

SILVER BULLION TRUST FILES PROXY CIRCULAR AND URGES UNITHOLDERS TO REJECT THE POLAR PROPOSAL AND VOTE FOR THE TRUSTEE NOMINEES OF SBT

April 27, 2015

Silver Bullion Trust (“SBT” or the “Trust”) (symbol: TSX – SBT.UN (Cdn.\$) and SBT.U (U.S.\$) U.S. OTC – SVRZF (U.S.\$)) announced today that it has filed its Management Information Circular (the “Circular”) and proxy materials for the upcoming Annual and Special Meeting of Unitholders to be held on May 20, 2015 (the “Meeting”). In addition to addressing the regular business for the Meeting, the Circular responds to the Unitholder requisition made by Polar Securities Inc. on behalf of its Cayman Islands-based hedge fund, North Pole Capital Master Fund (together, “Polar”).

SBT Unitholders are urged to read and carefully consider the contents of the Circular and to ensure that they register their vote on these important issues. The Circular and the WHITE form of proxy are being mailed to Unitholders and can also be accessed from www.silverbulliontrust.com or on SEDAR at www.sedar.com.

As previously announced, Polar is seeking to significantly modify the existing redemption provisions of SBT’s Amended and Restated Declaration of Trust to include a new physical bullion redemption option and to amend its existing cash redemption feature (the “Polar Proposal”). Polar is also seeking to replace all of the Independent Trustees of the Trust with Polar’s handpicked slate of nominees.

“After a thorough review of the Polar Proposal, after exploring several possible alternatives, and following the receipt of advice from its financial, tax and legal advisors, and the unanimous recommendation of the Special Committee of Independent Trustees, the Board of Trustees unanimously reached the conclusion that the Polar Proposal is inconsistent with the long-standing investment principles of SBT and is not in the best interests of the Trust and all of its Unitholders. **The Board therefore unanimously recommends that the Polar Proposal be REJECTED by Unitholders at the Meeting**”, said Bruce Heagle, Chair of the Special Committee.

In arriving at its recommendation, the Board of Trustees considered, among other things, the following significant factors, the details of which can be found in the “Reasons for Rejecting the Polar Proposal” and “Reasons for Rejecting the Polar Nominees” sections of the Circular filed today:

The Polar Proposal is self-serving and designed to facilitate a short-term trade to the detriment of long-term Unitholders

Polar, a hedge fund engaged in “closed-end fund arbitrage”, purchased its Units at a discount to net asset value (“NAV”) beginning in 2013 with the intention of trading their Units out at NAV in the future. However, given the historical trading volume of the Units, Polar appears to have accumulated too large a position in the Trust to be able to sell its position without materially impacting the trading price of Trust Units, and could incur substantial losses if it sold its position at current trading levels. In response, Polar has proposed the adoption of a self-serving physical redemption feature in order to facilitate its own profitable exit from the Trust. **The Trustees believe that Polar does not deserve special treatment which would come at the expense of other Unitholders.**

Only a very small number of current SBT Unitholders, including Polar, would be eligible to utilize the proposed physical redemption option

The proposed physical bullion redemption option would not be available to the vast majority of SBT Unitholders. In fact, only approximately **1% of the Trust’s Unitholders, including Polar, have sufficiently large holdings of SBT Units to make use of the proposed physical bullion redemption option.**

SBT simply cannot afford the significantly higher ongoing costs associated with the Polar Proposal

SBT is a small passive bullion investment holding entity with limited cash resources which must be used to fund the Trust's ongoing expenses. Expenses incurred to date by the Trust to evaluate and address the Polar Proposal have already been considerable and will have a temporary negative effect on the Trust's expense ratio. Any implementation of the Polar Proposal is expected to further result in significantly higher ongoing expenses that the Trust simply cannot afford.

Based on estimates prepared by its financial advisors and discussions with its current service providers, and assuming the current Trustees and the Administrator are retained, the adoption of the Polar Proposal could increase the Trust's ongoing expense ratio by approximately 44% on an annual basis.

Moreover, based on Polar's continued public criticism of the Trust's current Senior Officers, it is expected that should Polar's dissident nominees be elected to the Board, Polar may seek to replace the Administrator that founded the Trust, despite the current Administrator, as well as the current Independent Trustees, waiving 75% of the fees to which they were entitled in 2014 in support of the Trust. **In the event that the current Trustees and Administrator were replaced, the estimated ongoing annual expenses of the Trust could increase by approximately 124% from current levels.** Any such increase in ongoing expenses would further erode the Trust's NAV over time and decrease SBT's competitiveness relative to other available silver bullion investment products.

Polar's Proposal would have adverse tax consequences for many non-redeeming U.S. Unitholders

Polar claims that any tax consequences relating to the Polar Proposal would be inconsequential relative to its view of the perceived benefits. However, all advice received by the Trustees from the Trust's tax advisors sharply contradicts Polar's assertions. In particular, certain U.S. Unitholders could receive a tax bill as a result of Polar's redemption of Units and exit of its investment in the Trust.

At the current silver price, the Trust has an embedded taxable gain of approximately C\$2.49 per ounce on its silver bullion holdings. **This gain would increase on a dollar-for-dollar basis if the silver price were to increase over time, as many of the Unitholders expect that it will.**

As a result, a redemption by Polar of its Units would result in a taxable gain to the Trust of approximately C\$800,000. For U.S. tax purposes, such gain realized by the Trust would generally flow through, on a pro rata basis, to all U.S. Unitholders who have made a QEF Election. Thus, at the current silver price, **a non-redeeming U.S. Unitholder that holds 5,000 Units and who has previously made a QEF Election (as such term is defined in the Circular) would generally recognize a taxable gain of approximately US\$370 without having done anything.**

For further details, see the "Certain Canadian Tax Considerations" and "Certain United States Tax Considerations" sections in the Circular filed today. See also under the heading "Canadian Federal Income Tax Considerations" and "United States Federal Income Tax Considerations" in the Trust's Annual Information Form for the year ended December 31, 2014, dated February 10, 2015 (the "Annual Information Form"), a copy of which is available on SEDAR at www.sedar.com under the Trust's profile.

The Trust's Units have historically traded at a premium to NAV during rising silver markets and are well positioned to benefit from a recovery in silver prices due to SBT's low-cost structure

The Trust's Units have historically traded at meaningful premiums to NAV in strong silver markets and only at discounts to NAV in weak silver markets. For instance, during the last bull market for silver, from August 2010 to September 2011, the Trust Units returned over 130% to Unitholders and traded at an average premium to NAV of 7.4%.

SBT's Trustees believe that current economic conditions, which include ultra-low interest rates, unprecedented money-printing and debt creation by the major industrial economies and accelerating devaluation turbulence among global currencies, are supportive factors for higher silver prices over time. Given this positive outlook for the silver price and its historical impact on the trading value of Units, the Trustees do not believe that this is the time to be making costly, long-term structural changes to the Trust. **A strengthening silver price and the resultant increased demand for Units will do more to correct the current NAV discount than a costly structural change which the majority of Unitholders cannot utilize.**

Polar's handpicked Trustee nominees are inexperienced and have no plan for the Trust

Polar is seeking to replace SBT's current Independent Trustees and take over the Board and future stewardship of the Trust. However, none of Polar's proposed Trustee nominees has any relevant experience in soundly stewarding a publicly-traded passive bullion entity such as SBT. In fact, none of Polar's nominees has any stated experience in the precious metals sector.

By contrast, the Trust's administrative team and certain of the Trustees have been stewarding and administering silver bullion investments for over 30 years. The Administrator's staff and its consultants have almost 200 years of collective experience administering publicly-traded precious metals entities. The Board of Trustees has in excess of 25 years' collective experience in proven stewardship of your Trust. **Since inception, SBT has consistently had a strong, independent Board of Trustees with sound corporate governance practices.**

Bruce Heagle added: "The Trustees have serious concerns about the potential negative tax consequences of the Polar Proposal, particularly when a significant number of the Trust's Units are held by U.S. residents. Most importantly, given the small size of the Trust, **SBT simply cannot afford to adopt the Polar Proposal**, which would dramatically increase SBT's ongoing annual expense ratio, and negatively impact the Trust's marketability and competitiveness relative to other bullion investment alternatives."

For these reasons and other reasons described in the Circular, the Board unanimously recommends that Unitholders REJECT the Polar Proposal and vote FOR the Trustee nominees of SBT.

Potential Sprott Offer

As noted in SBT's press release on April 23, 2015, Sprott Asset Management LP ("Sprott Asset Management") has announced its intention, together with Sprott Physical Silver Trust ("Sprott Physical Silver" and together with Sprott Asset Management, "Sprott") to make a hostile offer to acquire all of the outstanding units of the Trust. No offer has yet been received and Unitholders are advised to do nothing until after an offer is actually made and the Trust's Independent Trustees have made their formal recommendation to Unitholders. **SBT urges its Unitholders not to be distracted by Sprott's announcement of a possible offer and to focus instead on the business at hand, namely rejecting the Polar Proposal and voting for the election of SBT's nominees for Trustee at the Meeting.**

Bennett Jones LLP is acting as legal counsel to the Special Committee of the Independent Trustees of SBT, CIBC World Markets Inc. is acting as financial advisor, and D.F. King has been retained as proxy solicitation agent to SBT.

Proxy Voting Instructions – Vote Only the WHITE Form of Proxy

Your vote is important, no matter how many Units you own, and the deadline for voting is fast-approaching. **Please vote as soon as possible using the WHITE proxy and REJECT Polar's self-serving proposals, vote AGAINST all of Polar's proposed resolutions, DISREGARD any proxy**

materials received from Polar and vote FOR the Trust's nominees for Trustees. We urge you to vote the WHITE proxy only, as your Trustees recommend.

Proxies must be received not later than 11:00 a.m. (Toronto time) on Friday, May 15, 2015. Due to the limited time available, we recommend voting by internet, telephone or fax and not later than 24 hours before the deadline. For ease of voting visit our website www.silverbulliontrust.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 silver bullion and does not speculate in silver prices. At April 24, 2015, the Units of Silver Bullion Trust were 98.8% invested in unencumbered, allocated and physically segregated silver bullion. Units may be purchased or sold on the Toronto Stock Exchange and over-the-counter in the United States.

For further information, please contact SBT's proxy solicitation agent, D.F. King Canada, toll-free at 1-800-398-2816 or call collect 1-201-806-7301.

Caution regarding Forward Looking Statements

Certain statements contained in this press release constitute forward-looking statements and forward-looking information (collectively, "Forward-Looking Statements"), including those related to: any anticipated impacts of the Polar Proposal on the Trust, including any impact on the Trust's NAV and expense ratio; any anticipated tax impact on Unitholders following the exercise of the proposed physical redemption option; any action that may be taken by Polar or its Trustee nominees in the event that Polar were successful in implementing the Polar Proposal and/or reconstituting the Board of the Trustees, including any possible redemption by Polar of its Units, any termination of the Trust's current Administrator, and any change in the fees to be paid to Trustees or the Administrator on a going forward basis; and any outlook or projections on current economic conditions and silver prices and the impact on the market price for Units. The Trust 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 of the Trust's beliefs, views, expectations and opinions as of the date of this press release. Except as required by applicable securities laws, the Trust 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 the Trust's filings with the Canadian securities regulatory authorities.