Sabina Gold & Silver Announces Interim Financial Results for the Quarter Ended March 31, 2020

14.05.2020 | GlobeNewswire

VANCOUVER, May 14, 2020 - Sabina Gold & Silver Corp. (“Sabina”) or (the “Company”) (SBB – TSX/ SGSVF - OTCQX) reports the interim financial results for the quarter ended March 31, 2020.

“Sabina was able to advance the Back River Project on several fronts, despite slowdowns caused by COVID-19, pandemic,” said Bruce McLeod, the Company’s President & CEO. “The Company had mobilized Goose camp for the beginning of a drill campaign to test the potential of a high-grade corridor extending up plunge from the Vault zone to the bottom of the proposed pit at Umwelt. We were looking forward to testing this hypothesis but, out of concern for the safety of our team and our Inuit stakeholders, we elected to defer this program until later in the year. I am pleased to report that camp was demobilized efficiently with everyone returning to their home communities safely. At the same time, a work from home protocol was established which has been implemented smoothly. The team continues to advance desktop initiatives for Project optimization, and we look forward to getting back into camp to complete this year’s work program when it is safe to do so.”

Q1 2020 Highlights:

- The Company had cash and cash equivalents and short-term investments of $21.1 million at March 31, 2020.
- Early in the quarter Project development activities were temporarily decelerated due to uncertainty created by the COVID-19 pandemic. The Company continued to refine project execution plans and advance the preparation for additional exploration of the Umwelt deposit via surface and underground drilling testing an opportunity for resequencing and early release of higher grade ores from the Umwelt zone.
- Other Project development activities were focused around the negotiation of an engineering, procurement, construction (“EPC”) contract, with SCGT (joint venture between Sedgman, and CGT Industrial – (Clark Builders, Gisborn and Tarpon)) which envisaged a fixed price for the delivery of the processing plant and associated components. Sabina was presented with a proposal with two components: a fixed, lump sum price for engineering and procurement of all equipment and materials; and a target price for construction and commissioning with a fixed fee. Ultimately the Company has elected to continue negotiating with CGT Industrial who have indicated that they would convert their target bid for construction to a fixed price lump sum bid if detailed engineering is finalized prior to final price confirmation.
- During the quarter, the Company mobilized for its 6,500 meter drill plan to target expansion and definition of the high grade corridor at the Umwelt underground with a focus on the up-plunge portion that extends from the current limits of the Vault zone towards the lower limits of the Umwelt open pit. As a result of the COVID-19 pandemic, Sabina elected to defer the planned drilling at Goose until later in 2020 and safely shut down the site.
- For the three months ended March 31, 2020, the Company reported a net loss of $0.8 million or $0.00 per share.

For the full March 31, 2020 interim financial statements and Management’s Discussion and Analysis, please see the Company website at www.sabinagoldsilver.com or on SEDAR.

Sabina Gold & Silver Corp.

Sabina Gold & Silver Corp. is well-financed and is an emerging precious metals company with district scale, advanced, high grade gold assets in one of the world’s newest, politically stable mining jurisdictions: Nunavut, Canada.

Sabina 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 (see “Technical Report for the Initial Project Feasibility Study on the Back River Gold Property, Nunavut, Canada” dated October 28, 2015).

The Project received its final Project Certificate on December 19, 2017. The Project received its Type A Water License on November 14, 2018 and is now in receipt of all major authorizations for construction and operations.

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.

All news releases and further information can be found on the Company’s website at www.sabinagoldsilver.com or on SEDAR at www.sedar.com. All technical reports have been filed on www.sedar.com

For further information please contact:
Nicole Hoeller, Vice-President, Communications: 1 888 648-4218
nhoeller@sabinagoldsilver.com

Bruce McLeod, President & CEO
1800-555 Burrard Street, Two Bentall Centre
Vancouver, BC V7X 1M9
Tel 604 998-4175 Fax 604 998-1051
http://www.sabinagoldsilver.com