

TORONTO, ONTARIO--(Marketwired - Jan 13, 2016) - [Silver Bear Resources Inc.](#) ("Silver Bear" or the "Company") (TSX:SBR) is pleased to announce that it has closed the previously announced private placement (the "Private Placement") of a non-convertible promissory note by issuing a non-convertible promissory note in the principal amount of C\$3,300,000 (the "Inflection Note") to one of the Company's major shareholders, Inflection Management Corporation ("Inflection").

Silver Bear's CEO, Graham Hill commented: "We are very pleased to complete this transaction, and are also appreciative to have such supportive shareholders that allow the Company to maintain its development momentum, while negotiating our final project financing options. At this time the accelerated construction and mine plan for the Vertikalny deposit is progressing well and we are confident that the Company is in the position to meet its target of commissioning silver production by the second half of 2016."

The Company sought and obtained minority and disinterested shareholder approvals at a special meeting of the Company held on January 11, 2016 (the "Special Meeting") for the issuance of the Inflection Note as required by Multilateral Instrument 61-101

- *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") and the TSX Company Manual (the "Manual"). The Inflection Note bears interest at a rate of 15% per annum until its maturity on December 31, 2016 and is non-convertible. The Private Placement was conducted on a non-brokered basis. No fee is payable by the Company in respect of the issuance of securities under the Private Placement.

At the Special Meeting, the Company also obtained minority and disinterested shareholder approvals, as required under MI 61-101 and the Manual, for the payment of interest on and conversion into common shares of the Corporation ("Common Shares") of certain consolidated contingent convertible notes (the "Consolidated Contingent Convertible Notes") in the aggregate principal amounts of C\$12,350,769.86 and C\$5,669,806.85 previously issued by the Company to Inflection and A.B. Aterra Resources Ltd., respectively, on December 4, 2015. The Consolidated Contingent Convertible Notes will now bear interest at a rate of 15% per annum and mature on December 31, 2016. All interest accrued under the Consolidated Contingent Convertible Notes will be convertible into Common Shares on the same terms as the principal amount.

For details of the Private Placement and the Consolidated Contingent Convertible Notes, please see Silver Bear's management information circular dated December 7, 2015 and Silver Bear's press release dated December 4, 2015, both of which have been filed on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## Corporate Update

In addition, the Company is pleased to provide an update with respect to the developments of its Mangazeisky silver project located in Yakutia, Russia. Recent financing activities continue to support the Company's procurement activity in 2016, building on the infrastructural construction and development work that was completed on-site during the 2015 field season. Along with the orders for vital long-lead equipment announced in the second half of 2015, the Company recently placed and confirmed contracts and orders, to meet its winter road delivery objectives, for:

- Two additional mining front end loaders to support the existing fleet;
- Primary and secondary crushing and screening plant which will also help with production of aggregates for civil works;
- Fabricated plant building steelwork;
- Complete set of leach tanks and agitators with supporting steelwork;
- Main power generation plant;
- Plant motor control centres (MCC's) and associated switchgear;
- Additional 1,000 m<sup>3</sup> fuel storage facility;
- Tailings thickener and flocculent mixing facility; and
- Complete reagent mixing and storage facility.

Work on the Project development is proceeding according to plan, with the team maintaining the very tight scheduled. The Company is also expecting the first delivery of the ball mill components in Vladivostok, Russia mid-January for deliver to site by early winter convoys. Currently the Company and its subsidiary ZAO Prognoz are working closely with the detailed planning for logistics, mobilisation of materials and contractors along with construction planning for the 2016 project development.

Planning of ongoing exploration work based on the successful results obtained in 2015 and focussed on both upgrading of existing mineral resources and the development of new mineral resources is well advanced with new drill rigs and greater productivity anticipated.

## Chairman Changes

Further to the Company's announcement on July 20, 2015 regarding certain forthcoming Chairman changes, the Company is pleased to announce that effective January 12, 2016, Mr. Christopher Westdal, an independent director of Silver Bear, has been appointed non-executive Chairman of the Company. Mr. Westdal replaces Mr. Robin Birchall who has resigned as Executive Chairman to devote more time to his other business interests. Mr. Birchall will remain on the board of directors of the Company.

Mr. Birchall commented: "Over my tenure as Executive Chairman, I have worked tirelessly to ensure the advancement of Silver Bear and it is with some sadness that I step down due to the pressures of my other projects. I would like to thank the whole Silver Bear team for their hard work this past year, in particular with regards to the advancement of the Mangazeisky silver project, which is a credit to our new President and CEO, Graham Hill, and the operating team in Yakutia, Russia. Under Graham's leadership, the Company has made significant progress in a short period of time, and I believe the Company is now in a strong operational position to pursue the goal of mine development and commissioning by the second half of 2016."

## About Silver Bear

Silver Bear (TSX:SBR) is focused on the development of its wholly-owned Mangazeisky Silver Project, covering a licence area of ~570 sq. km 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 (Yakutia) within the Russian Federation. The Company was granted a 20-year mining licence for the Vertikalny deposit in September 2013 and completed a Preliminary Economic Assessment in February 2014. Other information relating to Silver Bear is 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, 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 risk factors include, but are not limited to, the possibility that we have to allocate proceeds to other uses or reallocate proceeds significantly differently among the anticipated uses, and to risk 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.

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