

## **Silver Bullion Trust adopts significantly enhanced cash redemption feature and continues to recommend that Unitholders REJECT the Sprott Offer**

June 24, 2015

Silver Bullion Trust (“SBT”) (symbol: TSX – SBT.UN (C\$) and SBT.U (US\$) \$)) today announced the adoption of an enhanced cash redemption feature. The new feature, which will be effective upon the later of receipt of required regulatory approvals or July 14, 2015, will allow **ALL Unitholders to redeem their SBT Units AT ANY TIME for cash in the amount of 95% of Net Asset Value (“NAV”)**, based on the average published NAV of SBT for the five trading days following the notice of redemption.

The enhanced cash redemption feature, which will remain in place regardless of the outcome of the unsolicited offer made by Sprott, is expected to offer a number of benefits to Unitholders, including:

- Significantly reduced potential future trading discounts to NAV, as all investors will have the option to redeem for cash at 95% of NAV at any time.
- Accessibility by ALL Unitholders, regardless of the size of their holdings, in stark contrast to Sprott Physical Silver Trust’s physical redemption feature, which is only available to investors with holdings greater than approximately US\$119,000, or over 19,000 units.
- Redemptions will be accretive on a pre-tax basis to non-redeeming Unitholders, as SBT would be redeeming Units at a 5% discount to their underlying NAV.
- SBT’s enhanced cash redemption feature is clearly superior to that of Sprott Physical Silver Trust, which is based on 95% of the lesser of NAV or market price, and exposes investors to significant market risk for up to 46 days since pricing only occurs once a month.
- Unitholders will continue to benefit from SBT’s much lower expense ratio, superior bullion security and safeguards, more tax-efficient structure and Unitholder-friendly governance structure as compared to Sprott. **SBT’s existing low-cost structure will not be impacted by the new redemption feature.**

“As noted in previous communications to our Unitholders, your Trustees have been reviewing a number of alternative features to address the discounts to NAV that SBT Units have traded at during the current extended bear market for silver bullion. We believe this significantly enhanced cash redemption feature will result in SBT Units trading much closer to their NAV in down markets, without substantially altering SBT’s existing structure which provides maximum leverage to rising bullion prices in more positive markets. **With this enhanced cash redemption feature, the Trustees strongly believe that retaining your SBT Units represents a clearly superior alternative for long-term Unitholders as compared to the unsolicited offer being made by Sprott which offers Unitholders no meaningful premium. Most importantly, Unitholders will continue to benefit from SBT’s much lower expense ratio, superior bullion security and safeguards, tax-efficient structure and best in class governance – features which make SBT the clear choice for long-term silver bullion investors,**” said Bruce Heagle, Chair of the Special Committee of Independent Trustees of SBT.

The Board continues to recommend that Unitholders **REJECT the Sprott Offer, TAKE NO ACTION and DO NOT TENDER their Units to the Sprott Offer and WITHDRAW their Units if already tendered.**

**Unitholders who have already tendered their Units to the Sprott Offer can withdraw their Units by contacting their broker or D.F. King & Co., North America Toll-Free at 1-800-398-2816; or via email at [inquiries@dfking.com](mailto:inquiries@dfking.com)**

Bennett Jones LLP is acting as legal counsel to the Special Committee of the Independent Trustees of SBT, Dentons Canada LLP is acting as legal counsel to SBT and CIBC World Markets Inc. is acting as financial advisor to SBT.

### **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 June 23, 2015, the Units of Silver Bullion Trust were 99.8% invested in unencumbered, allocated and physically segregated silver bullion.

**For further information, please contact D.F. King & Co., North America Toll-Free at 1-800-398-2816; or via email at [inquiries@dfking.com](mailto:inquiries@dfking.com)**

## **Forward-Looking Statements**

Certain statements contained in this press release constitute “forward-looking statements” or “forward-looking information” (collectively, "Forward-Looking Statements"), including those related to: the anticipated benefits of the enhanced cash redemption feature, including any anticipated tax impact on non-redeeming Unitholders following a redemption which utilizes the enhanced cash redemption feature; any anticipated impact of the enhanced cash redemption feature on future trading prices of SBT Units and any trading discount of SBT Units to NAV; the receipt of regulatory approvals required in connection with the implementation of the enhanced cash redemption feature; any continuing benefits of SBT’s current structure from a tax and governance perspective; and SBT’s expense ratio and bullion security as compared to Sprott.

Silver Bullion 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 to 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.