

Sabina Gold & Silver Announces Interim Financial Results for the Quarter Ended March 31, 2021 and Provides Update on Site Activities

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VANCOUVER, May 17, 2021 - [Sabina Gold & Silver Corp.](#) ("Sabina") or (the "Company") (SBB - TSX/SGSVF - OTCQX) reports the interim financial results for the quarter ended March 31, 2021.

"Under a strict COVID-19 operational framework, Sabina opened Goose Camp in early March and commenced preparations for this year's activities," said Bruce McLeod, the Company's President & CEO. "To date we have completed almost half of our planned phase I drill program. We have also commenced preparations to collar the underground exploration decline along with other site civil works. During the first quarter, we reported our much-awaited updated resource estimate as well as our updated feasibility study ('UFS'). The UFS showcases a gold project with a larger reserve (one million ounces added, for a total of 3.5 million ounces of proven and probable reserves), greater capital efficiency, a higher production profile and longer mine life. The Project has also received the required environmental authorizations and social license to commence construction and operations. The team continues to advance detailed engineering and the Project debt process."

Q1 2021 Highlights:

- The Company has cash and cash equivalents and short-term investments of \$72.1 million at March 31, 2021.
- On March 16, 2021, the Company completed a bought deal prospectus financing of 18,000,000 common shares at a price of \$1.95 per common share for gross proceeds of \$35.1 million. Pursuant to its Shareholder Agreement, Zhaojin International Mining Co., Ltd. elected to maintain its 9.9% holdings in Sabina and purchased by private placement, 2,117,640 Common Shares \$1.95 per Common Share for gross proceeds of approximately \$4.1 million. The net proceeds of the financings were approximately \$37.1 million.
- On January 20, 2021, the Company announced an updated mineral resource estimate for the Project. Resources now total 6.32 million ounces (33,452,000 tonnes at 5.88 g/t) in the Measured and Indicated ("M&I") categories and an additional 2.86 million ounces (13,794,000 tonnes at 6.44 g/t) in the Inferred category.
- On February 24, 2021, the Company announced the results of its UFS which included improvements to the mine schedule to bring forward high-grade areas at Umwelt underground amongst other changes. The revised mine plan increased total gold production by 1.0 million ounces, with annual average production of 287 koz in years 1 through 5 (with peak production of 303k oz in year 3) and 223 koz per year over the 15-year mine life. The UFS generates a post-tax internal rate of return of 27.7% and net present value^(5%) of C\$1.1B (US\$860M) with a rapid pay back of 2.3 years using a gold price of US\$1,600/oz and an exchange rate of 1.31 \$C/\$US.
- During the quarter, the Company prepared for 2021 site activities by opening its Goose camp in early March. There is a spring drill program planned for 4,000 meters over 8 to 10 holes, targeting an equal mix of early-stage exploration areas and the Hook zone. Additionally, project development activities at site will initially focus on the continuation of the underground ramp project, whereby Sabina is developing a ramp for underground exploration of the Umwelt deposit.
- For the three months ended March 31, 2021, the Company reported a net loss of \$1.4 million or \$0.00 per share.

For the full March 31, 2021 interim financial statements and Management's Discussion and Analysis, please see the Company website at www.sabinagoldsilver.com or on SEDAR.

Site Development Update:

During the first quarter, much has been advanced on the project, including the following:

- Procurement of the initial surface mining fleet for the first year of pit development consisting of seven 64 tonne haul trucks with associated drilling, loading and support equipment. Procurement of phase I of the permanent accommodation complex (287 beds), building steel and cladding for the process plant, crusher building and truck shop, construction equipment necessary for concrete placement and building erection as well as equipment required for winter ice road construction. Sabina is also working with a logistics specialist (air and sealift) to finalize the execution strategy for mobilizing goods and equipment to site.
- Site civil works continue including ground support of the box cut face which Sabina is developing for the underground exploration ramp and harvesting of esker material for concrete production and plant site preparation work.
- The erection of a 60' x 100' underground shop has been completed and installation of site services for power and compressed air supply for underground activities is ongoing.
- 1,800 meters of a planned 4,000 meter exploration drilling program has been completed.
- Necessary geotechnical drilling of proposed water containment areas is finished.

To facilitate this work, transportation of over one million litres of fuel and 1.5 million pounds of supplies and consumables for surface civil works has also been completed.

Engineering Update:

Detailed engineering is approximately 75% complete and is expected to be completed in late Q2 with issued construction drawings and finalized vendor interfaces. Sabina has also entered into a contract with FLSmidth to complete the engineered design and fixed pricing for the plant, including commissioning, training and spare requirements. Sabina is also continuing to negotiate a performance guarantee on plant equipment.

The Company has also engaged an Arctic experienced constructor who has completed constructability reviews and is developing an execution plan focused on providing a fixed price bid on construction deliverables.

[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 Nunavut, Canada.

Sabina recently filed an Updated Feasibility Study (the "UFS") on its 100% owned Back River Gold Project which presents a project that will produce ~223,000 ounces of gold a year (first five years average of 287,000 ounces a year with peak production of 312,000 ounces in year three) for ~15 years with a rapid payback of 2.3 years, with a post-tax IRR of ~28% and NPV_{5%} of C\$1.1B. See "National Instrument (NI) 43-101 Technical Report - 2021 Updated Feasibility Study for the Goose Project at the Back River Gold District, Nunavut, Canada" dated March 3, 2021.

The Project received its final major authorization on June 25, 2020 and is now in receipt of all major permits and 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

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Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws (the "forward-looking statements"), including, but not limited to, statements related to the expected use of proceeds of the Offering and the projections and assumptions of the results of the UFS. 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 uncertainty of production, development plans and costs estimates for the Back River Gold Project; discrepancies between actual and estimated mineral reserves and mineral resources, between actual and estimated development and operating costs; the interpretation of drill, metallurgical testing and other exploration results; the ability of the Company to retain its key management employees and skilled and experienced personnel; exploration, development and mining risks and the inherently dangerous nature of the mining industry, and the risk of inadequate insurance or inability to obtain insurance to cover these risks and other risks and uncertainties; property and mineral title risks including defective title to mineral claims or property; 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 licenses 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, 2020 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.

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