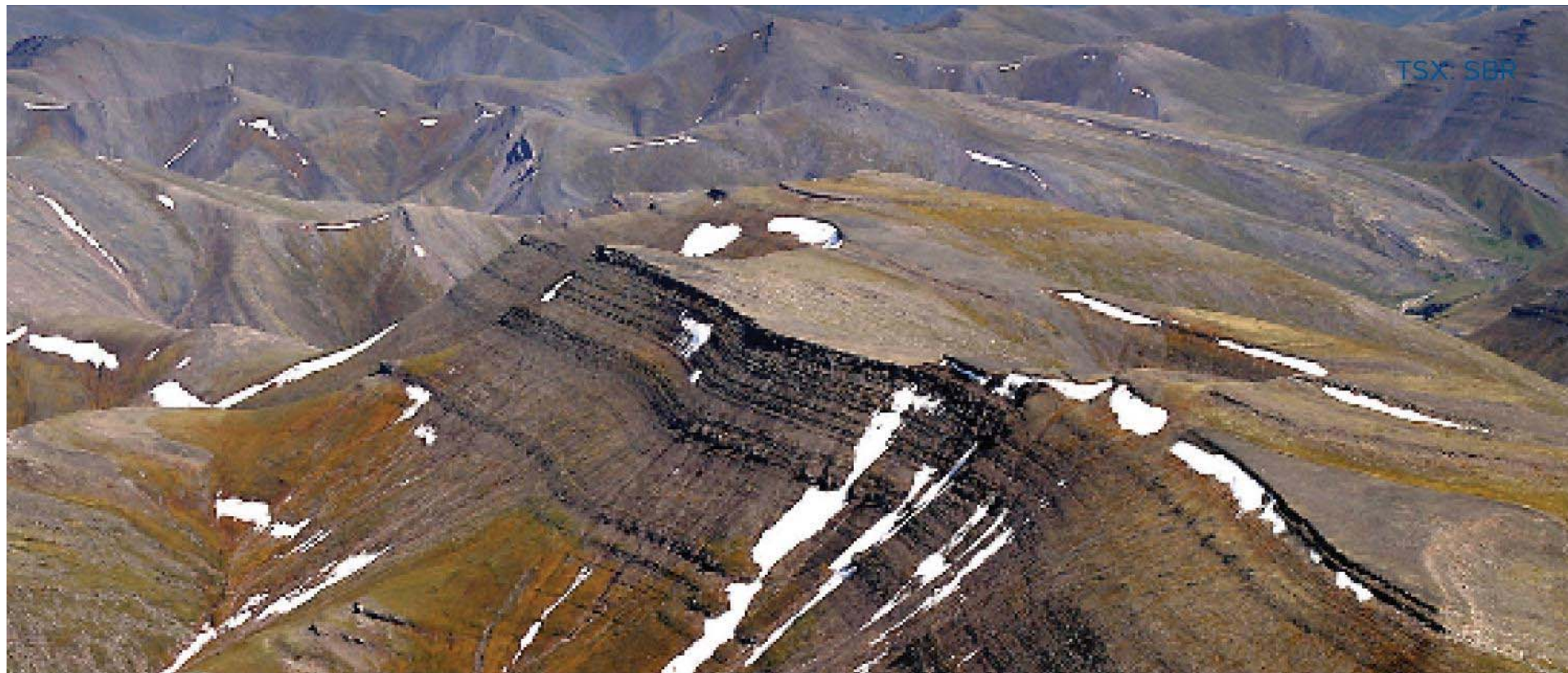


TSX: SBR



# Mangazeisky Silver Project **PATH TO PRODUCTION**



**SILVER BEAR**  
**RESOURCES INC.**

**AUGUST 2016**



# Disclaimer

## 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.

### 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.Eng. of Tetra Tech are Qualified Persons under National Instrument 43-101 and, has reviewed and approved the scientific and technical information in this presentation.

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# Introduction to Silver Bear Resources

## Building Momentum

### Quality assets

High grade Mangazeisky Silver Project including average 1,227g/t at Vertikalny deposit

### Significant resources & reserves (NI 43-101 compliant)

19.8 Moz Ag P&P Reserves at 772 g/t Ag (reserves included within Indicated resource; reserve upgrade will follow with new mine plan)  
33.8 Moz Ag Indicated Resource at 1,046 g/t Ag  
21.8 Moz Ag Inferred Resource at 477 g/t Ag

### Low cost production

Low CAPEX – US\$ 48.6 M  
Open pit operation; average 2.5 Moz p.a.; 16.8 Moz Silver LOM  
Cash costs of US\$7.97/oz Ag  
Commissioning in Q4 2016, production in Q1 2017

### Strong economics

Fully financed to build Mangazeisky Silver Project  
NPV of US\$78.7 M (5%, pre-tax) / US\$70.7 (5%, post-tax)  
IRR of 43.6% (pre-tax) / 40.2% (post-tax)

### Security

20-Year Mining Licence secured; full permitting well underway  
Full support from Yakutia Government  
Major Russian shareholders

### Exploration upside

Strong potential high grade feeder pits within 6km of Vertikalny  
Excellent geological support for resource expansion along the 35 km mineralised structural corridor

---

# Mangazeisky Silver Project

## Secured Loan Financing – Aug 5, 2016

- Silver Bear Resources and ZAO Prognoz will be the ultimate borrowers under the Secured Loan Financing Package
- Secured Loans Financing package total US\$55.2 M completed in three tranches:
  - Tranche A – term loan facility of US\$43.2 M; US\$33.2 M available to SBR and US\$10 M available to Prognoz
  - Tranche B - Working capital facility of US\$10 M to Prognoz
  - Tranche C - Contingency facility of US\$2 M
- Portion of the Secured Loan Facility will be used to repay the principal and accrued interest on certain outstanding promissory notes
- Following repayment new funding of approximately US\$22 M

# Experienced Team

## Diverse Skill Set

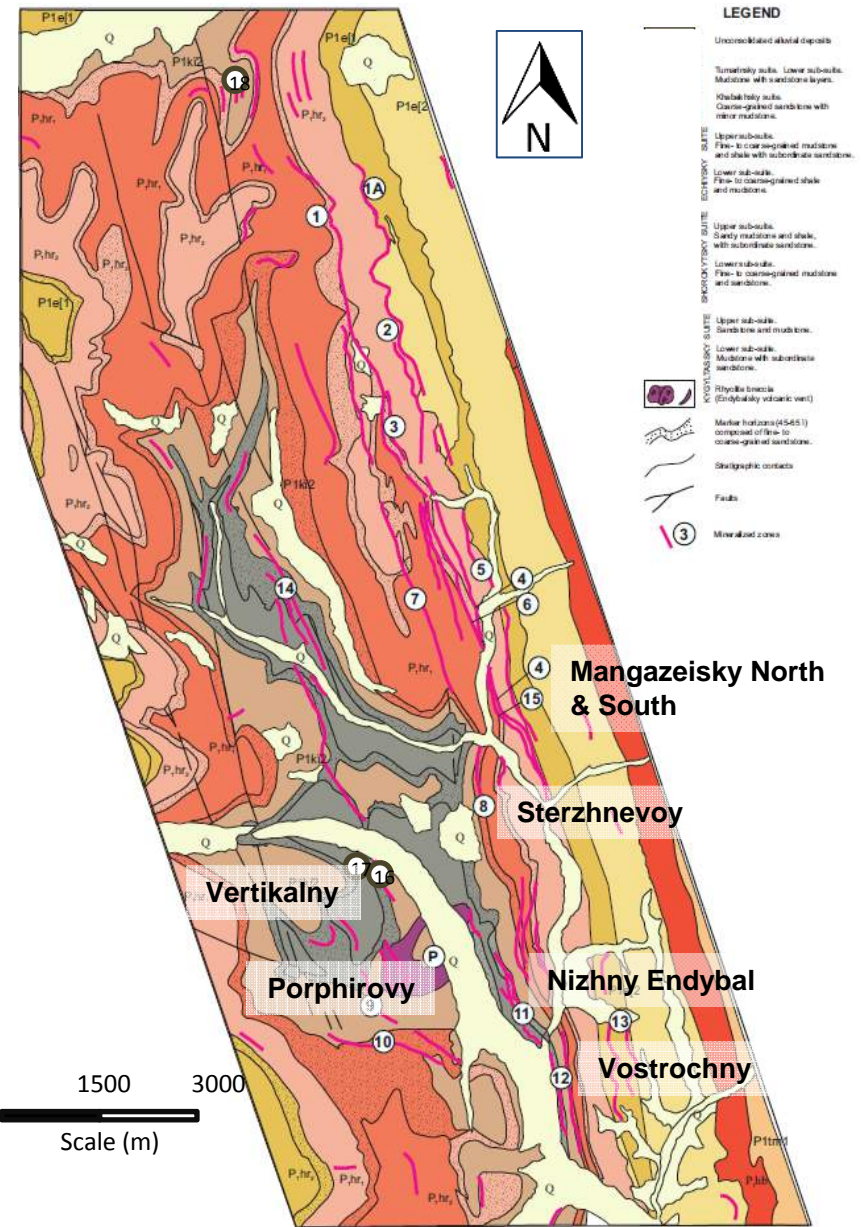
BOARD		MANAGEMENT / ADVISORY TEAM	
<b>Chris Westdal</b> Chairman	Former Ambassador to Russia	<b>Graham Hill</b> President & CEO	Mining Executive with over 25 years experience building & operating mines in Central Asia and Africa
<b>Robin Birchall</b>	Former Investment Banker, Mining Executive	<b>Derk Hartman</b> CFO	Mining Executive with extensive experience in International natural resource Investment Banking
<b>Trevor Eyton</b>	Former member of the Canadian Senate,	<b>Yury Petrov</b> General Director ZOA Prognoz	Foreign Affairs Deputy Minister, Former representative of the Sakha Republic in Alaska
<b>Boris Granovsky</b>	Managing Partner Aterra Investments Limited	<b>Tetra Tech</b> (UK)	Lead Engineer & Advisor NI 43-101 Feasibility Study
<b>Dominic Gualtieri</b>	Resource and Mine Finance Executive	<b>SRK Consulting</b> (UK)	Mine and Tailing Management Planning
<b>Alexey Sotskov</b>	Director Inflection Management Corp.	<b>ERM</b> (UK)	Environmental Engineers, responsible for ESIA Study
<b>Graham Hill</b>	Silver Bear Resources CEO	<b>EMC Mining LLC</b> (Russia)	Russian feasibility study; key to Russian Permitting process

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

# Mangazeisky Silver Project: Excellent Assets



**SIGNIFICANT UPSIDE ALONG THE 35 KM MINERALISED CORRIDOR**



# Mangazeisky Silver Project

## Total NI 43-101 Resources & Reserves

Zone	Mining Method	Cut-off Grade Ag (g/t)	Indicated Resources			Inferred Resource			Proven & Probable Reserve		
			Tonnes (Kt)	Grade Ag (g/t)	Contained Metal Ag (Koz)	Tonnes (Kt)	Grade Ag (g/t)	Contained Metal Ag (Koz)	Tonnes (Kt)	Grade Ag (g/t)	Contained Metal Ag (Koz)
Vertikalny Central	OP	200	360	1,482	17,100	4	496	100	413	875	11,625
	UG	350	340	959	10,600	350	789	8,800	388	663	8,261
Vertikalny Northwest	OP	200				110	430	1,600	-	-	-
	UG	350				90	535	1,500	-	-	-
Nizhny Endybal	OP	150				710	316	7,200	-	-	-
Mangazeisky North	OP	150	304	626	6,100	98	671	2,100	-	-	-
Mangazeisky South	OP	150				60	246	500	-	-	-
<b>Total</b>	All	-	1,004	1,046	33,800	1,422	477	21,800	801	722	19,886

Note – NI 43-101 mineral resources prepared by Tetra Tech; The effective date of the Vertikalny Central July 8<sup>th</sup>, 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 31<sup>st</sup> of March 2016 and the Mangazeisky South resource is 10<sup>th</sup> of June 2015.

Note – 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.

**VERTIKALNY RESOURCE UPDATE EXPECTED TO SIGNIFICANTLY IMPROVE PROJECT IRR & NPV WITH MINIMAL IMPACT ON CAPEX**

# SBR Appendix B – Vertikalny Deposit

## 2016 NI 43-101 Mineral Resource Update

### 2016 Vertikalny Resource

Zone	Assumed Mining Method	Cut-off Grade Ag (g/t)	Indicated Resources			Inferred Resource		
			Tonnes	Grade Ag (g/t)	Contained Metal Ag (Troy oz)	Tonnes	Grade Ag (g/t)	Contained Metal Ag (Troy oz)
Vertikalny Central	Open Pit	200	360,000	1,482	17,100,000	4,000	496	100,000
	Underground	350	340,000	959	10,600,000	350,000	789	8,800,000
	All	-	700,000	1,227	27,700,000	350,000	786	8,900,000
Vertikalny Northwest	Open Pit	200	-	-	-	110,000	430	1,600,000
	Underground	350	-	-	-	90,000	535	1,500,000
	All	-	-	-	-	200,000	476	3,100,000
<b>Vertikalny Deposits Total</b>	All	-	700,000	1,227	27,700,000	550,000	672	12,000,000

+35% increase in Grade from 2015 to 2016

### 2015 Vertikalny Resource – Comparison Purposes

Zone	Indicated Resource			Inferred Resource		
	Tonnes (kt)	Ag Grade (g/t)	Contained Metal Ag (koz)	Tonnes (kt)	Ag Grade (g/t)	Contained Metal Ag (koz)
Vertikalny Central	800	909	23,400	680	615	13,400
Vertikalny Northwest	-	-	-	310	458	4,600
<b>Vertikalny Total</b>	<b>800</b>	<b>909</b>	<b>23,400</b>	<b>990</b>	<b>565</b>	<b>18,000</b>

\*Open Pit Cut-off Grade = 200 g/t Ag, Underground Cut-off Grade = 350 g/t Ag



# Mangazeisky Silver Project

## 2016 Feasibility Study Highlights

**2016 VERTIKALNY RESOURCE UPDATE EXPECTED TO SIGNIFICANTLY IMPROVE PROJECT IRR & NPV WITH MINIMAL IMPACT ON CAPEX**

Tonnes per annum	<b>110,000 tpa</b>
Silver Production (LOM)	<b>16.8 M ounces Ag</b>
CAPEX	<b>US\$48.6 M</b>
Cash Costs	<b>US\$7.97/ oz Ag</b> (excludes by-product credits)
Reserve Vertikalny Central	<b>801 Kt at 722 g/t Ag total</b> <b>19.9 M ounces Ag</b>
IRR (pre-tax ) / IRR (post-tax)	<b>43.6% / 40.2%</b>
NPV (5%) pre-tax/NPV (post-tax)	<b>US\$79.7/ US\$70.7</b>
Payback (pre-tax)/(post-tax)	<b>2.1 years /2.2 years</b>

**One of the lowest capital cost silver project in the industry**

**One of the highest grade silver projects in the industry**

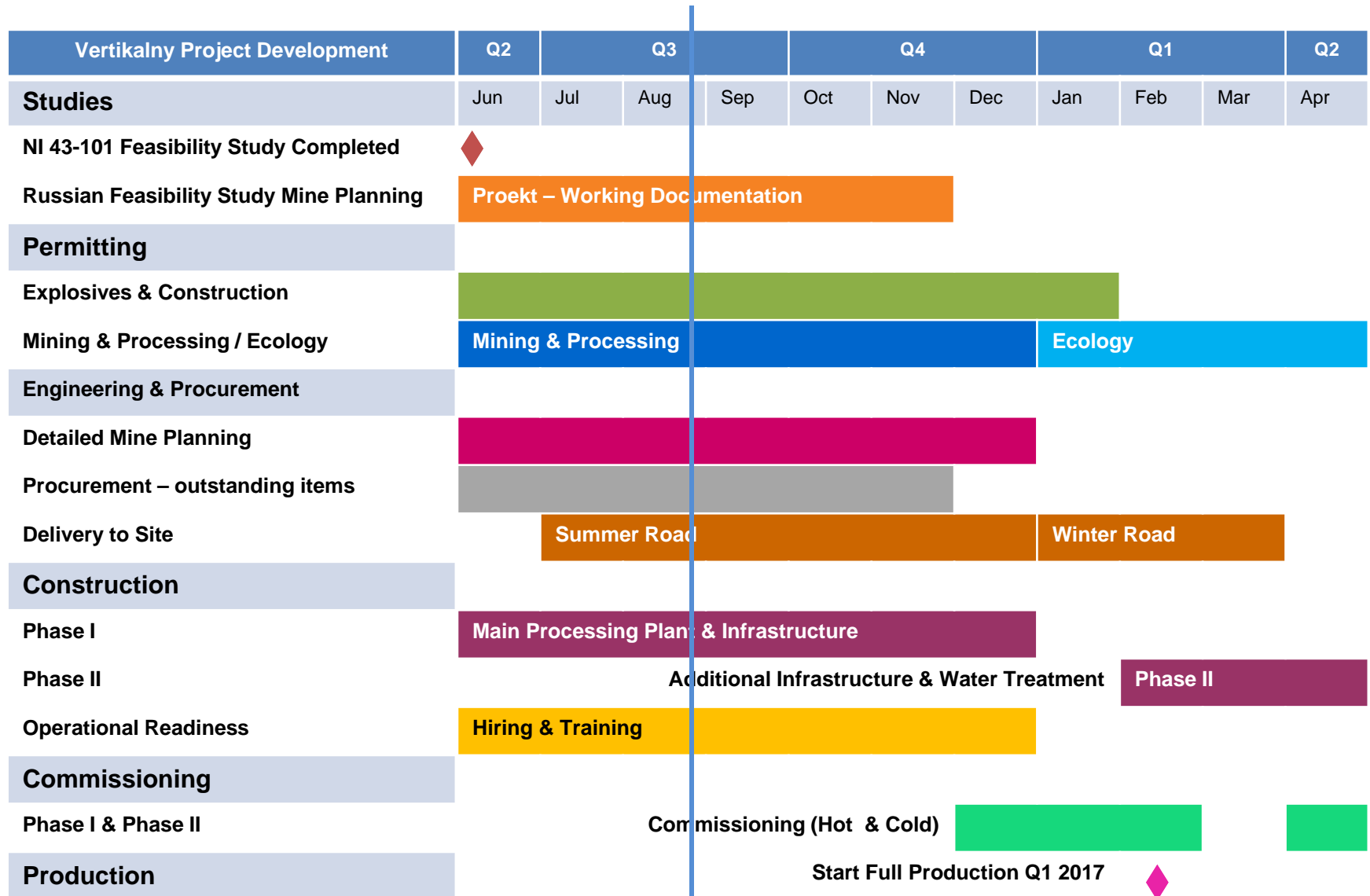
**Excellent Rate of Return**

**Note:**

- Assumptions include a variable silver price of US\$16.00/oz, US\$17.25/oz, and US\$18.00/oz during the first year of production, second year of production, and the remaining project life, respectively, with a life of mine ("LOM") weighted average silver price of US\$17.74/oz; exchange rate applied is RUB66.00/USD.
- Reserve is proven and probable and The Indicated Mineral Resource at Vertikalny Central are inclusive of the stated Mineral Reserves.
- For full details, refer to press release June 9, 2016, a technical report will be filed within 45 days of this release.

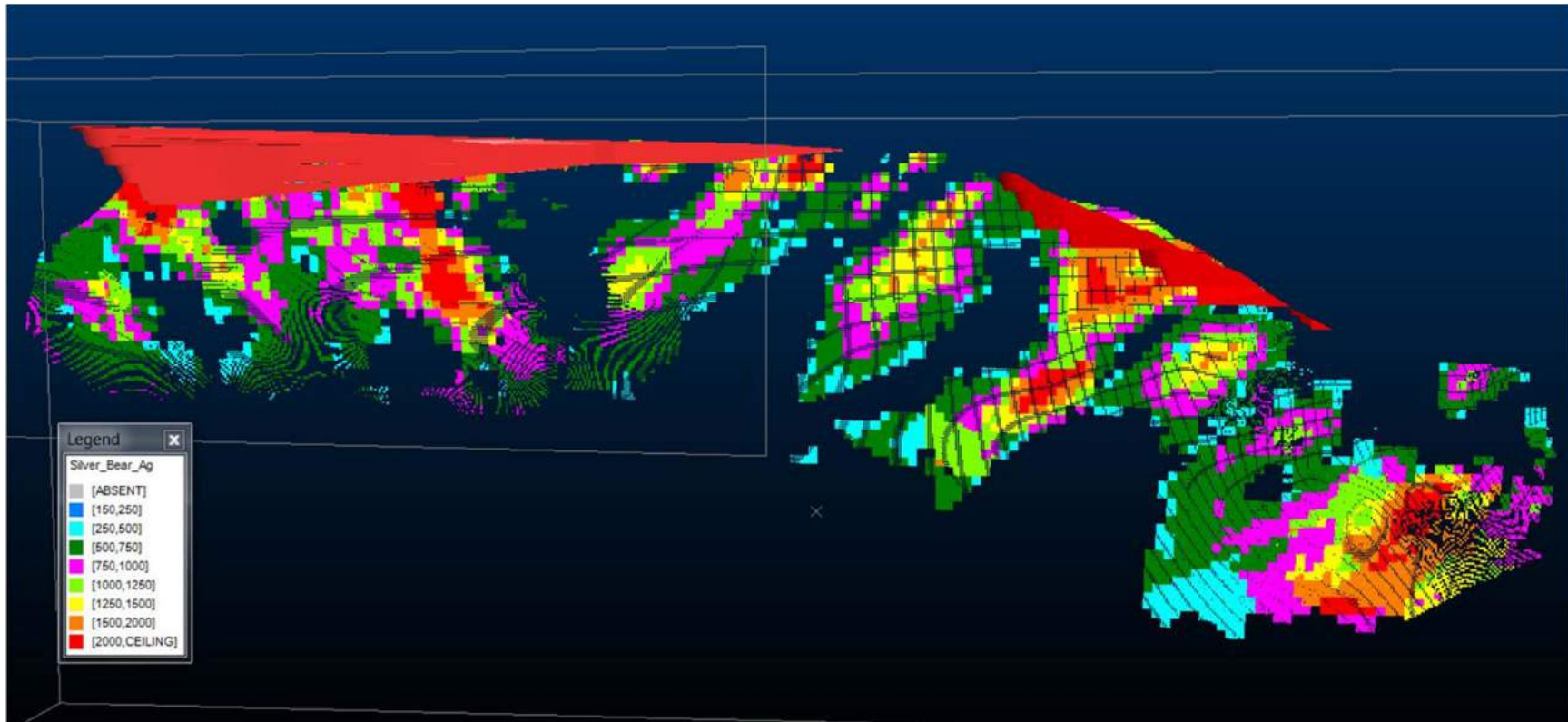
# Mangazeisky Silver Project

## 2016 Project Timeline



# Mangazeisky Silver Project

## 2016 Feasibility Study – Pit Design

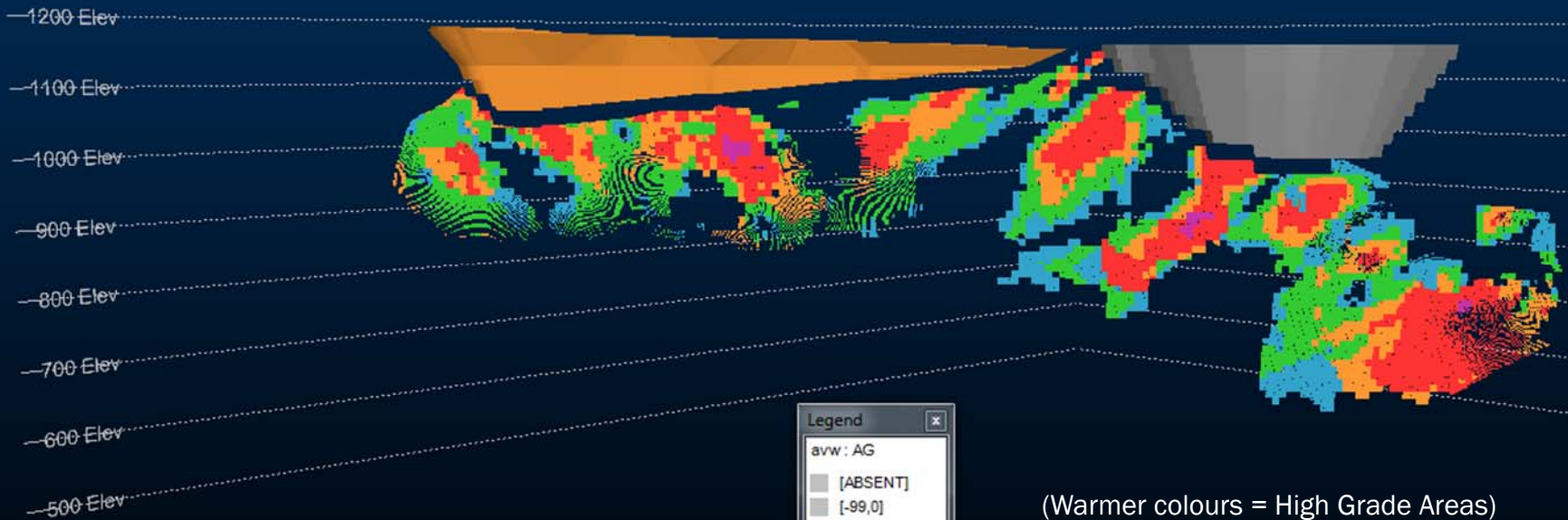


# Mangazeisky Silver Project

## Potential New Pit Design Incorporating 2016 Vertikalny Central Resource Update

Ag > 400g/t Model View

N ←



(Warmer colours = High Grade Areas)

# Mangazeisky Silver Project

## Exploration Upside

### Strong Potential High-grade Feeder Pits

*Organic Growth – within six km of Vertikalny deposit there are NI 43-101 MRE on three deposits and Russian compliant resources on two additional targets*



**Mangazeisky North & South – April 2016**  
 NI 43-101 Maiden Indicated – 304 Kt containing 6.1 Moz silver @ 626 g/t Ag; Inferred – 550 Kt containing 7.9 Moz silver @ 444 g/t Ag

**Sterzhnevoy**  
 P1+P2 non-compliant Resource: 13 Moz silver @ 2652 g/t, 380 m strike length

**Vostochny**  
 P1+P2 non-compliant Resource: 3.3 Moz silver @ 1272 g/t

**Nizhny Endybal – Re-stated June 2015**  
 NI 43-101 Inferred Resource Restatement – 710 Kt containing 7.2 Moz silver @ 322 g/t Ag

**Vertikalny – Update February 2015**  
 43-101 Indicated Resource – 800 Kt containing 23.4 Moz @ 909g/t Ag; Inferred Resource – 990 Kt containing 18 Moz @ 566 g/t Ag

Note: Refer to slide 3 and 1 for notes on NI43-101 resources; C1&2 and P1&2 Resources are non NI 43-101 compliant – Russian classification, refer to cautionary statement

# Mangazeisky Silver Project

## Advancing Towards Production

### Accelerated Construction 2016



Contractors preparing last concrete for ball mill foundation



Pump Station – concrete works

### Silver Commissioning Late 2016

- Most heavy machinery and equipment on site; additional summer 2016 supply underway
- Blasting permit granted; first open-pit blast May 2016
- Construction well underway; processing plant, crusher, accommodation camp, fuel storage etc.
- Process for permanent operation staff recruitment commenced

### Project Expansion Potential

- Targeting new mine plan to incorporate Vertikalny resource update late 2016
- 2016 Drilling program targeting satellite deposits Mangazeisky North and Sterzhnevoy

# CONTACT INFORMATION

Robin Birchall  
*Director*  
C: +44 7711 313 019  
E: [rbirchall@silverbearresources.com](mailto:rbirchall@silverbearresources.com)

Judy Webster  
*Investor Relations & Corporate Secretary*  
C: 416-453-8818  
E: [jwebster@silverbearresources.com](mailto:jwebster@silverbearresources.com)



Overlooking the Camp showing the  
secondary dormitory

# SBR Appendix A – Corporate Capital Structure (June 2016)

## Market Summary

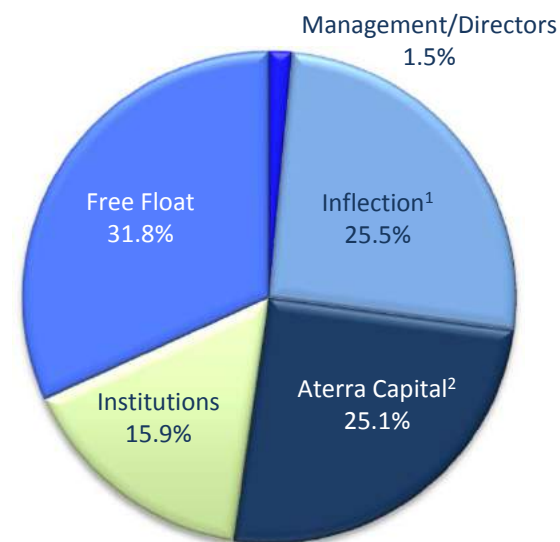
### Shares Outstanding / Capitalization (as at Jun 30, 2016)

Shares Issued / Outstanding:	161,327,017
Options (avg. strike C\$0.37)	10,825,000
Warrants (all expired Jun 2016)	0
Fully Diluted	172,152,017
Market Capitalization (as of Aug 20, 2016)	C\$77M
Cash Position	US\$8 M

### June 30, 2016 – Total outstanding Notes of C\$56.4M

- **Inflection Notes**
  - Non-Convertible US\$3.5M / 15% p.a. / 30 Sep 2016
  - Non-Convertible C\$3.3M / 15% p.a. / 31 Dec 2016
  - Non-Convertible US\$14.5M / 15% p.a. / 31 Dec 2016
  - Convertible C\$12.3M / 15% p.a. / 31 Dec 2016
- **Aterra Notes**
  - Non-Convertible US\$3.5M / 15% p.a. / 31 Mar 2016
  - Non-Convertible US\$5.5 M / 15% p.a. / 31 Dec 2016
  - Convertible C\$5.6M / 15% p.a. / 31 Dec 2016

## Shareholder Base

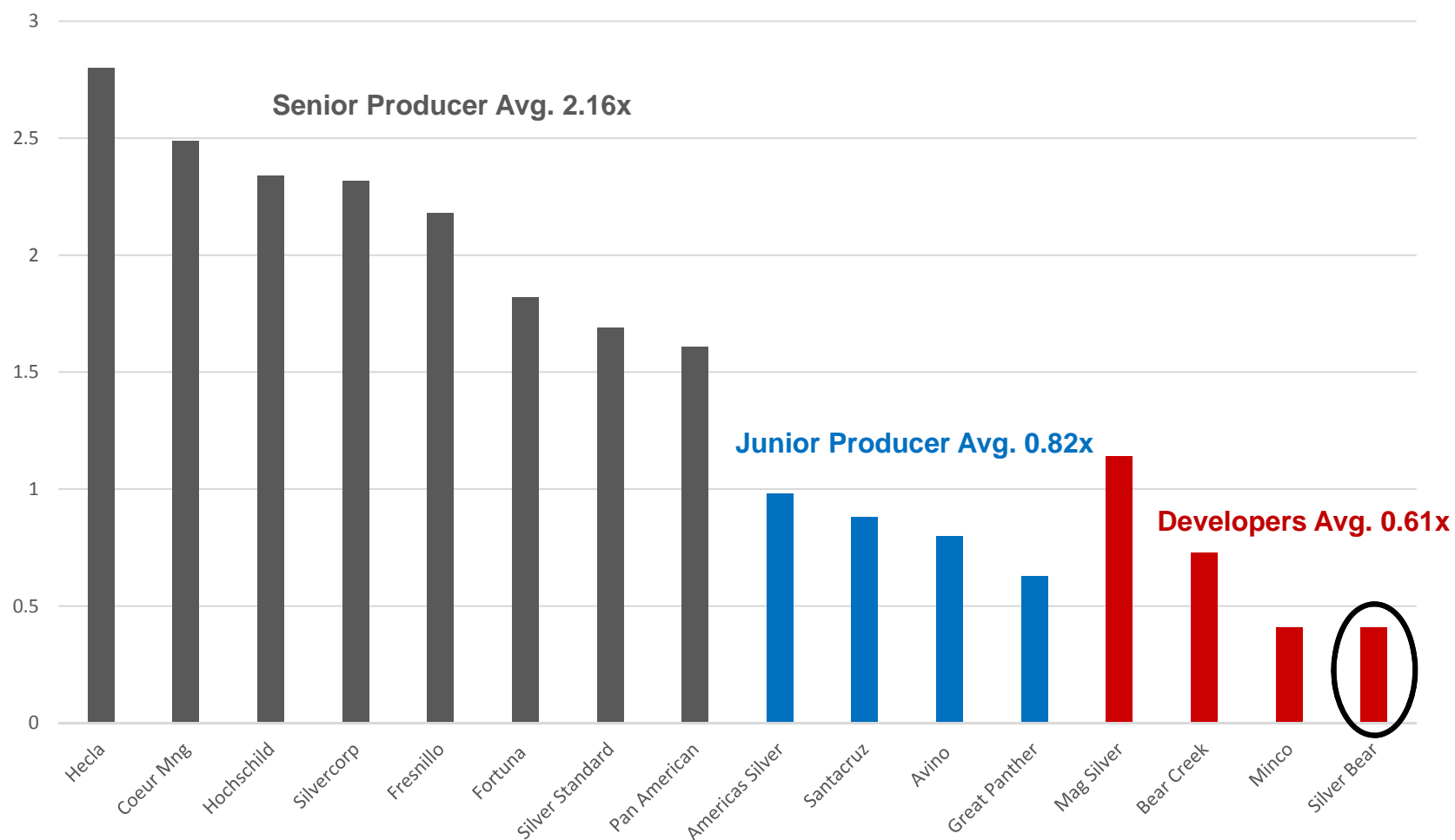


1. Inflection: beneficially owned by Sergey Kolesnikov holds 41,176,471 SBR common shares;
2. Aterra: beneficially owned by Alexey Mordashov holds 40,468,579 SBR common shares



# SBR Appendix A – Corporate Silver Company Comps

P/NAV



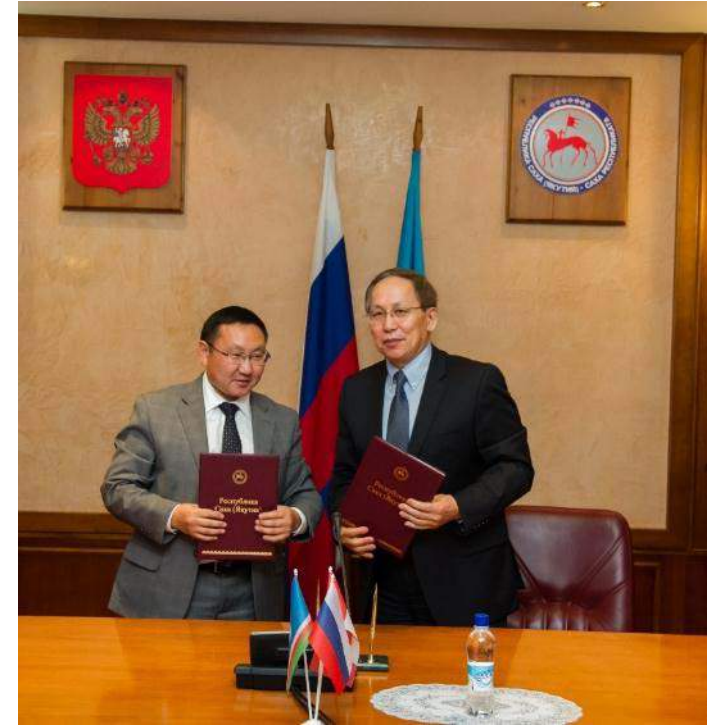
Source: Hannam & Partners – Q3 2016

# SBR Appendix A - Corporate

## Socio-Economic Agreement Signed – Aug 10 2016



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



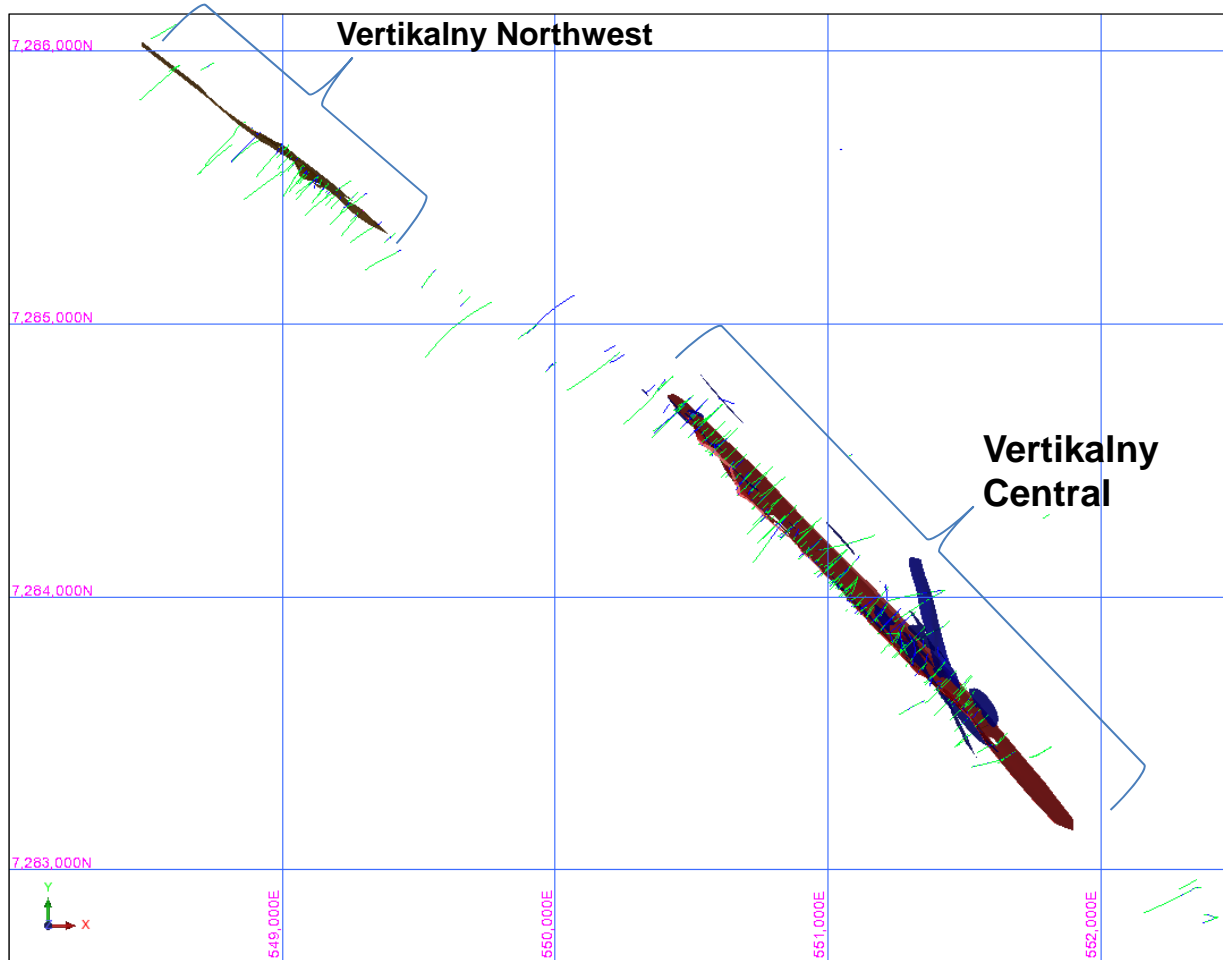
First Deputy Chairman of the Government of the Republic of Sakha and ZOA Prognoz, General Manager, Yury Petrov – signing the socio-economic Agreement

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.

# SBR Appendix B – Vertikalny Deposit

## Geology

Tetra Tech and ZOA Prognoz team collaborating to improve the structure and quality of the exploration database ensuring maximum value is extracted from drill holes and trenches



The database now contains 315 diamond drillholes and 75 trenches.

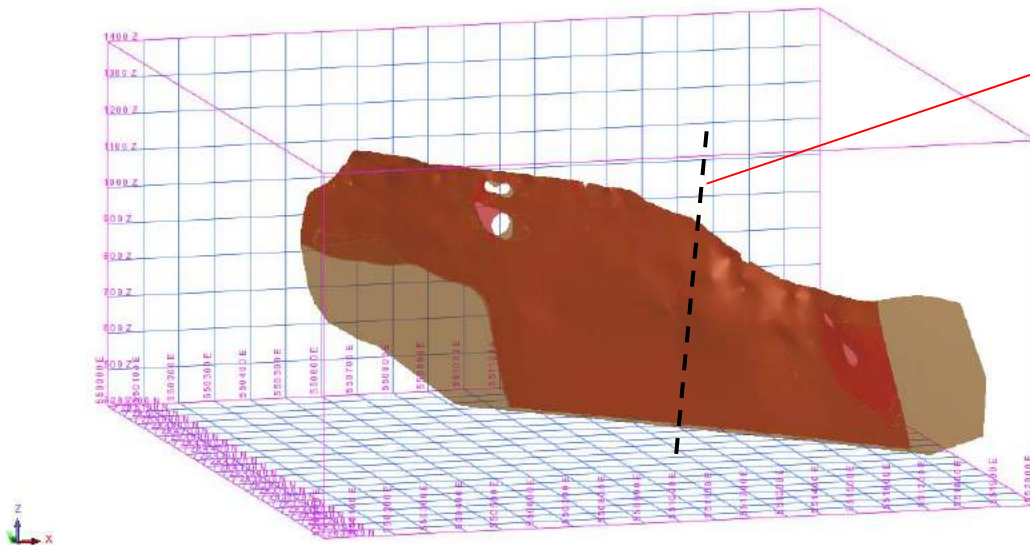
From the improved database a new set of wireframe models were generated for Vertikalny Central and Vertikalny Northwest.

A main zone along with a series of subordinate parallel and oblique veins was modelled at Vertikalny Central.

A single non-continuous vein with branches was modelled for Vertikalny Northwest.

# SBR Appendix B – Vertikalny Deposit

## Vertikalny Central – Main Zone

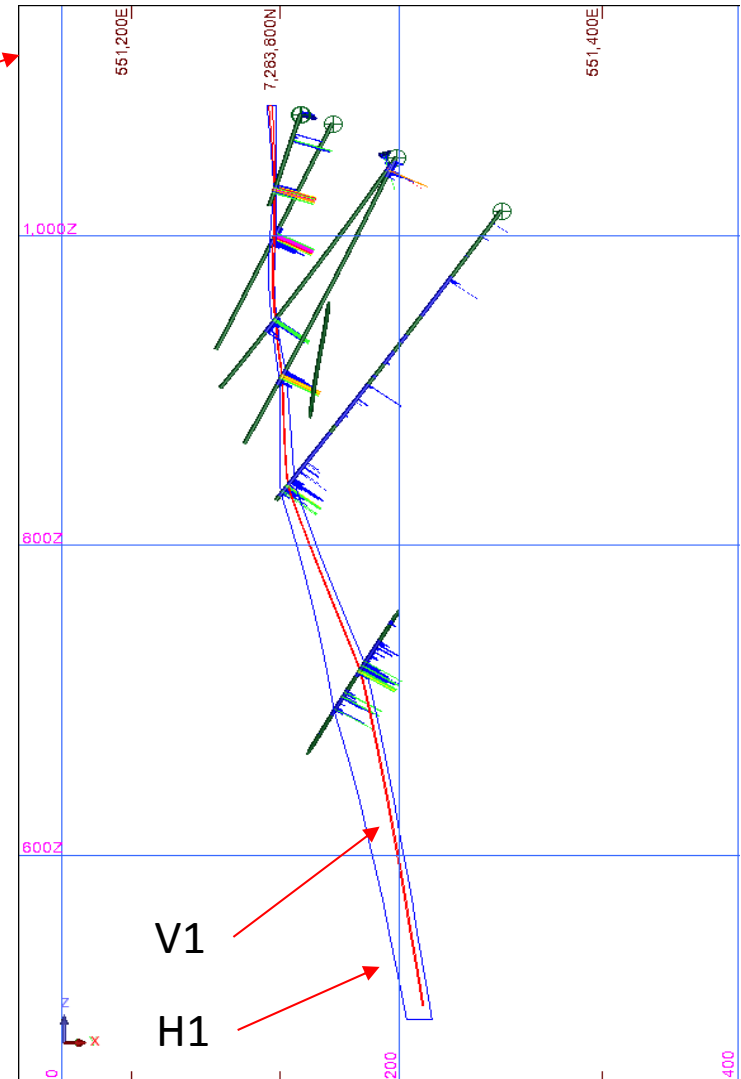


The main mineralised structure at Vertikalny Central comprises a very strongly mineralised central zone (V1), surrounded by lower grade wall rock alteration halo (H1).

V1 zone width ranging from 1m to 5 m. The halo (H1) adds 1m to 5m in width.

Wireframe models have been constructed for the two zones and used to select samples for the grade estimation and to constrain the interpolation.

The two zones have been estimated independently using only samples from the relevant zones.

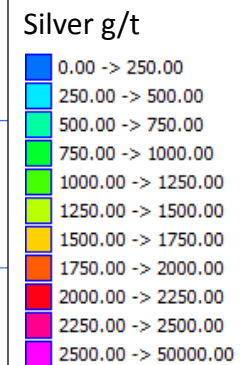
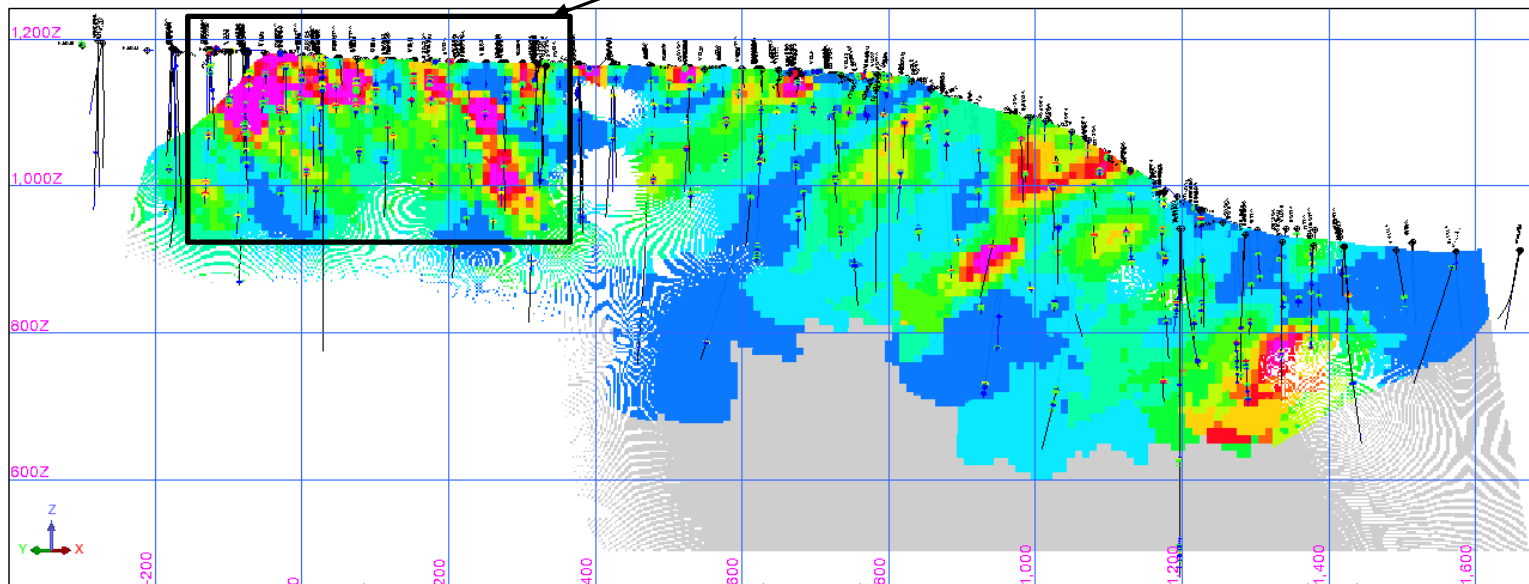
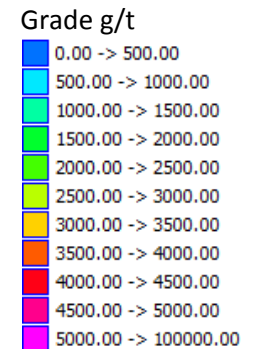
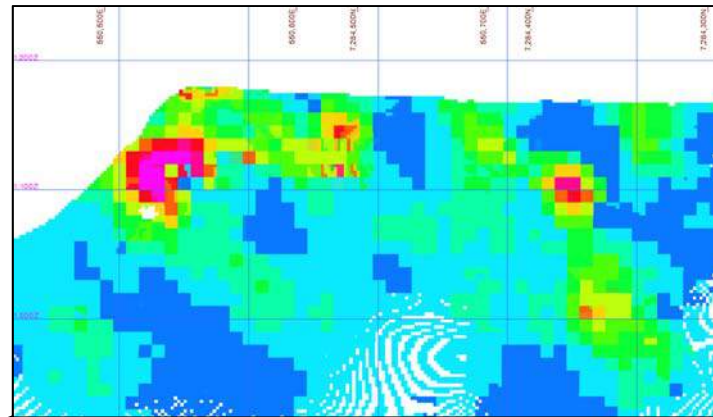


# SBR Appendix B – Vertikalny Deposit

## Vertikalny Central – Grade Distribution

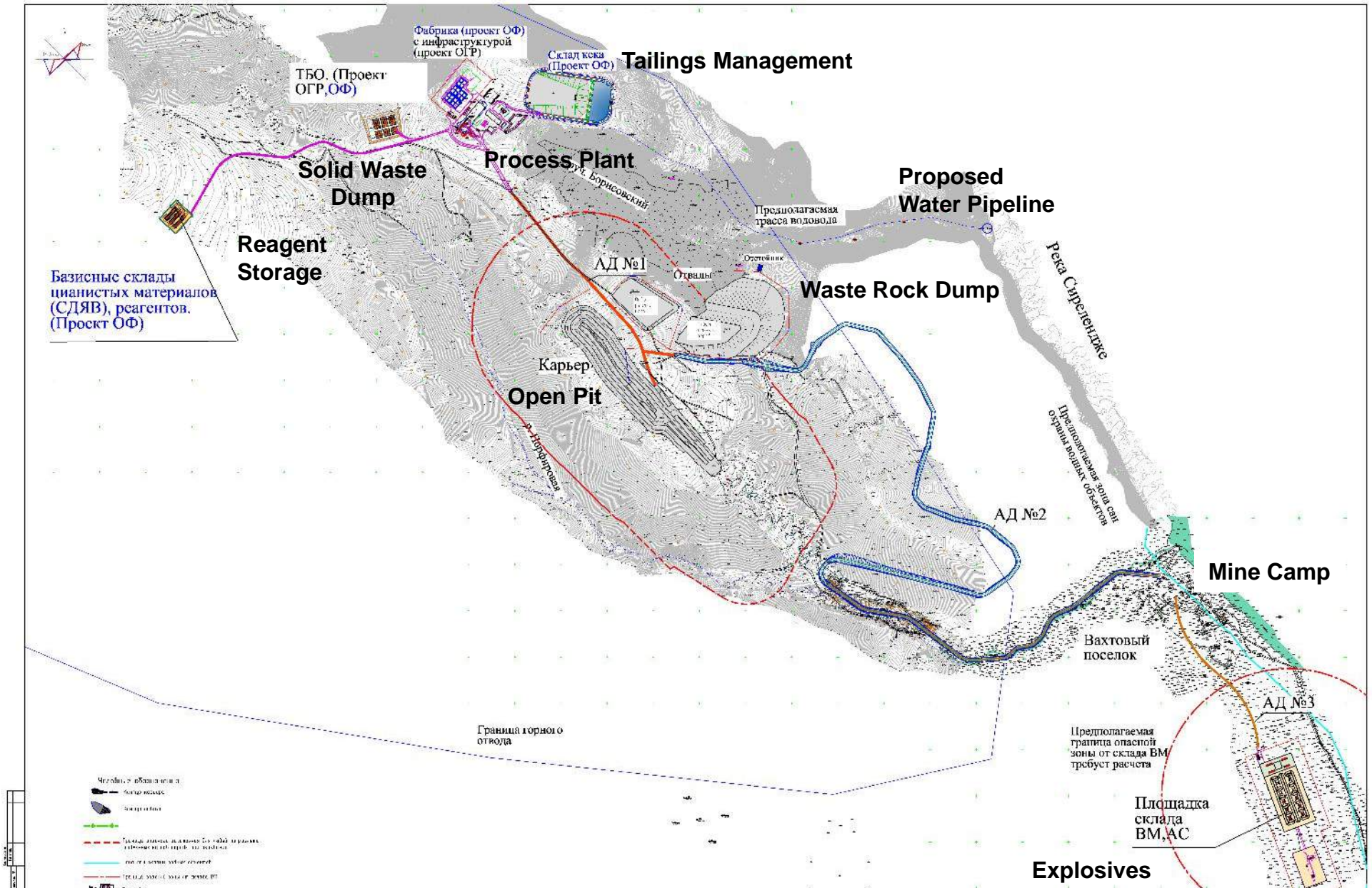
Vertikalny Central now includes extremely high grade zones with improved continuity. The improved continuity results from using more constrained wireframes and improving the variography.

Some of the marginal material has been transferred into the wall rock alteration domain (halo), which reduces the width and tonnage in some areas of the main (V1) zone.



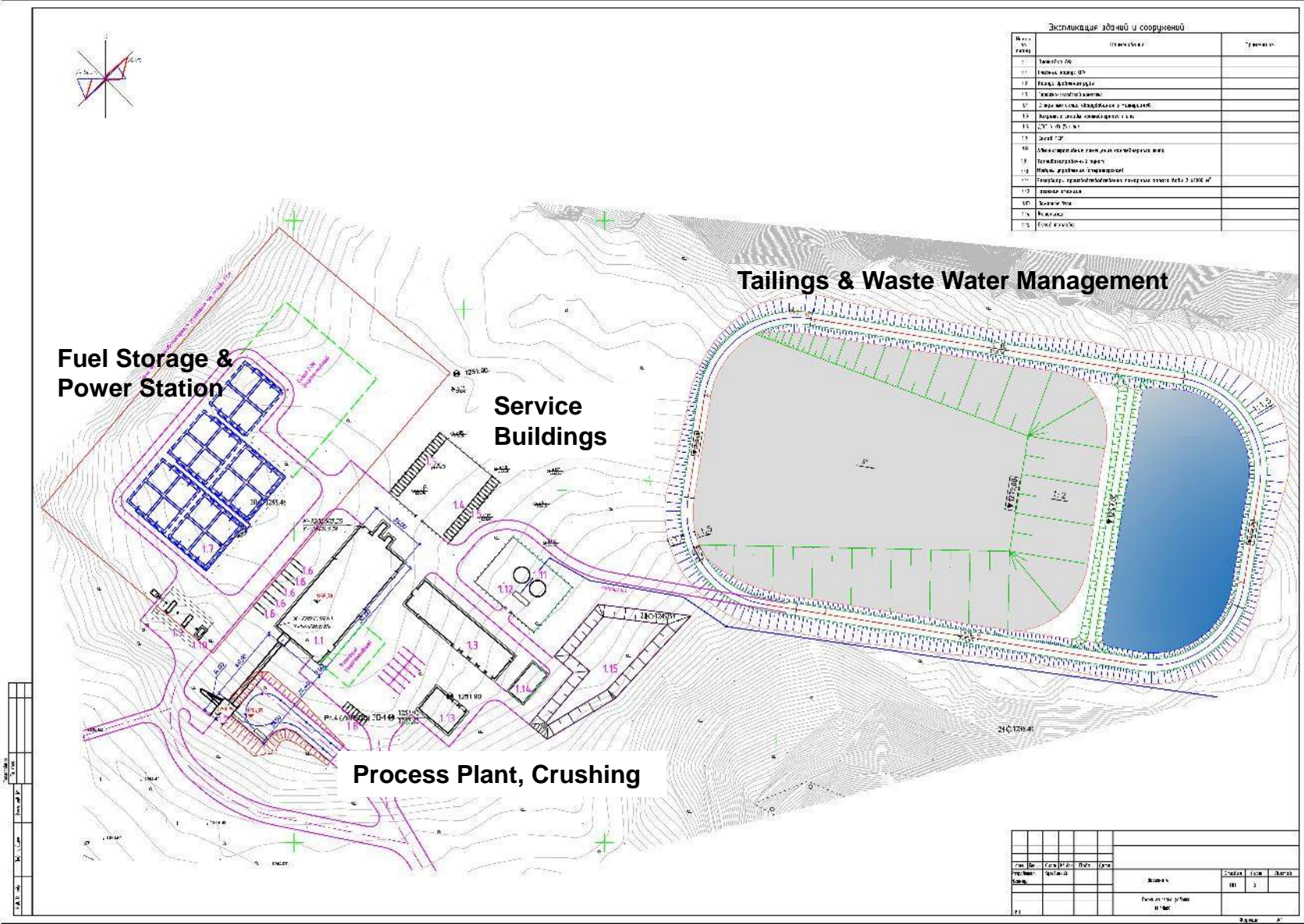
# SBR Appendix C – Mangazeisky Silver Project

## Project Layout



# SBR Appendix C – Mangazeisky Silver Project

## Process Plant & Tailings Management



# SBR Appendix C – Mangazeisky Silver Project

## Construction Update





# SBR Appendix C – Mangazeisky Silver Project

## Construction Update



Main Plant, installation of weather shielding



Foundations for tailings discharge conveyor and installation of overhead crane

# SBR Appendix C – Mangazeisky Silver Project

## Construction Update



Ball Mill foundation



Fuel Storage Facilities – tank bases