# Silver Bear Files 2018 Fourth Quarter and Year Financial Results

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TORONTO, April 02, 2019 - Silver Bear Resources Plc (“Silver Bear” or the “Company”) (TSX: SBR), announces the filing of its financial results for the year ended December 31, 2018, including development highlights from its Mangazeisky silver project in Far East Russia.

For complete details of the audited Consolidated Financial Statements and associated Management’s Discussion and Analysis please refer to the Company’s filings on SEDAR (www.sedar.com) or the Company’s website (www.silverbearresources.com).

2018 Highlights

- Received the license for usage and storage of hazardous chemical materials for its Mangazeisky Silver Project, allowing it to begin hot commissioning activities;
- Achieved first silver pre-commercial production as a result of its commissioning activities in April 2018;
- Produced a total of 594,921 ounces of silver for the nine-month period ending in December 31, 2018;
- Sold a total of 433,095 ounces of silver totalling pre-commercial production revenue of US$6.4 million for the twelve-month period ended December 31, 2018;
- Mined a total of 80,831 tonnes of ore at an average grade of 780 g/t of silver for the twelve-month period ended December 31, 2018;
- The Company has reported a total comprehensive loss for the year of $33,154,722 and an accumulated deficit of $172,464,363. The net assets have turned to a deficit of $30,022,985;
- Secured additional tranche for a new US$8 million loan under its existing Facilities Agreement which included a reduction in interest rate to 10% per annum from 15% per annum; Subsequently the major shareholders have agreed to reduce the Facilities Agreement interest rate further to 9% per annum;
- Appointed Mr. Vadim Ilchuk President and Chief Executive Officer (“CEO”) of the Group in November 2018, to lead the Group through its next phase as a silver producer and appointed Mr. Alexey Sotskov, as Deputy CEO in July 2018; and
- Implemented major cost reductions in the Company’s corporate structure and services, reagent consumption and fuel and energy costs reductions at its Mangazeisky Silver Project.

Vadim Ilchuk, President and Chief Executive Officer, commented: “We are pleased that we met our objective of achieving first silver production through our commissioning activities in April 2018. The progress we have made over the year is testament to the extraordinary hard work and professionalism of the entire team at Silver Bear Resources and our wholly owned Russian company AO Prognoz. Over the coming year our primary objectives are to ramp up to full commercial production at Vertikalny, further optimize operating costs and improve operational efficiencies and to identifying additional resources and development opportunities.”

*Operational Results 2018*

The Company achieved first pre-commercial silver production in April 2018 through its commissioning activities at the Mangazeisky Silver Project as construction of the processing plant and associated infrastructure was completed. Ramp-up of the pre-commercial production continued during the third and fourth quarters with increasing productivity in the mining and processing being realized month over month.

The Company expects to reach commercial production in 2019, once its mining and extracting rates along with processing plant silver recoveries reach the feasibility study assumptions consistently over a sustained period of time.

Construction of the Mangazeisky project is effectively completed during the fourth quarter of 2018, with only the completion of the leisure centre in the mine camp postponed until the Company has sustained full commercial production.

During the three-month period ended December 31, 2018, the Group mined 25,266 tonnes of ore from its Vertikalny open pit and milled 18,127 tonnes of ore producing approximately 259,691 ounces of silver contained in dry powder (before smelting losses and refinery adjustment). As at December 31, 2018, as a result of pre-commercial production activities, the Company mined a total of 80,831 tonnes and milled 51,147 tonnes of ore at an average silver grade of 705 g/t Ag/t, for a total of approximately 594,921 ounces silver contained in the dry powder (before smelting losses and refinery adjustment). As of December 31, 2018, the Company sold approximately 433,095 ounces of silver at a realized price of US$14.78 Ag/oz.

| | | Pre-Commercial Production | | |
|---|---|---|---|---|
| | Three-months ended Mar 31, 2018 | Three-months ended Jun 30, 2018 | Three-months ended Sep 30, 2018 | Three-months Dec 31, 2018 |
| Operating Data | | | | |
| Ore mined (tonnes) | 2,791 | 18,646 | 34,128 | 25,266 |
| Ore processed (tonnes) | 2,236 | 11,848 | 18,936 | 18,127 |
| Head grade (g/t Ag) | 1,023 | 622 | 732 | 691 |
| Recovery (%) | 0.0% | 48.8% | 55.7% | 59.3% |
| Silver ounces produced | - | 72,307 | 262,923 | 259,691 |
| Financial Data | | | | |
| Silver ounces sold | - | 10,471 | 177,321 | 245,302 |
| Average realized silver price (US$/oz) | - | 16.31 | 14.96 | 14.58 |
| Pre-commercial production revenues | - | 170,786 | 2,652,729 | 3,576,298 |

*Financial Results 2018*

The Group’s net loss for the year after tax amounted to $36,671,744 as compared to $8,824,740 the same period in 2017. The Group’s net loss for the year includes foreign exchange loss amounted to $26,617,667, mainly resulted on Prognoz level from appreciation of Russian Ruble, and one-off inventory write-off expenses amounted to $1,050,146. The total assets of the Group at December 31, 2018 amounted to $139,654,043 as compared to $135,711,414 in the same period in 2017 and net assets $30,107,463, compared to $358,311 in 2017. Considering pre-commercial stage of the project the financial position of the Group presented in the consolidated financial statements are considered satisfactory.

Outlook 2019

In order to fund development operations and maintain rights under licenses and agreements, the Group has secured funding in the form of long-term loans of which the principal totals $132,732,390 and the Group may be dependent on securing additional financing until such time that it generates sufficient operating cash flow to meet its liabilities.

Following the initiation of silver production in the second quarter of 2018, as a result of pre-commercial production commissioning activities, the Company’s priorities for 2019 are as follows:

- Successful completion of remaining commissioning activities paving the way for full commercial silver production;
- Continue to monitor all operations to further optimize operating costs and improve operational efficiencies;

- Continue to build up operational capabilities and staffing and introduce new systems for production monitoring and management accounting; and
- Compile 2018 exploration program results that target extension of existing deposits and new areas of significance with the intent to grow the Projects resources and establish future drilling programs.

Jacques du Toit, Pr.Eng., MSc.Eng., PMP of Tetra Tech *are Qualified Person under National Instrument 43-101 and have reviewed the scientific and technical information in this release.*

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 (amongst the highest- grade silver deposits in the world), 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 filed an updated Feasibility Study in August 2017. Project construction and permitting is advancing with first silver production targeted for 2018. Other information relating to Silver Bear are 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, the Company 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 risk factors identified by the Company 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 the Company's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although the Company 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 the Company assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.

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