



Q1 2021

Mangazeisky Silver  
Project

Full Commercial  
Production

# 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.

## 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

Steven James McRobbie BSc (Hons), MSc, ACSM, MAusIMM, of Wardell Armstrong (Moscow), an independent consultant to the Company, is a *Qualified Person under National Instrument 43-101 and has reviewed the scientific and technical information in this report.*

## For Persons in the United States

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# Q1 2021 Highlights



During the three-month period ended 31 March 2021 the Group production statistics included:

- Mined a total of 25,179 tonnes of ore, processed 23,825 tonnes of ore at an average grade of 645 g/t of silver, producing a total of 436,086 ounces of silver;
- Sold a total of 495,230 ounces of silver totaling production revenue of US\$13,123,020 and reported a total comprehensive loss of \$9,088,515 and an accumulated deficit of \$228,374,679.
- In the first quarter 2021, the Group entered into a loan agreement with SKA ASSETS MANAGEMENT LIMITED, a company under common control with Inflection, in the amount of RUB 750,000,000 (equivalent to approximately C\$12,000,000) with an interest rate of 8.27% per annum, which interest shall accrue on a monthly basis. The Principal will be due and payable on 31 December 2021.
- On 30 March 2021, the Group announced the filing of the final WAI NI 43-101 technical report titled “Mangazeisky Silver Project MRE Update and Strategy Re-assessment, Republic of Sakha (Yakutia), Russian Federation” (the “**Final WAI Report**”). For full details on the Final WAI Report please see the Operations section in the Q1 2021 MD&A.
- As of the date of this report, the Group confirms there have been no major disruptions at the mine site or to the Group’s planned production and operations due to the COVID-19 pandemic.

# Vertikalny Silver Mine – Q1 2021

## Commercial Production Highlights

- Processing line upgrade construction underway

	Three-months ended 31 March 2021	Three-months ended 31 March 2020	Year ended 31 December 2020
<b>Operating Data</b>			
Ore Mined (tonnes)	25,179	35,650	114,877
Ore processed (tonnes)	23,825	25,344	109,460
Head grade (g/t Ag)	645	707	640
Recovery (%)	90	80.1	85.4%
Silver ounces produced	436,086	457,458	1,917,360
<b>Financial Data</b>			
Silver ounces sold	495,230	472,439	1,937,158
Average realized price (US\$/oz)	26,50	16.88	20.03
Production and pre-production revenues (US\$)	13,123,020	7,974,832	38,796,691

# Vertikalny Flanks work opening access at the Open Pit



# Organic Growth

## Solid Pipeline of Organic Value Creating Opportunities



**Mangazeisky North**



**Vertikalyn Flanks**

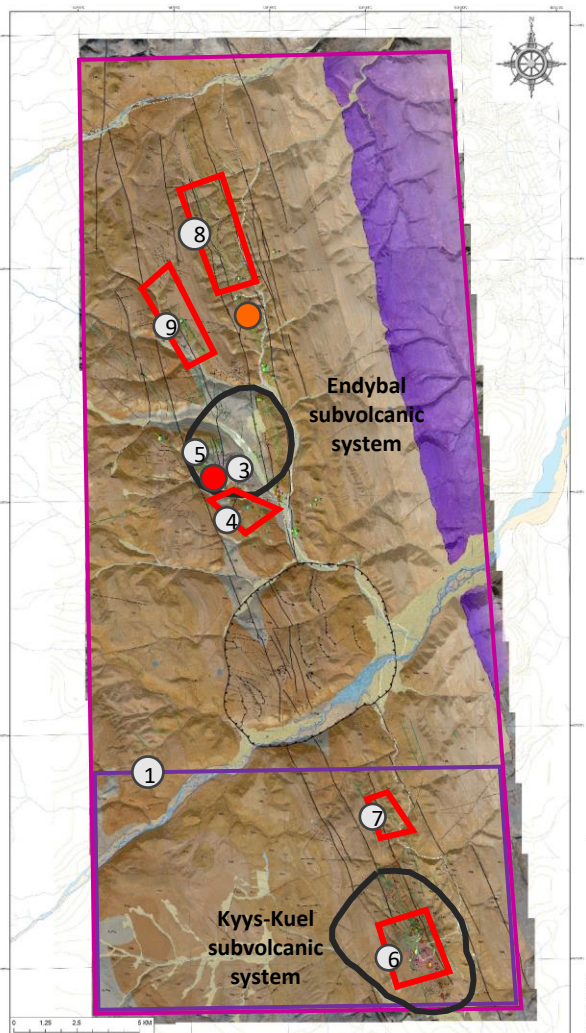


**Kyys Kuel & Porfivoy**

- In year 2021 the company is planning to drill appx. 10,000 meters and complete 1,600 meters of trenching on the flanks of Vertikalny and other surrounding mineralized areas with high exploration potential with the goal to increase mineable resources for the processing plant on Vertikalny.
- There have been 960 meters drilled during Q1 2021. The core has been sent to the lab for analysis.



# Exploration Activities Q2 & Q3 2021



Number (Scheme)	Properties	Key Activities / Scale	Units	2021 Plan
1	Endybal area. South flank	Aerogeophysical survey (drones) / 1:25000	sq.km	163.2
	Endybal area	Geological field researches / 1:5000	day	90
2	Orogondya	Geophysical researches 1:2000	sq.km	1.2
3	Porfirovy	Drilling	m	1400
4	Vertikalny. SE flank	Drilling	m	2000
5	Vertikalny. NW flank	Drilling	m	1000
6	Kyys-Kuel	Drilling	m	2500
7	Orogondya	Drilling	m	1500
		Trenching	m	800
8	Mukhalkan	Drilling	m	1000
		Trenching	m	800
9	Zabyty	Drilling	m	600
	<b>Total</b>	<b>Drilling</b>	<b>m</b>	<b>10000</b>
		<b>Trenching</b>	<b>m</b>	<b>1600</b>

● Vertikalny Mine (FS. March 2021)

● Mangaziesky North

# 2021 Outlook



## Optimize Returns / Building Value

In order to fund further development operations and maintain rights under licenses and agreements, the Group has secured funding in the form of long-term loans of which the principal totals \$171,472,690 and the Group may be dependent on securing additional financing until such time that it generates sufficient operating cash flow to meet its liabilities.

In consideration of the Group's going concern the Company's priorities over the four quarters in 2021 are as follows:

- Though COVID-19 may impact the Group's silver production in 2021, the forecast for the 2021 year is approximately 1.4 to 1.6 million ounces, lower than 2020 due to strip mining that relate to open pit extension;
- Complete the placement of the equipment into the processing circuit and begin new flotation line construction and commissioning to be ready to process the sulphide ores in the 2022;
- Continue to monitor all operations to further optimize operating costs and improve operational efficiencies;
- Continue with the exploration program that was delayed in 2020, drilling the two flanks on Vertikalny pit and the Mangazeisky North infill drilling; and
- Continue to build up operational capabilities and staffing and introduce new systems for production monitoring and management accounting.



# Corporate Social Responsibility

Implementation of Agreements on Social and Economic Cooperation with Lamynkhinsky National Nasleg, Kobyaaysky Region and the Sakha (Yakutia) Government

✓ Supporting Childhood



✓ Infrastructure Construction



✓ Supporting reindeer breeding



✓ Generating Employment



✓ Ecology



✓ Compensation Payments



# SBR Corporate Structure

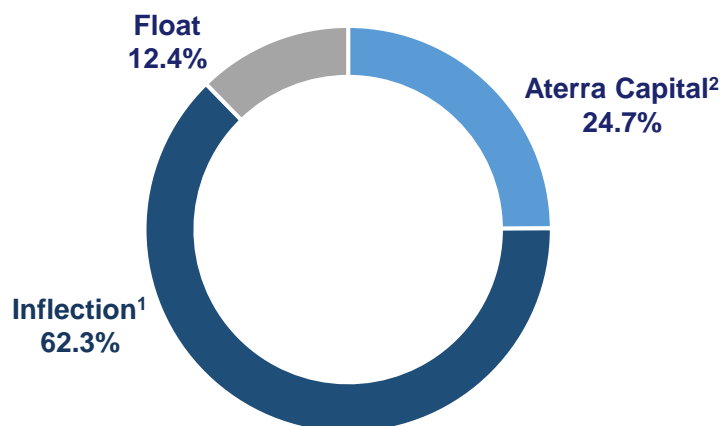


## Market Capitalization Summary

(as of 2 June 2021)

Shares Issued / Outstanding	674,457,779
Options (avg. strike C\$0.24)	22,433,333
Warrants (all expired Jun 2016)	0
Fully Diluted	696,891,992
Market Capitalization	C\$95 M
Cash Position (Q2 2021)	C\$0.8M

## Shareholder Base



1. Inflection Management Corporation Limited: beneficially owned by Sergey Kolesnikov holds 419/8 M SBR common shares;
2. A.B. Aterra Resources Ltd.: beneficially owned by Alexey Mordashov holds 166.6 M SBR common shares

## Experienced Management

- **Vadim Ilchuk, CEO**  
Russian mining executive with +19 years experience in mining industry and natural resource investment, international mine finance and accounting in Russia and North America
- **Alexey Sotskov, Deputy CEO**  
Russian mining executive with +15 years of project management experience in the technology and business process optimization in construction and natural resource industries
- **Mikhail Ilyin, CFO**  
Russian financial and audit executive joined Silver Bear from United Cable Group where he was head of finance control also served as senior audit consultant at PwC LLP in Moscow

## Strong Board – Diverse Skill Set

- Chris Westdal, Chairman – Former Canadian Ambassador to Russia
- Dominic Gualtieri, Director – Resource and Mine Finance Executive
- Maxim Matveev, Director – Managing Partner Aterra Capital – major shareholder
- Alexey Sotskov, Director – Director Inflection Management – major shareholder



# Appendix



# Quality Assets: Mangazeisky Silver Project



- 2013 awarded 20-year Mining Licence; 2016 awarded of 7-year Exploration Licence
- Yakutsk capital of Russia's largest region Sakha Republic, one of the largest cities in Far East Russia
- Significant mining activity and experience in the region (Mining University in Yakutsk)

# Mangazeisky Project

## Resources Vertikalny Underground – 31 May 2019

(In Accordance with the Guidelines of the JORC Code (2012))



The Mineral Resource Estimate was carried out with a 3D block modelling approach using Datamine Studio RM software. The effective date of the Mineral Resource Estimate is the 31 May 2019, the date of the limiting mine survey. In the opinion of WAI, the Mineral Resource Estimate reported herein is a reasonable representation of the mineral resources found in the Vertikalny Silver Project based on the current level of sampling. The two tables below detail the Vertikalny Open Pit Mineral Resource Estimate representing a cut-off grade of 200 g/t Ag and the Vertikalny Underground Mineral Resource Estimate representing a cut-off grade of 300 g/t Ag respectively.

Potential Underground Resources Vertikalny Project								
Ag Cut-off, g/t	Category	Tonnes, Kt	Ag, g/t	Pb, %	Zn, %	Ag, kg	Pb, t	Zn, t
300	Measured	0.29	581.70	2.66	0.58	166	8	2
	Indicated	235.82	680.72	1.26	2.57	160,524	2,964	6,059
	M+I	236.10	680.60	1.26	2.57	160,690	2,972	6,061
	Inferred	109.42	538.93	1.26	1.75	58,790	1,378	1,919

### Notes:

1. Mineral Resources are reported in accordance with the guidelines of the JORC Code (2012).
2. Mineral Resources are not Ore Reserves until they have demonstrated economic viability based on a feasibility study or pre-feasibility study.
3. Mineral resources include all potential mineable tonnage.
4. Mineral Resources are estimated as of 31 May 2019 based on an open pit mine survey of the same date.
5. Mineral Resources are located below an optimised pit and were evaluated based on an NSR cut-off value of \$162.00/t for primary mineralisation.
6. Economic and mining parameters provided by the Client and/or accepted by WAI were incorporated in the calculation of NSR.
7. This mineral resource estimate is not limited to any factors in terms of environmental, permitting, legal, title, taxation, socio-economic, market and other relevant factors.
8. The metal resources include all the in-situ metal disregard the metallurgical recovery factor.
9. All values in the tables have been rounded with relative accuracy of estimate. Numbers may not compute due to rounding.

# Mangazeisky Project

## Resources Vertikalny Open Pit – 31 May 2019

(In Accordance with the Guidelines of the JORC Code (2012))



### Potential Open Pit Resources Vertikalny Project

Ag Cut-off, g/t	Category	Tonnes, Kt	Ag, g/t	Pb, %	Zn, %	Ag, kg	Pb, t	Zn, t
200	Oxide							
	Measured	94.90	949.88	2.01	1.58	90,141	1,909	1,500
	Indicated	89.24	1,181.88	1.33	1.92	105,469	1,190	1,710
	Sub-Total M+I	184.14	1,062.32	1.68	1.74	195,610	3,099	3,211
	Primary							
	Measured	13.19	1,328.95	1.85	1.96	17,524	244	258
	Indicated	36.14	1,830.08	2.28	1.42	66,148	825	514
	Sub-Total M+I	49.33	1,696.13	2.17	1.56	83,672	1,069	772
	Oxide + Primary							
	Total M+I	233.47	1,196.24	1.79	1.71	279,281.95	4,168.20	3,982.53

#### Notes:

- Mineral Resources are reported in accordance with the guidelines of the JORC Code (2012).
- Mineral Resources are not Ore Reserves until they have demonstrated economic viability based on a feasibility study or pre-feasibility study.
- Mineral resources include all potential mineable tonnage.
- Mineral Resources are estimated as of 31 May 2019 based on an open pit mine survey of the same date.
- Mineral Resources were constrained by an optimised pit shell using a NSR cut-off value of \$172.78/t for oxide and \$139.06/t for primary mineralisation.
- Mineral Resources were constrained by an optimised pit shell based on economic and mining parameters provided by the Client and/or accepted by WAI.
- This mineral resource estimate is not limited to any factors in terms of environmental, permitting, legal, title, taxation, socio-economic, market and other relevant factors.
- The metal resources include all the in-situ metal disregard the metallurgical recovery factor.
- All values in the tables have been rounded with relative accuracy of estimate. Numbers may not compute due to rounding.

# Mangazeisky Project

## Resources Mangazeisky North Open Pit – 31 May 2019



(In Accordance with the Guidelines of the JORC Code (2012))

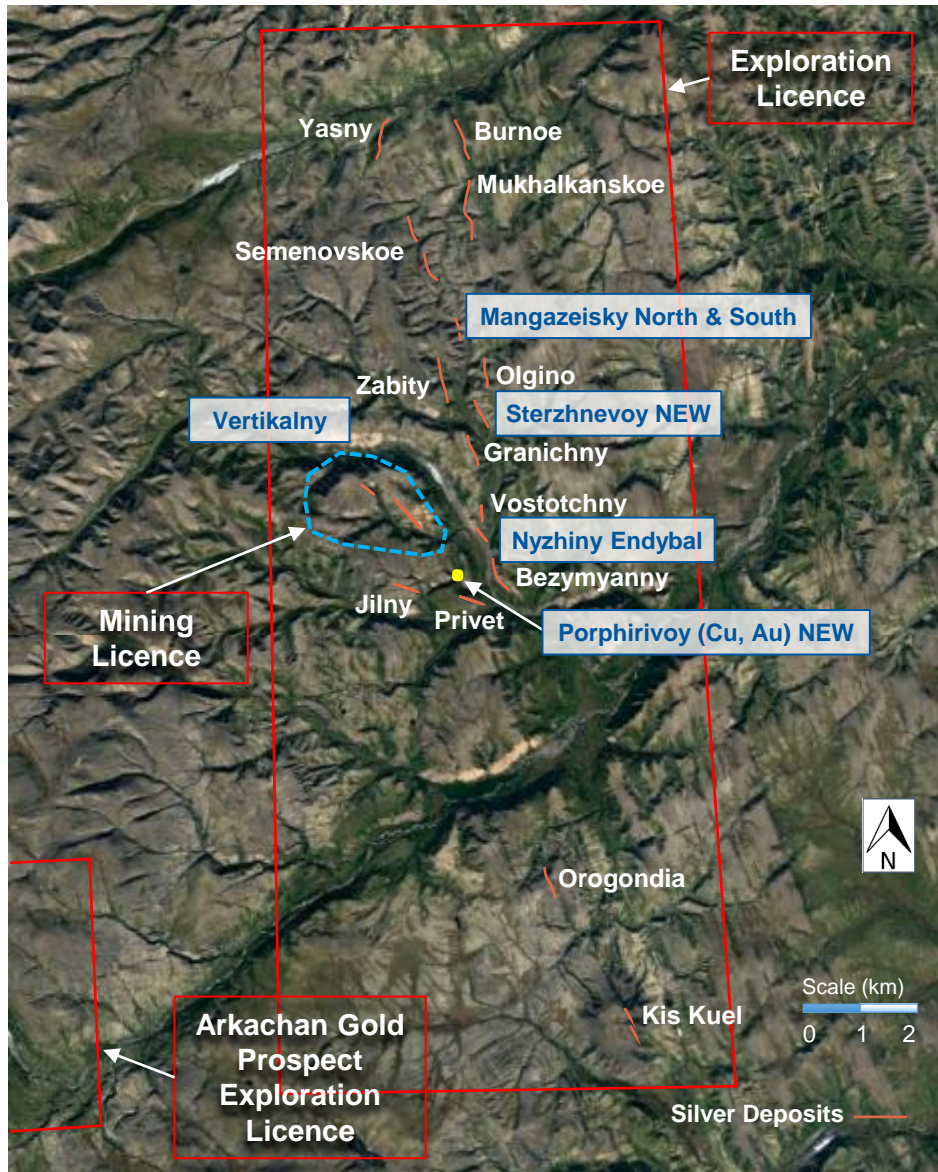
### Mineral Resource Estimate. North Mangazeisky Project

Ag Cut-off, g/t	Category	Tonnes, Kt	Ag, g/t	Pb, %	Zn, %	Ag, kg	Pb, t	Zn, t
200	Inferred	331.41	750.15	9.71	0.98	248,612	32,185	3,261

#### Notes:

1. Mineral Resources are reported in accordance with the guidelines of the JORC Code (2012).
2. Mineral Resources are not Ore Reserves until they have demonstrated economic viability based on a feasibility study or pre-feasibility study.
3. Mineral resources include all potential mineable tonnage.
4. Mineral Resources are estimated as of 31 May 2019.
5. Mineral Resources were constrained by conceptual optimum pit contours using NSR of \$139.06/t for primary mineralisation.
6. All values in the tables have been rounded with relative accuracy of estimate. Numbers may not compute due to rounding.
7. Mineral Resources were constrained by an optimum pit shell based on the corresponding economic and mining parameters provided by the Client and/or accepted by WAI
8. The Northern Mangazeisky mineral resources were estimated in accordance with the guidelines of the JORC Code (2012) by Steven McRobbie, Independent Competent Person as defined by the JORC Code.
9. This mineral resource estimate is not limited to any factors in terms of environmental, permitting, legal, title, taxation, socio-economic, market and other relevant factors.
10. The metal resources include all the in-situ metal disregard the metallurgical recovery factor.

# Exploration Upside: Organic Growth Potential



- Exploration Licence renewed for further 7-year period in Sep 2016
- 35 km mineralised corridor
- +15 known targets with Russian P1 & P2 resources providing opportunity for multiple pits with centralised process plant