



Silver Bear Comments on Its Major Shareholders' Recent Note Conversion

TORONTO, Sept. 05, 2017 -- Silver Bear Resources Plc ("Silver Bear" or the "Company") (TSX:SBR) takes note of the recent conversion by the Company's major shareholders, A.B. Aterra Resources Ltd. ("Aterra") and Inflection Management Corporation Limited ("Inflection"), of their respective outstanding convertible promissory notes (the "Notes"), which was announced on August 30, 2017 by both Aterra and Inflection (the "Major Shareholders"). The Aterra and Inflection Notes represented C\$4,505,144 and C\$13,515,432 principal amount respectively, in addition to their respective accrued and unpaid interest.

Prior to the conversion, Aterra held 40,468,579 common shares of Silver Bear, representing 24.8% of the Company's then shares outstanding and Inflection held 41,176,471 common shares of Silver Bear representing 25.2% of the Company's then shares outstanding. After the conversion of the principal amount of the Notes and accrued and unpaid interest thereon, Silver Bear now has an aggregate of 668,047,513 common shares outstanding. Of these, Aterra holds 166,611,092 common shares, representing 24.9% of the total issued and outstanding common shares and Inflection holds 419,833,120, representing 62.8% of the total issued and outstanding common shares.

Graham Hill, President and Chief Executive Officer, commented: "We understand that the Major Shareholders' decision has caused significant dilution. However, it should be noted that their action has significantly reduced the company's outstanding debt and resulted in a healthier balance sheet. This will improve cash flows after the Company goes into production and should allow for further financing on more attractive terms.

"The Notes were originally issued in November 2015 and in January 2016 were overwhelmingly approved by minority and disinterested shareholders at shareholder meetings. The conversion price of the Notes was set at a significant premium to the market price of Silver Bear's common shares at the time which were trading in and around the \$0.02 range."

Mr. Hill continued: "We are exceedingly grateful to Aterra and Inflection for their support at a crucial time in the Company's development, in addition to their continued and ongoing support. Aterra and Inflection provided financing at a time when no other investors would and have afforded the Company the opportunity to advance the project for the benefit of all of its shareholders. Their decision does not at all affect the robustness of the Mangazeisky Silver Project, which, as reported in our previous press release on the 28th of August, is well advanced in its development towards production and continues to be a very attractive project, both economically and technically."

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 km² 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 announced an updated Feasibility Study in October 2016. Project construction and permitting is advancing with first silver production targeted for Q4 2017. Other information relating to Silver Bear is available on SEDAR at www.sedar.com as well as on the Company's website at www.silverbearresources.com.

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