

Sprott's Offer for Silver Bullion Trust Again Fails to Achieve the Minimum Tender Condition by a Wide Margin SBT Trustees Correct Sprott's Inaccurate Statements

(Toronto, ON, November 5, 2015) – Silver Bullion Trust (“SBT”) (symbol: TSX – SBT.UN (C\$) SBT.U (US\$)) confirmed today that the unsolicited offer by Sprott Asset Management LP and Sprott Physical Silver Trust (“Sprott PSLV”; and collectively, “Sprott”) for all of the outstanding Units of SBT has once again failed to achieve sufficient acceptance to satisfy the required minimum tender condition. As of October 30, 2015, only 39.64% of SBT Units were tendered, falling far short of the 66 2/3% minimum tender condition. As a result, Sprott has yet again, for the 6th time, extended the expiry date of the offer, which is now set to expire on November 20, 2015.

The Board of Trustees of SBT (the “Board”) has reaffirmed its recommendation that Unitholders should continue to reject Sprott's inadequate offer, which provides no material premium to SBT Unitholders. **SBT Unitholders should retain their Units, withdraw any tendered Units and support SBT's proposed enhanced cash redemption feature, which your Trustees believe will provide greater benefits to ALL long-term SBT Unitholders than Sprott's physical redemption feature.**

The Trustees again wish to set the record straight by informing Unitholders of key deficiencies in Sprott's offer and correcting several of Sprott's misleading statements:

- **The affairs of SBT are overseen by an independent Board of Trustees for the benefit of its Unitholders.** The majority of the Trustees are independent of the Spicer family, which founded and originally funded SBT and which owns a controlling interest in SBT's administrator. The executives of SBT and its administrator take their direction from the Board, which has always acted in the best interest of Unitholders, keeping administration fees low and stewarding Unitholders' bullion assets in the most secure and tax effective manner. **In fact, SBT's low expense ratio has been maintained in large part due to both Trustees and the administrator voluntarily waiving the majority of the fees to which they have been entitled over the past six years, including waiving 75% of their total stated fees in 2014.** The independent members of the Board have made all decisions and recommendations regarding Sprott's offer after careful consideration and consultation with the Board, its counsel and the Special Committee's financial advisors and legal counsel. The administrator and the Spicer family have been supportive of the Board since SBT was established in 2009 and have never dictated how the Board should decide on any matter.
- **The Trustees will continue to act in the best interests of ALL Unitholders and cannot endorse a deficient offer that does not benefit ALL Unitholders.** Principally because we don't agree with them, Sprott has waged a smear campaign claiming poor governance and entrenchment of the Trustees. **Their numerous unfounded allegations are intended to distract Unitholders from the deficiencies of their inadequate offer: no material premium, higher management fees, lower bullion security and safeguards, significantly reduced governance rights and higher potential tax liability for certain U.S. Unitholders¹.**
- **Sprott's claims that SBT Units have “traded for most of their existence at double-digit discounts”² are completely false. In fact, SBT Units have, on average, traded in-line to net asset value (“NAV”) since SBT was established in 2009³.**
- To address the recent trading discounts to NAV, which have occurred as a result of the protracted bear market for silver, **the Trustees have approved and intend to implement an enhanced cash redemption feature at 95% of NAV.** This enhanced cash redemption feature would be **available to ALL SBT Unitholders, large and small, at any time.** By contrast, Sprott's physical redemption feature is only available on a monthly basis and would only be available to SBT Unitholders with holdings greater than approximately US\$155,000 or 17,700 Units. This enhanced cash redemption feature would also be accretive to non-redeeming Unitholders, reduce the likelihood of physical silver bullion arbitrage by hedge funds and avoid the potential negative tax implications of Sprott's physical redemption feature. For these reasons, your Trustees have concluded that **this proposed enhanced cash redemption feature is a superior alternative to Sprott's physical redemption feature, a similar version of which was overwhelmingly rejected by Unitholders in May of this year.** Through legal intervention, Sprott has thus far managed to deprive all SBT Unitholders of the clear benefits of this enhanced cash redemption feature in order to facilitate their self-serving, hostile takeover bid.
- **Sprott's poor track record as a fund manager should concern SBT Unitholders. A review of Sprott's performance shows their abysmal track record as a fund manager, and yet despite this poor track record, they would charge SBT Unitholders 300% higher management fees⁴.** Sprott's assets under management have declined by approximately 24% since the third quarter of 2012⁵. Sprott Inc., Sprott's

flagship publicly-traded company, whose shareholders are funding Sprott's hostile takeover bid, has lost approximately 75% of its value since its IPO⁶. Sprott Resource Corp. has seen its NAV decline by 62% over the past year and was trading at a 57% discount to NAV according to Sprott Resource Corp.'s most recent quarterly filings⁷. In addition, the market price of Sprott PSLV units has declined by over 40% since its IPO in 2010, while the market price of SBT Units has risen by approximately 4% since SBT's IPO in 2009⁸. **Sprott's interest in SBT has nothing to do with benefiting SBT's Unitholders. Their offer is nothing more than a desperate attempt to offset the precipitous decline in Sprott's asset base and plummeting fee income.**

Bruce Heagle, Chair of the Special Committee of Independent Trustees of SBT stated: "Sprott initiated this whole process with an inadequate, deficient offer, which has remained substantially unchanged since it was announced in April. Principally because we don't agree with them, Sprott has embarked on a drawn-out smear campaign. Moreover, Sprott's opposition to SBT's proposed enhanced cash redemption feature has deprived Unitholders, at least for the time being, of a superior alternative to Sprott's physical redemption feature, and has resulted in costly litigation. **Nothing material has changed in Sprott's offer, and neither has the recommendation of the Trustees. SBT Unitholders are urged to send a clear message to Sprott that it is time to stop destroying investors' capital, stop harassing Unitholders and terminate their inadequate offer.** We thank SBT Unitholders for their patience and continued support."

SBT Trustees continue to recommend that Unitholders REJECT Sprott's offer, TAKE NO ACTION, DO NOT TENDER their Units to Sprott's offer and WITHDRAW their Units if already tendered.

Unitholders who have already tendered to Sprott's offer should withdraw their Units immediately by contacting D.F. King & Co at 1-800-398-2816, or via email at inquiries@dfking.com

SBT Unitholders are reminded that they are NOT REQUIRED to make any election or tender their Units to Sprott, regardless of what brokers may say. If instructed by a broker that tendering is required or that Unitholders cannot "do nothing," please call D.F. King & Co at 1-800-398-2816 for assistance.

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 4, 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 described herein is contained in the Trustees' Circular, which has been filed with Canadian securities regulatory authorities. Unitholders are urged to read the Trustees' Circular and the solicitation/recommendation statement 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 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; any potential adoption by SBT of an amended cash redemption feature and any anticipated impact on SBT, SBT Unitholders, the market price for Units and any trading discount to net asset value resulting from the adoption of such cash redemption feature; 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; and any anticipated future prices of silver and the units. 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.

¹ For additional information, please refer to the "Reasons for Rejecting the Sprott Offer" section in SBT's Trustees' Circular filed on June 9, 2015, which is accessible via SEDAR as well as on the SBT website at <http://www.silverbulliontrust.com/rejectsprott/trustees-circular.html>.

² Rick Rule stated on October 1, 2015 during the Sprott webcast relating to the Sprott offer: *"It must be stressed that neither [GoldTrust] nor [Silver Bullion Trust] have ever or very seldom traded close to or above par, they have in fact traded at a persistent discount and they've traded at a persistent discount for over a decade."*

³ Based on average premium/discount to NAV from July 28, 2009 to November 4, 2015.

⁴ The management expense ratio is calculated based on the administrative/management fees incurred over the twelve-months ended June 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.

⁵ Based on a comparison of "Assets Under Management" as reported by Sprott Inc. as of June 30, 2015 and September 30, 2012.

⁶ ~75% reduction in Sprott Inc.'s value calculated based on the share price as at November 4, 2015, and the IPO issue price announced by Sprott Inc. on May 15, 2008.

⁷ Sourced from Sprott Resource Corp.'s most recent financial statements, as at September 30, 2015. NAV discount shown as at September 30, 2015. Reduction in NAV based on a comparison of NAV per share as at September 30, 2015 and 2014.

⁸ Performance as of November 4, 2015; based on SBT IPO date of July 28, 2009 and Sprott PSLV IPO date of October 28, 2010.