

**Silver Bullion Trust Enters Into Definitive Agreement for ETF with Purpose  
Preserve Your Ability to Consider the Superior ETF Conversion Alternative  
DO NOT TENDER to Sprott's Offer & WITHDRAW your Units if Tendered**

Dear Fellow Silver Bullion Trust Unitholders,

November 30, 2015

On November 26, 2015, Silver Bullion Trust ("SBT") entered into a new definitive agreement with Purpose Investments Inc. ("Purpose"), regarding the conversion of SBT into a silver bullion exchange-traded fund ("ETF") managed by Purpose and Silver Administrators Limited. **The proposed ETF conversion, which is subject to unitholder approval, has the unanimous support of your Independent Trustees and represents an exciting opportunity for SBT unitholders.**

Purpose has current assets under management of over \$1.4 billion across 17 funds and is one of Canada's most experienced ETF managers, with significant experience in managing and marketing bullion funds. Purpose's predecessor company, Claymore Investments, which was acquired by BlackRock in 2012, managed the Claymore Silver Bullion Trust, which was successfully converted into an ETF in 2012. For further information on Purpose, we encourage unitholders to visit their website at [www.purposeinvest.com](http://www.purposeinvest.com).

**The proposed conversion is expected to immediately result in the units trading in-line with net asset value ("NAV"), to eliminate any material future discounts to NAV and provide unitholders with significantly enhanced liquidity, consistent with other silver bullion ETFs. At the same time, unitholders will continue to benefit from SBT's low management fees, industry-leading bullion security and safeguards and its Canadian domiciled, tax-efficient structure.**

**Put simply: the proposed ETF conversion represents a clearly superior alternative for all SBT unitholders compared to Sprott's inadequate offer.**

**Anticipated Benefits of the Proposed ETF Conversion**

- **Expected elimination of material trading discounts to NAV;**
- **Maintains SBT's existing low management fees, which are 75% lower than Sprott<sup>1</sup>;**
- **Retains SBT's industry-leading bullion security and safeguards, which are superior to those of Sprott;**
- **Provides unitholders with significantly enhanced liquidity;**
- **Allows for enhanced ability to grow as units will be continuously offered at NAV;**
- **Significantly improves marketing capability at no additional cost to unitholders;**
- **SBT anticipates that the conversion should not have any material adverse tax effect on SBT or its unitholders and should preserve SBT's tax efficient structure; and**
- **Provides stewardship by highly experienced leaders in ETF management and bullion investment administration.**

As an ETF, SBT would be managed by Purpose and Silver Administrators Limited, SBT's current administrator. The Trustees believe that Purpose's ETF management and marketing expertise will be beneficial to unitholders as SBT transitions to the ETF structure. **Importantly, SBT's management fees, which are 75% lower than Sprott's, will remain the same after the conversion to an ETF<sup>1</sup>.** In addition, to help compensate unitholders for the costs SBT has incurred in defending unitholder interests with respect to Sprott's hostile take-over bid, your Independent Trustees have agreed with Purpose and Silver Administrators Limited's offer of a 25% reduction in their already low monthly management fees until such time as up to \$100,000<sup>2</sup> of costs incurred have been recovered for the benefit of unitholders.

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**In order for Unitholders to consider and vote on the proposed ETF conversion, SBT has called a unitholder meeting to be held on January 26, 2016.** A Trustees' Information Circular will be sent to SBT unitholders shortly and posted on the SBT website. The Trustees' Information Circular will provide full details of the required amendments to the Declaration of Trust, the reasons for and implications of the proposed ETF conversion, your Independent Trustees' formal recommendation in support of the proposed ETF conversion and details of the arrangements with Purpose and Silver Administrators Limited.

Seven months and seven extensions later, Sprott's inadequate offer has repeatedly failed to gain sufficient support from SBT unitholders to achieve their minimum tender condition of 66<sup>2/3</sup>% of all units outstanding. Sprott now plans to use the powers of attorney granted by tendering unitholders for a different purpose; namely to replace your Board of Trustees with Sprott insiders if more than 50.1% of the outstanding units of SBT are tendered to their offer. If they are successful, you could be denied the opportunity to consider the superior alternative that your Independent Trustees are unanimously recommending.

Your Independent Trustees firmly believe that these unilateral changes to the intended use of the powers of attorney should not be allowed. However, by Order dated November 19, 2015, the Ontario Securities Commission required Sprott to provide additional disclosure to unitholders of the effect of the amendments to the powers of attorney granted to Sprott and their intended use by Sprott. Your Trustees fear the implications of this intended use of the powers of attorney has been buried in legalese in Sprott's seventh notice of variation of their offer and will be missed or misunderstood by unitholders.

**If you wish to consider your Trustees' recommended alternative, WITHDRAW YOUR TENDERED UNITS IMMEDIATELY before December 7<sup>th</sup>, otherwise you may be denied the opportunity to vote for the proposed ETF conversion, which is a clearly superior alternative to Sprott's offer.**

Your Trustees are recommending the proposed ETF conversion because, unlike Sprott's inadequate offer, they believe it is in the best interests of ALL unitholders. By contrast, **Sprott proposes to use powers of attorney that were intended for a completely different purpose to replace your Independent Trustees with nominees that are truly conflicted;** in fact, they are all employees or directors of Sprott. These conflicted replacement Trustees can only be counted on for one thing – to push Sprott's self-serving agenda of replacing their declining assets under management and generating higher fee revenue for themselves.

At this critical juncture, the future of SBT is in your hands. **The only way to ensure that you have a chance to review and approve the unanimously recommended ETF conversion is to reject the Sprott offer. If you have tendered your SBT units to Sprott, withdraw them immediately and thus revoke your power of attorney before December 7<sup>th</sup>. Time is of the essence – contact your broker or D.F. King immediately for instructions on how to withdraw your units and preserve your right to consider the superior alternative.**

We thank unitholders for their patience and their continued support of Silver Bullion Trust.

Sincerely,



Bruce Heagle  
*Chair of the Special Committee of  
the Independent Trustees*



J.C. Stefan Spicer  
*Founder, Chairman and CEO*

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**For up to date information we strongly encourage unitholders to please visit  
[www.silverbulliontrust.com](http://www.silverbulliontrust.com)**

**Unitholders who have already tendered to Sprott's offer can withdraw their units by  
contacting D.F. King & Co at 1-800-398-2816, or via email at [inquiries@dfking.com](mailto:inquiries@dfking.com)**

**About Silver Bullion Trust**

Silver Bullion Trust (established on July 9, 2009) is a passive, self-governing, single purpose trust, which invests primarily in long-term holdings of physical silver bullion and it does not speculate in silver prices. At November 27, 2015, the units of Silver Bullion Trust were 99.2% invested in unencumbered, allocated and physically segregated silver bullion.

**Additional Information and Where to Find It**

The recommendation of the Trustees regarding the Sprott offer described herein is contained in the Trustees' Circular dated June 9, 2015, which has been filed with Canadian securities regulatory authorities. Unitholders are urged to read the Trustees' Circular and other relevant materials because they contain important information. The Trustees' Circular and other filings made by SBT with Canadian securities regulatory authorities since 2009 may be obtained without charge at <http://www.sedar.com> and at the investor relations section of the SBT website at <http://silverbulliontrust.com/Filings%20and%20News.htm>.

**Forward-Looking Statements**

Certain statements contained in this press release constitute "forward-looking information" under Canadian securities laws ("Forward-Looking Statements"), including those related to: the Trustees' intention to call a special meeting of Unitholders for the purpose of considering the proposed conversion, any anticipated steps or actions that Sprott might take using the amended powers of attorney, including the removal of SBT's independent Trustees, the election of Sprott's own Trustee nominees and the completion of the Sprott offer, the reasons of the Board of Trustees for recommending to unitholders the rejection of Sprott's offer, not taking any action with respect to Sprott's offer, not tendering any units to Sprott's offer and withdrawing any units already tendered to Sprott's offer; the anticipated costs, risks and uncertainties associated with Sprott's offer, including any anticipated impacts on bullion security, governance and unitholder rights, potential tax risks, leverage to rising silver prices and fees to be collected by Sprott; the anticipated timing, mechanics, completion and settlement of Sprott's offer; the value of the Sprott Physical Silver Trust units that would be received as consideration under Sprott's offer; the ability of Sprott to complete the transactions contemplated by Sprott's offer; any anticipated results or performance of Sprott Physical Silver Trust or any other affiliates of Sprott; any anticipated changes to the market price of Sprott Physical Silver Trust units or any other securities of Sprott and their affiliates; any anticipated future prices of silver and the units; and the proposed ETF conversion and related amendments to SBT's constating documents, the anticipated benefits thereof and the likelihood of such proposed transactions being completed on the terms outlined herein or at all. SBT cautions investors about important factors that could cause actual results or outcomes to differ materially from those expressed, implied or projected in such Forward-Looking Statements. Such Forward-Looking Statements involve projections, estimates, assumptions, known and unknown risks and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such Forward-Looking Statements or otherwise be materially inaccurate. No assurance can be given that these projections, estimates, expectations or assumptions will prove to be correct and any Forward-Looking Statements included in this press release should not be unduly relied upon. These Forward-Looking Statements speak only as to SBT's beliefs, views, expectations and opinions as of the date of this press release. Except as required by applicable securities laws, SBT does not intend and does not assume any obligations to update or revise these Forward-Looking Statements, whether as a result of new information, future events or otherwise. In addition, this press release may contain Forward-Looking Statements drawn from or attributed to third party sources. Factors that could cause or contribute to such differences include, but are not limited to, those risks detailed in SBT's filings with the Canadian securities regulatory authorities.

<sup>1</sup> The management expense ratio is calculated based on the administrative/management fees incurred over the twelve-months ended September 30, 2015, divided by the average end-of-month NAV for the same entity over the same period. This yields a management expense ratio of 0.46% for Sprott PSLV and 0.11% for SBT. Administration/management fees are taken directly from the respective financial statements of Sprott PSLV and SBT and historical monthly NAV data is sourced from Bloomberg.

<sup>2</sup> Subject to pro-rata reduction based on exchanges or redemptions of units during the first 30 days following the ETF conversion.

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