisting over a significant period. As a result, the Cosmo Project has not benefited from the evolution of geochemical and geophysical techniques which now facilitate effective exploration in deeply weathered and complex regolith settings which is particularly pertinent given approximately 75% of the Project area is under cover.

In February 2025, the Company also acquired a majority interest in the Mt Venn Gold Project, subject to shareholder approval at a meeting to be held in June 2025. Mt Venn is located near the Cosmo Project and has a favourable lithological and structural setting with a solid database of base-level historical exploration work by previous operators, including generation of drill-ready targets. This provides a good platform for Sarama to advance Mt Venn in conjunction with its activities at the Cosmo Project.

Separate to its interests in Australia, the Company built and advanced substantial exploration landholdings in the Houndé Greenstone Belt in south-west Burkina Faso, West Africa where the Sanutura Project (the "**Project**") was the exploration and development focus of the Company. The Project hosts the Bondi Deposit which has a mineral resource of 0.5Moz gold (Inferred)<sup>(3)</sup> and formerly hosted the Tankoro Deposit (Mineral Resource of 0.6Moz Au (Indicated) plus 1.9Moz Au (Inferred)<sup>(2)</sup> until August 2023, when the Company was notified ("**Notification**") by the Ministry of Energy, Mines and Quarries of Burkina Faso (the "**Government**") that its rights to the Tankoro 2 Exploration Permit (the "**Permit**"), which hosts the Tankoro Deposit, had been withdrawn in a manner the Company considers to be unlawful (*refer news release dated September 6, 2023*). The Notification stated that the Company's application for the Permit was unsuccessful. This is inconsistent with, and contradictory to, formal correspondence from the Government. The Company vigorously disagrees with

the illegal withdrawal of its rights. The Tankoro Deposit formed the central component of the Project for which the Company was in the final stages of completing a Preliminary Economic Assessment (“**PEA**”) to advance the Project toward development.

The Company formally notified the Government of its Intent to Submit Claims to Arbitration (*refer news release dated November 30, 2023*) under the Agreement between the Government of Canada and the Government of Burkina Faso for the Promotion and Protection of Investments (the “**BIT**”).

Prior to the illegal withdrawal of the Permit, the Tankoro and Bondi Deposits presented a mine development opportunity featuring a long-life project which the Company believed would have generated very robust and attractive financial returns and could have been established and paid for using the significant oxide mineral resource base. In 2023, Sarama commenced and substantially completed development study work on the Project which was subsequently suspended following receipt of the Notification. See further details on the status of the Permit below under the heading “Status of Mineral Tenure – Tankoro 2 Exploration Permit”.

Sarama also holds an approximate 18% participating interest in the Karankasso Project Joint Venture (“**JV**”) which is situated adjacent to the Project in Burkina Faso and is a JV between Sarama and Endeavour Mining Corp (“**Endeavour**”) in which Endeavour is the operator of the JV. In February 2020, an updated mineral resource estimate of 709koz gold (Inferred)<sup>(4)</sup> was declared for the Karankasso Project JV.

## **CORPORATE**

### **Treasury**

As at March 31, 2025, the Company had cash and cash equivalents of \$463,420 (A\$740,601).

### **Board Changes**

On January 2, 2025, The Company announced the appointment of Michael Bohm as Non-Executive Director, effective 1 January 2025. Mr. Bohm is a seasoned Director and Mining Engineer in the resources industry. His career spans roles as a mining engineer, mine manager, study manager, project manager, project director, and managing director. He has played a direct role in numerous mine developments across the gold, nickel, and diamond sectors. He is a current director of ASX listed Riedel Resources and has previously been a Director of ASX listed Perseus Mining Limited, Ramelius Resources Limited, Mincor Resources NL and Cygnus Metals Limited. Mr Bohm replaces Steven Zaninovich who has resigned as a director of the company due to changing work commitments, effective 31 December 2024.

### **Equity Placement – Tranche 2**

On February 11, 2025, the Company announced that it completed the final tranche of the previously announced A\$2m equity placement (the “**Placement**”) (refer to Sarama’s news releases dated 21 November 2024 and 29 November 2024).

The second and final tranche of the Placement (“**Tranche 2**”) consisted 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 Tranche 2 Options was subject to shareholder approval which was obtained at the special meeting held on February 4, 2025.

### **Issue of Shares for Debt**

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 August 2023.

On February 11, 2025 the Company announced it had completed the issue of shares in part settlement of deferred executive salaries and director fees (the “**Compensation Shares**” or the “**Shares for Debt**”) as previously announced in a news release dated 21 November 2024.

The Shares for Debt arrangement comprised the issue of 13,132,706 CDIs at a deemed issue price of A\$0.03 per CDI, equivalent to A\$393,981.18. Each new CDI issued will rank equally with existing CDIs on issue and each CDI will represent a beneficial interest in one common share of the Company. The issuance of the Shares for Debt was subject to TSXV and shareholder approval which was obtained at the special meeting held on February 4, 2025.

### **Mt Venn Gold Project Acquisition**

On February 27, 2025, the Company announced that it had reached a binding agreement (the “Agreement”) with Orbminco Limited (“**Orbminco**”) (ASX: OB1), an arm’s length third party, to acquire an 80% interest in the underexplored, belt-scale 420km<sup>2</sup> Mt Venn Project (the “**Project**”), located in the Eastern Goldfields of Western Australia. This follows Sarama’s recent acquisition of a majority interest in the nearby Cosmo Project (refer Sarama news release 6 December 2024). Together the projects create a 1,000km<sup>2</sup> well-positioned and underexplored landholding in the Laverton Gold District, an area which is known for its prolific gold endowment.

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 Agreement provides for a 100%-owned subsidiary of Sarama to 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) in return for consideration as set out below (the “**Transaction**”). Yamarna’s current 80% interest in the mineral tenements subject to the JV, 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 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. Pursuant to the precursor non-binding head of agreement, Orbminco granted Sarama a right of exclusivity in return for a cash payment of A\$20,000. Sarama has also made 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.

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

- 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 government extension/renewal notices covering new annual periods for tenements E38/3150 and E38/3581.

### **Payments to Related Parties**

For the quarter ended March 31, 2024, payments of \$84,148 were made to related parties and/or their associates.

## SUBSEQUENT EVENTS - POST MARCH 31, 2025

### Grant of Stock Options

On April 2, 2025, the Company announced it had granted 4,550,000 options to directors of the Company as a result of the Company's annual compensation review. Options to be granted to Directors will require Shareholder approval under ASX Listing Rule 10.14 as it is an issue to a related party. Approval will be sought at the next AGM in June 2025.

### Grant of Equity Incentives

On April 11, 2025, the Company announced it had granted 8,250,000 Performance Share Units ("PSU") and Restricted Share Units ("RSU"), and together the "Awards", to employees and consultants of the Company as a result of the Company's annual compensation review. The Company is also proposing to issue up to 3,300,000 incentives to Andrew Dinning (or his nominees) on the same terms as the Awards. The issue of these incentives will require Shareholder approval under ASX Listing Rule 10.14 as it is an issue to a related party. Approval will be sought at the next AGM in June 2025.

## EXPLORATION AND EVALUATION EXPENDITURES

During the current quarter the Company incurred exploration expenditure of \$419,515

The costs per active project area per each quarter for the current period ending March 31, 2025, and preceding four quarters is as follows:

	Three months ended <b>March 31, 2024</b>	Three months ended <b>June 30, 2024</b>	Three months ended <b>September 30, 2024</b>	Three months ended <b>December 31, 2024</b>	Three months ended <b>March 31, 2025</b>
Cosmo	-	-	-	822,018	314,768
Mt Venn	-	-	-	-	67,080
Sanutura	131,440	94,655	110,896	129,884	37,667
<b>Total</b>	<b>131,440</b>	<b>94,655</b>	<b>110,896</b>	<b>951,902</b>	<b>419,515</b>

For the quarter ended March 31, 2025, the Company incurred exploration expenditure of \$420k.

Expenditure incurred at the Cosmo Project was \$315k consisting of field work (\$284k), payments to Traditional Owners (\$4k) and tenement costs of \$27k.

Expenditure incurred at the Mt Venn Project was \$67k consisting of acquisition costs (\$12k), field work (\$30k) and tenement costs of \$25k

Expenditure at the Sanutura Project was \$38k consisting of legal, administration and permit related costs.



### Activities Completed in Q1 2025

A large, multi-phase regional soil geochemistry survey which represents the first significant and systematic exploration program to be conducted on the project, was completed during the quarter. The program was designed to cover broad areas of the 580km<sup>2</sup> project as a foundational stage in drill target generation, commencing in Q4 2024, with a majority of the work undertaken and completed in Q1 2025.

Grids of 400-800m x 100m oriented east-west were employed for the bulk of the program with sampling of high priority areas conducted on 200m x 100m spacing. In total, samples were taken from approximately 5,000 sites within target areas generated from geophysical surveys and historical ad-hoc exploration works.

The Company is currently interpreting the analytical results in the context of geological and regolith settings and anticipates that the interpretative work will assist in the identification of areas of significant interest which may warrant infill soil geochemistry surveys and/or drill testing.

### Outlook

The Company will continue with the interpretation of the analytical results in conjunction with other data datasets and update the market as required. Results from this work will be used to rank areas of gold-in-soil anomalies and prioritise and plan future exploration activity including infill geochemistry surveys and first pass AC/RC drilling over the highest quality targets.

## **Mt Venn Gold Project**

### Property Information

On February 27, 2025, the Company entered into a binding agreement to acquire an 80% interest in the belt-scale Mt Venn Gold Project located in the Eastern Goldfields of Western Australia. The project is located approximately 110km north-east of Laverton and 35km west of the regionally significant Gruyere Gold Mine and is readily accessible via the Great Central Road which services the regional area east of Laverton.

The project comprises three contiguous exploration tenements covering ~420km<sup>2</sup>, encompassing most of the underexplored Jutson Rocks Greenstone Belt over an approximate 50km strike length. The belt hosts a diverse suite of volcanic rocks, pyroclastics, metasediments, and intrusive units aligned with key structural features. A regionally extensive shear zone, 1–3km wide, runs the full length of the belt, with splays in the south creating a favourable structural setting for mineralisation.

Gold was first discovered in the 1920s, leading to small-scale mining. Since then, numerous gold occurrences and several kilometre-scale gold-in-soil anomalies have been identified, though many remain untested. Drilling by Cazaly Resources (ASX: CAZ) at the Three Bears Prospect intersected broad zones of gold mineralisation in both weathered and fresh rock, confirming the area's potential (Cazaly release, 27 Feb 2017).

Beyond gold, the Project is also prospective for base metals and platinum group elements. Historical work identified copper, nickel, and zinc targets, several of which remain untested due to past funding and access constraints. Notably, significant copper mineralisation has been intersected immediately south of the Project area.

Located in a prolific gold district with strong structural and lithological characteristics, the Project benefits from a solid base of historical exploration and drill-ready targets. Its scale and strategic position within the Laverton Gold District, combined with nearby infrastructure and operating mines, enhance the potential for a meaningful discovery, especially when advanced alongside Sarama's Cosmo Project.

### Activities Completed in Q1 2025

The Company conducted a reconnaissance site visit as part of its due diligence activities. Project work remained limited to the compilation of historical data, pending shareholder approval to complete the transaction at the June 2025 AGM.

### Outlook

The Company will continue data compilation in anticipation of gaining shareholder approval in June 2025, after which more systematic exploration activities will be planned.

## Burkina Faso

The Company has interests in mineral properties located within the southern Houndé Greenstone Belt in south-west Burkina Faso where exploration and development activities were primarily focussed on the Sanutura Project (“Sanutura”).

### Sanutura Project

#### Property Information

The primary focus of the Company had been the development of Sanutura in south-west Burkina Faso. Sanutura was a pre-development project that hosted a significant, well-defined mineral resource and a suite of exploration targets.

On 16 November 2021, the Company announced an updated Mineral Resource Estimate (“MRE”) for Sanutura<sup>(1)</sup> of 9.4Mt @ 1.9g/t Au for 0.6Moz Au (Indicated) and 52.7Mt @ 1.4g/t Au for 2.3Moz Au (Inferred).

The MRE comprised the Bondi Deposit (9.2Mt @ 1.5g/t Au for 0.5Moz (Inferred)<sup>(3)</sup>), and also the Tankoro Deposit (9.4Mt @ 1.9g/t Au for 0.6Moz Au (Indicated) plus 43.6Mt @ 1.4g/t Au for 1.9Moz (Inferred)<sup>(2)</sup>) located on the Permit, which was expropriated by the Government.

A technical report prepared in accordance with Canadian National Instrument (“NI 43-101”) titled “NI 43-101 Technical Report, Sanutura Project, South-West Burkina Faso” and dated February 7, 2022, supporting the MRE is available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). There are no material differences in the technical information contained in the technical report compared to the disclosure in the November 16, 2021 news release regarding the estimate of mineral resources for the Project, except as related to the illegal withdrawal of the Permit.

#### Status of Mineral Tenure – Tankoro 2 Exploration Permit

On September 6, 2023, the Company announced that it had received Notification from the Government that it had withdrawn the Company’s rights to the Permit. The Permit hosted the Tankoro Deposit (MRE of 0.6Moz Au Indicated and 1.9Moz Au Inferred<sup>(2)</sup>) which was the core component of the Project.

Sarama was active on the Permit for over 12 years and its mineral tenure was most recently confirmed with the granting of the Permit on November 24, 2021 by the then Minister of Energy, Mines and Quarries, Minister Dr Bachir Ouédraogo and the subsequent payment of the prescribed issuance fees within the requisite timeframe, on November 29, 2021 (refer news release December 1, 2021).

Under the applicable Burkina Faso laws, following the grant of an exploration permit and payment of the prescribed issuance fees, the Government issues the respective arrêté (or licence certificate) which is an administrative process. The Company has successfully been re-issued exploration permits through this same process on multiple occasions, and as recently as August 3, 2023, in respect of the Ouangoro 2 Exploration Permit.

The Notification stated that the Company’s application for the Permit, received in August 2021 and granted to Sarama in November 2021 had been purportedly “rejected”, even though the previous Minister had approved the Permit in accordance with the applicable laws nearly two years prior.

On 6 September 2023, during his public presentation at the Africa Down Under Mining Conference in Perth, the Minister, Simon-Pierre Boussim, stated that the Permit was available for purchase. Based on the Notification from the Minister and his subsequent actions, the Company was forced to interpret the Minister’s letter of 25 August 2023 as withdrawing the Company’s rights to the Permit. The Minister did not respond to subsequent correspondence from the Company on the matter.

On October 18, 2023, the Company announced that it had engaged Boies Schiller Flexner (UK) LLP (“BSF”), a leading international law firm, to assist with legal matters in relation to the illegal withdrawal of the Permit. BSF is an internationally recognised dispute resolution law firm with extensive experience representing investors in international investment arbitrations in the mining and natural resources sectors worldwide. BSF acts for Indiana Resources (ASX:IDA) which has recently been awarded approximately US\$110M in arbitration proceedings against the government of Tanzania following the expropriation of a mineral asset (refer to Indiana Resources’ news release July 18, 2023) and GreenX Metals (ASX:GRX) which was awarded a A\$490M settlement in October 2024 (refer to GreenX Metals’ news release October 8, 2024).

The Company intends to continue working with BSF on the matter with a view to gaining the best commercial outcome for its shareholders.

#### Activities Completed in Q1 2025

- **Exploration:** The Company's exploration activities during the quarter were limited to meeting administrative and compliance requirements for the Djarkadougou 2 Permit.
- **Permitting:** Following the illegal withdrawal of the Company's rights to the Permit in August 2023, management has continued to work on salvaging value from the remaining permits and mitigating the Company's losses.
- **Arbitration:** In October 2024, the Company advised that it had entered into a Litigation Funding Agreement ("LFA") with Locke Capital II LLC, an arm's length party that specializes in providing funding for dispute resolution (the "Funder") to commence international arbitration proceedings in relation to its investment dispute (the "Dispute") with the Government of Burkina Faso (the "Government").

The LFA provides a four-year non-recourse loan facility ("Facility") of US\$4.4 million to the Company to cover all fees and expenses related to its Claim to Arbitration (the "Claim"). Security of the Facility is limited to the Claim, associated potential proceeds and all benefits arising from the property and assets of the subsidiary companies comprising the ownership chain (the "Chain") pertaining to the Project. The Facility has been structured to enable the Company to continue to operate and consolidate its business outside the Chain without encumbrance or lien from the LFA.

Following the establishment of a non-recourse litigation funding facility, in December 2024 the Company submitted a Request for Arbitration ("RFA") to the International Centre for Investment Disputes ("ICSID"), a division of the World Bank Group. The submission of the RFA setting out the preliminary details of the case and addressing certain procedural matters marked the formal commencement of the arbitration process.

The Company's arbitration claim will be pursued according to the established and enforceable legal framework of ICSID which has heard numerous investor-state disputes, including recent proceedings brought by Indiana Resources and GreenX Metals which resulted in awards in favour of the claimants of US\$110M and A\$490M respectively.

The Company will seek full compensation for the loss suffered which may include, but will not be limited to, the value of the Permit, the value of the Company's historic investments in the Project, the value of the Project at the time the Permit was withdrawn and damages the Company has suffered as a direct result of the Government's actions.

Based on a preliminary estimate, the Company will be seeking damages of no less than US\$120 million. A qualified quantum expert will provide an independent valuation to support the final compensation amount that will be submitted to the arbitration tribunal.

The submission of the RFA follows the prior issuance of a Notice of Intent to Submit Claims to Arbitration to the Government of Burkina Faso to which they neglected to respond and no settlement was reached, leaving the Company with no alternative but to initiate international arbitration proceedings.

#### Outlook

In line with the Company's broader objective of mitigating damages caused by the Government's illegal withdrawal of the Permit, it will continue to explore ways to bring its remaining assets to account and work with BSF to advance its Claims to Arbitration under the BIT.

Sarama is committed to pursuing full and fair compensation and protecting shareholder value through internationally recognized legal mechanisms.

## Karankasso Project

### Property Information

The Karankasso Project (“**Karankasso**”) is a joint venture between Sarama and Endeavour Mining (the “**Operator**”) and is located approximately 400km southwest of Ouagadougou in Burkina Faso.

Karankasso has an inferred mineral resource estimate<sup>(4)</sup> of 12.74Mt @ 1.73g/t Au for 709,000 oz of contained gold of which Sarama’s equity interest is approximately 125,000 oz gold (based on Sarama’s approximate 17.5% project interest as of March 31, 2025).

### Activities Completed in Q1 2025

Following on from 2024, the Operator undertook no work during the quarter due to strategic reasons related to its reduced focus on exploration in Burkina Faso. The Company has raised concerns with Endeavour regarding the lack of work.

### Outlook

The Operator has not tabled plans to undertake any field work in 2025. The Company has raised and expressed serious concerns with the Operator regarding the lack of work.

In line with the Company’s broader objective of mitigating damages resulting from the Governments illegal withdrawal of the Permit, the Company continues to explore its options with Karankasso.

## SELECTED FINANCIAL INFORMATION

The following information has been extracted from the Company's interim consolidated financial statements prepared in accordance with IFRS, for each of the quarter ended March 31.

Please refer to Results of Operations for analysis of Operations for the quarter ended March 31, 2025 compared to the quarter ended March 31, 2024.

	2025 \$	2024 \$	2023 \$
Interest income – quarter ending March 31	9,697	3,516	4,028
Net loss – quarter ending March 31	673,644	393,408	568,415
Net loss per share for the quarter ending March 31 - basic and diluted (cents)	0.2	0.2	0.4
Total assets – as at March 31	559,523	2,161,664	2,455,761
Total liabilities – as at March 31	1,221,177	1,221,904	678,571

## RESULTS OF OPERATIONS

Quarter ended March 31, 2025 and 2024

	Q1 2025 \$	Q1 2024 \$	Variance \$
<b>Income</b>			
Interest income	9,697	3,516	6,181
	9,697	31,465	6,181
<b>Expenses</b>			
Accounting and audit	5,006	5,172	166
Directors' fees	20,931	24,394	3,463
Finance charges	2,724		(2,724)
Insurance	9,598	7,130	(2,468)
Marketing and investor relations	5,002	841	(4,161)
Office and general	61,405	52,776	(8,629)
Professional advisory & legal fees	60,826	10,173	(50,653)
Salaries	81,068	189,610	108,542
Travel	6,827	6,847	20
Foreign exchange (gain)/loss	(811)	(18,114)	(17,303)
Total general and administration	252,576	278,829	26,253
Exploration expenditure as incurred	419,515	131,440	288,075
Depreciation	994	1,107	113
Fair value loss / (gain) on warrants carried at fair value through profit or loss	10,256	(14,452)	(24,708)
<b>Net loss</b>	<b>673,644</b>	<b>393,408</b>	<b>(280,236)</b>

The Company reported a loss of \$673,644 (\$0.002 per share) for the quarter ended March 31, 2025 compared to a loss of \$393,408 (\$0.002 per share) for the quarter ended March 31, 2024 (negative variance \$280k).

Professional advisory and legal fees were greater in Q1 2025 compared to Q1 2024 (negative variance \$51k) due to legal fees associated with acquisition of the Mt Venn project and the transition of the CFO moving from full time employment to part time consultancy (offset by reduction in salaries - referred below).

Salaries decreased in Q1 2025 compared to Q1 2024 due to the CFO moving to a part time consultancy role as described above and the partial allocation of senior management labour costs to the exploration projects in Australia.

Exploration expenditure increased by \$288k in Q1 2025 compared to Q1 2024 due to activities primarily related to the Cosmo Project (refer Exploration and Evaluation section on page 6 for further details).

Fair value loss on warrants of \$10k represented the current period movement in the revaluation of shareholder warrants at March 31, 2025.

## SUMMARISED UNAUDITED QUARTERLY RESULTS

Summarised unaudited quarterly results for the past eight quarters are:

Quarter ended	Interest income (\$)	Net loss for the period (\$)	Basic loss per share (cents)	Diluted loss per share (cents)
March 31, 2025	9,697	673,644	0.2	0.2
December 31, 2024	7,291	3,141,177	1.1	1.1
September 30, 2024	5,283	379,500	0.2	0.2
June 30, 2024	2,389	368,785	0.2	0.4
March 31, 2024	3,516	393,408	0.2	0.2
December 31, 2023	3,074	637,466	0.3	0.3
September 30, 2023	5,919	475,751	0.3	0.3
June 30, 2023	6,979	797,154	0.5	0.5

The primary driver for the variance in net profit and loss across multiple quarterly periods is due to the expensing of exploration expenditure programs.

Other components within the net profit/loss are general and administrative costs of running the Perth office, foreign exchange gains and losses and stock-based compensation costs.

## LIQUIDITY AND CAPITAL RESOURCES

At this point in time, the Company does not generate cash from mining operations. In order to fund its exploration and administrative activities, the Company is dependent upon raising capital through the issue of shares and warrants or alternative sources of financing. A process is currently being conducted to determine the likely timing and quantum of these future sources of funding. The Company continues to believe such financing will be available, as and when required and on acceptable terms but there is no guarantee that is the case.

As at March 31, 2025 the Company had working capital deficit of \$625,901 (December 31, 2024: \$204,198 deficit). Working capital is defined as current assets less current liabilities.

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The current liabilities substantially comprise unpaid executive salaries of \$442,462 and leave entitlements of \$294,735.

Executive management have agreed a contract variation to their employment agreement whereby;

- i) if an employment contract is terminated, the employee will not enforce immediate payment of their employee entitlements.
- ii) the variation remains in place until January 1, 2026.
- iii) in the event this employment agreement is terminated by either party prior to 1 January 2026, the employee agrees to convert any employee entitlements payable into an unsecured loan from the Company with interest accrued based on 90 day bank bill swap rate plus 8%.
- iv) if the Company is subject to a change of Control event, the loan becomes due and payable immediately.
- v) In the event a Change of Control event occurs this variation terminates immediately.

## COMMON SHARE DATA as at May 13, 2025

Common shares outstanding	361,070,521
Options issued to directors, executive officers, and a consultant	16,709,999
Warrants issued to shareholders and agents	48,166,666
Equity Incentives issued to executive officers and a consultant	8,250,000
Common shares outstanding assuming exercise of all options, warrants and equity incentives	434,197,186

## RISK AND UNCERTAINTIES

The Company's operations and results are subject to a number of different risks at any given time. These risk factors include, but are not limited to:

1. exploration and development risk;
2. market factors and volatility of commodity prices;
3. negative operating cash flow and the need for additional financing;
4. limited operating history;
5. global economic conditions;
6. price volatility in publicly traded securities;
7. title and property risks;
8. dependence on key management and qualified personnel;
9. risks associated with operations in Africa;
10. risks associated with maintaining a skilled workforce;
11. risks relating to government regulations;
12. environmental laws, regulations and risks;
13. uncertainty of acquiring necessary permits and compliance with terms;
14. infrastructure risks;
15. uninsurable risks;
16. enforcement of legal rights;
17. risks relating to the presence of artisanal miners;
18. fluctuations in foreign exchange rates;
19. competition;
20. acquisition risks;
21. conflicts of interest;
22. dilution;
23. dividends;
24. PFIC classification;

25. renewal and reissue of the required exploration permits' arrêtés;
26. the imposition of special conditions or fees by the Government in connection with the issuance of any outstanding Exploration Permits' arrêtés;
27. illegal actions by host governments;
28. pandemic risks; and
29. geopolitical and security risks.

For full details on the risks and uncertainties affecting the Company, please refer to the Company's audited annual consolidated financial statements, annual MD&A, and annual information form for the period ended March 31, 2025 which are available on the Company's website at [www.saramaresources.com](http://www.saramaresources.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **OFF-BALANCE SHEET TRANSACTIONS**

During the period ended March 31, 2025 and up to the date of this report, the Company had no off-balance sheet transactions.

## **INTERNATIONAL FINANCIAL REPORTING STANDARDS**

The interim consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB, effective as of March 31, 2025. The Company's significant accounting policies are described in note 2 of the Company's consolidated financial statements for the year ended December 31, 2024 and 2023.

## **CHANGES IN ACCOUNTING STANDARDS**

The accounting policies applied in the preparation of the Company's consolidated financial statements for the period ended March 31, 2025 and 2024, are consistent with those applied and disclosed in the Company's annual consolidated financial statements.

The Company has reviewed all the new and revised Standards and Interpretations issued by the IASB that are relevant to the Company and effective for the current reporting period. As a result of this review, the Company has determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to the Company's accounting policies.

The Company has also reviewed all the new and revised Standards and Interpretations in issue not yet adopted for the period ended March 31, 2025. As a result of this review the Company has determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

## **INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES**

Management is responsible for establishing and maintaining adequate internal controls over financial reporting and disclosure controls and procedures. The Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Any system of internal controls over financial reporting and disclosure, no matter how well designed, has inherent limitations. The effectiveness of internal controls is also subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

There were no changes in the Company's internal controls over financial reporting during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Footnotes

- 1. Mineral resource estimate for Sanutura Project - 9.4Mt @ 1.9g/t Au for 0.6Moz Au Indicated plus 52.7Mt @ 1.4g/t Au for 2.3Moz Inferred, reported at cut-off grades ranging 0.2-1.6g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the mineral resources to have reasonable prospects for eventual economic extraction. The effective date of the Company's mineral resource estimate is November 16, 2021. See further details on the status of the Permit above under the heading "Status of Mineral Tenure – Tankoro 2 Exploration Permit".*
- 2. Tankoro Deposit component of the Sanutura Project's mineral resource - 9.4Mt @ 1.9g/t Au for 0.6Moz Au Indicated plus 43.6Mt @ 1.4g/t Au for 1.9Moz Inferred, reported at cut-off grades ranging 0.2-1.6g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the mineral resources to have reasonable prospects for eventual economic extraction. See further details on the status of the Permit above under the heading "Status of Mineral Tenure – Tankoro 2 Exploration Permit".*
- 3. Bondi Deposit component of the Sanutura Project's mineral resource – 9.2Mt @ 1.5g/t Au for 0.5Moz Au Inferred, reported at cut-off grades ranging 0.2-1.5g/t Au, reflecting the mining methods and processing flowsheets assumed to assess the likelihood of the mineral resources to have reasonable prospects for eventual economic extraction.*
- 4. Karankasso Project mineral resource estimate – the current mineral resource estimate for the Karankasso Project of 12.74Mt @ 1.73g/t Au for 709koz Au Inferred effective date of December 31, 2019 was disclosed on February 24, 2020 by Semafo Inc "Semafo", since acquired by Endeavour. For further information regarding that mineral resource estimate, refer to the news release "Semafo: Bantou Project Inferred Resources Increase to 2.2Moz" dated February 24, 2020 and "Semafo: Bantou Project NI43-101 Technical Report – Mineral Resource Estimate" dated April 3, 2020. The news release and technical report are available under Semafo's and Endeavour's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The mineral resource estimate was fully prepared by, or under the supervision of Semafo. Sarama has not independently verified Semafo's mineral resource estimate and takes no responsibility for its accuracy. Semafo, and now Endeavour, is the operator of the Karankasso Project JV and Sarama is relying on their Qualified Persons' assurance of the validity of the mineral resource estimate. Additional technical work has been undertaken on the Karankasso Project since the effective date but Sarama is not in a position to quantify the impact of this additional work on the mineral resource estimate referred to above.*

### Qualified Persons' Statement

Scientific or technical information in this disclosure that relates to the preparation of the mineral resource estimate for the Sanutura Project 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 and a Competent Person under the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves the "JORC Code". Paul Schmiede 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 disclosure that relates to exploration activities at the Sanutura Project 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 and a Competent Person under the JORC Code. Guy Scherrer consents to the inclusion in this disclosure of the information, in the form and context in which it appears.

Scientific or technical information in this disclosure that relates to the quotation of the Karankasso Project's mineral resource estimate and exploration activities is based on information compiled 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 and a Competent Person under the JORC Code. Paul Schmiede consents to the inclusion in this disclosure of the information, in the form and context in which it appears. Paul Schmiede and Sarama have not independently verified Semafo's now Endeavour's mineral resource estimate and take no responsibility for its accuracy.

The exploration results and Mineral Resource estimates referred to in this announcement were first disclosed in accordance with ASX Listing Rules 5.7 and 5.8 in the Company's ASX Prospectus dated 11 March 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX prospectus and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the prospectus continue to apply and have not materially changed.

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