

Sabina Gold & Silver Corp. Announces C\$110 Million Bought Deal Financing

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VANCOUVER, March 21, 2022 - [Sabina Gold & Silver Corp.](#) (SBB.T/SGSVF.OTCQX), ("Sabina" or the "Company") has announced today that it has entered into an agreement with a syndicate of underwriters led by BMO Capital Markets (collectively, the "Underwriters"), under which the Underwriters have agreed to buy on a bought deal basis 71,000,000 common shares (the "Common Shares") at a price of C\$1.55 per Common Share for gross proceeds of approximately C\$110 million (the "Offering"). The Company has granted the Underwriters an option, exercisable at the offering price for a period of 30 days following the closing of the Offering, to purchase up to an additional 15% of Common Shares issued to cover over-allotments, if any. The Offering is expected to close on or about March 30, 2022 and is subject to Sabina receiving all necessary regulatory approvals.

The net proceeds from the sale of the Common Shares will be used for construction of the Goose Mine and for working capital and general corporate purposes.

The Company has provided a financing notice to Zhaojin International Mining Co., Ltd. ("Zhaojin") about the exercise of Zhaojin's participation right (the "Zhaojin Participation Right") under its Shareholder Agreement with the Company dated December 19, 2017, as amended. Pursuant to the Zhaojin Participation Right, Zhaojin has a 48 hour right to elect to purchase such number of Common Shares at the Offering Price by way of a private placement to either maintain its 9.9% holdings in Sabina's Common Shares or to subscribe for such number of Common Shares as is equal to 33% of the Common Shares sold under the Offering and prior private placements in which Zhaojin did not participate at the 33% level. OMF FUND III (MT) LLC. and [Wheaton Precious Metals Corp.](#) have a right to elect to purchase such number of common shares at the offering price for the Common Shares by way of a private placement to maintain its 14.2% and 6.4% holdings, respectively, in Sabina's common shares. Any such participation will occur by way of a concurrent private placement.

The Common Shares will be offered by way of a prospectus supplement filed pursuant to the Company's base shelf prospectus dated May 15, 2020. The terms of the Offering will be described in a prospectus supplement to be filed with securities regulators in each of provinces and territories of Canada, other than Quebec. The Common Shares may also be offered by way of private placement in the United States.

The Common Shares offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Common Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Sabina Gold & Silver

[Sabina Gold & Silver Corp.](#) is an emerging gold mining that 100% owns the district scale, advanced, high grade Back River Gold District in Nunavut, Canada.

Sabina recently filed an Updated Feasibility Study (the "UFS") on its first mine on the district, the Goose Mine, 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 NPV5% 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.

Since the UFS, completion of detailed geotechnical test work on the tailings samples and the inclusion of a high-capacity tailings thickener, the tailings storage capacity of the Echo open pit has increased sufficiently

to enable the decision to construct the mill at a 4,000 tpd capacity at the outset. This, in addition to optimized equipment selection and detailed engineering has reduced the cost of the expansion from C\$17m to C\$10m when compared to the UFS.

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.

The Company is also very committed to its Inuit stakeholders, with Inuit employment and opportunities a focus. The Company has signed a 20-year renewable land use agreement with the Kitikmeot Inuit Association and has committed to various sustainability initiatives under the agreement.

In February 2022, the Company announced it had completed a comprehensive project financing package for US\$520 million comprised of:

- A US\$225 million senior secured debt facility with Orion Mine Finance;
- A US\$75 million gold prepay facility with Orion Mine Finance;
- A US\$125 million gold stream arrangement with Wheaton Precious Metals; and
- A US\$95 million private placement of Sabina Common shares subscribed to by both Orion and Wheaton Precious Metals.

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.

For further information please contact:

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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, the anticipated terms of the Offering; the exercise of the over-allotment option; the expected closing date of the Offering and any concurrent private placement; the receipt of all necessary regulatory approvals to effect the Offering and any concurrent private placements; and the expected use of net proceeds from the Offering, which ultimately remains subject to the Company's discretion, commencement of construction of the Project, the timing for completion of construction, the creation of value for stakeholders, the timing and completion of the second and third tranches of the private placement 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 receipt of all required approvals, availability of equity financing on reasonable terms, the uncertainty of construction, 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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