

## \$39.9 million at December 31, 2016 in cash and equivalents

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Mar 21, 2017) - Sabina Gold & Silver Corp. ("Sabina") or (the "Company") (TSX:SBB) reports the financial results for the quarter and year ended December 31, 2016.

"Much was accomplished in 2016," said Bruce McLeod, the Company's President & CEO. "Although we received a set-back from the Nunavut Impact Review Board ("NIRB"), we understand and support the NIRB's desire for a high level of confidence in our proposals for the Back River Project ("Project"). We are happy to be back in the process and believe that our recently submitted Final Environmental Impact Statement Addendum ("FEIS Addendum") presents additional mitigation, information and plans that will address NIRB's concerns. In 2016, we also continued optimization and trade off studies which we believe could positively impact the Project economics. On the exploration front, a new discovery at Convergence and the successes at our Hivogani and Kogoyok targets continued to demonstrate the opportunities for new discoveries and extended mine life at Back River. Other geological programs completed during the year enabled us to plan a high impact drilling campaign for 2017 with our recently raised flow-through financing. 2017 has started out positively and we look forward to continued support for the Back River Project from all stakeholders as we work through the process."

### 2016 Highlights:

- The Company had cash and cash equivalents and short-term investments of \$39.9 million at December 31, 2016.
- On June 15, 2016, the Nunavut Impact Review Board ("NIRB") recommended to the Minister that the Back River Project ("Project") not proceed to the next phase of permitting at this time. On July 20, 2016, the Company submitted a detailed response to the NIRB report to the Minister of Indigenous and Northern Affairs Canada ("INAC") requesting that the Minister reject the NIRB recommendation or send the Project back to NIRB for further review.
- In July, 2016, the Company completed a series of meetings in communities in the Kitikmeot region of Nunavut. Following these meetings, the Company continued to receive broad positive support for the Project from community members, hamlet councils, advisory committees, and Inuit organizations (including the Kitikmeot Inuit Association ("KIA")).
- Subsequent to the year end, on January 12, 2017, the INAC Minister, with the agreement of other responsible ministers, decided that the Project should be returned to the NIRB for further consideration. On January 24, 2017, the NIRB provided guidance to all parties on the scope and process of further review of the Project. On February 16, 2017, the Company submitted its required FEIS Addendum and NIRB provided confirmation of concordance with the guidelines and a schedule for the process on February 23, 2017. The FEIS Addendum is currently in the technical review process and NIRB has advised that they expect to issue their recommendation in July 2017.
- During the year, the Company completed approximately 2,700 meters of drilling on three targets at the Goose property: Kogoyok, Hivogani and Convergence. A new discovery was made at the Convergence target where assays of 3.84 grams per tonne ("g/t") Au over 3.70 meters were returned. Encouraging results also continued at the Kogoyok target, where gold mineralization was intersected in drilling with visible gold identified in multiple rock units over a broad area. Drilling at the Hivogani target continued to expand the host area and further characterized the new mineralization styles.
- On May 25, 2016, the Company announced preliminary metallurgical optimization test results on its Back River gold project from a program to assess potential metallurgical improvements including a coarser grind, long leach residence time and flotation followed by fine grinding of concentrates. The results from the first round of test work have been positive with recoveries for three of four composite samples from the main deposits showing a potential to increase gold recoveries. Initial desktop studies have indicated that changing to a flotation circuit could have positive impacts on both capital and operating expenditures. Further flotation test work on this opportunity is ongoing.
- On May 20, 2016, the Company completed a bought deal financing of 19,790,750 common shares at \$1.63 per common share for total gross proceeds of approximately \$32.3 million. The Underwriters received a cash commission of 5.0% of the gross proceeds of the financing.
- On March 31, 2016, Sabina announced the appointment of Ms. Anna Stylianides to the Company's board of directors. Ms. Stylianides has 25 years of experience in the global capital markets and currently also serves as a director of Entrée Gold Inc., [Altius Minerals Corp.](#) and Eco Oro Minerals.
- A long-term strategic review on the Company's Wishbone property in Nunavut, resulted in a total write down of \$7.1 million for certain non-core mineral claims on the property (\$5.2 million in Q3, 2016 and \$1.9 million in Q4, 2016). While the core mineral claims on the Wishbone property remain long-term exploration opportunities, the Company's immediate focus is on the Back River deposits and exploration opportunities proximal to existing resources.
- Subsequent to the year end, on February 28, 2017, the Company completed a bought deal private placement flow-through financing of 3,470,000 flow-through common shares at a price of \$1.75 per share for total gross proceeds of approximately \$6.1 million. The total gross proceeds from the financing must be used to incur Canadian exploration expenditures as defined by the Income Tax Act (Canada) by December 31, 2018. The Underwriters received a cash commission of 5.0% of the gross proceeds of the financing.
- For the year ended December 31, 2016, the Company reported a net loss of \$6.1 million or \$0.03 per share.

### Financial Results

For the three-month period ended December 31, 2016, the Company reported a net loss of \$2.0 million, favourable by \$2.7 million compared to the same period of 2015. The difference quarter-over-quarter was largely the result lower stock-based payments and write-downs of mineral properties. In Q4 2016, the Company recorded a write-down of \$1.9 million on its the Wishbone mineral properties. In Q4 2015, the Company recorded a write-down of \$4.0 million on certain non-core Wishbone mineral claims.

For the year ended December 31, 2016, the Company reported a net loss of \$6.1 million, favourable by \$3.5 million compared to the same period of 2015. The difference was largely the result of realized gains of \$1.3 million on the sale of a portion of its investments in 2016 compared to an impairment loss of \$2.0 million on its investments recorded in 2015.

For the full December 31, 2016 yearend financial statements and Management's Discussion and Analysis, please see the Company website at [www.sabinagoldsilver.com](http://www.sabinagoldsilver.com) or on SEDAR.

## SABINA GOLD & SILVER CORP.

Sabina Gold & Silver Corp.

Sabina Gold & Silver Corp. is a well-financed, emerging precious metals company with district scale, world class undeveloped assets in one of the world's newest, politically stable mining jurisdictions: Nunavut, Canada.

In September, 2015, Sabina released a Feasibility Study on its 100% owned Back River Gold Project which presents a project that has been designed on a fit-for purpose basis, with the potential to produce ~200,000 ounces a year for ~11 years with a rapid payback of 2.9 years. At a US\$1,150 gold price and a 0.80 exchange rate, the Study delivers a potential after tax internal rate of return of approximately 24.2% with an initial CAPEX of \$415 million.

In addition to Back River, Sabina also owns a significant silver royalty on Glencore's Hackett River Project. The silver royalty on Hackett River's silver production is comprised of 22.5% of the first 190 million ounces produced and 12.5% of all silver produced thereafter.

The Company had approximately C\$39.9 million at December 31, 2016 and has budgeted \$8.5 million as its base budget for 2017. The base budget delivers the completion of the environmental assessment process; advancement of Inuit Impact and Benefits Agreement and land tenure negotiations with the KIA; completion of basic engineering and project execution plan; and, completion of a mapping, rock and till sampling and geophysical exploration field program. In addition, the Company has planned certain discretionary activities, including an exploration drilling program, completion of the water license review process and commencement of detailed engineering and project financing. Depending on the timing and success of the permitting process, total expenditures could range up to approximately \$31 million in 2017

All news releases and further information can be found on the Company's website at [www.sabinagoldsilver.com](http://www.sabinagoldsilver.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). All technical reports have been filed on [www.sedar.com](http://www.sedar.com).

## Forward Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws (the "forward-looking statements"), including our belief as to the extent, results and timing of exploration programs and various studies including the FS, and exploration results, reserves estimates, potential production from and viability of the Company's properties, production and operating costs and permitting submission, timing and receipt of necessary permits and project approvals for future operations and access to project funding. These forward-looking statements are made as of the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated in or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur. While we have based these forward-looking statements on our expectations about future events as at the date that such statements were prepared, the statements are not a guarantee that such future events will occur and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements. Such factors and assumptions include, among others, the effects of general economic conditions, commodity prices, changing foreign exchange rates and actions by government and regulatory authorities and misjudgments in the course of preparing forward-looking statements. In addition, there are known and unknown risk factors which could cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Known risk factors include risks associated with exploration and project development; the need for additional financing; the calculation of mineral resources and reserves; operational risks associated with mining and mineral processing; fluctuations in metal prices; title matters; government regulation; obtaining and renewing necessary licences and permits; environmental liability and insurance; reliance on key personnel; the potential for conflicts of interest among certain of our officers or directors; the absence of dividends; currency fluctuations; labour disputes; competition; dilution; the volatility of the our common share price and volume; future sales of shares by existing shareholders; and other risks and uncertainties, including those relating to the Back River Project and general risks associated with the mineral exploration and development industry described in our Annual Information Form, financial statements and MD&A for the fiscal period ended December 31, 2016 filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com). Although we have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. We are under no obligation to update or alter any forward-looking statements except as required under applicable securities laws. This news release has been authorized by the undersigned on behalf of Sabina Gold & Silver Corp.

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