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SBB NR-15-17

SBB – TSX

SABINA GOLD & SILVER ANNOUNCES Q3 FINANCIAL RESULTS

~\$20 million in cash and equivalents at September 30, 2015

VANCOUVER – Sabina Gold & Silver Corp. (“Sabina”) or (the “Company”) (SBB – TSX) reported today the financial results for the third quarter of 2015.

“The third quarter saw continued advancement of the Company and the Back River Project,” said Bruce McLeod, President & CEO “We are very pleased with the positive reaction received from our Initial Project Feasibility Study (“3KFS”) announced in mid-September. We believe this is the path forward to kick-start production in the Back River District. Additionally, we added to our treasury and increased insider ownership during the quarter by completing a small flow-through financing at a premium to market at the time. The fourth quarter will focus on progressing the environmental assessment of Back River as we move towards some major permitting milestones in 2016.”

Q3 Highlights

- The Company had cash and cash equivalents and short-term investments of \$19.8 million at September 30, 2015.
- In September, the Company completed and announced positive results the 3KFS. Base case economics are in Canadian dollars, based on a gold price of US\$1,150/oz Au and an exchange rate of 0.80 (US\$:C\$). The Project’s highlights include:
 - The Project could generate a post-tax IRR of 24.2% and net present value (“NPV”) (at 5% discount rate) of \$480.3 million with a payback period of 2.9 years (from start of operations);
 - Processing rate of 3,000 tonnes per day (“tpd”) produces ~250,000 oz Au per year in years 1-8 and ~ 200,000 oz Au per year Life of mine;
 - Majority of production from open pit mining method (72% LOM) with no underground production scheduled until year 3 (after payback);
 - Approximately 80% of open pit reserves in proven category
 - Initial capital estimate of \$415 million and sustaining capital estimate of \$185 million;
 - Total LOM cash costs of US\$534/oz Au;
 - Total LOM all-in sustaining cash costs of US\$598/ oz Au LOM;
 - 11.8 year mine life with a LOM average grade of 6.3 grams per tonne (“g/t”) Au and metallurgical recoveries of 93%;

- During the quarter, the Company conducted a field exploration program focused on generating new targets at the Goose project in both the greywacke and iron formation host lithologies which have potential for large-scale, shallow-tiered resource discoveries. The program consisted of geological mapping, prospecting, channel sampling, till sampling, core re-logging, and induced polarization (IP) geophysics programs. Subsequent to the quarter, on October 14, 2015, the Company announced results from the program including the discovery of the Kogoyok target, a new zone of outcropping mineralization where grab samples have returned gold values including 33.86g/t, 28.10g/t and 18.23g/t.
- On July 14, 2015, the Company completed a flow-through equity financing of 2,661,600 flow-through common shares at \$0.50 per share for gross proceeds of approximately \$1.3 million. The financing was non-brokered and fully subscribed for by directors and employees of Sabina and was completed at a 21% premium to the 20-day volume weighted average price at the time of the announcement and resulted in a significant increase in insider ownership.
- Subsequent to the quarter on October 29, 2015, the Company completed and filed its National Instrument 43-101 (“NI 43-101”) compliant technical report on the 3KFS.

Financial Results

For the quarter ended September 30, 2015, the Company reported a net loss of \$0.9 million, unfavourable by \$0.4 million compared to the same period of 2014. The difference quarter over quarter was largely the result of impairment of investment recognized in Q3 2015 and deferred income tax expense, partially offset by lower operating expenses. The Company recorded an impairment loss of \$0.2 million on its equity investment in Pure Gold Mining Inc. based on the closing market price at September 30, 2015.

Operating expenses in Q3 2015 were lower by \$0.1 million than the comparable period of 2014. Interest income was lower by \$0.1 million due to reduced average cash balances and was largely offset by amortization of flow-through premium recognized in the period. Deferred income tax expense was unfavourable by \$0.2 million in Q3 2015 due to deferred income tax associated with flow-through financing completed in the quarter compared to a deferred income recovery in Q3 2014 recognized due to losses in the quarter.

For the nine months ended September 30, 2015, the Company reported a net loss of \$4.9 million as compared to a net loss of \$2.9 million for the same period in 2014. The loss in 2015 was higher by \$2.0 million due to an impairment loss of \$2.0 million on equity investments and a write down of \$0.2 million for certain non-material mineral claims that the Company elected to drop on its Wishbone property. Included in the loss in 2014 was a loss of \$0.2 on disposition of its Newman Madsen property.

Excluding write downs, operating expenses in the nine month period of 2015 were \$0.5 million lower than the comparable period of 2014, due in part to a number of cost saving measures, including staff reductions, a 50% reduction of directors’ fees and a reduction of the number of board members (see table below). Offsetting was lower net finance (interest income and amortization of flow-through premium) and deferred tax expense/recovery, which were lower by \$0.2 million and \$0.9 million, respectively, for the reasons noted above.

The Company had cash and cash equivalents and short-term investments of \$19.8 million at September 30, 2015 compared to cash and cash equivalents of \$32.5 million at December 31, 2014. The Company forecasts the year end cash balance at \$17 million.

For the full Q3, 2015 financial statements and Management's Discussion and Analysis, please see the Company website at www.sabinagoldsilver.com or retrieve them from www.sedar.com.

Quality Assurance

Mr. Angus Campbell, P. Geo. and Vice-President, Exploration and Mr. Wes Carson, P. Eng. and Vice President, Project Development are Qualified Persons under the terms of NI 43-101 and have reviewed the technical content of this News Release for the Back River Project and approved its dissemination.

SABINA GOLD & SILVER CORP

Sabina Gold & Silver Corp. is an emerging gold developer with district scale, world class assets in one of the world's newest, most politically stable mining jurisdictions: Nunavut, Canada. Sabina's primary assets, all located in Nunavut, consist of: the Back River Gold Project, currently in the pre-feasibility and permitting phase and the Hackett River Silver Royalty, a silver production royalty on Glencore's Zinc's Hackett River project comprising 22.5% of the first 190 million ounces produced and 12.5% of all the silver produced thereafter. Sabina also holds grass roots exploration properties in Nunavut and Ontario.

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 Statements

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 exploration programs and various studies including the 3KFS, and exploration results, , the potential tonnage, grades and content of deposits, timing, establishment and extent of resources and reserves estimates, potential production from and viability of the Company's properties, production and operating costs and permitting submission, timing and receipt of necessary permits and project approvals for future operations and access to project funding. 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, 2014 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. This news release has been authorized by the undersigned on behalf of Sabina Gold & Silver Corp.

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