**Facilities Agreement Will Provide the Final Financing Necessary to Complete the Development of the Mangazeisky Silver Project**

TORONTO, ONTARIO--(Marketwired - Sep 7, 2016) - Silver Bear Resources Inc. ("Silver Bear" or the "Company") (TSX:SBR) is pleased to announce that the Company has obtained the minority shareholder approval necessary to enter into the previously announced facilities agreement (the "Facilities Agreement") with the Company's major shareholders, Inflection Management Corporation Limited ("Inflection") and A.B. Aterra Resources Ltd. ("Aterra") with respect to the financing of the final development, construction and commissioning of the Company's Mangazeisky Silver Project. 99.99% of the shares voted at the special meeting of shareholders of the Company held on September 2, 2016 were voted in support of the Facilities Agreement.

Having obtained approval of the Facilities Agreement from its minority shareholders as required by the rules and policies of the Toronto Stock Exchange, the Company, ZAO Prognoz ("Prognoz"), its indirect wholly-owned Russian subsidiary, Silver Bear Holdings Limited ("SBR Barbados"), its direct wholly-owned Barbadian subsidiary, and Inflection and Aterra each executed the Facilities Agreement and all related security documents, effective as of September 5, 2016.

Silver Bear's CEO, Graham Hill commented: "The Company appreciates the overwhelming support of its minority shareholders, that resulted in the securing of the final approval for the project financing. We are also heartened by the continuing support of both Inflection and Aterra throughout 2015 and 2016, which was instrumental in ensuring our accelerated development and construction efforts. The timeline of reaching silver commissioning in late 2016 remains on-track. As we progress through the second half of 2016, the Company expects to make several updates on both the final stages of the project construction and the revised mine plan that will include the recent mineral resource update at Vertikalny Central."

*Summary of the Terms of the Facilities Agreement*

On drawdown under the Facilities Agreement, Inflection and Aterra (together, the "Lenders") will make available to the Company and Prognoz secured loans in the aggregate principal amount of US$55.2 million comprising three tranches. Tranche A will consist of a term loan facility of US$43.2 million, of which Inflection will provide US$30.6 million and Aterra will provide US$12.6 million (the "Term Loan Facility"). Of the US$43.2 million total Tranche A commitment, US$33.2 million will be made available to the Company with the remaining US$10 million being made available to Prognoz. The Lenders will also make available to Prognoz, subject to the terms and conditions of the Facilities Agreement, a Tranche B working capital facility of US$10 million (the "Working Capital Facility") and a Tranche C contingent facility of US$2 million (the "Contingent Facility", and together with the Working Capital Facility, the "Additional Facilities"). The Working Capital Facility will consist of US$7.1 million from Inflection and US$2.9 million from Aterra. The Contingent Facility will consist of US$1.42 million from Inflection and US$0.58 million from Aterra. The Term Loan Facility, together with the Additional Facilities, are collectively referred to as the "Secured Loan Funding". Drawdown of the Secured Loan Funding remains subject to certain customary terms and conditions as set out in the Facilities Agreement. The first utilization and drawdown under the Facilities Agreement are expected on or around September 15, 2016.

Pursuant to the Facilities Agreement, a portion of the Term Loan Facility will be used by the Company to repay the principal and accrued interest on certain outstanding promissory notes previously issued by the Company to the Lenders. The Company anticipates that the Secured Loan Funding will result in net new funding to the Company and Prognoz of approximately US$22 million following the repayment of such outstanding promissory notes.

The Secured Loan Funding will accrue interest at a rate of 15% per annum, calculated and accrued quarterly, and will be payable on January 1, April 1, July 1 and October 1 in each calendar year and on the maturity date, being the date that is forty-eight months following the date on which the Term Loan Facility is drawn in full. Pursuant to the terms of the Facilities Agreement, all interest accrued before July 1, 2017 will be capitalized and added to the principal amount of the Term Loan Facility such that the first interest payment under the Facilities Agreement would therefore be in respect of the quarterly period ending October 1, 2017.

The Secured Loan Funding is secured and each of the Company, Prognoz and SBR Barbados have guaranteed each other's obligations under the Facilities Agreement and all related security documents.

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$^2$ that includes the high-grade Vertikalny deposit, 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 completed a Feasibility Study in Q2 2016. The Company is implementing a fast-track execution plan to complete major construction of the Mangazeisky Silver Project by the end of 2016, with steady state production planned to start in Q1 2017. 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.

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 satisfaction of each party's obligations in accordance with the terms of the definitive agreements for the Secured Loan Funding; failure to receive any required regulatory approvals or other approvals; the possibility that the amount of net new funding to the Company following the repayment of certain outstanding promissory notes held by the Lenders may be less than anticipated; and 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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