



202-930 West First Street,  
North Vancouver, B.C.  
604.998.4175



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## SABINA GOLD & SILVER REPORTS ON IMPORTANT BACK RIVER PERMITTING MILESTONE

### -First Stage Technical Review and Public Hearings Very Encouraging-

VANCOUVER – January 12, 2015, Sabina Gold & Silver Corp. (the “Company”) (SBB – TSX) is pleased to provide an update on technical review, community round-table, and pre-hearing conference meetings on the Company’s 100% owned Back River Gold Project, (“Back River”) or (the “Project”) Nunavut, Canada.

Since initiating the permitting process in 2012, Sabina has worked diligently to engage with all communities and agencies (“Intervenors”) involved in the assessment of the Back River Project. Over this time the Company has held 144 sessions reaching out to potentially affected communities and 195 meetings with all levels of federal and territorial governments. Open dialogue with all stakeholders is very important to Sabina to enable all parties to understand the project and to relay any concerns they may have.

In January 2014, after completion of its Pre-feasibility Study, the Company submitted its Draft Environmental Impact Assessment (“DEIS”) to the Nunavut Impact Review Board (“NIRB”). During the months from January to October, 2014, a technical review period ensued during which the NIRB and all Intervenors reviewed the document. Approximately 600 comments and questions were submitted to the Company, to which Sabina has responded.

This information was reviewed in a formal technical and pre-hearing conference in Cambridge Bay, Nunavut during November 2014. This series of meetings was the first stage of the public hearing process. It allows for public technical discussion and comment as well as enables Sabina to address concerns and potential mitigations in the Back River Final Environmental Impact Statement (“FEIS”). The FEIS will form the basis of a project recommendation from the NIRB.

“We are very encouraged with how the meetings proceeded and the support for responsible mine development in the region on all levels,” said Rob Pease, President & CEO. “The NIRB did an excellent job of facilitating the meetings and keeping things on track. All Intervenors and community members expressed their comments and questions and listened to our responses in a very collaborative manner,” he said “Our team was very well prepared for the meetings and were not surprised by any of the comments or information requested. This is a milestone in the permitting process for us as the wealth of information and guidance we received during this conference is critical for us to complete a positive FEIS. We have an excellent understanding of what work needs to be done to enhance the final document. We look forward to completing and filing our FEIS in mid-2015.”

In a letter dated December 19, 2014, Ryan Barry, NIRB’s Executive Director commented on the hearings, “The NIRB thanks Sabina and all parties for the cooperative and open dialogue to date

which has allowed the NIRB's Review process to unfold in an efficient and effective manner. The [NIRB] Board looks forward to receiving Sabina's FEIS submission and proceeding through the remaining steps of the Review process for the Back River Project."

Through collaboration and productive discussion with Intervenor on subjects such as caribou, marine/shipping, socio economic effects, tailing storage, among others, Sabina has made commitments to incorporate further data, reasonable mitigation measures, and preferred processes into the Project and its FEIS. A summary of the NIRB's Pre-Hearing Conference Decision document can be found on the NIRB's FTP website at <ftp://ftp.nirb.ca/>.

The Company plans to file the Back River FEIS in mid-2015, after which time, once NIRB completes a concordance test against previously established guidelines, a technical review period will ensue. Final hearings on the project are expected to occur in late fall of 2015, with a recommendation from NIRB to follow.

### **Work Program and Budget for 2015**

The Company anticipates it will end 2014 with cash of approximately \$30 million.

Work in 2015 will focus on advancing and de-risking Back River and will include a short winter program at Goose to complete geo-technical drilling and minor environmental baseline work to support the FEIS. Although no exploration drilling programs are planned for this winter program, exploration targeting and resource expansion modelling continues to highlight areas of high potential and opportunity for discovery.

Management is still finalizing the budget for 2015 which will be announced once it has been approved by the Board of Directors in late January.

### **Feasibility Study ("FS") Update**

Work progresses on the FS and is focused on: (for further details see news release dated October 7, 2014)

- The impact of an increased resource on the Project as it relates to mine life;
- The impact of significant conversion of Inferred resources to Measured and Indicated, particularly in the underground resource as it relates to development efficiencies and cost reductions;
- The impact of increased recoveries (88.0% in the PFS to and anticipated 93.9%);
- More efficient tailings and waste rock management facilities;
- Increasing through put by approximately 20% for the first half of the mine life from the 5,000 tpd in the PFS; and
- The impact of an improved understanding of how the less densely drilled deeper portion of the current inferred resource could provide opportunity for longer term production; and other opportunities.

Detailed engineering on these concepts is ongoing and Project economics are not yet available. Readers are cautioned that until the FS is completed, the implications of these concepts on the Project, including on Project economics, will not be fully understood. Results will be used to support the FS which is expected to be completed in the first half of 2015.

## **Project Financing**

Management is currently informally exploring project financing alternatives and opportunities. While the Project is expected to be substantively de-risked by the end of 2015, (with the FS and environmental assessment completed), subject to the results of the FS and FEIS, the Company would start construction of the Back River Project at an appropriate time once financing is secured on satisfactory terms in a manner which is in the best interests of all shareholders.

## **Quality Assurance**

Matthew Pickard, B.Sc., MBA, P.Geo, CRSP, EP, Vice-President, Environment and Sustainability for Sabina Gold & Silver Corp and has reviewed the environmental/permitting content of this news release and has approved its dissemination.

Wes Carson, P.Eng. and Vice-President, Project Development for Sabina Gold & Silver Corp. is a Qualified Person under the terms of NI 43-101 and has reviewed the technical content of this press and has 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 feasibility and permitting phase; the Wishbone Claims, a vastly prospective grass roots project; and the Hackett River Silver Royalty, a silver production royalty on Glencore's Hackett River project comprising 22.5% of the first 190 million ounces produced and 12.5% of all the silver produced thereafter.

All news releases and further information can be found on the Company's website at [www.sabinagoldsilver.com](http://www.sabinagoldsilver.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). All technical reports have been filed on [www.sedar.com](http://www.sedar.com)

For further information please contact:

Nicole Hoeller, Vice-President, Communications: **1 888 648-4218**

[nhoeller@sabinagoldsilver.com](mailto:nhoeller@sabinagoldsilver.com)

## **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 FS and FEIS and the DEIS, 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, 2013 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.

Rob Pease, President & CEO  
930 West 1<sup>st</sup> Street, Suite 202  
North Vancouver, BC V7P 3N4  
Tel 604 998-4175 Fax 604 998-1051  
<http://www.sabinagoldsilver.com>