



# A Gold Miner in the Making

Corporate Presentation – September 2017



# Forward Looking Information

Statements relating to our belief as to the timing of completion of the environmental assessment, the results of the final public hearings, the timing of receipt of a project certificate and permits and the timing of the start of construction and the first gold pour, and the results of further optimization studies to the feasibility study, the potential tonnage and grades and contents of deposits and the potential production from and viability of Sabina's properties are forward looking information within the meaning of securities legislation of certain Provinces in Canada. Forward looking information are statements that are not historical facts and are generally, but not always identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential," "opportunities," and similar expressions, or that events or conditions "will," "would," "may," "could," or should occur. The forward looking information is made of the date of this presentation. This forward looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward looking information, including, without limitation: the effects of general economic conditions; changing foreign exchange rates; risks associated with exploration and project development; the calculation of mineral resources and reserves; risks related to fluctuations in metal prices; uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work arising from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Company's properties; risk of accidents, equipment breakdowns and labour disputes; access to project funding or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in the work program; title matters; government regulation; obtaining and receiving necessary licenses and permits; the risk of environmental contamination or damage resulting from Sabina's operations and other risks and uncertainties including those described in Sabina's annual information form for the year ended December 31, 2016 available at [www.sedar.com](http://www.sedar.com)

Forward looking information is based on the beliefs, estimates and opinions of Sabina's management on the date the statements are made. Sabina undertakes no obligation to update the forward looking information should management's beliefs, estimates or opinions, or other factors, change, except as required by applicable law

# Key Investment Highlights

A scarcity of gold and de-risked gold projects make Sabina one of the few highly leveraged undervalued opportunities

- 80km long multi-generational mining district with embedded growth in a good jurisdiction
- Will produce ~200k ounces Au/year
- Robust at US\$1150 gold and C\$0.80 with a 24% after tax IRR
- Capex is attainable - targeting gold production Q1/2021
- Advancing through permitting
- Strong government and community support
- Exceptional team
- ~C\$36.6 million in cash and equivalents (Q2/17 – Not including \$6m flow-through)



# Back River Gold District

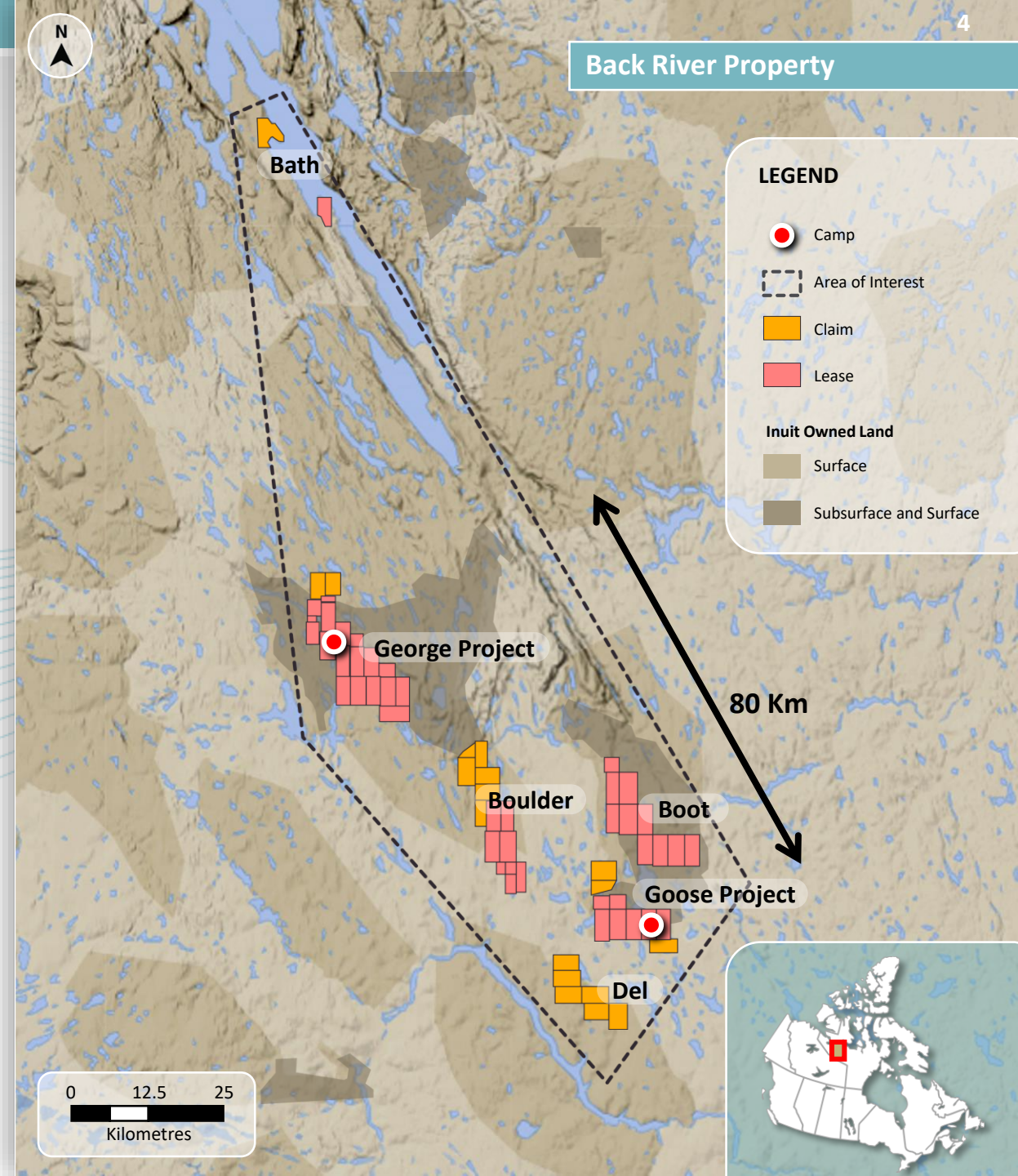
DISTRICT OPPORTUNITY 100% OWNED BY SABINA

Current Mine Life	~ 12 years
LOM Gold Production	2.3M oz
M&I	5,333M oz Au
Inferred	1,851M oz Au

See QA/QC Slide 29

## Significant extended production opportunities exist through:

- Deposits not included in FS plan (at both Goose and George)
- Low risk resource conversion opportunities
- Direct extensional potential for all deposits
- Numerous blue sky brownfield targets
- Continued greenfield and generative exploration future



# Back River – Deposits are Well Drilled and Well Understood and Open

Mineral Resource Estimate Oct/14	Tonnes (kt)	Au (g/t)	Metal (koz Au)
Measured	10,273	5.27	1,740
Indicated	17,969	6.22	3,593
Measured and Indicated	28,242	5.87	<b>5,333</b>
Inferred	7,750	7.43	<b>1,851</b>

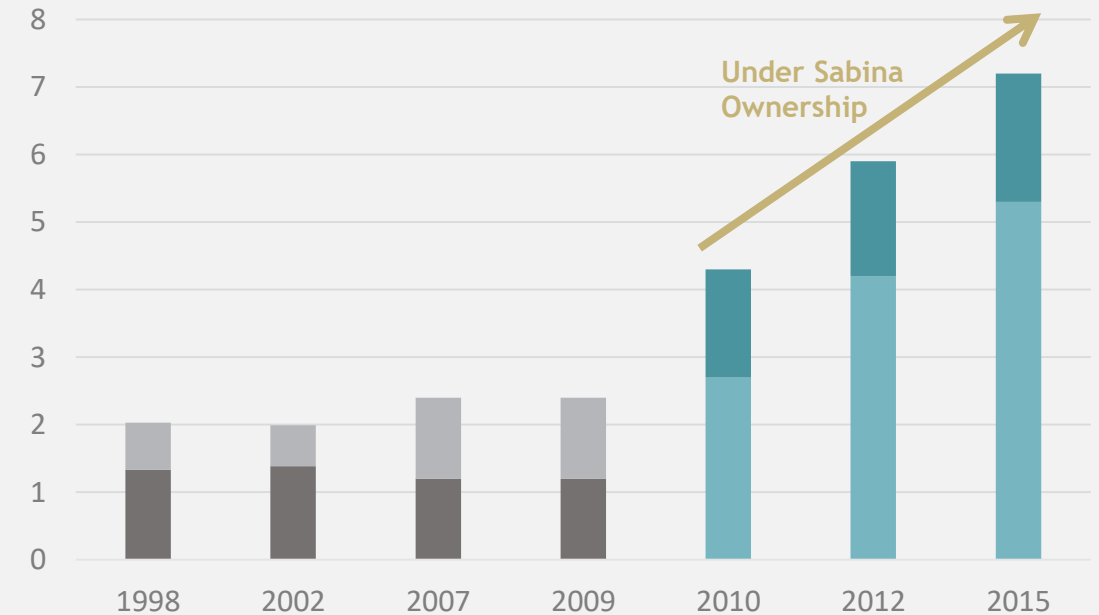
Mineral Reserve Estimate Aug/15	Classification	Tonnes (kt)	Au (g/t)	Au (koz)
Total Open Pit	Proven	6,983	5.97	1,340
	Probable	1,885	5.52	335
Total Underground	Proven	20	9.52	6
	Probable	3,471	7.37	822
Total Back River Property	Proven	7,003	5.98	<b>1,346</b>
	Probable	5,356	6.72	<b>1,157</b>

**80% of open pit reserve is in Proven Category**

## Gold Resource

Millions oz

■ Indicated ■ Inferred

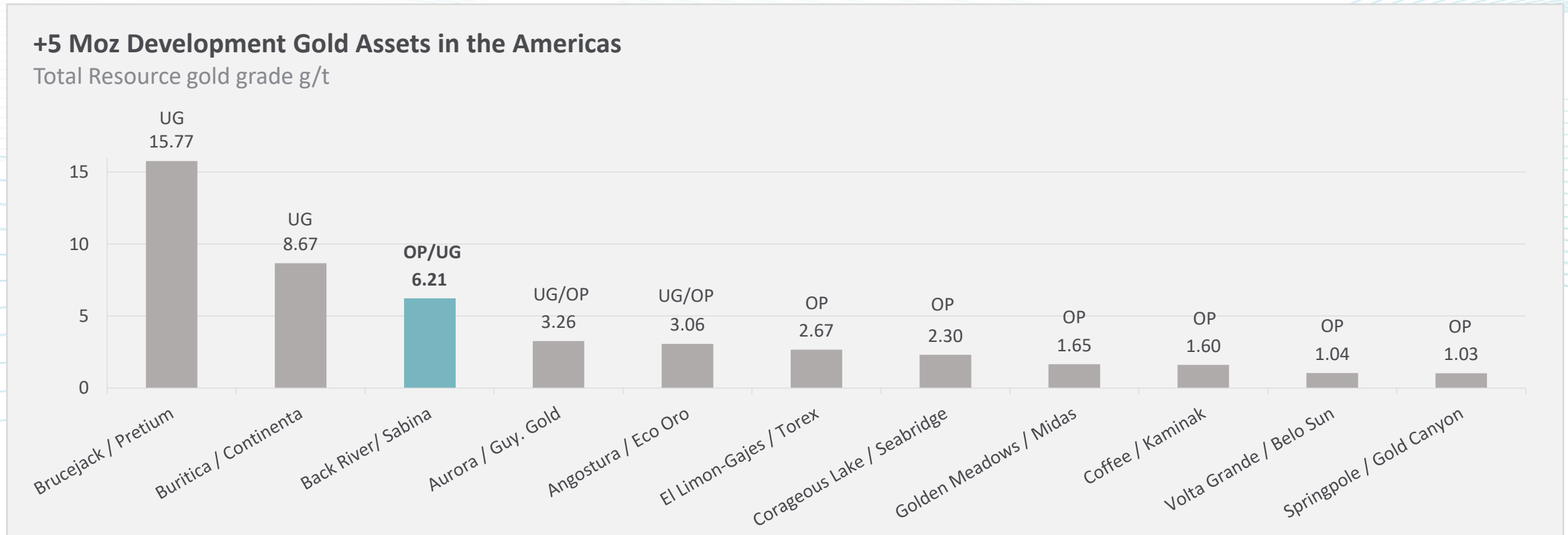


1980's & 90s	1997-2009	June 2009	2010-2014
George & Goose deposit discoveries	Project owned by Arauco, Kinross, Miramar & DPM	Project acquired by Sabina	+325% resource growth under Sabina

\*See mineral reserves and resources estimate slide 29 for details

# Back River – World Class Grade

- Highest grade undeveloped open pits
- The only high-grade project with a major open pit component (72% OP, 28% UG)



**Notes:** Total 2P, Measured, Indicated & Inferred gold resources larger than ~5 million ounces; excludes by-products.

**Source:** Company Technical Reports



# Embedded Future Growth

GEORGE PROPERTY (not included in 3KFS)

## Existing Mineral resources:

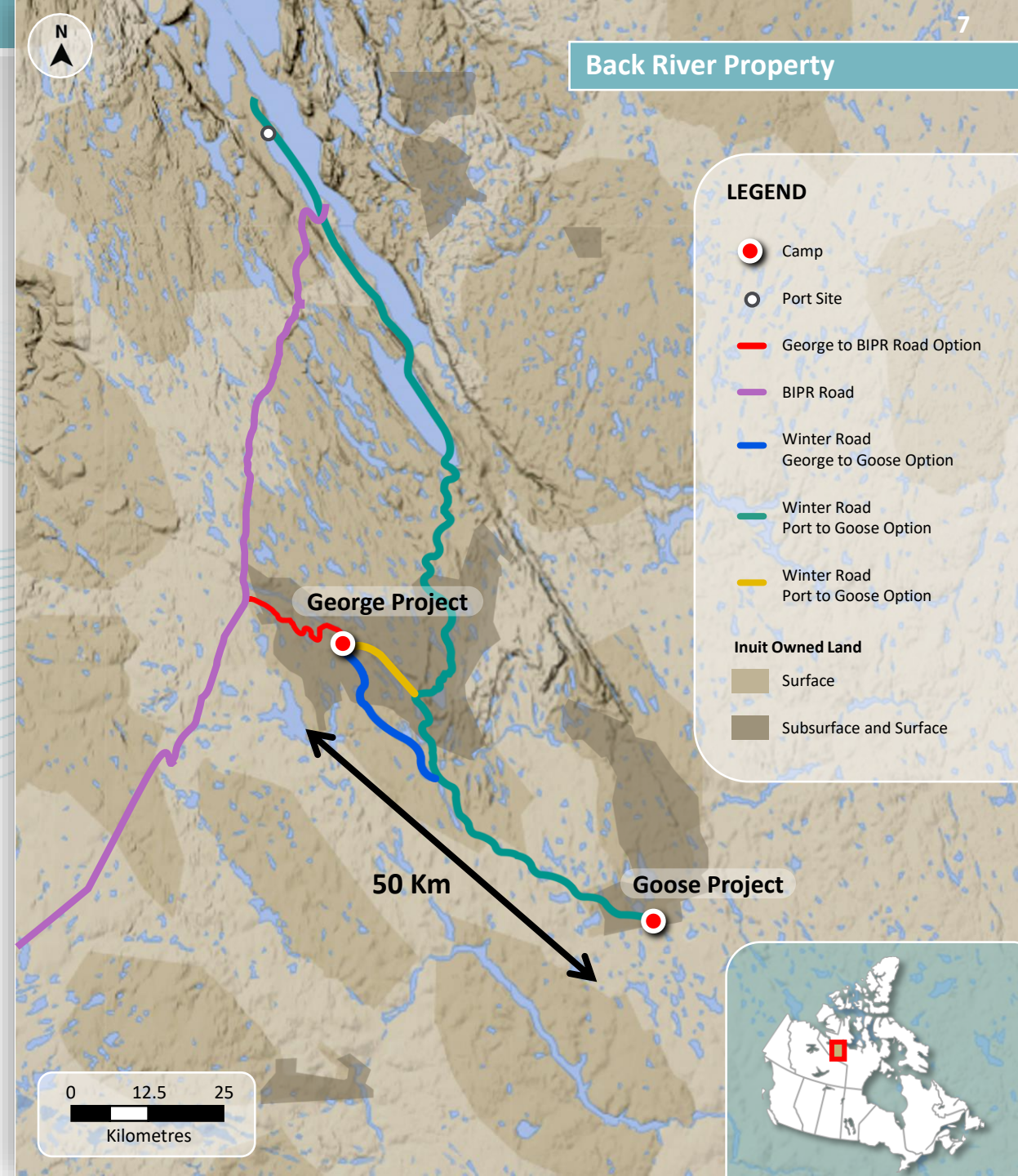
Indicated	1.1m oz @ 5.6 g/t
Inferred	980k oz @ 6.32 g/t
Included in 6KFS	~600 k oz

See QA/QC Slide 29

## Opportunities:

- Stand alone second mine
- Satellite with haulage via winter road to Goose complex
- High value potential to add resources

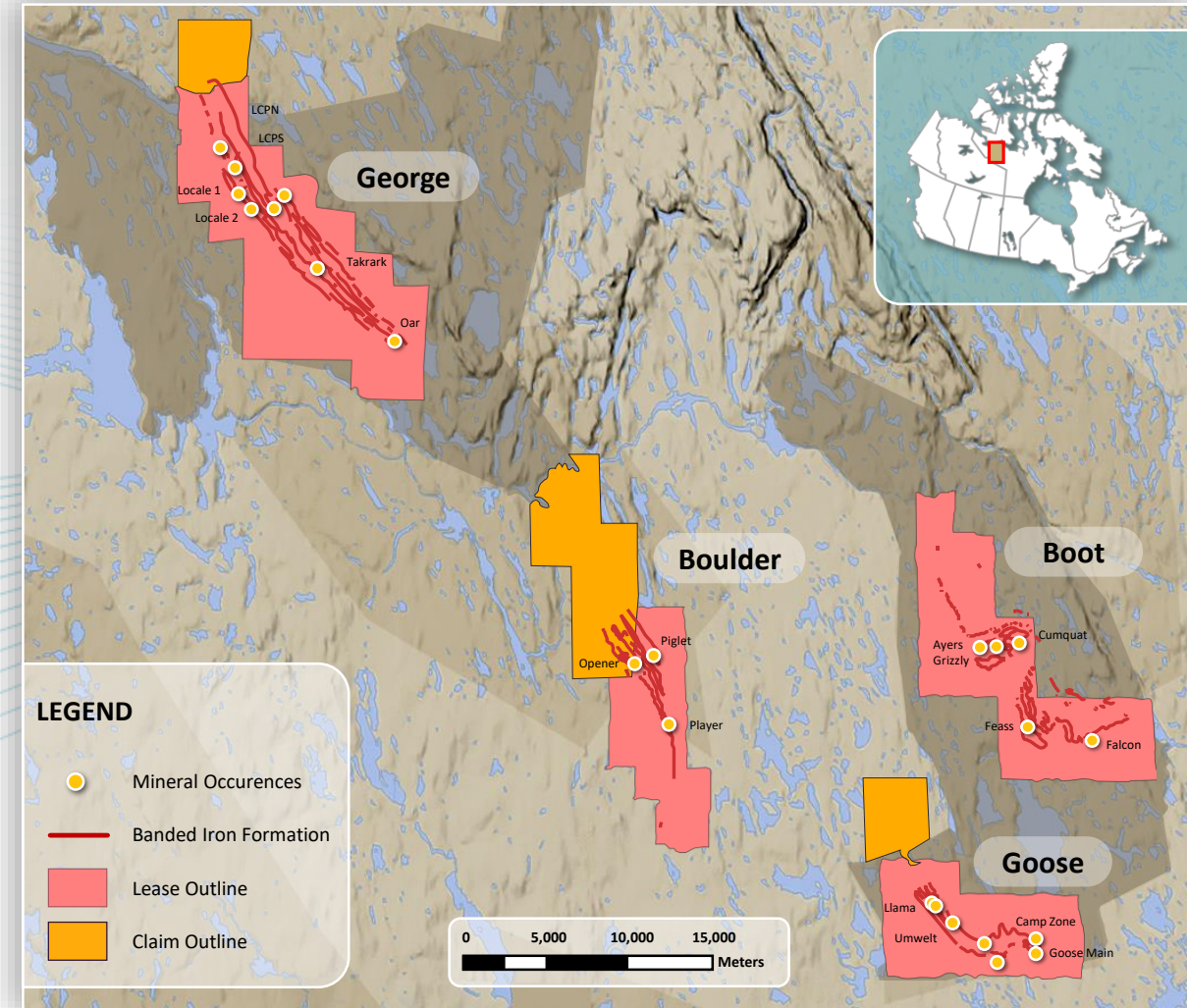
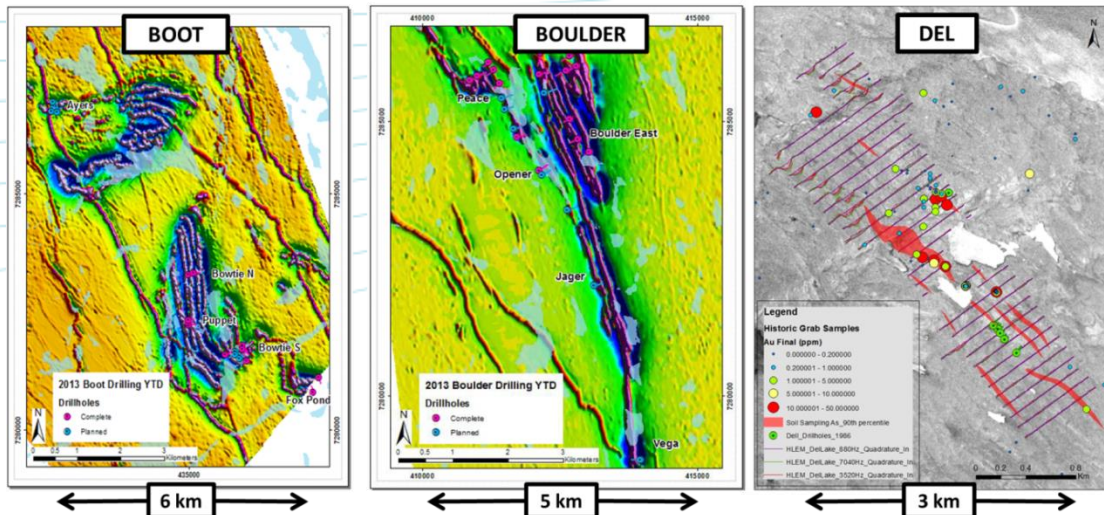
Significant existing resources at George on 20km of largely unexplored iron formation offering opportunity for another mining complex on the Back River district





# Other Opportunities in the District

- Two other widely mineralized BIF systems with little to no work
- Large gold footprint at Del
- Demonstrated opportunity for gold discoveries from field work, grab samples and limited drilling
- Many years of exploration bluesky





# Permitting Progress

- Second Round of final hearings in Cambridge Bay May 31 – June 3/17 resulted in a positive NIRB recommendation. Reviewing the recommended terms and conditions
- NIRB Recommendation Report now with the Minister of Indigenous and Northern Affairs Canada.
- Minister will either agree with NIRB recommendation or reject. (Minister sent the project back to NIRB for further review after NIRB's first negative recommendation)
- If Minister agrees with NIRB, a project certificate could be issued in Q4, 2017
- Based on positive recommendation, water license and other applications being prepared for submission



**NIRB board has recommended to the Minister of INAC that the project proceed to the licensing phase**

# Corporate Update – Focused on Maintaining Q1 2021 Gold Production

- Advancing permitting: NIRB and water license processes progressing
  - Positive NIRB recommendation – significant milestone
  - Water license application nearly complete, expect to submit shortly
- Advancing development: Detailed engineering to commence
  - ~ \$5 million spent post feasibility with objective to reaching 100% detailed engineering prior to construction
  - Basic engineering completed, moving into detailed engineering
  - Project development team focused on all opportunities to enhance project economics
- Completing Project optimizations
  - Flotation test work is complete
  - Other optimizations underway include:
    - Improvements to overall project execution schedule
    - Optimization of process plant



# Corporate Update – Focused on Maintaining Q1 2021 Gold Production

- **Completing exploration programs**
  - Summer drilling to commence in August to further test Vault Zone and Llama extension
  - Fieldwork to advance targeting through out Back River District to support further long-term growth
- **Advancing Project financing**
  - Engaged Cutfield Freeman as financial advisor.
  - Objective is to have an indicative term sheet by Q1, 2018
- **Other initiatives planned**
  - Begin implementation of IT systems suitable for construction and mining operations
  - Ramp up personnel

# Back River Initial Project Feasibility Study Highlights

## Significant Gold Production

- 244 koz/au in years 1-8,
- 198 koz/au LOM.

## 3,000 tonnes per day

- 72% of ore from open pits
- Payback with open pit mining

## Simplified Mine Plan – Lower Execution Risk

- 4 mining areas within 5 km
- Maximum of 1 open pit and 1 underground simultaneously

## Infrastructure

- Higher proportion of pre-fab modules targeting less on site labour.

## Primarily Open Pit

- 3 open pits (Llama, Umwelt, Goose Main)
- 1 underground (Umwelt)

## Credible Relevant Benchmarking

- Against Northern projects



# Initial Project Feasibility Study Results

BACK RIVER - SEPT 2015

## Summary Results @US\$1,150/oz Gold/ C\$0.80 Exchange

<b>Pre-Tax NPV(5%) &amp; IRR</b>	C\$699M / 28.2%	<b>Avg. LOM Production</b>	198,000 oz/year
<b>After-Tax NPV(5%) &amp; IRR</b>	C\$480M / 24.2%	<b>On-Site Op. Costs</b>	C\$114.58/t milled
<b>Payback</b>	2.9 years	<b>Total Cash Cost</b>	US\$534/oz
<b>Mill Throughput</b>	3,000 tpd	<b>All-In Sustaining Cost</b>	US\$620/oz
<b>Avg. Grade Processed</b>	6.30 diluted g/t Au	<b>LOM All-In Cash Cost*</b>	US\$763/oz
<b>Gold Recovery</b>	93.0%	<b>Pre-Production Capital</b>	C\$415M
<b>Mine Life</b>	11.8 years	<b>Sustaining Capital</b>	C\$185M
<b>Avg. Production (Y1-8)</b>	250,000 oz/year	<b>Closure Capital</b>	C\$64M

\*LOM All-In Cash Cost includes initial, sustaining and closure capital  
QA/QP (see slide 28)

# Back River Feasibility Study

## SENSITIVITIES & OPTIMIZATIONS

### Sensitivity to Capex & Opex

NPV 5%, (C\$M), IRR %, Post-Tax

		Operating Costs				
		-20%	-10%	Base Case	+10%	+20%
Capital Costs	-20%	715	653	592	529	468
		36.2	34.1	32.0	29.7	27.3
	-10%	659	591	536	474	415
		31.8	29.9	27.8	25.6	23.4
	Base Case	603	542	480	418	356
		28.1	26.2	24.2	22.1	20.0
	+10%	547	486	425	362	300
		24.8	23.3	21.1	19.1	17.0
	+20%	492	430	369	306	245
		21.9	20.2	18.3	16.4	14.4

### Sensitivity to Gold Price and Exchange Rate

NPV 5%, (C\$M), IRR %, Post-Tax

		Exchange Rate: US\$:C\$					
		0.70	0.725	0.75	0.80	0.85	0.90
Gold Price (US\$/oz)	\$ 1,000	472	421	375	289	210	140
		23.9	22.2	20.5	17.4	14.3	11.3
	\$ 1,150	687	630	577	480	394	317
		30.9	29.1	27.4	24.2	21.2	18.4
	\$ 1,250	832	769	711	606	513	430
		35.1	33.3	31.6	28.3	25.3	22.5
	\$ 1,350	977	910	846	732	631	542
		39.1	37.3	35.5	32.2	29.1	26.3
	\$ 1,500	1,191	1,117	1,048	923	809	710
		44.5	42.7	41.0	37.6	34.5	31.6

\*LOM All-In Cash Cost includes initial, sustaining and closure capital  
QA/QP (see slide 28)



# Potential Project Optimizations

- Change in metallurgical process from whole ore leach to flotation
  - Intensive cyanidation test work completed
- Improvements to overall project execution schedule
- Optimization of site layouts (Goose & MLA), process and infrastructure layout and design
- Increased Gold Price
  - US\$1,200 gold price Echo, Llama UG & George add potential to increase mine life with existing resources
- Imbedded growth – all existing deposits remain open, numerous exploration opportunities
- Personnel and expertise availability (both for construction and operations)
- Access to used equipment (mining, process and infrastructure)
- Exploration opportunities for many years to come
- Success at Vault and Llama could result in earlier underground access
  - Potential to mill higher grades earlier



# Project De-Risking Initiatives

## Basic Engineering

- Revised Capital Cost Estimate (on going)
- Revised (Baseline) Project Execution Schedule (on going)
- Freeze Project Design Basis (on going)
- ✓ Progress critical path items
- ✓ Risks and opportunities analysis
- ✓ Early Vendor Involvement (EVI) and Early Contractor Involvement (ECI)

**Engineering Team** Sedgman and CGT (Clark, Gisborne, and Tarpon) JV - (Lead Engineer, Process and Infrastructure)  
 Golder & Associates - (Geotechnical, Earthworks, Waste and Water)  
 BBE (Braden Burry Expediting) – (Supply Chain Logistics)  
 Nor-EX Ice Engineering – (Winter Ice Road)

## Detailed Engineering

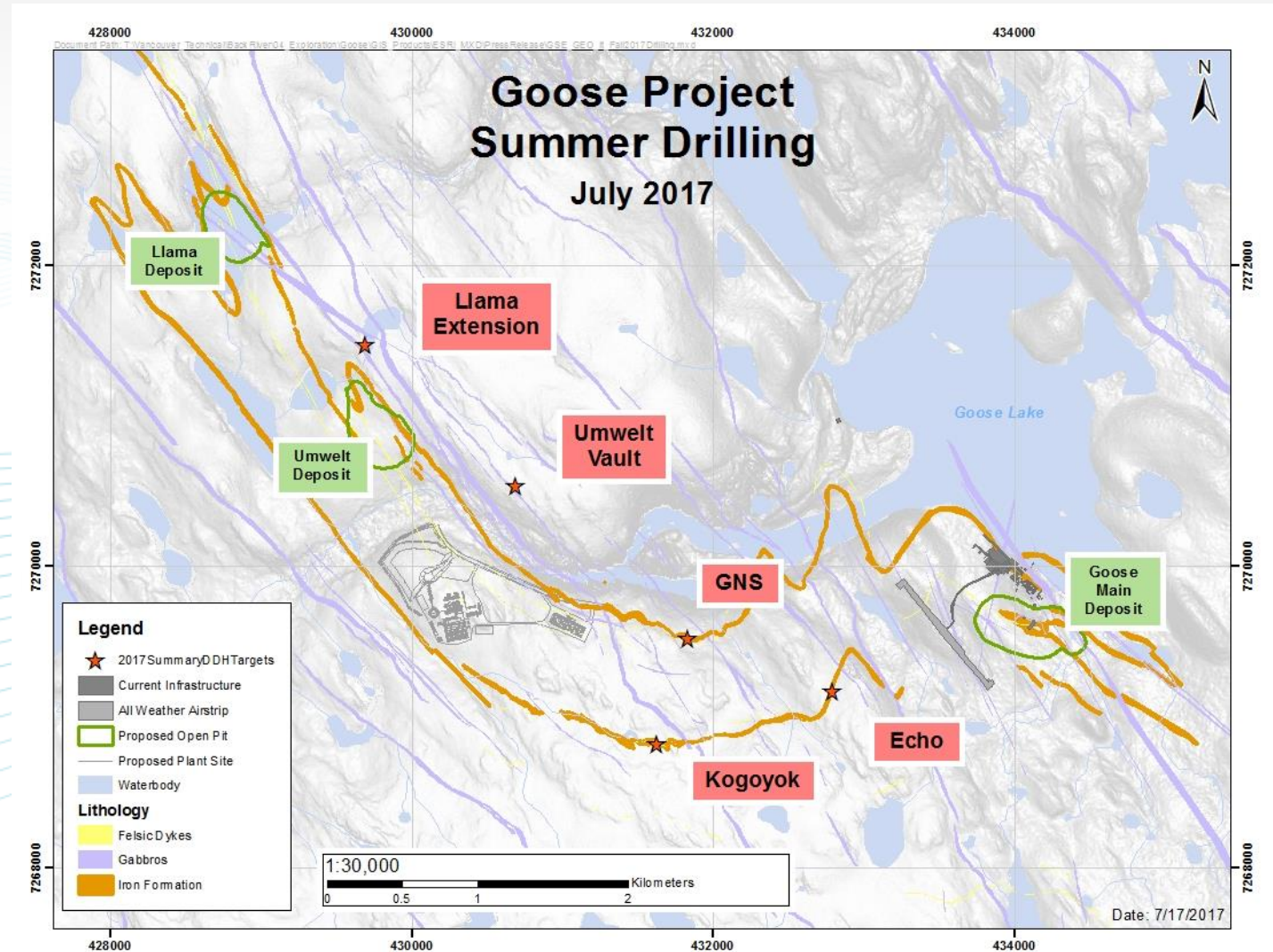
- ✓ Start: September, 2017
- Planned Completion: August, 2018
- Incumbent Engineering Team
- Complete Design and Engineering
- IFC drawings completed
- Partial Procurement (H2 2018)



# High Impact Targets Around Existing Deposits at Goose

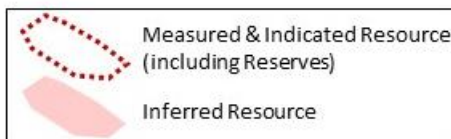
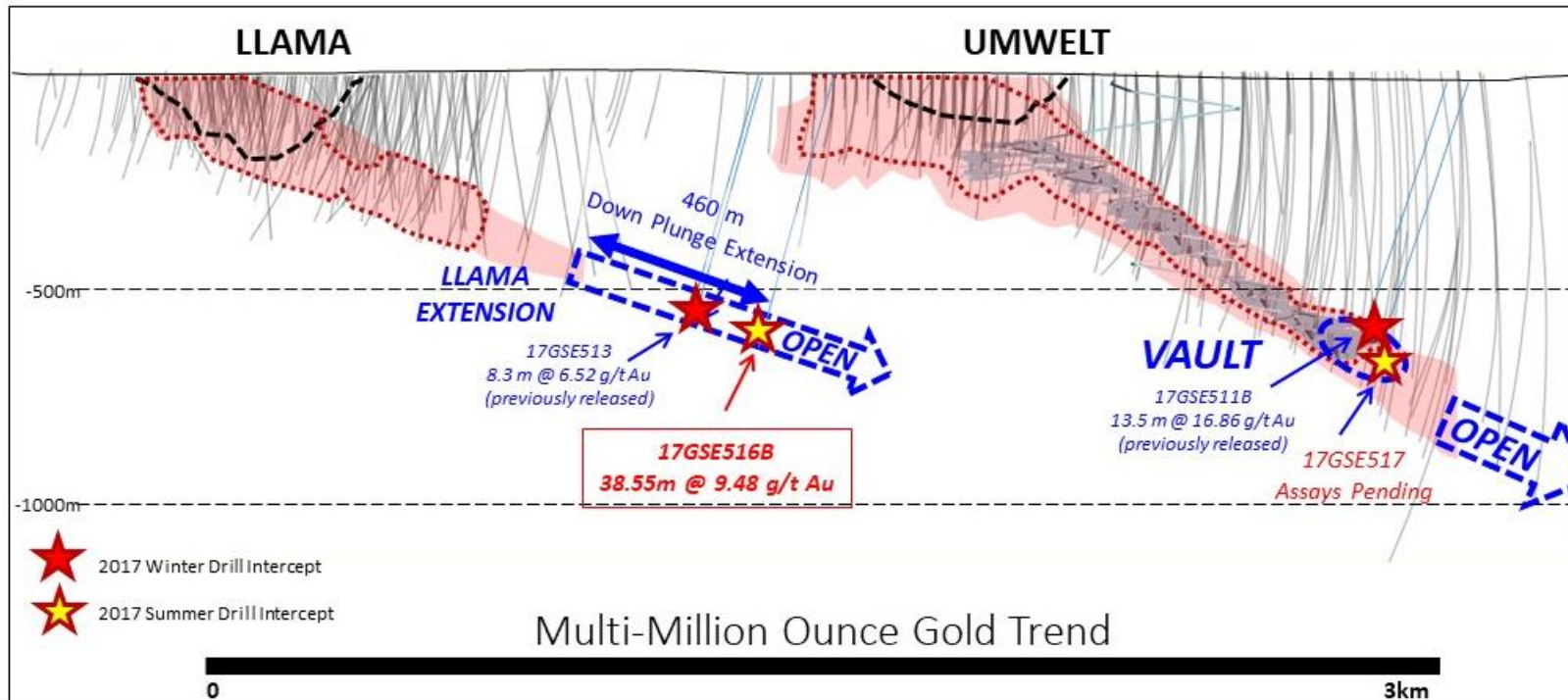
## EXPLORATION 2017

- Targeting resource extension and new discovery to demonstrate additional mine life
- 3,000 metres completed in spring drilling campaign – objectives at both Llama and Umwelt successful
- 10,000 metres planned for summer drilling (started August 2017) – expanded program to focus on Umwelt Vault Zone and Llama step outs



# Significant Potential at Both Llama and Umwelt Underground

## Goose Property: Llama – Umwelt Longitudinal Section



Llama - Umwelt Mineralizing Trend:

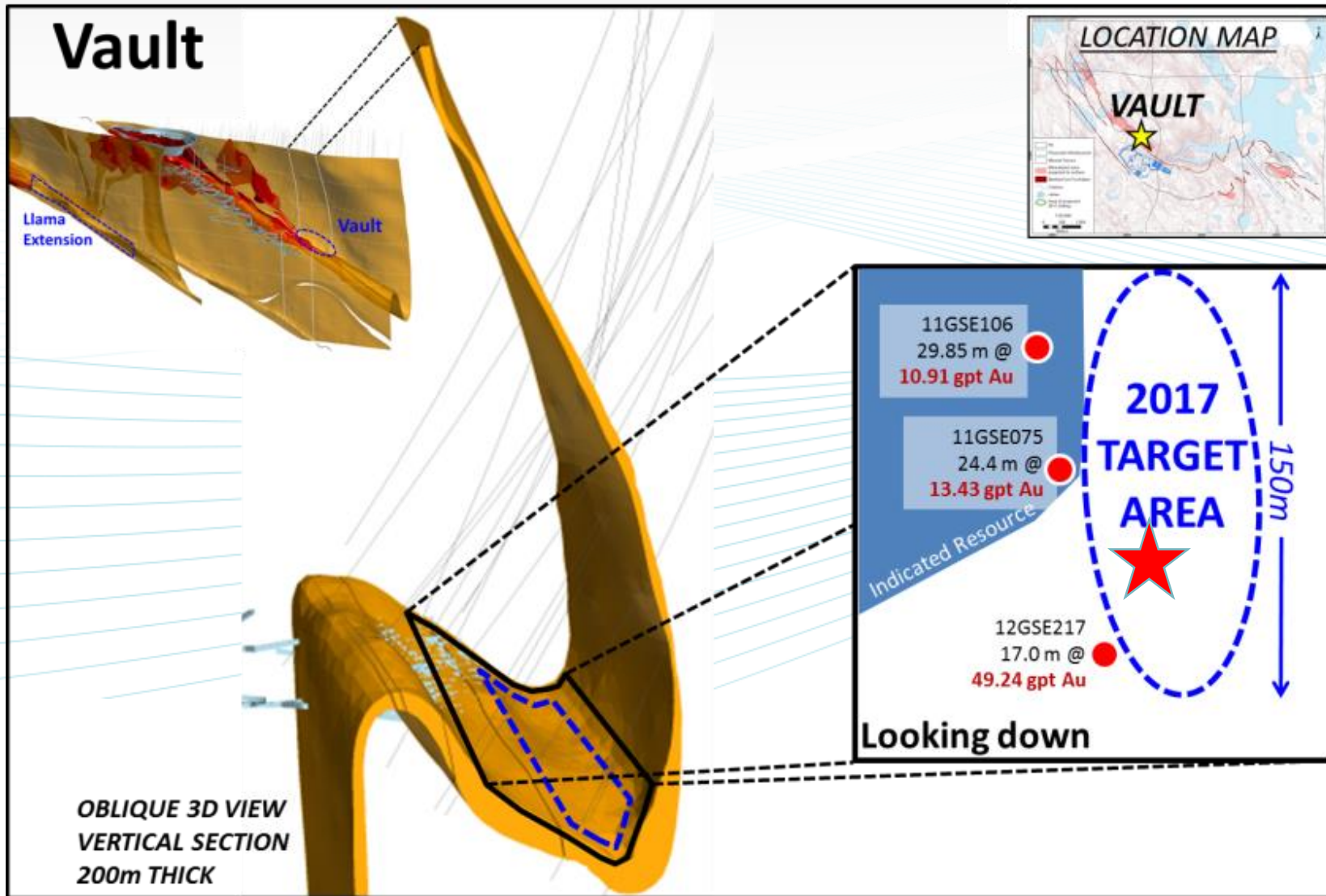
- Significant upside exploration potential.
- Conversion and expansion potential.

*Long-section view looking northeast.*

- Significant potential at both Umwelt and Llama.
- Parallel structures along 3 +km of strike
- High grade Vault Zone at Umwelt confirmed
- At Llama significant down plunge step outs identified underground potential and higher grade zone.



# Significant Potential at Umwelt Underground Vault Zone



- Vault hole 17GSE511B  
16.86 g/t Au over 13.5 m  
from 734.00 m to 747.5  
m, including 27.11 g/t  
Au over 7.95 m from  
736.75 to 744.70 m.
- Offers potential  
opportunity for earlier  
underground  
production at Umwelt  
to positively impact  
project payback
- Sustaining capital could  
move into initial capital  
for underground  
development



Drill hole values represented by gram metres (g/t Au x length of intercept). Significant intercept data on slide 20



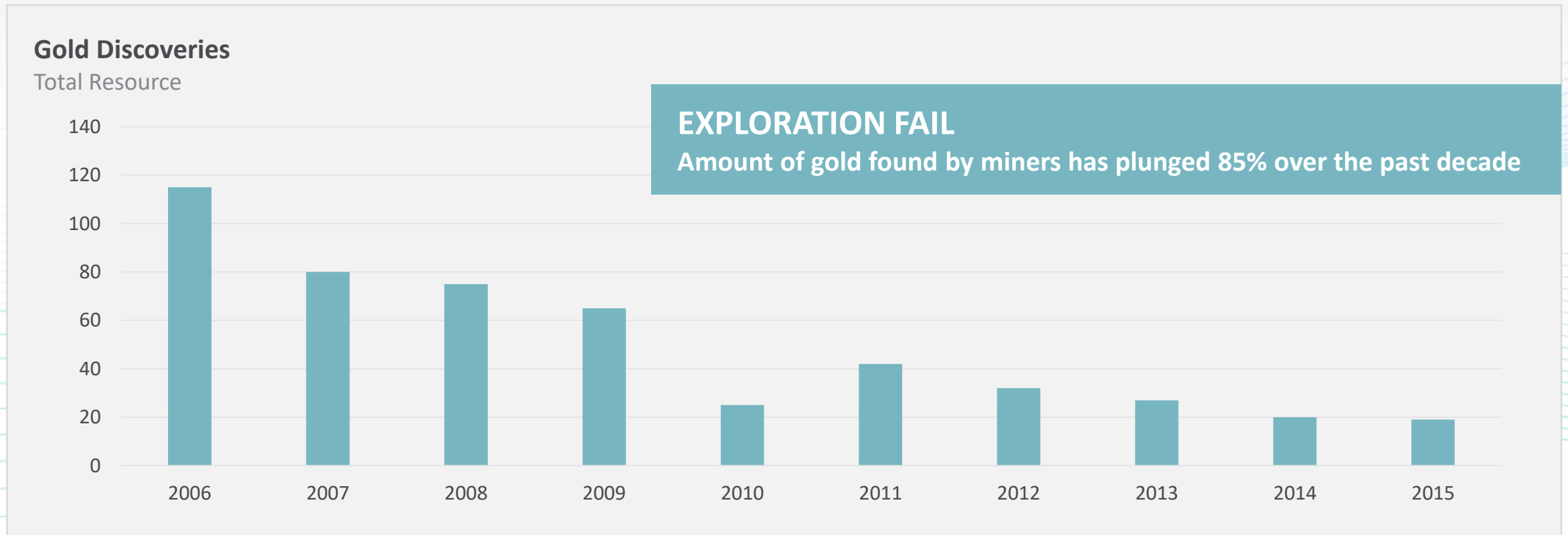
# Hackett Silver Royalty– Glencore Activities

**Silver royalty comprises 22.5% of first 190 M ounces Ag produced; 12.5% of all Ag produced thereafter**

- 45km west of Back River, one of world's largest undeveloped VMS deposits
- Sabina mineral resource estimate:
  - Indicated resources of 25 million tonnes at 4.2% Zn and 130 g/t Ag
  - Inferred resources of 57 million tonnes at 3% Zn and 100 g/t Ag.
- Glencore has met all expenditure requirements to date
- Sabina views royalty as strategic option on silver going forward

The updated mineral resource estimate was originally prepared by Glencore (previously Xstrata) under the JORC code and was reported by Glencore on May 3, 2013 in its annual report of mineral resources and reserves as at December, 31, 2012. Glencore's updated mineral resource estimate has been reviewed by Sabina and is stated in the Report dated July 31, 2013 and titled "Sabina Gold & Silver Corp. Hackett River Property Royalty NI 43-101 Technical Report, Nunavut, Canada" in accordance with NI 43-101 thus conforming to CIM Definition Standards. *Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.*

# Back River is a Compelling Gold Project

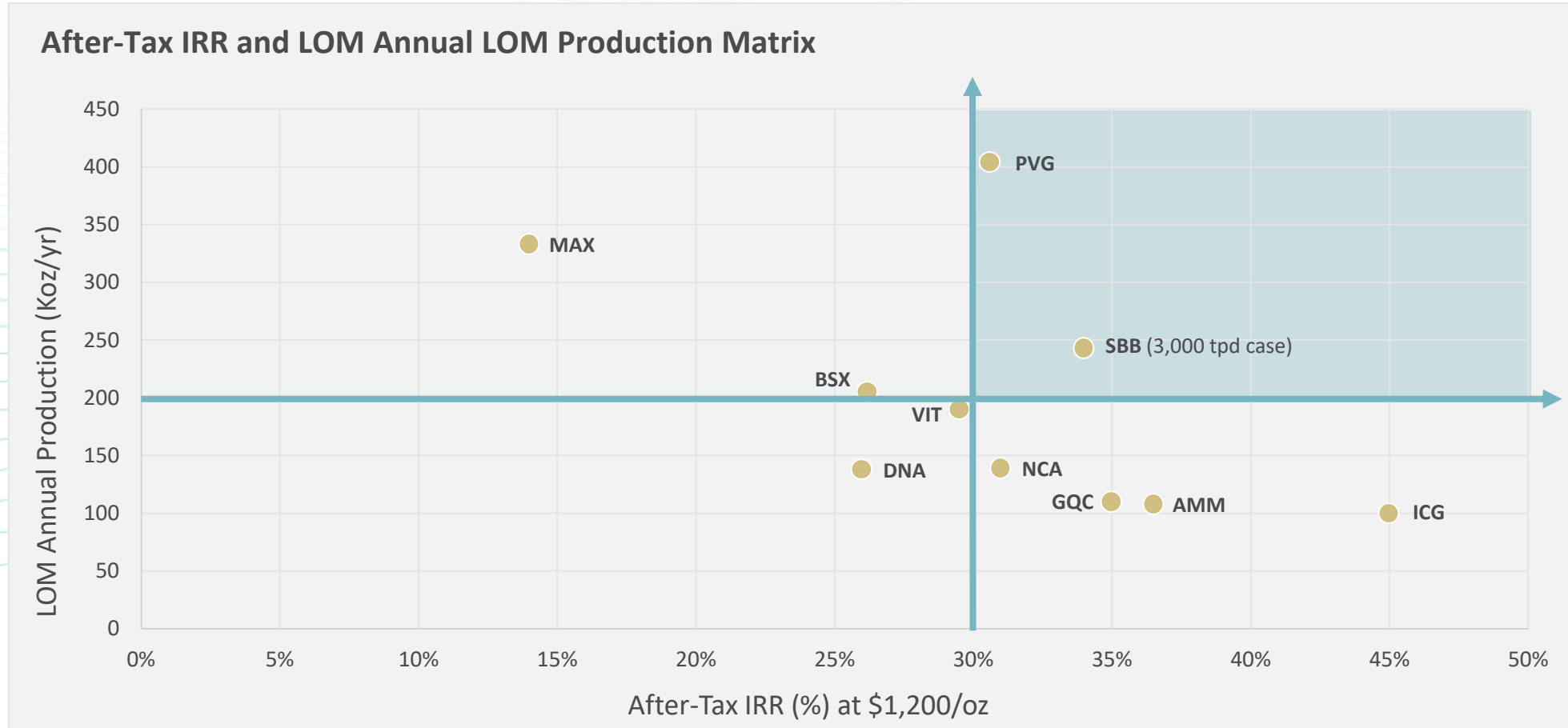


- There are few advanced projects that are large, high grade, district scale, in good jurisdictions
- Sabina does not need to look elsewhere for growth



# Back River - Large, Robust, Good Jurisdiction

Few projects with after tax IRR >30% with production ~200,000 oz per year at US\$1200 gold price



# Sabina Investment Thesis Summary

## Sabina's sum of the parts is more than the feasibility study

- Remaining ounces in mineral resource estimate
- George - Sabina's Amaruq or Boston
- Significant exploration upside in a district owned 100% by Sabina
- Vault and Llama potential for extended mine life and enhanced economics
- Hackett River Royalty – option on silver for the future
- Jurisdiction – Nunavut, Canada pro-responsible development

### Upcoming Catalysts:

- Minister's Decision
- Project Certificate
- Project Financing Plan
- IIBA completion
- Project update





# Management & Board

## Executive Management

**Bruce McLeod**  
President, CEO & Director

**Elaine Bennett**  
VP Finance & CFO

**Nicole Hoeller**  
VP Communications & Corp. Secretary

## Technical Management

**Angus Campbell**  
VP Exploration

**Matthew Pickard**  
VP Environment & Sustainability

## Board of Directors

Bruce McLeod (Pres. & CEO)

Walter Segsworth (Chairman)

David Fennell

Jonathan Goodman

James Morton

Anthony Walsh

Roy Wilkes

Anna Stylianides

**Combined exploration, mine development, permitting operations & capital markets experience in over 70 projects & companies**

# Management & Board

## Sabina Gold & Silver Corp.

Symbol	SBB
Listed exchange	TSX
Market capitalization	~C\$560 million
Shares outstanding (pro forma after financing)	~224 million
Shares outstanding (diluted)	~243 million
Cash Q2 (not incl. \$6m F/T)	~C\$36.6 million
Debt	None
52 week trading range	C\$0.84 -\$2.70
Recent Price	~C\$2.50

## Analyst Coverage

BMO Capital Markets	Andrew Kaip
Paradigm Capital	Don MacLean
Cormark Securities	Tyron Breytenbach
RBC Capital Markets	Sam Crittenden
Canaccord	Eric Zaunscherb
Haywood	Geordie Mark
Echelon Partners	Matt O'Keefe
TD Securities	Daniel Earle
Industrial Alliance	George Topping

## Major Shareholders Holdings (I&O)

Dundee Precious Metals	10.7%
Sun Valley Gold	10.5%
Silver Wheaton	5.3%
Management (options incl.)	3.0%

Since February 2015, insiders have purchased ~4 million shares and sold 0