

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jul 29, 2015) - Sabina Gold & Silver Corp. (TSX:SBB) ("SBB" or the "Company") announces that it has begun work on the Feasibility Study for the Initial Project (previously called the "Low-CAPEX Case") on its 100% owned Back River Gold Project ("Back River") or (the "Project") located in Nunavut, Canada.

Earlier this year, the Company released a feasibility study on Back River that contemplated a 6,000 tonne per day ("tpd") operation, producing approximately 350,000 ounces of gold for ~10 years ("Large Project" see news release dated May 20, 2015). The Large Project Feasibility Study indicated a very positive project generating an after tax internal rate of return of 21.7% and NPV of C\$540 million. The study was completed using US\$1,200 / oz gold and C\$0.87.

"We are very pleased with the results of the recent feasibility study, and believe it indicates the potential for Back River to become a significant gold producer," said Bruce McLeod, President & CEO "However, raising the initial C\$695 million to build the Large Project would be challenging for a company the size of Sabina in the current market environment. Recognizing this, as part of the work completed for the Large Project Feasibility Study, a scenario that starts smaller targeting a lower initial capex at Back River was explored. We are happy to commence a full feasibility study on this Initial Project scenario which we anticipate will be completed early this fall."

A unique feature of the Back River Project is the combination of high grade open pit and underground resources. These resources offer the optionality to selectively mine and process higher grade zones through the utilization of a higher cutoff grade, while preserving considerable upside in the existing deposits for future development.

The Initial Project Feasibility Study will evaluate the potential of a project at 3,000 tpd generating ~250,000 ounces of gold per year over ~10 years targeting a lower initial capital requirement.

To complete the Initial Project feasibility study Sabina has retained the same group of Arctic experts that completed the Large Project study. The feasibility study will be led by JDS Energy & Mining Inc. ("JDS") and contributed to by Hatch Ltd. ("Hatch"), SRK Consulting (Canada) Inc. ("SRK"), AMC Mining Consultants (Canada) Ltd., ("AMC"), and Knight Piésold Ltd. ("KP").

The Initial Project feasibility study is scheduled for completion and release in late Q3 2015.

The Qualified Person under NI 43-101 for Sabina Gold & Silver Corp. is Wes Carson, P.Eng Vice-President, Project Development, who has reviewed the content of this news release and approved its dissemination.

SABINA GOLD & SILVER CORP

Sabina Gold & Silver Corp. is an 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 has 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 ~350,000 ounces a year for ~10 years with a rapid payback of 2.2 years. At a US\$1,200 gold price and a 0.87 exchange rate, the Study delivers a potential after tax internal rate of return of approximately 22% with an initial CAPEX of \$695 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 expects to end the year with \$16 million in cash and equivalents.

This news release has been authorized by the undersigned on behalf of Sabina Gold & Silver Corp.

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 the FEIS, the results of the Initial Project FS, the Company's potential plans and operating performance, the estimation of the tonnage, grades and content of deposits, and the extent of the resource and reserves estimates, potential production from and viability of the Company's properties, estimates of future production and operating costs and permitting submissions and timing, the 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 ability of the Company to raise sufficient funds to implement the Initial Project FS, the effects of general economic conditions, changes in commodity prices including the gold price assumed in the Initial Project FS, increases in input costs, uncertainty of production and cost estimates for the project, changing foreign exchange rates, 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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