

## SILVER BEAR ANNOUNCES EXTENSION OF EXISTING CONVERTIBLE NOTES

**December 28, 2016 – Toronto, Ontario** – Silver Bear Resources Inc. ("**Silver Bear**" or the "**Company**") (TSX: SBR) is pleased to announce that the Company's major shareholders, A.B. Aterra Resources Ltd. ("**Aterra**") and Inflection Management Corporation Limited ("**Inflection**") have agreed to extend the maturity date of their existing convertible notes from December 31, 2016 to March 31, 2017 (the "**Note Extension**"). Aterra currently holds convertible notes with a principal amount of CDN\$4.505 million and Inflection currently holds convertible notes with a principal amount of CDN\$13.51 million, all of which were initially issued in December 2015 and are convertible into common shares at CDN\$0.045 per share.

As previously announced, the Note Extension was undertaken to provide the Company with additional time to finalize a restructuring of Aterra and Inflection's outstanding convertible notes and negotiate the terms of a new financing process for the Company. The Note Extension was approved by the Toronto Stock Exchange on December 23, 2016.

Silver Bear's CEO, Graham Hill commented, "Silver Bear is continuing to work on the optimal balance sheet restructuring process which minimises shareholder dilution whilst further strengthening the balance sheet for the longer term benefit for the Company. Aterra and Inflection's agreement to grant an extension of their convertible notes demonstrates that their interests align with those of all shareholders, including the building of the Mangazeisky silver mine. Looking back over 2016, Management and the team at Prognoz would not have been able to make such significant progress without support from our major shareholders, Aterra and Inflection and we are very grateful for their contributions. At this time, I would like to wish our team and shareholders all the best during this holiday season and a prosperous New Year."

### About Silver Bear

Silver Bear (TSX: SBR) is focused on the development of its wholly-owned Mangazeisky Silver Project, covering a licence area of approximately 570 km<sup>2</sup> that includes the high-grade Vertikalny deposit (amongst the highest grade silver deposits in the world), located 400 km north of Yakutsk in the Republic of Sakha within the Russian Federation. The Company was granted a 20-year mining licence for the Vertikalny deposit in September 2013 and recently updated its Feasibility Study in Q4 2016. Other information relating to Silver Bear is available on SEDAR at [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.silverbearresources.com](http://www.silverbearresources.com).

### Cautionary Notes

This release 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", "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. Forward-looking statements in this press release include statements regarding the successful completion of negotiations with Aterra and Inflection regarding a convertible note restructuring and the timing and terms of a new financing process for the Company. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. Such risk factors include, but are not limited to, the possibility that necessary TSX or shareholder approvals are not received or other conditions to completion are not satisfied, lack of investor demand, and to risk 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.

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