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## SABINA GOLD & SILVER ANNOUNCES INTERIM FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

*\$75.4 million in cash and short-term investments, pre-development activities commenced*

VANCOUVER –Sabina Gold & Silver Corp. (“Sabina”) or (the “Company”) (SBB – TSX/SGSVF - OTCQX) reports the interim financial results for the quarter ended June 30, 2020.

“During the quarter, the Company focused on preparing work plans for the remainder of 2020 and re-opening camp,” said Bruce McLeod, the Company’s President & CEO. “Camp was re-opened in late June under a strict COVID-19 Operational Framework. I am pleased to report that camp was re-opened efficiently and is continuing to operate safely under these new protocols. Drilling began in early July with first results expected in the coming weeks.”

The Company continues to closely assess and monitor the COVID-19 situation as it evolves and has undertaken measures to mitigate associated risks, including establishing procedures and protocols to safeguard employees. Given the highly uncertain nature of this situation, the Company is not able to reliably estimate the duration and severity of this pandemic nor the potential impact it could have on the Company’s operating activities and financial position.

### **Q2 2020 Highlights:**

The Company had cash and cash equivalents and short-term investments of \$75.4 million at June 30, 2020.

- On June 3, 2020, the Company completed a bought deal prospectus financing comprised of 15,400,000 common shares at a price of \$2.00 per share, 2,100,000 flow-through common shares at a price of \$2.40 per share, 5,224,000 charity flow-through common shares at a price of \$2.68 per share, and 1,638,000 super charity flowthrough common shares at a price of \$2.90 per share. Zhaojin International Mining Co., Ltd. (“Zhaojin”) elected to maintain its 9.9% holdings, resulting in the issuance of an additional 2,882,082 common shares of the Company at \$2.00 per share. Including Zhaojin’s participation, the Company raised gross proceeds of \$60.7 million.
- During the quarter, project development activities were focused on preparing for the reopening of the Goose camp under a COVID-19 Operational Framework. Initiatives to be completed during 2020 include: a) a phased extension of the Goose property airstrip to accommodate larger aircraft to support future construction and underground activities; b) activities to develop an underground ramp for exploration drilling from subsurface; c) procurement of underground mining and ancillary equipment and infrastructure to

support the exploration decline program, including the airlift campaign to bring this equipment to site.

- During the quarter, the Company prepared for its summer drill program by opening its Goose camp in late June. The program is planned to include approximately 8,500 meters focused on testing the continuity of the high grade corridor at Umwelt underground, infill and plunge extension at Llama and other new high potential exploration targets within the 8km Goose Property gold complex.
- During the quarter, Sabina received approval to use the primary tailings storage facility as contemplated in the feasibility study. While the Back River Project has been shovel ready for construction, this final authorization is a milestone that enables the planned mining operations at the first mine at Back River.

For the three months ended June 30, 2020, the Company's net loss of \$1.2 million compared with \$0.8 million in the comparative quarter in 2019, the increase driven by higher share based payments and lower net finance income offset by a lower deferred income tax expense.

For the six months ended June 30, 2020, the Company reported a net loss of \$2.0 million compared with \$6.1 million in the comparative period in 2019. The difference was largely the result of a mineral property write-down of \$5.7 million on the Company's non-core Red Lake mineral properties in 2019 but also impacted by lower net finance income and a lower deferred income tax recovery in 2020.

For the full June 30, 2020 interim financial statements and Management's Discussion and Analysis, please see the Company website at [www.sabinagoldsilver.com](http://www.sabinagoldsilver.com) or on SEDAR.

### **Red Lake Properties**

Subsequent to the quarter end, the Company and Prosper Gold Corp. ("Prosper") negotiated an agreement whereby Sabina granted Prosper an option to acquire 100% interest in its Golden Sidewalk and Skinner gold properties in the Red Lake mining district of Ontario. The granting of this option enables Sabina to maintain an interest in the Red Lake properties while not diverting resources from the Company's main focus at the Back River Project.

The Option Agreement on the properties provides Prosper an option to earn 100% interest in the properties over a four year period by paying Sabina \$50,000 in cash, up to 1.5 million Prosper common shares (on a post consolidation basis) completing a total of \$2.6 million of work on the properties.

### **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 one of the world's newest, politically stable mining jurisdictions: Nunavut, Canada.

Sabina 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 (see "Technical Report for the

Initial Project Feasibility Study on the Back River Gold Property, Nunavut, Canada” dated October 28, 2015).

The Project received its final Project Certificate on December 19, 2017. The Project received its Type A Water License on November 14, 2018 and its listing to enable deposition of tailings on Schedule 2 of the Metals and Diamond Mining Effluent Regulations on June 25, 2020. The Company is now in receipt of all major 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](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)

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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 engineering studies, infrastructure improvement activities, exploration results and permitting and licensing 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 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, 2019 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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