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**Sabina Gold & Silver Reports Minister of Indigenous and Northern Affairs  
Canada Deems Nunavut Impact Review Board Report Deficient  
Refers back to NIRB for further review**

Vancouver, BC – Sabina Gold & Silver Corp (SBB.T), (“Sabina” or the “Company”) is pleased to announce that the Minister of Indigenous and Northern Affairs Canada (“INAC”), with the agreement of other responsible ministers, has decided that the Back River Project (“Back River” or the “Project”) should be returned to the Nunavut Impact Review Board (“NIRB”) for further consideration under Section 12.5.7 (e) of the Nunavut Agreement.

On June 15, 2016, the NIRB recommended to the Minister of INAC that the Back River Project not proceed to the next phase of permitting at this time. Since that time, the Minister of INAC and the other responsible ministers have been considering the NIRB Report.

In her letter of January 12, 2017 to the NIRB, the Minister of INAC stated “After careful consideration...we are referring the Report back to the Board for further review or public hearings as the Report is deficient with respect to some ecosystemic issues. In our view, based on the process to date, it is premature to conclude that the Project would lead to unacceptable or unmanageable ecosystemic or socioeconomic impacts. There were a number of areas where there was insufficient information presented in the [NIRB] Report to support the conclusions of the Board, and where further information is required so that the ministers may understand the rationale behind the conclusions presented by the Board prior to making a decision on whether the project should proceed. This is particularly important in areas where the Board has expressed a lack of confidence or significant uncertainty while the Report and the broader record indicates that many of the participants (including Indigenous and non-Indigenous witnesses and subject matter experts) expressed confidence that the measures presented could mitigate and manage potential adverse effects to an acceptable level. A deeper inquiry into the issues identified by the Board might point to sound management approaches.”

With respect to caribou, the Minister of INAC referred to the jointly proposed terms and conditions for caribou submitted by Sabina, the Kitikmeot Inuit Association (“KIA”) and the Government of Nunavut and recommended further in-depth review of that submission to

provide an opportunity for the Board and others to clearly understand the effectiveness of the proposed measures.

A link to a copy of the letter can be found here:

<http://www.sabinagoldsilver.com/assets/docs/media/Minister-Ltr-to-NIRB-Re-Final-Hearing-Report.pdf>

Sabina has received broad based Inuit support for the Project both at the final hearings in April and since the NIRB Report in mid-June. Written letters to the Minister on behalf of Sabina and the Project have been received from the KIA (the land owner) Hamlet Councils, Hunters and Trappers Organizations, community representatives, as well as the Government of Nunavut.

### **Next Steps**

Sabina will await direction from the NIRB on how the additional review of the Project is to proceed. We remain confident that there are no unresolvable issues which cannot be addressed during this period and look forward to working with the NIRB and others to address any outstanding concerns.

"We are extremely pleased that the Minister has determined that the NIRB should reconsider its recommendation regarding the Project," stated Bruce McLeod, President and CEO. "We understand and support the NIRB's desire for a high level of confidence in the mitigation and management proposed and believe that we have defined programs to address their issues. Sabina has continued to engage with the communities and work with the KIA and responsible government agencies since the final hearings to further advance our plans, including additional enhancements of our Wildlife Mitigation and Monitoring Program. We would like to thank the KIA, the Government of Nunavut and the various Kitikmeot community representatives and groups who expressed their continued support for the Project, and we look forward to reengaging with the NIRB to determine the best path forward. Back River is aiming to be one of the next gold mines in Nunavut providing much desired jobs, training, infrastructure and economic opportunities to the Territory with a best in class approach to protecting the environment."

### **Sabina Gold & Silver Corp**

Sabina Gold & Silver Corp. is a well-financed, emerging precious metals company with district scale, world class undeveloped assets in one of the world's newest, politically stable mining jurisdictions: Nunavut, Canada.

Sabina recently 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. At a US\$1,150 gold price and a 0.80 exchange rate, the Study delivers a potential after tax internal rate of return of approximately 24.2% with an initial CAPEX of \$415 million.

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.

The Company has approximately C\$41.5 million in its treasury (September 30, 2016) and plans to end the year with approximately C\$39 million.

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 our belief as to the extent, results and timing of and various studies relating to permitting and environmental assessment outcomes. 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 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 licences 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, 2015 filed with the Canadian Securities Administrators and available at [www.sedar.com](http://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. This news release has been authorized by the undersigned on behalf of Sabina Gold & Silver Corp.

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