

TORONTO, Nov. 15, 2017 (GLOBE NEWSWIRE) -- [Silver Bear Resources Plc](#) ("Silver Bear" or the "Company") (TSX:SBR) provides an update on its Mangazeisky Silver Project (the "Project") and announces certain amendments (the "Facilities Agreement Amendments") to its existing facilities agreement (the "Facilities Agreement") with Inflection Management Corporation Limited ("Inflection"), a major shareholder of the Company, and Unifirm Limited, an affiliate of A.B. Aterra Resources Ltd. ("Aterra"), also a major shareholder of the Company, to provide an additional US\$20 million facility tranche ("Tranche F") and to extend the maturity date of the Facilities Agreement to March 20, 2022. Tranche F will be made available to the Company by Inflection, US\$15 million of which is expected to be used to fund the Company's working capital requirements for 2018 and US\$5 million of which will be used as a contingent facility. Details of the Facilities Agreement Amendments are described below.

## Operational Update

The revised construction and commissioning plans for the Project announced in early 2017 have proceeded on schedule, with commissioning work currently underway. The Company is awaiting the final grant of a cyanide and other operating permits, which it anticipates will be in place to allow for transportation of cyanide on the 2018 winter road. Due to a warmer than expected start to the winter, the opening of the winter road has been pushed back by local authorities to the end of January 2018. As a result, cyanide is expected to be delivered to the Project site in the beginning of February 2018. The following summarises the Company's recent activities at the Project.

- **General:** Construction work is currently approximately 85% completed with commissioning activities well underway. At present, there are approximately 60 contractors and 100 employees at the Project site. The significant reduction in contractors and increase in operational staff reflect our progress in completing construction and preparing for production. Build-up of operational staffing has progressed well with the appointment of several senior members of staff, including the Technical/Operations Director. Work continued during Q3 2017 on fuel and water tanks outside the process plant and on the ore feed bins and conveyor systems installation, which are now completed. The water supply boreholes and pipeline have been completed and testing of the pipeline and control system is underway. The diesel-powered power station has been installed and partially commissioned with final commissioning taking place in November. Earthworks for the emergency pond and tailings storage facility and installation of liners are completed. In addition, the erection of the fire and emergency depot is well advanced.
- **Process Plant:** The cold commissioning of the ball mill and hot commissioning utilising waste rock was successfully completed. All the cyanidation (leach) tank and agitators have been completed, with commissioning work underway. Installation of all major processing equipment has been completed. Electrowinning department assembly has been finalised and water testing and commissioning completed. The analytical laboratory has been completed and is being utilised whilst the submission of an application for certification is being made. Grade control samples are currently being assayed in the laboratory. The piping installation across the processing facility is close to completion, with the installation of electrical and instrument cabling work currently being finalised.
- **Open Pit Operations:** Mining operations continue with approximately 10,000 tonnes of ore having been stockpiled ready for production. Mining plans for 2018 are being finalised. Additional mining trucks and blast hole drills are being procured for delivery by early 2018.
- **Exploration:** During the 2017 field season, the Company completed a litho-geochemical sampling program totalling approximately 3,700 samples collected from the Endybalchan and Arkachan prospects, which are being prepared for assay. In addition, the Company completed a re-sampling exercise at the Mangazeisky North deposit with 582 trench and 110 grab samples collected. At the Vertikalny open pit mine, 13 trenches were traversed with 226 channel samples taken as part of the open pit grade control process and data from these samples will also be used to upgrade the Resource model for the Vertikalny deposit. The Company has mobilised a drill to site and from Q4 2017 will potentially complete a short program at Nizhny Endybal to upgrade that mineral resource and carry out a detailed metallurgical sampling program at Vertikalny for long term planning and completion of regulatory studies.

*Graham Hill, President and Chief Executive Officer, commented:* "We are very pleased with the progress on the Project that our team has made in the recent months. With many important infrastructure works now completed, the team is focusing on finalising commissioning activities. This has been a period of consolidation with some significant senior appointments strengthening the operations team in the run up to first production. Planning, budgeting and management systems are being developed in parallel with the commissioning and team-building and should all be in place as we begin silver production early in 2018."

*Mr. Hill continues:* "We want to thank our major shareholders, Inflection and Aterra, for their continued support of the Project. The increase to the Facility Agreement will provide the Company with the working capital to execute the planned production schedule."

## Change of Auditor

In connection with the previously announced re-domiciliation of the Company completed on June 30, 2017 pursuant to a statutory plan of arrangement with Silver Bear Resources Inc., the Company has changed its auditor from PricewaterhouseCoopers LLP Canada ("PwC Canada") to its UK affiliate, PricewaterhouseCoopers LLP UK ("PwC UK"). At the request of the Company, PwC Canada resigned as auditor of the Company effective November 13, 2017 and PwC UK was appointed as its new auditor on the same date.

## Details of the Facilities Agreement Amendments

The Facilities Agreement amendments provide for a new US\$20 million Tranche F to be made available to the Company by Inflection, which will accrue interest at a rate of 15% per annum, the same interest rate applicable to all other funds drawn under the Facilities Agreement. Tranche F will be repayable on September 20, 2020. Additionally, under the Facilities Agreement Amendments, the maturity date of the facilities drawn under the Facilities Agreement, other than Tranche F, have been extended from September 20, 2020 to March 20, 2022 (the "Maturity Date Extension"). The Facilities Agreement Amendments have been conditionally approved by the Toronto Stock Exchange ("TSX") and are subject to, among other things, receipt of disinterested shareholder approval. In accordance with the rules of the TSX, the Company expects to seek disinterested shareholder approval for the payment of interest on the Tranche F to Inflection after June 30, 2018 and the Maturity Date Extension at its next annual general and special meeting, expected to occur before June 30, 2018.

## About Silver Bear

Silver Bear (TSX:SBR) is focused on the development of its wholly-owned Mangazeisky Silver Project, covering a licence area of approximately 570 km<sup>2</sup> that includes the high-grade Vertikalny deposit (amongst the highest-grade silver deposits in the world), located 400 km north of Yakutsk in the Republic of Sakha within the Russian Federation. The Company was granted a 20-year mining licence for the Vertikalny deposit in September 2013 and filed an updated Feasibility Study in August 2017. Project construction and permitting is advancing with first silver production targeted for 2018. Other information relating to Silver Bear are available on SEDAR at [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.silverbearresources.com](http://www.silverbearresources.com).

## Cautionary Notes

This release and subsequent oral statements made by and on behalf of the Company may contain forward-looking statements, which reflect management's expectations. Wherever possible, words such as "intends", "expects", "scheduled", "estimates", "anticipates", "believes" 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 these forward-looking statements. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, the Company cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. Such risk factors include, but are not limited to, the risk factors identified by the Company in its continuous disclosure filings filed from time to time on SEDAR. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Forward-looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause the Company's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks 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, prospective investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.

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