

This Management's Discussion and Analysis ("MD&A") of Sabina Gold & Silver Corp. ("Sabina" or "the Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2022. The MD&A was prepared as of May 6, 2022 and should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2022 and the audited consolidated financial statements for the year ended December 31, 2021, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless otherwise stated.

Overview

Sabina is an emerging precious metals company focused on becoming an intermediate gold producer through the exploration and development of its mineral resource properties. The Company's flagship asset is its permitted 100% owned Back River gold project ("Back River Project" or the "Project"). The Company also owns a silver royalty on the Hackett River project. Both projects are located in Nunavut, Canada.

The Company continues to closely assess and monitor the COVID-19 situation as it evolves and has undertaken measures to mitigate associated risks, including establishing pre-deployment monitoring and testing, and procedures and protocols to safeguard employees while on site.

Q1 2022 Highlights:

- The Company ended the quarter with cash and cash equivalents and short-term investments of \$221.4 million.
- On February 8, 2022, the Company announced the completion of a construction financing package totaling approximately US\$530 million in aggregate (the "Financing"). It is anticipated that the Financing will fund construction and development of the Goose Mine at Sabina's 100% owned Back River Project.

The Financing is comprised of:

- US\$225 million senior secured debt facility with Orion Mine Finance ("Orion");
- US\$75 million gold prepay facility with Orion;
- US\$125 million gold stream arrangement with Wheaton Precious Metals Corp. ("Wheaton"); and
- US\$95 million private placement of Sabina common shares with both Orion and Wheaton to be subscribed over three tranches; and
- US\$10 million private placement of Sabina common shares with Zhaojin International Mining Co., Ltd. ("Zhaojin") to be subscribed over two tranches.

The first tranche of the Orion and Wheaton financings closed on February 11, 2022, resulting in the issuance of 46,209,769 common shares of the Company to Orion and 12,322,605 common shares of the Company to Wheaton for gross proceeds of \$76.1 million.

The second tranche of the Orion and Wheaton financings closed on March 7, 2022, resulting in the issuance of 16,905,354 common shares of the Company to Orion and 4,508,094 common shares of the Company to Wheaton for gross proceeds of \$27.8 million.

The first tranche of Zhaojin's financing closed on March 7, 2022, resulting in the issuance of 8,784,310 common shares of the Company for gross proceeds of \$11.4 million.

- On March 30, 2022, the Company completed a bought deal prospectus financing of 81,650,000 common shares at a price of \$1.55 per common share for gross proceeds of \$126.6 million. Additionally, pursuant to the Shareholder Agreement between the Company and Zhaojin, Zhaojin elected to maintain its 9.9% shareholding in Sabina and intends to subscribe for an additional 8,971,562 common shares at a price of \$1.55 per common share for gross proceeds of \$13.9 million, which is subject to TSX approval.
- On May 6, 2022, Sabina repaid the US\$20 million Sprott bridge loan with a payment of US\$20.8 million, which was inclusive of the minimum nine-months interest that was payable on early repayment.

- During the quarter, the Company engaged in the following activities:
 - Advanced underground development of the exploration ramp, which is driving toward the Umwelt underground to provide an underground platform from which to further explore and expand the Umwelt deposit. To the end of Q1 2022, underground operations have completed the decline to 637 meters from the portal, with total cumulative development of 800 meters inclusive of underground support infrastructure such as remucks, sumps and cut-outs.
 - Advanced various initiatives related to project execution, including work related to detailed engineering for the power plant, planning and procurement activities related to the upcoming 2022 summer sealift campaign and long lead time items, as well as work on improvements of portages on the winter ice road ("WIR") which will lead to better efficiencies in 2023 for delivery of all major equipment down to the Goose site.
 - Commenced a spring exploration drill program at Goose of approximately 1,900 meters over 8 holes, including one geomechanical hole at the base of the Umwelt open pit for rock property data collection.
 - With the completion of detailed geotechnical test work on the tailings samples and the inclusion of a high-capacity tailings thickener, the tailings storage capacity of the Echo open pit has increased sufficiently to enable the decision to construct the mill at a 4,000 tpd capacity at the outset versus 3,000 tpd as contemplated in the Updated Feasibility Study ("UFS"). This, in addition to optimized equipment selection and detailed engineering that has reduced the cost of the expansion from C\$17m to C\$10m when compared to the UFS.
- For the three months ended March 31, 2022, the Company reported a net loss of \$5.4 million or \$0.01 per share.

Results of Operations

Back River, Nunavut (100% ownership)

The Back River Project is located approximately 520 km NE of Yellowknife and 70 km south of Bathurst Inlet, and is comprised of 54 Federal Mineral Leases, 16 Federal Mining Claims covering a total of 62,819.64 hectares. It is divided into the Goose, George, Boot, Boulder, Del and Bath properties, with the Goose property hosting the Goose Main, Llama, Nuvuyak, Echo and Umwelt gold deposits, and the George property (located approximately 50 km northwest of Goose) hosting six known gold deposits.

Back River Project Development

During Q1 2022, project development activities were focused on:

- Finalizing the major process procurement packages in collaboration with FLSmidth, paying particular attention to the long lead items for delivery;
- WIR realignment to perform an Esker hauling program, and undertake sub-base preparation, at critical sections along the WIR route. This sub-base preparation will improve the efficiency and reduce the extent of future WIR construction programs; and
- Finalizing major power plant equipment with all major power plant equipment ordered for the 2022 sealift and working concurrently on all the ancillary equipment design and procurement required for the power plant.

Back River Project Exploration

During Q1 2022, exploration activities involved commencement of a spring drill program at Goose totaling 1,900 meters to be carried out between March and April. Drilling focused on targeting the interface between the planned open pit and the down plunge zone at Umwelt.

Additionally, there was continued advancement of the Umwelt underground exploration ramp which is driving toward the Umwelt underground to provide underground drilling platforms from which to further explore and expand the Umwelt deposit. To the end of Q1 2022, underground operations have completed the decline to 637 meters from the portal, with total cumulative development of 800 meters inclusive of underground support infrastructure such as remucks, sumps and cut-outs. It is anticipated that the first exploration drilling positions will be in place Q3 2022 for the commencement of the first phase of underground drilling.

Other exploration work for 2022 includes a planned summer field program for the George site, which is located 50 km north of the Goose site. George currently has a mineral resource estimate of 1.2 M oz @ 5.34g/t Au in the Indicated category and an additional 1.1M oz @ 6.12g/t Au in the Inferred category. Field work at George will consist of mapping and rock sampling for evaluation and modeling of drill targets outside of the current George resource areas. The objective of returning to George exploration is to demonstrate the potential for additional discovery and resource growth towards definition of a stand-alone secondary development site for Sabina at Back River.

Mr. Angus Campbell, P. Geo. and Vice-President, Exploration and Mr. Vincy Benjamin, P.Eng., Director, Project Development are Qualified Persons under the terms of NI 43-101 and have reviewed the technical content of this MD&A for the Back River Project and approved its dissemination.

Back River Project Community and Social Responsibility

Environment, Social Responsibility and Governance ("ESG")

As the Company evolves into a gold producer, it is committed to strong governance policies with a long-term view to maximizing the bottom line and mitigating economic risk. To this end, the Company is focussed on mandates that: minimize potential negative impacts to the environment and people; transform the gold at the Back River Project into mutual economic success and sustainability; and provide accountability on all levels.

In 2020, the Company began formally reporting on its ESG commitments and achievements by publishing its inaugural Sustainability Report. Given the nature of the Company's operations, the Sustainability Report is updated every two years until activities increase and more data is available to report on. During Q1 2022 the company continued to advance towards finalizing its next Sustainability Report, which is expected to be published in June 2022.

Summary of Results

(Expressed in thousands of dollars, except per share amounts)

	2022	2021	2021	2021	2021	2020	2020	2020
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Total assets	\$ 886,808	\$ 643,977	\$ 642,828	\$ 597,526	\$ 589,960	\$ 555,134	\$ 562,741	\$ 555,049
Loss	(5,370)	(2,659)	(2,392)	(1,597)	(1,381)	(1,186)	(1,008)	(1,171)
Per Share	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

Quarterly losses are impacted by the timing and quantum of share-based payments, the amortization of flow-through share premium liability, and associated tax impacts.

Overall Performance

For the three months ended March 31, 2022, the Company's net loss was \$5.4 million compared with \$1.4 million during the comparative quarter in 2021, the increase driven primarily by higher operating expenses and partially offset by higher net finance income.

Operating expenses for the three months ended March 31, 2022 were \$6.7 million compared to \$1.9 million in the comparative period in 2021. Period-over-period (favourable)/unfavourable variances are summarized below:

Expense	Variance (\$ millions)	Description
Insurance	0.1	Higher cost in 2022 due to increase in insurance rates combined with increases in coverage for additional activities.
Listing, transfer and shareholder	0.2	Additional listing fees associated with the 2022 prospectus financing.
Professional services	4.2	Additional advisory fees associated with the process to secure construction financing.
Share-based payments	0.3	Increase in the number of options granted in 2022 combined with an increase in expense associated with the vesting of restricted share units ("RSUs").

For the three months ended March 31, 2022, net finance income was \$1.9 million compared to \$0.5 million in the comparative period in 2021. The increase was due primarily to higher amortization of flow-through premium liability.

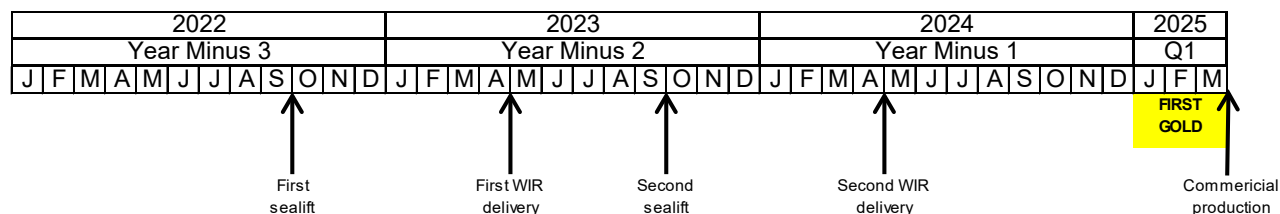
Capitalized exploration and evaluation expenditures for the three months ended March 31, 2022 were \$13.6 million compared to \$4.0 million during the comparative period in 2021. Period-over-period increases/(decreases) are summarized below:

Capitalized Exploration and Evaluation Expenditures	Variance (\$ millions)	Description
Surface access rights	0.6	Primarily a timing difference in 2022 related to the payment of the annual \$0.5 million fee to KIA.
Drilling and camp support	0.3	Earlier drilling campaign in 2022 vs. the prior year.
Detailed engineering and pre-development activities	8.3	Increase in advancement of the underground ramp for additional underground exploration activities.
Environmental and permitting	0.3	Additional activities related to community relations and water monitoring
Management and administration	0.1	Additional data management costs

Outlook

Sabina's strategic plan is focused on exploring and developing its primary asset, the 100% owned Back River Project, with the objective of becoming a mid-tier gold producer. The UFS, released in February 2021, demonstrates the positive economics of the Project on a greater scale and over a longer 15-year mine life than the previous study.

With the completion of a US\$530 million construction financing package, the Company will continue to advance on its target for first gold in Q1 2025.



Credit Facility – Orion

- US\$225 million senior secured debt facility;
 - To be funded in four equal tranches and available from the date the gold prepay facility is fully drawdown until December 31, 2024;
 - Interest rate of LIBOR + 5.0-8.0%, based on the timing of the drawdown; and
 - Principal and accrued interest is repayable in 20 quarterly instalments until the maturity at June 30, 2030.
- US\$75 million gold prepay facility;
 - To be funded to two equal tranches and available subsequent to the Stream Arrangement being drawn; and
 - Delivery period will commence September 30, 2025 for a total of 15 quarters at 7,250 oz of gold per quarter.
- Gold Metal Offtake Agreement;
 - Applies to sales on 100% of the refined gold production on 5 million ounces of gold delivered from the Project. The quantity reduces to 20% thereafter; and
 - Orion to pay Sabina for refined gold based at ~99% of prevailing market prices.

Stream Arrangement - Wheaton

- Applies only to the Goose property and not to any other properties on Back River Gold district;
- US\$125 million upfront payment (the "Deposit") for 4.15% of the gold production from the Project dropping to 2.15% after delivery of 130,000 ounces and dropping to 1.5% after delivery of 200,000 ounces;
- The Deposit is to be paid in four equal installments during construction, based on the remaining capital to be spent prior to the senior debt facility and the gold prepay being drawn; and
- Wheaton will make ongoing payments equal to 18% of the spot gold price, until the Deposit has been reduced to zero, thereafter increasing to 22% of the spot gold price upon delivery.

Equity Financings

- Orion agreed to subscribe for 72,732,692 shares of Sabina at a price of C\$1.30 for aggregate proceeds of approximately \$95 million (US\$75 million).
- Wheaton agreed to subscribe for 19,395,384 shares of Sabina at a price of C\$1.30 for aggregate proceeds of approximately \$25 million (US\$20 million).
- The private placement to Orion and Wheaton, which is subject to the acceptance of the TSX, will be completed in three tranches.
 - The first tranche of the Orion and Wheaton financings closed on February 11, 2022, resulting in the issuance of 46,209,769 common shares of the Company to Orion and 12,322,605 common shares of the Company to Wheaton for gross proceeds of \$76.1 million.
 - The second tranche of the Orion and Wheaton financings closed on March 7, 2022, resulting in the issuance of 16,905,354 common shares of the Company to Orion and 4,508,094 common shares of the Company to Wheaton for gross proceeds of \$27.8 million.
 - The final tranche, which is subject to approval of the Sabina shareholders pursuant to the policies of the TSX, is expected to close in the second quarter of 2022.
- The private placement to Zhaojin will be completed in two tranches.
 - The first tranche of Zhaojin's financing closed on March 7, 2022, resulting in the issuance of 8,784,310 common shares of the Company for gross proceeds of \$11.4 million
- Prior to the advance of funding under the Orion credit facilities and the Wheaton stream arrangement, Sabina to fund at least US\$95 million in additional third-party equity investment and repay the previously announced US\$20 million Sprott bridge loan in accordance with its terms. This funding was completed by way of a bought deal prospectus financing for 81,650,000 common shares at a price of \$1.55 per common share for gross proceeds of \$126.6 million that closed on March 30, 2022. On May 6, 2022, Sabina repaid the US\$20 million Sprott bridge loan with a payment of US\$20.8 million, which was inclusive of the minimum nine-months interest that was payable on early repayment.

Based on the financings completed during Q1 2022, the Company has sufficient funds to execute its operating and construction plan beyond the end of 2023.

Contractual Obligations

<i>(all figures in \$ millions)</i>	TOTAL	Less than 1 year	1-3 years
Loan obligations	\$ 37.5	\$ 28.5	\$ 9.0
Lease obligations	0.5	0.4	0.1
Accounts payable and accrued liabilities	24.9	24.9	-
Community funding obligation	2.1	-	2.1
TOTAL	\$ 38.0	\$ 28.9	\$ 9.1

Financial Instruments

The fair values of the Company's financial instruments consisting of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accruals, and loan obligations approximate their carrying values because of their short terms to maturity. The fair values of the Company's reclamation deposits, community funding deposit account, equipment financing loan deposits and deposits to secure a corporate credit card facility are not expected to differ materially from their carrying values given the interest rate being received. The fair value of marketable securities is determined based on quoted market prices.

Liabilities and Contingencies

To date the Company has the legal obligation to reclaim exploration camps for which it holds water licenses and exploration and mining agreements and has recorded a provision for site reclamation of \$5.1 million. The Company has issued total security deposits of \$11.7 million related to these obligations, with the difference between the provision and the funding representing future planned disturbances.

Critical Accounting Estimates

The preparation of the Company's consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

See Critical Accounting Estimates in the Company's 2021 annual MD&A as well as note 3 of the annual 2021 audited consolidated financial statements for a detailed discussion of the areas in which critical accounting estimates are made.

Estimates, judgments, and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Sabina's management is responsible for establishing and maintaining adequate disclosure controls and procedures and internal control over financial reporting. Any system of internal controls, no matter how well designed, has inherent limitations. As a result, even those systems determined to be effective can only provide reasonable assurance regarding the preparation and presentation of our financial statements. There have been no changes in our disclosure controls and procedures and internal control over financial reporting during the three months ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Due to inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed and implemented, they may not prevent or detect all inaccuracies on a timely basis. These limitations include limited personnel available for such work, geographical logistics and human error among others. The Board of Directors assesses the integrity of the public financial disclosures through the oversight of the Audit Committee.

Outstanding Share Data

As at May 6, 2022, there were 527,116,363 common shares outstanding and there were options and warrants outstanding to purchase an aggregate of 16,626,250 common shares as well as 315,001 RSUs subject to vesting that the Company expects to settle with common shares issued from treasury.

Risks and Uncertainties

Certain global developments have resulted in additional risk factors that have the potential to introduce uncertainty in the Company's future operations, particularly during the construction phase of the Back River Project, namely:

- Changes in general economic conditions, the financial markets, inflation and interest rates and in the demand and market price for our costs, such as diesel fuel, steel, concrete, electricity and other forms of energy, mining equipment, and fluctuations in exchange rates, particularly with respect to the value of the U.S. dollar and Canadian dollar.
- Uncertainties resulting from the war in Ukraine, and the accompanying international response including economic sanctions levied against Russia, which has disrupted the global economy, created increased volatility in commodity markets (including oil and gas prices), and disrupted international trade and financial markets, all of which have an ongoing and uncertain effect on global economics, supply chains, availability of materials and equipment and execution timelines for project development.

For full details on the risks and uncertainties affecting the Company, please refer to the Company's audited annual consolidated financial statements and notes, annual MD&A and annual information form for the year ended December 31, 2021. These documents may be obtained or viewed on the SEDAR website at www.sedar.com and on the Company's website at www.sabinagoldsilver.com.

Additional Information

Sabina is a Canadian public mineral development and exploration company listed on the TSX Exchange trading under the symbol "SBB" and is a reporting issuer in British Columbia and Alberta. Additional information relating to the Company may be obtained or viewed on the SEDAR website at www.sedar.com and on the Company's website at www.sabinagoldsilver.com.

Forward Looking Information

This MD&A provides management's analysis of Sabina's historical financial and operating results and provides estimates of Sabina's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. Sabina's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits Sabina will derive there from. Sabina disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.