

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

Sabina Gold & Silver Corp. ("Sabina" or the "Company") has announced today that it has entered into an agreement with a syndicate of underwriters co-led by BMO Capital Markets, Canaccord Genuity and Cormark, under which the underwriters have agreed to buy on bought deal basis 18,410,000 common shares (the "Common Shares"), at a price of \$1.63 per Common Share for gross proceeds of approximately \$30 million (the "Offering"). The Company has granted the Underwriters an option, exercisable at the offering price for a period of 30 days following the closing of the Offering, to purchase up to an additional 15% of the Offering to cover over-allotments, if any. BMO Capital Markets is the sole bookrunner on the offering. The offering is expected to close on or about May 20, 2016 and is subject to Sabina receiving all necessary regulatory approvals.

The net proceeds of the offering will be used to advance development of the Company's Back River Gold Project including detailed engineering and permitting on the Project and for working capital and general corporate purposes.

The Common Shares will be offered by way of a short form prospectus in all of the provinces and territories of Canada, except Quebec and may also be offered by way of private placement in the United States.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Sabina Gold & Silver

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

Sabina recently 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 has planned a budget of approximately \$11 million for 2016.

Contact

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