TORONTO, ONTARIO--(Marketwired - Sep 22, 2016) - Silver Bear Resources Inc. ("Silver Bear" or the "Company") (TSX:SBR) is pleased to announce that the Company and Closed Joint Stock Company "ZAO Prognoz" ("Prognoz"), the Company's indirect wholly-owned Russian subsidiary, have received US$42,924,995 on drawdown of the Tranche A funds under the previously announced facilities agreement dated September 5, 2016 (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.

The Tranche A term loan facility of approximately US$42.9 million (the "Tranche A Funds") consisted of approximately US$30.44 million provided by Inflection and US$12.47 million provided by Aterra. US$32.9 million of the Tranche A Funds was made available to the Company and US$10 million of the Tranche A Funds was made available to Prognoz. On drawdown, the Company used approximately US$32.9 million of the Tranche A Funds to repay, by means of set-off, the principal and accrued interest on certain outstanding promissory notes previously issued by the Company to Inflection and Aterra, as required under the terms of the Facilities Agreement. The remaining US$10 million of the Tranche A Funds will be used by Prognoz for final development, construction and commissioning of the Mangazeisky Silver Project and for general administrative and corporate expenses.

The Facilities Agreement provides for the drawdown of three tranches (collectively referred to as the "Secured Loan Funding") as follows:

- Tranche A - a term loan facility of approximately US$42.9 million, being the Tranche A Funds, which the Company received on September 22, 2016;
- Tranche B - a working capital facility of US$10 million; and
- Tranche C - a contingent facility of US$2 million.

The Company expects that after the repayment, by means of set-off, of certain outstanding promissory notes previously issued by the Company, the Secured Loan Funding will result in net new funding to the Company and Prognoz of approximately US$22 million.

Please see the material change report of the Company dated September 15, 2016 available on SEDAR for additional details on the Facilities Agreement.

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 Facilities Agreement; the possibility that the amount of additional new funding to the Company 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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