

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 25, 2016) - Sabina Gold & Silver Corp (TSX:SBB), ("Sabina" or the "Company") is pleased to announce positive preliminary metallurgical optimization test results on its 100%-owned Back River gold project ("Back River" or the "Project") in Nunavut, Canada.

After release of the Back River Initial Project Feasibility Study in September of last year, Sabina has identified several metallurgical optimization opportunities that could have a positive economic impact on the Back River project. The two opportunities with the greatest potential impact are coarser grinding as part of the CIP circuit contemplated in the feasibility study, and revisiting flotation with the addition of regrinding concentrates to 50 micron before leaching.

Sabina has completed the initial scoping test work for the flotation and grinding of concentrates followed by leaching with very encouraging preliminary results.

"These results are the first of many optimization studies underway on the Project," said Bruce McLeod, President & CEO "These test results continue to demonstrate the optionality of Back River. This work could not only positively impact the economics of the initial production scenario, but could also generate compelling alternatives for future satellite production, at George for example. We are very encouraged and look forward to continuing work on the flow sheet."

Four representative composites were created, one for each of the Llama, Goose, Umwelt open pit and Umwelt underground deposits. The results from this first round of test work showed promising results. Recoveries for three of four composites (Umwelt open pit, Umwelt underground and Llama, representing approximately 71% of the reserves in the feasibility study) showed a potential increase in gold recoveries of approximately 2-3%. The Goose composite showed a potential reduction of approximately 3-4% in gold recovery. If further studies support the preliminary test work, this could result in an overall increase of 25,000 ounces of gold produced over the current life of mine.

Initial desktop studies have also indicated that changing to a flotation circuit could have positive impacts on both CAPEX and OPEX. Operating costs would largely be impacted by a potential reduction in installed power, and a reduction in reagent consumption. Additional benefits could include a reduction in GHG emissions due to reduced power and transportation requirements.

A flotation optimization test work program to further define the impacts to the project has been initiated.

Permitting

During the week of April 25 - 30th, 2016, the Company attended its final public hearings on the environmental assessment of the Project in Cambridge Bay, Nunavut. The Nunavut Impact Review Board is reviewing all submissions from those hearings and advised that they will make a final project recommendation to the Minister of Indigenous and Northern Affairs Canada on or about June 15, 2016. A positive recommendation would be a significant milestone in the permitting/environmental assessment process and enable the transition into the licensing phase.

Qualified Persons

The Qualified Person as defined by NI 43-101 as pertains to the Back River Project, is Wes Carson, Vice-President, Project Development, for the Company.

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.

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 approximately \$45 million in its treasury and is currently amending the budget and plans for 2016.

Forward Looking Information

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 test programs and various studies, permitting and environmental assessment outcomes, 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, 2015 filed with the Canadian Securities Administrators and available at 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.

Bruce McLeod, President & CEO

555 Burrard Street, Suite 375

Vancouver, BC V7X 1M7

Tel 604 998-4175 Fax 604 998-1051

<http://www.sabinagoldsilver.com/>

Contact

Sabina Gold & Silver Corp
Nicole Hoeller
Vice-President, Communications
1 888 648-4218
nhoeller@sabinagoldsilver.com