

Silver Bear Announces Update to Mangazeisky PEA

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TORONTO, ONTARIO--(Marketwired - Feb 27, 2014) - **Silver Bear Resources Inc.** ("Silver Bear" or the "Company") (**TSX:SBR**)

- **Project Internal Rate of Return of 63% (Post Tax) @ \$20/oz long term silver forecast price**
- **Estimated Initial Capital Cost of \$39 Million**
- **Project Net Present Value US \$129.9 million using 5% discount rate**
- **Projected average head grade for first 5 years of 911 g/t Ag**
- **Average production during first five years of 2.6Moz Ag/yr**
- **Investor Conference call scheduled for Monday, March 3, 2014, 10 am EST**

Silver Bear Resources Inc. ("Silver Bear" or the "Company") (**TSX:SBR**) has completed an updated Preliminary Economic Analysis ("PEA") on its Mangazeisky Silver Project in Yakutia, Russia. The PEA was prepared by Tetra Tech Inc., Global Mining Practice of Swindon, UK.

Silver Bear management is hosting an investors' conference call on March 3, 2014 at 10:00 a.m. EST to review the preliminary results of the PEA. To register or listen to the call please dial:

Call in number	
Toronto	416-695-7806
North America	1 888-789-9572
Overseas	800-4222-8835
Pass Code	7250957

Mark Trevisiol, President and CEO of Silver Bear commented, "We are very excited about the preliminary results. We believe there are few mining projects in the industry today that have the potential for such a quick return to the investor. Preliminary numbers indicate the potential to start operations quickly and expedite cash generation on a quality high grade Silver property like the Mangazeisky project. Further, we will continue to work to expand the mineral resource estimate and increase projected production rates."

Key Highlights of the PEA are as follows and include:

- Internal Rate of Return (IRR) = 63% at \$20/oz long term silver forecast price
- Initial Project Capital US \$39 Million
- Sustaining Project Capital of US\$51 million
- Net present Value (NPV) at 5% discount of US \$129.9 Million
- In first 5 years of operation
 - Average Silver Grade processed = 911 g/tonne Silver
 - Recovered Silver Cash Cost for first five years¹ = \$5.55/oz Silver (excludes by product credits)
 - Approximate mining processing rate rate per day = 300 tonnes per day (tpd)
 - Average Payable Silver per year = 2.6 Million oz/yr
- 19 year mine life
 - Open pit mining method for first 10 years
 - Underground operation extends mine life to 19 years
- All mineralised material is sourced from Silver Bear's Vertikalny deposit alone
- Silver Bear expects construction of the facility to take approximately 18 to 24 months following the completion of a feasibility study and the receipt of required permits.

The nature of the Vertikalny deposit allows Silver Bear to take full advantage of the high grade silver zones near surface (see press release dated November 26, 2013) which present a significant opportunity to generate cash quickly using cost effective open pit mining methods, thereby creating the potential to realize an internal rate of return of 63%.

¹ Cash cost per ounce of silver constitutes a non-GAAP measure. See Cautionary Notes.

Table 1 below highlights the project economics at various Silver selling prices in US \$/oz.

Table 1 - Preliminary Economic Highlights of the PEA:

<i>Tetra Tech Inc. Preliminary PEA Financial Outcomes</i>		<i>Silver Bear Resources - Elevated Silver Price Scenarios</i>	
<i>PEA BASE CASE</i>	<i>US\$ 20 /Oz Silver</i>	<i>\$25/oz Silver</i>	<i>\$30/oz Silver</i>
<i>Pre Tax Economics</i>			
<i>Internal Rate of Return (IRR %)</i>	67%	94%	119%
<i>NPV 5% discount</i>	\$157,773,041	\$264,916,403	\$372,059,765
<i>NPV 10% discount</i>	\$112,137,956	\$191,091,673	\$270,045,391
<i>Post Tax Economics</i>			
<i>Internal Rate of Return (IRR %)</i>	63%	91%	116%
<i>NPV 5% discount</i>	\$129,885,192	\$226,158,714	\$322,464,061
<i>NPV 10% discount</i>	\$94,437,686	\$167,278,609	\$239,981,380
<i>Initial Capital</i>	\$38,799,032	\$38,799,032	\$38,799,032
<i>Sustaining Capital</i>	\$51,047,265	\$51,047,265	\$51,047,265
<i>LOM Capital</i>	\$89,846,298	\$89,846,298	\$89,846,298
<i>Op Cost LOM (U.S. \$/ounce)</i>			
<i>Recoverable Silver</i>	\$9.01	\$9.01	\$9.01
<i>Accountable Silver</i>	\$9.49	\$9.49	\$9.49
<i>Op Cost (U.S. \$/ounce) First 5 yrs</i>			
<i>Recoverable Silver</i>	\$5.55	\$5.55	\$5.55
<i>Accountable Silver</i>	\$5.85	\$5.85	\$5.85

Assumptions:

- Greenfields
- Open pit and underground mining
- Cyanide leach direct electrowinning to dore production
- Dry stacked tailings disposal
- A nominal processing capacity of 300 t/d
- Diesel power generation
- Major transport via ice road access during winter months
- Predominantly local labour
- A value of 20% contingency is included in the initial capital cost
- Tax calculation completed by PWC in Moscow to include tax incentives
- All dollar amounts are in U.S. dollars

Since acquiring the exploration rights, Silver Bear has drilled 47,000 meters on its Mangazeisky lease, of which the Vertikalny deposit forms part.

A summary of the mineral resource estimates prepared in accordance with National Instrument 43-101 ("NI 43-101") for the Mangazeisky Silver Project is presented in Table 2 below. For the purpose of the PEA, only the mineral resource estimates listed in the Vertikalny Central and Northwest Zones were used.

A technical report in relation to the PEA, prepared in accordance with NI 43-101, will be filed on SEDAR on or before March 31, 2014.

In September 2013, Silver Bear received its mining license on its Mangazeisky property for the Vertikalny deposit. The term of the license extends for 20 years to 2033.

Also in 2013, Silver Bear completed all necessary drilling and trenching requirements for the Mangazeisky exploration license. Silver Bear drilled over 3,000 meters and completed over 7000 cubic meters of trenching by December 2013. Silver Bear is in the process of obtaining assay results from its 2013 exploration program

and expects to receive all assays by Q2, 2014.

Table 2 -Estimated Mineral Resources Prepared in accordance with NI 43-101

Area	Cut-Off Grade (g/t)	Indicated			Inferred		
		Tonnes (Mt)	Ag (g/t)	Ag (Moz)	Tonnes (Mt)	Ag (g/t)	Ag (Moz)
Vertikalny Deposit, Central Zone	180	1.1	518	17.9	1.1	649	23.8
Vertikalny Deposit, Northwest Zone	180	0	0	0	0.5	379	6.6
Nizhny Endybal Deposit	75	0	0	0	3.2	133	13.5
Total	-	1.1	518	17.9	4.8	282	43.9

- *Notes: Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of measured, indicated or inferred mineral resources, these mineral resources may never be upgraded to proven and probable mineral reserves. Mr. Rob Davies Geologist of Tetra Tech Inc., is the independent qualified person who has verified the mineral resource estimates originally signed-off in 2011 and 2013 as current. The mineral resource estimates are disclosed above in Table 2. Cut-off grades for the Vertikalny resource and Nizhny Endybal resource are 180 g/t Ag and 75 g/t Ag respectively. Other notes:*
 - *Vertikalny - to be operated initially as open pit then an underground mine with 1.2 m minimum mining width, in-situ density of 3.45 t/m³ for mineralized material, long term Silver price of \$22.74/ounce Ag. The effective date of the estimated Vertikalny mineral resource is February 23, 2011.*
 - *Nizhny Endybal - to be operated by open pit methods, in-situ density of 2.9 t/m³ for mineralized material, long term silver price of \$22.0/oz. The effective date of Nizhny Endybal estimated mineral resource is September 20, 2012.*
 - *Mineral resources may be subject to legal, political, environmental, social and other risks that may significantly affect the potential development of the mineral resources. See Cautionary Notes.*

Silver Bear Resources Inc.

The primary business of the Company is the evaluation, acquisition, exploration and development of silver properties in the Russian Federation. The Company's principal focus is the Mangazeisky exploration lease and the Vertikalny Deposit, over which Silver Bear has exclusive exploration/mining rights. It is located approximately 400 kilometres north of Yakutsk in the Republic of Sakha, Yakutia in the Russian Federation.

Silver Bear Resources Inc. is listed on the Toronto Stock Exchange and its common shares trade under the ticker symbol "SBR". Silver Bear has 94,917,170 issued and outstanding common shares. Other information relating to Silver Bear is available on SEDAR at www.sedar.com as well as on the Company's website at www.silverbearresources.com.

QUALIFIED PERSON

The Preliminary Economic Assessment discussed herein was prepared under the supervision of Jacques du Toit, Robert Davies, and Mike McLaughlin from Tetra Tech and Anton Von Wielligh of ABG Mining of Australia all of whom are independent qualified persons as defined in National Instrument 43-101. Mark Trevisiol P.Eng, President and CEO of Silver Bear is a qualified person under National Instrument 43-101 and has reviewed and approved the scientific and technical information in this press release.

Cautionary Notes

The PEA is preliminary in nature and is based on a number of assumptions that may be changed in the future as additional information becomes available. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the

PEA will be realized.

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. Without limitation to the foregoing, the following are forward looking statements: the PEA, including without limitation projected initial capital, sustaining costs, IRR, NPV, average grade processed, mining rate, expected mine life, expected construction period, mineral resources and pay back period. 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, Silver Bear 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 risks factors include but are not limited to uncertainties inherent to preliminary economic assessments, which are based on many assumptions that might not be realized, risks with respect to operating in Russia, downward fluctuations in silver prices, regulatory risks, including with respect to obtaining all required permits, corruption and other risks factors identified by Silver Bear 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 Silver Bear's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although Silver Bear 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 Silver Bear assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.

Cash costs per ounce of silver are non-GAAP measures. Cash costs per ounce of silver presented do not have a standardized meaning prescribed under IFRS and may not be comparable to similar measures presented by other companies. This measure is presented to serve as a key indicator of a company's potential ability to generate revenue and cash flow from its mining operations. This measure should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS and is not necessarily indicative of operating costs that would presented under IFRS.

For further details, please visit www.silverbearresources.com.

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