



Sabina Gold & Silver Corp.

A Gold Miner in the Making

September, 2013

Sabina Gold and Silver Corp - recap

- Sabina is a Vancouver, Canada based precious metals company on track to become a mid-tier gold producer
- Listed on the Toronto Stock Exchange (TSX: SBB)
- Projects in Nunavut and other parts of Canada
- Sufficiently funded – approximately \$90M in the bank end Q2
- Skilled staff with extensive northern experience





Back River Project - recap

- A proposed gold mine in Nunavut's western Kitikmeot Region
- 6.6 M oz. & growing high-grade gold resource – 100% owned by Sabina
- Exploration commenced in 1982. Project has had a number of different owners since
- Currently in the advanced exploration & environmental assessment stage
- Three key project areas
 - Goose Property, George Property, & Marine Laydown Area



Goose Camp
(Spring, 2012)

Existing Operations



Goose Camp (Spring, 2012)

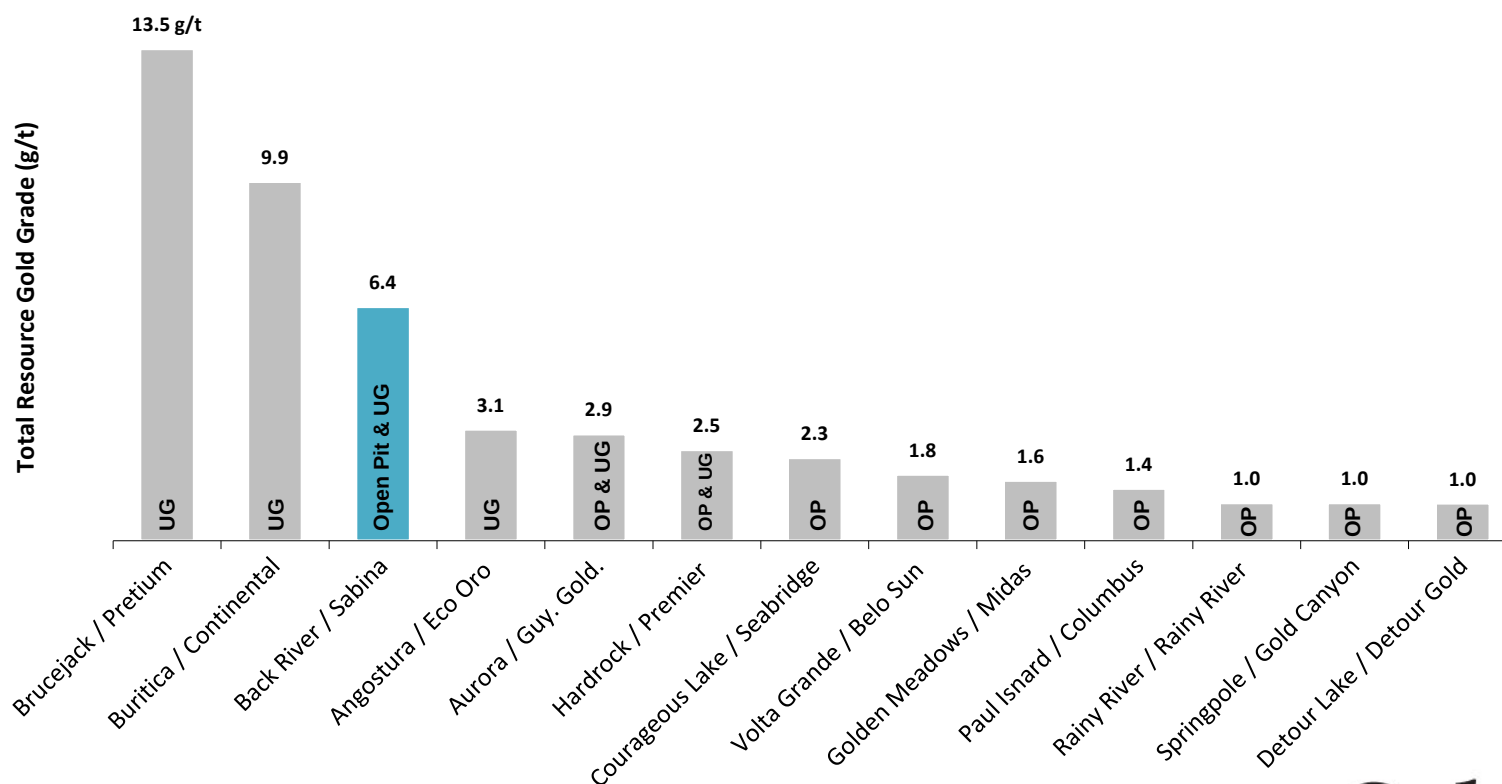


George Camp (Summer, 2012)

Back River – World Class Grade

- One of the highest grade Americas development assets not owned by a producer
- The only high-grade project with a major open pit component

+5 Million oz. Development Gold Assets in the Americas



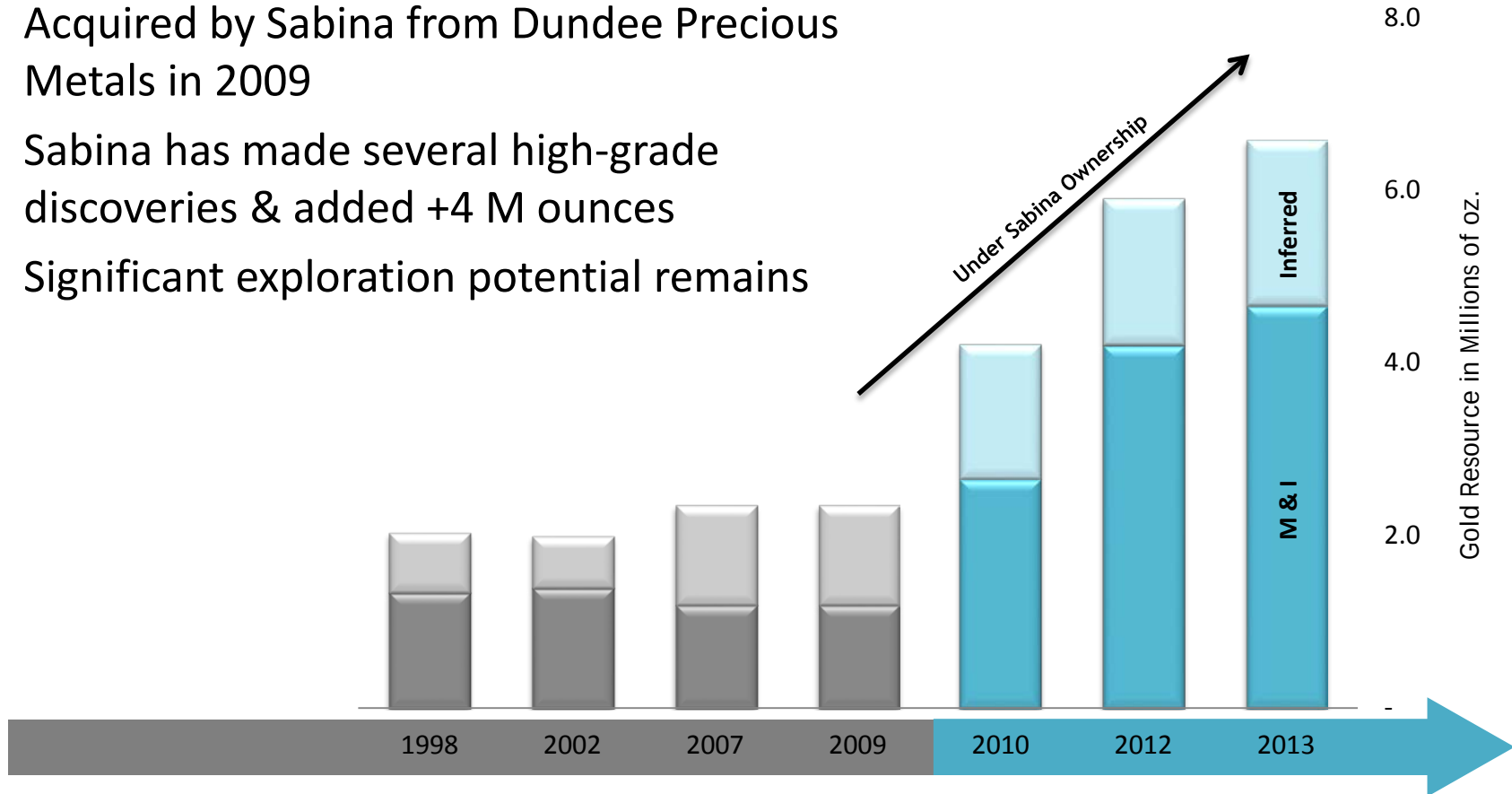
Notes:

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

Source: Metals Economics Group & company disclosure.

Back River – History

- Acquired by Sabina from Dundee Precious Metals in 2009
- Sabina has made several high-grade discoveries & added +4 M ounces
- Significant exploration potential remains



1980's & 90s
George & Goose deposit
discoveries

1997-2009
Project owned by Arauco,
Kinross, Miramar & DPM

June 2009
Project
acquired by
Sabina

2010-2013
+170% resource
growth under
Sabina

Review of plans

- Open pit and underground mining operations – several distinct mining areas all in the general project footprint
 - 300,000 – 400,000 ounces of gold annually
 - Supplied via seasonal shipping and year-round aircraft
 - Remote, fly in/fly out mine site
 - Gold produced at the mine will be shipped by air as doré bars
- Processing plant (up to about 5,000 tonnes per day)
 - Gravity separation with a floatation leaching circuit
 - Tailings facility at Goose Property
- Several waste rock storage areas

Review of plans

- Laydown area at Bathurst Inlet
 - 3-5 ships during operations; 5-10 ships during construction (Open water only)
 - Ships will be similar to those used for community resupply
- All-weather and seasonal (ice) roads
- All-weather airstrips
- Other: administrative complex, facilities, maintenance facilities, warehousing; fuel and bulk storage areas
- Water and waste management facilities; power generation facilities
- Explosives storage
- BIPR remains an option

Back River – Preliminary Economic Assessment

PEA Results - \$1,250/oz Gold	
Pre-Tax NPV(5%) & IRR	\$1079M / 31.6%
After-Tax	\$649 M / 24.5%
Payback	3.0 years
Mill Throughput	5,000 tpd
Avg. Grade Processed	6.13 g/t
Gold Recovery	90%
Mine Life	12.3 years
Avg. Production	299,000 oz/yr
On-Site Op. Costs	\$88 /tonne
Avg. Total Cash Cost	\$542 /oz
Pre-Production Capital	\$450.5 M
Ongoing/Sustaining Capital	\$388.1 M

Optimizations being studied for PFS:

- Incorporating February 2013 resource update
- Mine scheduling to optimize production (open pit vs underground), size of mining fleet, etc.
- Flow sheet analysis to increase recoveries

Economic Impact – Based on the PEA

	Construction	Operations
Nunavut Direct Employment	180 person years	1,110 person years
Canada Direct Employment	1,200 person years	4,440 person years
Kitikmeot Total* Employment	480 person years	2,190 person years
Nunavut Total* Employment	1,090 person years	4,270 person years
Canada Total* Employment	6,250 person years	28,040 person years
Kitikmeot Total* GDP	\$48 million	\$355 million
Nunavut Total* GDP	\$96 million	\$532 million
Canada Total* GDP	\$598 million	\$2,857 million
Kitikmeot Tax Revenue Contributions*	\$7 million	\$107 million
Nunavut Tax Contributions*	\$13 million	\$125 million
Canada Tax Contributions*	\$97 million	\$519 million

‘Total’ includes direct, indirect, and induced.

‘Tax Contributions’ includes personal income tax, indirect corporate profit tax, and sales tax. It does not include direct taxes on the profit of the Project, property taxes, or any royalties paid by the Project.

Opportunities for the Kitikmeot Region

Significant Economic Benefit

Employment (approx. max numbers)

- Opportunities through construction, into operations and during closure
- Hiring preference for those located in nearby Kitikmeot communities

Other benefits

- Training programs for northern hires to be established
- Contracting preference for Kitikmeot and Nunavut companies
- Taxes, royalties, Inuit Impact and Benefit Agreement (IIBA)



Working with Local Communities – an active year

- Community engagement commenced in June 2012
 - Community Liaison Officer and office in Cambridge Bay; Community advisory groups
 - Social media (e.g. website, Twitter); newsletters, fact sheets, posters, maps
 - Traditional knowledge study with the KIA leading; NTKP database report finalized
 - Actua program for Inuit students
 - Spring Frolics, sports tournaments, daycare support, etc.
 - Inuit Impact and Benefit Agreement (IIBA) to be negotiated



Status EIS

- Extensive baseline studies completed
 - Wildlife
 - Fisheries
 - Air and Water quality
 - Socio-economic studies
- Traditional Knowledge studies advancing
- ARD characterization
- Monitoring and mitigation plans developed
- EA methodology and approaches adopted
- DEIS Table of Contents complete and many chapters well into the writing stage

Environmental and Socio-Economic Study Areas



- Wildlife (e.g. caribou, muskox, wolverine, grizzly bear, birds, waterfowl, raptors, seabirds, small mammals, marine mammals)
- Archaeology
- Traditional knowledge
- Socio-economics
- Land use
- Human health and country foods
- Meteorology
- Air quality
- Noise
- Hydrology
- Hydrogeology
- Bathymetry
- Freshwater quality, sediment quality, aquatic biology
- Freshwater fish and fish habitat
- Marine water quality, sediment quality, aquatic biology
- Marine fish and fish habitat
- Vegetation and soils

Areas of Concern

- Potential effects on wildlife, in particular caribou
- Water quality – mine effects on water management overall
- Socio-economic challenges – impacts of wage economy; impact on family of 2 week rotation
- Being prepared for potential for Accidents and Malfunctions – fuel oil spills, for example
- Effective mitigation measures can be developed for all potential impacts

Ongoing Challenges

- Ensuring the project remains attractive for investors
- Maintaining effective communication and support across all local communities
- Meeting the requirements and effectively transitioning to the new provisions of Fisheries Act and Navigation Protection Act appropriate in the Arctic context
- Completing an effective, timely and comprehensive environmental review process – timelines particularly sensitive in the north
- Advancing mitigation measures and adaptive management plans to ensure an environmentally sound project
- Ensuring all consultations required for subsequent permits/authorizations are completed in the Environment Assessment phase

September 2013 Project Status

- Currently in the pre-feasibility and permitting stage
 - Project Description submitted to the NIRB in June 2012.
- 2013 programs:
 - Up to \$75M spent
 - 50,000 m of drilling
 - Geotechnical, infill and extension drilling, regional exploration program
 - Engineering and environmental studies continue to advance
 - Site improvements
 - Community engagement



Engagement all Reviewers

- Sabina committed to open and transparent interchanges on all aspects of the EIS preparation and review
- Want to understand the issues and requirements as early in the process as possible to allow effective planning adjustments



Next Steps

Moving Forward

- Pre-Feasibility Study in Q3 2013
- Continued engagement with the NIRB / NWB process
 - Final EIS Guidelines issued April 2013
 - Draft EIS to be submitted in December 2013 or January 2014
- Construction anticipated in 2015, operations in 2016/17





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