

Mangazeisky  
Silver Project **PATH  
TO PRODUCTION**



**SILVER  
BEAR**  
RESOURCES INC.



**Construction Photo Report June 2017**



# SBR Forward Looking Statement



## Cautionary Statement Regarding Forward-Looking Information

This presentation and subsequent oral statements made by and on behalf of the Company may contain forward-looking statements, which reflect management's expectations. Wherever possible, words such as "intends", "expects", "plans", "scheduled", "estimates", "anticipates", "believes" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify these forward-looking statements. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Silver Bear cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. Such risks factors include but are not limited to risks factors identified by Silver Bear in its continuous disclosure filings filed from time to time on SEDAR. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Forward-looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause Silver Bear's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although Silver Bear has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks 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, prospective investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date of this release, and Silver Bear assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.

Investors are advised that National Instrument 43-101 of the Canadian Securities Administrators requires that each category of mineral reserves and mineral resources be reported separately. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty of measured, indicated or inferred mineral resources, these mineral resources may never be upgraded to proven and probable mineral reserves

## *Cautionary Note to U.S. Investors Concerning Estimates of Measured, Indicated or Inferred Resources*

The information presented uses the terms "measured", "indicated" and "inferred" mineral resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize these terms. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists, or is economically or legally mineable.

## Cautionary Note Regarding PEA

The PEA is preliminary in nature and is based on a number of assumptions that may be changed in the future as additional information becomes available. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

## Historical Resources

Note that the P1 and P2 resource estimates shown are historical in nature and do not use categories defined in NI 43-101 and thus are not compliant with CIM and NI 43-101 standards. The exact date of these estimates is unknown. Historical resource estimates are based on Russian reserve system and based primarily on trench and prospecting samples only. These resources are considered historical in nature under NI 43-101 and a qualified person under 43-101 has not done sufficient work to classify the historical estimate as current mineral resources. The Company is not treating the historical estimate as current mineral resources.

## Qualified Person

Jacques du Toit, Pr.Eng., MSc.Eng., PMP and Robert Davies, B.Sc. (Hons), CGeol., EurGeol., PMP Eur.Ing. of Tetra Tech are Qualified Persons under National Instrument 43-101 and, has reviewed and approved the scientific and technical information in this presentation.

## For Persons in the United States

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# ► MANGAZEISKY PROJECT The Yakutia Region



- Yakutsk capital of Russia's largest region Sakha Republic, one of the largest cities in Far East Russia
- Republic host to various mining enterprises including one of the world's largest diamond miners
- Mining University in Yakutsk; significant mining experience in the region



# MANGAZEISKY PROJECT NI 43-101 Total Resources & Reserves



Zone	Indicated Resource			Inferred Resource			Proven & Probable Reserve		
	Tonnes (t)	Grade Ag (g/t)	Contained Metal Ag (Troy oz)	Tonnes (t)	Grade Ag (g/t)	Contained Metal Ag (Troy oz)	Tonnes (kt)	Grade Ag (g/t)	Contained Metal Ag (koz)
Vertikalny Central	700,000	1,227	27,700,000	350,000	786	8,900,000	822	852	22,519
Vertikalny Northwest				200,000	476	3,100,000			
Nizhny Endybal				710,000	316	7,200,000			
Mangazeisky North	334,000	770	8,250,000	127,000	560	2,300,000			
Mangazeisky South				60,000	246	500,000			
Sterzhnevoy				48,000	1,530	2,360,000			
<b>Silver Total</b>	<b>1,034,000</b>	<b>1,079</b>	<b>35,950,000</b>	<b>1,495,000</b>	<b>504</b>	<b>24,360,000</b>	<b>822</b>	<b>852</b>	<b>22,519</b>

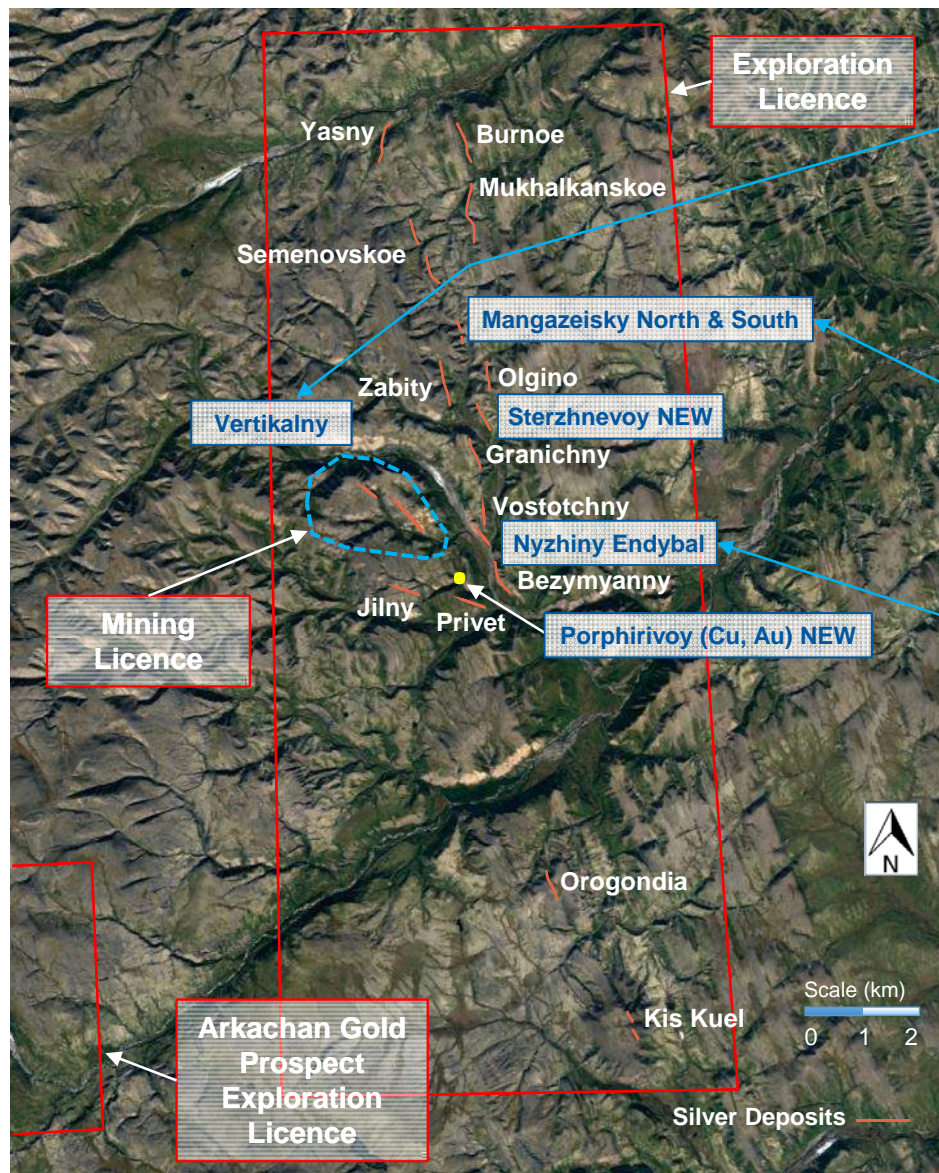
Zone	Inferred Resource						
	Tonnes (t)	Grade Au (g/t)	Grade Ag (g/t)	Grade Cu (%)	Contained Metal Au (Troy oz)	Contained Metal Ag (Troy oz)	Contained Metal Cu (lbs)
Porphirov	80,000	1.7	46	0.6	4,000	115,000	1,000,000

Note – NI 43-101 mineral resources prepared by Tetra Tech; The effective date of the Vertikalny Central 8<sup>th</sup> July 2016 and Vertikalny Northwest Resource is 10<sup>th</sup> of February 2015. The effective date of the original Nizhny Endybal Resource estimate was 11<sup>th</sup> of September 2012, this resource was re-stated with a higher cut-off grade on the 10<sup>th</sup> of June 2015. The effective date of the Mangazeisky North is 19<sup>st</sup> of October 2016 and the Mangazeisky South resource is 10<sup>th</sup> of June 2015. The effective date of the Sterzhnevoy and Porphirov Resource estimate is 27<sup>th</sup> of August 2016.

Note – The effective date of the mineral Reserve is 23<sup>rd</sup> September 2016. The Indicated Mineral Resource at Vertikalny Central are inclusive of the stated Mineral Reserves. Mineral Resources that are not Mineral Reserves do not demonstrate economic viability.



# MANGAZEISKY LICENCES Excellent Assets



## Vertikalny Update August 2016

- NI 43-101 Indicated Resource:  
700 kt containing **27.7 Moz silver @ 1,227 g/t Ag**
- NI 43-101 Inferred Resource:  
550 kt containing **12 Moz silver @ 672 g/t Ag**

## Mangazeisky North & South Update Feb 2017

- NI 43-101 Indicated Resource:  
334 kt containing **8.3 Moz silver @ 770 g/t Ag**
- NI 43-101 Inferred Resource:  
187 kt containing **2.8 Moz silver @ 459 g/t Ag**

## Nizhny Endybal Re-stated June 2015

- NI 43-101 Inferred Resource Restatement:  
710 kt containing **7.2 Moz silver @ 316 g/t Ag**

- **Oct 2016 – NI 43-101 maiden resources at Sterzhnevoy & Porphirovy deposits**
- Exploration Licence renewed for further 7-year period on Sep 2016
- 35 km mineralised corridor
- +15 known targets with Russian P1 & P2 resources providing opportunity for multiple pits with centralised process plant.



# ► MANGAZEISKY PROJECT Building the Mine



## Construction Milestones

### OVERALL CONSTRUCTION

**65%** completed

(As of Feb 1, 2017)

### FINANCIAL FLEXIBILITY

**US\$15<sup>1</sup> M** increase to  
Facilities Agreement

(Agreement in principle with major shareholders,  
subject to TSX approval; 1 – US\$5M subject to  
shareholder approval)

### PERMITTING ADVANCING

**In-step** with advances  
in construction

(Full details in Feb 1, 2017)



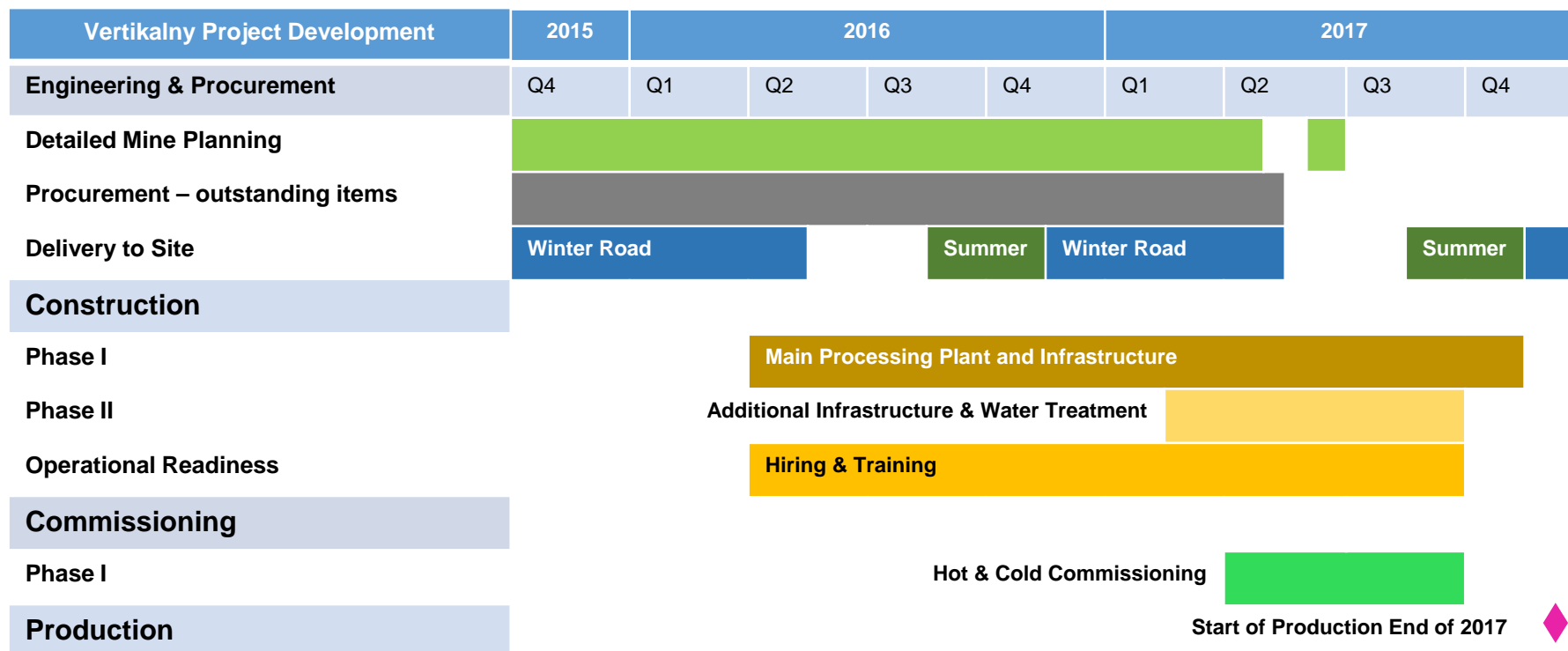
Commissioning date mid-2017; Production Q4 2017

See press release Feb 1, 2017

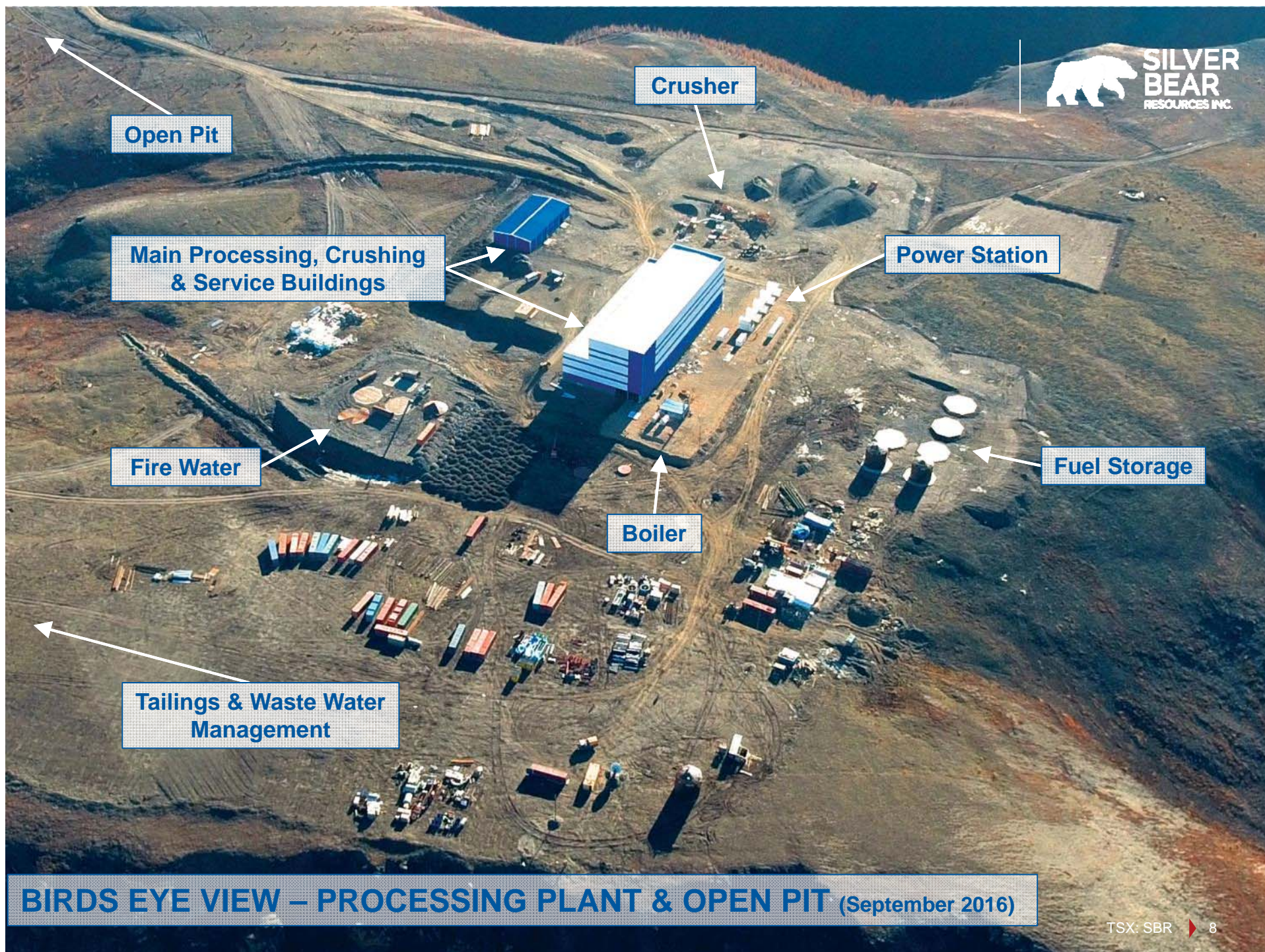
# MANGAZEISKY PROJECT 2017 Project Timeline



(As of Feb 1, 2017 press release)







**BIRDS EYE VIEW – PROCESSING PLANT & OPEN PIT** (September 2016)





# Helicopter Views



Helicopter View – Apr 2017, Open Pit

Helicopter View – Apr 2017, Main Plant







# MANGAZEISKY PROJECT Winter Road Logistics



- Winter road generally available from December to April, capable of delivering large convoys
- Summer road generally available from September – November as rivers dry out



Winter road convoy



Summer road transport with Vityaz



Winter road river crossing



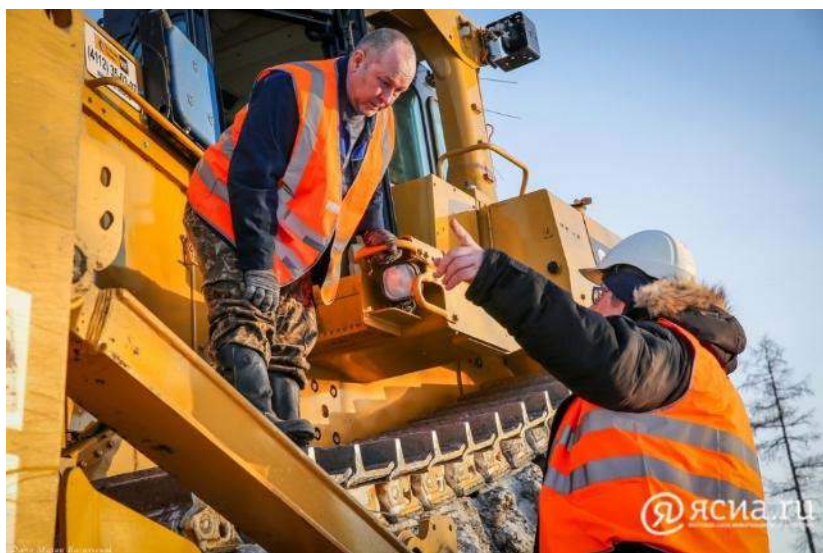
Transporting  $\frac{1}{2}$  1,000 m<sup>3</sup> fuel tank



Winter road mountain pass



## ► Construction Progress



Infrastructural work along the Winter Road – Apr 2017



# ► Construction Progress



Vertikalny Silver Ore



UK & Prognoz Finance Team



Vertikalny Deposit



Flight to Site



# ► PROGRESS Mine Site Camp



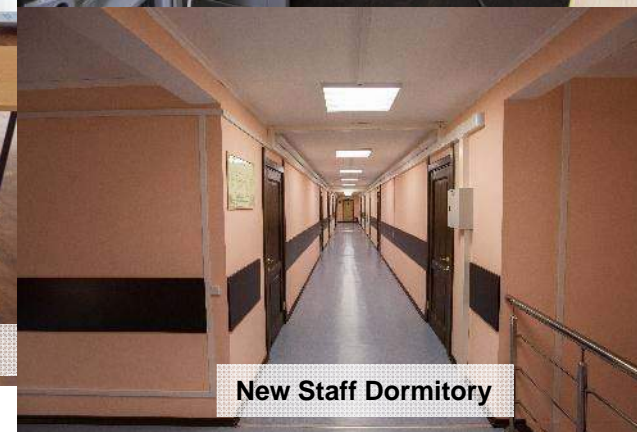
Overlooking Mine Camp



Cafeteria – Mine Camp



New Laboratory



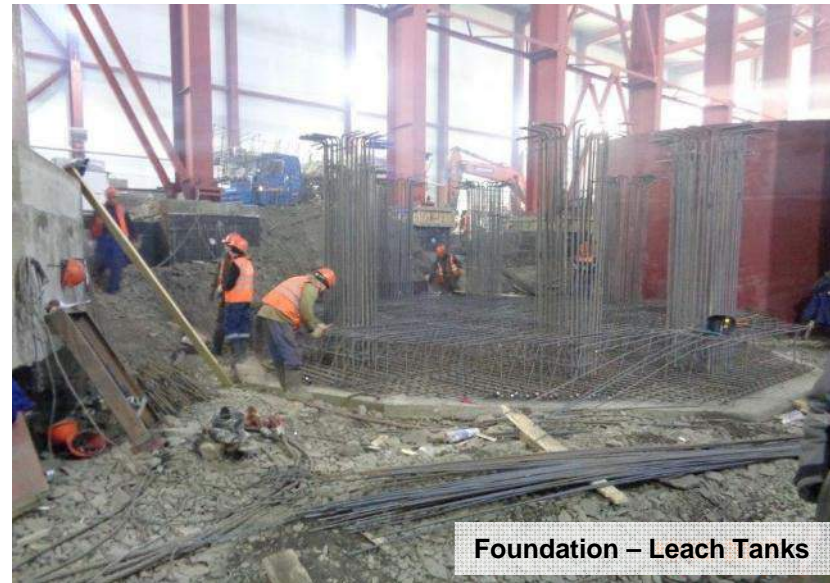
New Staff Dormitory



# ► Construction Progresss



Tank assembly Electrowinning department



Foundation – Leach Tanks



Leach tank agitator installation



Ball Mill Commissioning



# ► Construction Progress



**Electrowinning Department – Main Processing Plant**



# ► Construction Progress



Leach Tanks - foundations



Ball Mill



# ► Construction Progress





# ► Construction Progress





# ► Construction Progress

Crushing & Screening Unit Working



Conveyor Belt Installation



Foundation – Electrowinning Station

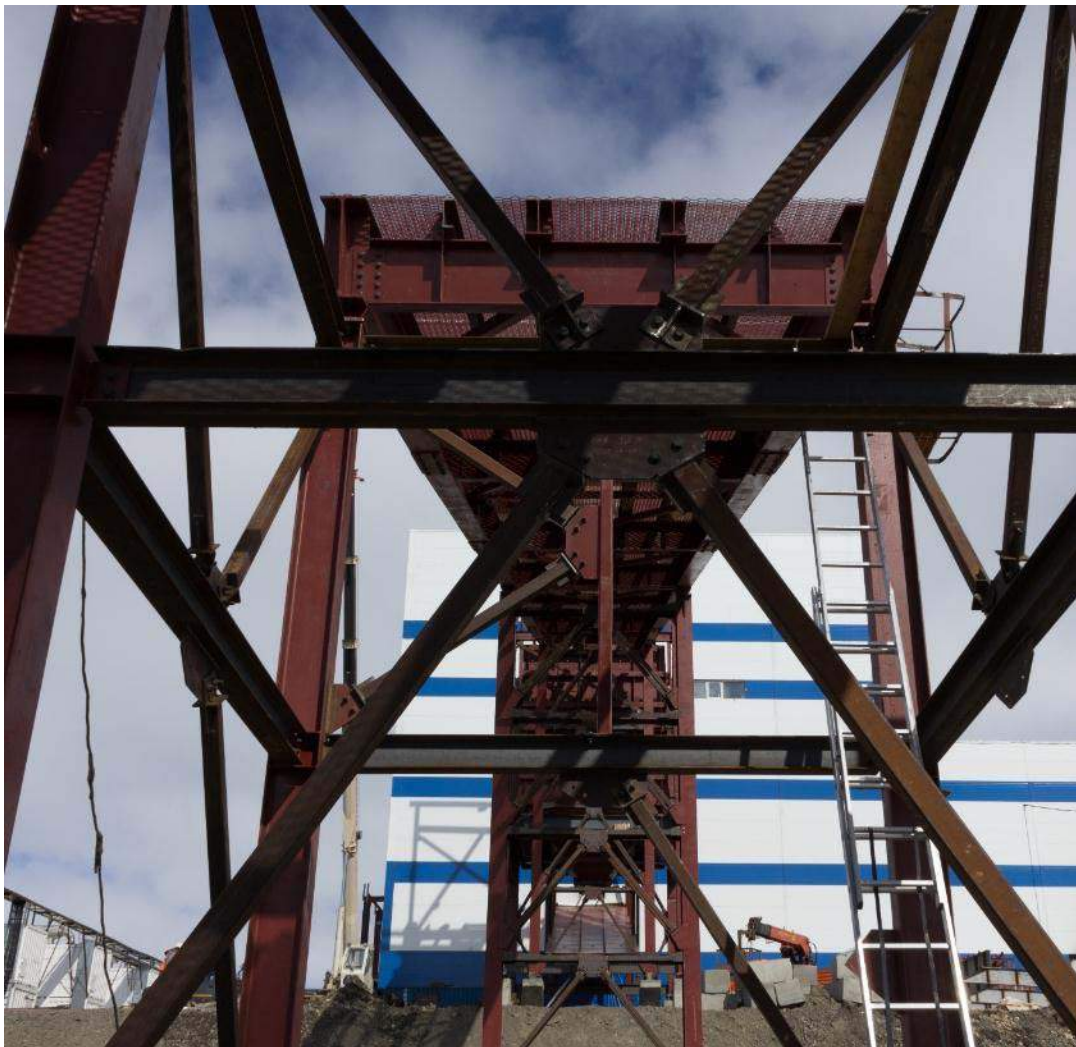


Water Tank Installation





## ► Construction Progress



**Ore Bins & Conveyor System – Outside Main Plant**



**Ore Bins – outside Main Plant**



# ► Construction Progress



Installed 50 m3 drinking water tanks

Last piece of slab concrete being completed at Main Processing Plant





## ► Construction Progress



Fuel Storage Facility – Each with capacity of 1000 m<sup>3</sup>



Installation of main conveyor belt  
and tension ladder



# ► Construction Progress



**Bunker and Conveyor Gallery**

**Warehouse Enclosure**





# ► Construction Progress



Water Pipeline Construction



Infrastructure Work





## APPENDIX



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# SBR CORPORATE Capital Structure



## Market Summary

### Shares Outstanding / Capitalization (as of Q3 2016)

Shares Issued / Outstanding:	162, 930,351
Options (avg. strike C\$0.37)	8,971,666
Warrants (all expired Jun 2016)	0
Fully Diluted	171,902,017
Market Capitalization (as of June 8, 2017)	C\$49 M
Cash Position (as of Q1 2017)	US\$3.7 M

### FACILITIES AGREEMENT (SEP 2016)

(Mar 2017 – Agreement in principal to increase Facilities Agreement by US\$15M; US\$5 M is subject to shareholder Approval)

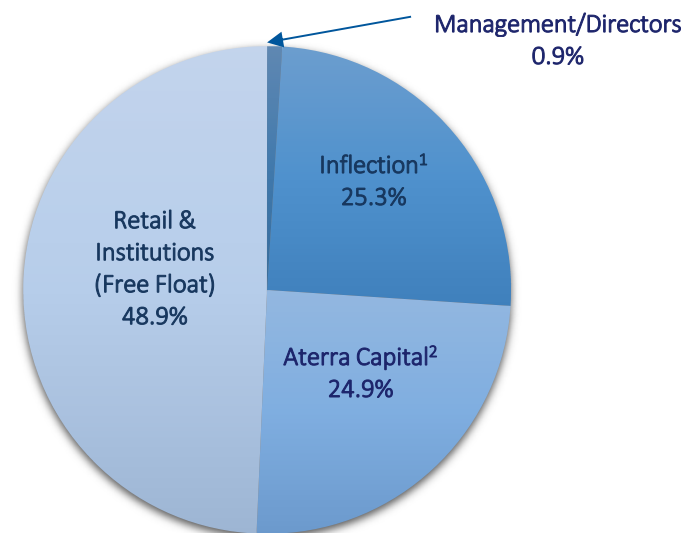
- US\$55 M Project Financing
  - Tranche A – Term Loan – US\$ 43 M; first drawdown in September 2016
  - Tranche B – Working Capital – US\$10 M working capital facility
  - Tranche C – Contingency – US\$2 M

### OUTSTANDING CONVERTIBLE NOTES

(Feb 2017 – Agreement in principle to extend maturity date to December 31, 2017; Subject to TSX Approval)

- **Inflection Notes**
  - Convertible C\$13.5 M / 15% p.a. / 31 Mar 2017 / C\$0.045/sh
- **Aterra Notes**
  - Convertible C\$4.5 M / 15% p.a. / 31 Mar 2017 / C\$0.045/sh

## Shareholder Base



## RUSSIAN MAJOR SHAREHOLDERS

1. Inflection Management Corporation Limited: beneficially owned by Sergey Kolesnikov holds 41,176,471 SBR common shares;
2. A.B. Aterra Resources Ltd.: beneficially owned by Alexey Mordashov holds 40,468,579 SBR common shares





## EXPERIENCED TEAM & BOARD Diverse Skill Set



### MANAGEMENT TEAM

<b>Graham Hill</b> , <i>President, CEO &amp; Director</i>	Mining executive with +25 years experience building and operating mines internationally. Built mines in Africa for Anglo American and responsible for development and management of Oxus Resources Uzbekistan and Kyrgyzstan, Central Asia mines.
<b>Derk Hartman</b> , <i>CFO</i>	Mining executive with +15 years experience in international natural resource investment banking. Extensive experience with the stock exchange listing process, takeover rules and corporate governance for both Toronto and London markets.

### BOARD OF DIRECTORS

<b>Chris Westdal</b> , <i>Non-executive Chairman</i>	Former Canadian ambassador to Russia
<b>Robin Birchall</b> , <i>Director</i>	Former investment banker, mining & resource executive. Over 17 years experience financing mining companies globally
<b>Trevor Eyton</b> , <i>Director</i>	Former member of Canadian Senate
<b>Boris Granovsky</b> , <i>Director</i>	Managing Partner, Aterra Capital – major shareholder
<b>Dominic Gualtieri</b> , <i>Director</i>	Resource and mine finance executive
<b>Alexey Sotskov</b> , <i>Director</i>	Director, Inflection Management Corp. – major shareholder

**DEEP EXPERIENCE IN RUSSIA COMBINED WITH INTERNATIONAL  
AND CAPITAL MARKETS EXPERTISE**



## ► SBR Investment in Local Communities



- Employ and train specified numbers of local people from nearest village Sebyan-Kuel
- Support and assist with local Community projects, such as funding new community centre and sponsoring sporting events
- Regularly communicate with local governments working to improve economic and social relations



Gym in new community centre



Local worker on Site



SBR Sponsored Sporting Event



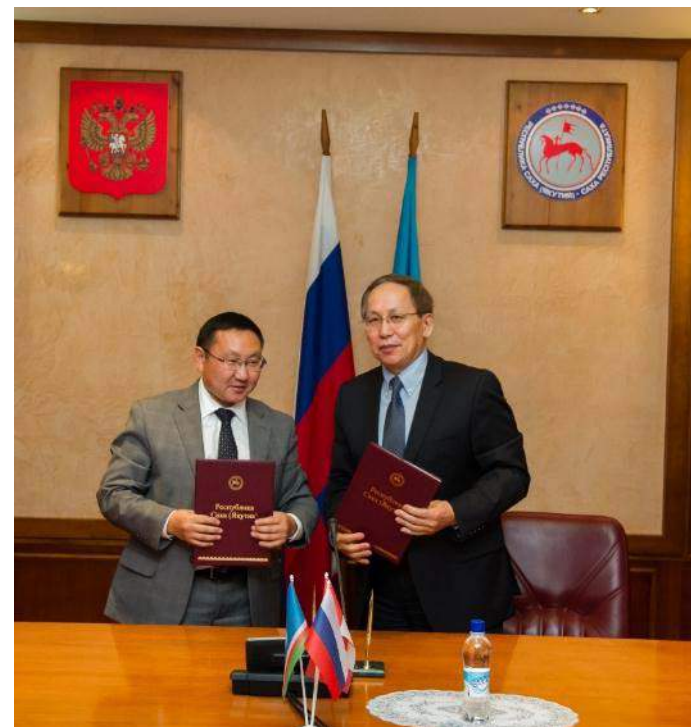
Yakutia Agreement with Department of Employment



## MANGAZEISKY PROJECT Socio-Economic Agreement Signed – Aug 5, 2016



SBR and ZOA Prognoz working with Local Government Officials on reviewing the Socio-economic Agreement



First Deputy Chairman of the Government of the Republic of Sakha and ZOA Prognoz, General Manager, Yury Petrov – signing the socio-economic Agreement

The Agreement demonstrates the Company's commitment to work with the local government towards the socio-economic development of the Republic of Sakha (Yakutia) region in the framework of the Mangazeisky silver project of development.