

Silver Bullion Trust

Silver Bullion Trust responds to misleading statements by Polar Securities and announces date for Annual and Special Meeting of Unitholders

February 20, 2015

On February 18, 2015, Polar Securities Inc. ("**Polar**") issued a press release regarding its previously announced unitholder proposals for Silver Bullion Trust ("**SBT**" or the "**Trust**") (symbol: TSX – SBT.UN (Cdn.\$) and SBT.U (U.S.\$) U.S. OTC – SVRZF (U.S.\$)). Many of Polar's statements in its press release were incorrect or misleading. The Trustees of SBT wish to set the record straight.

North Pole Capital Master Fund, a fund advised by Polar and the beneficial owner of the units of the Trust, has requisitioned a special meeting of the Unitholders of SBT in order to amend SBT's Declaration of Trust to include a new physical redemption feature and to change its existing cash redemption feature. Polar is also seeking to have all of the independent members of the Board of Trustees replaced (collectively, the "**Proposals**").

Following receipt of the Proposals from Polar on January 20, 2015, the Trustees immediately initiated, and have continued to be engaged in, a thorough and detailed analysis of the impacts of the Proposals on both the Trust and all of its Unitholders. At all times, the Trustees have acted in accordance with their duties to SBT and to its Unitholders. J.C. Stefan Spicer, Chairman, Founder & CEO of SBT and its lead Administrator, has at all times acted in good faith and in accordance with his obligations as a Trustee and officer of the Trust. Each of the remaining Trustees is independent of administration.

In Polar's press release, it was asserted that the Trustees and their advisors have shown no willingness to engage in a constructive dialogue with Polar. This is false. The Trustees have made every effort to engage in productive discussions with Polar concerning the Proposals. After Polar approached SBT with the Proposals, SBT and its advisors engaged in an extensive dialogue with Polar over a two week period, including at least five in-person meetings or conference calls. However, this dialogue ended on February 9, 2015 when Polar advised that it was no longer willing to respond to any further questions raised by the Trustees regarding the Proposals and that the Trustees were required to provide their immediate and unequivocal support for the Proposals. It was at this time that the Trustees determined that they had no option but to evaluate the Proposals without any further assistance from Polar.

The assertion by Polar that the Trustees had not taken steps to commence a legal review of Polar's proposals is also false. The Trustees had already sought advice from both Canadian and U.S. legal advisors and have retained CIBC as its financial advisor to assist in its consideration of the Proposals. These advisors continue to be actively engaged as the Trustees continue their review of the Proposals.

The full impact of the Proposals on SBT and its Unitholders has not been fully or adequately described in any of the press releases issued by Polar. Based on the Trustees' analysis to date, the Trustees anticipate that the Proposals, if implemented, would result in significant consequences to the Trust's ongoing expenses, as well as adverse tax consequences for certain Unitholders. In addition, to the best of the Trustees' knowledge, Polar is the only institutional unitholder with sufficient holdings to implement the physical redemption feature if it is adopted.

Notwithstanding Polar's misleading statements, the Trustees remain committed to fully evaluating the Proposals with a view to the best interests of SBT and all of its Unitholders. The Trustees have set the

date of May 20, 2015 for the Annual and Special Meeting of Unitholders of SBT at a location to be determined. The Trustees will provide their recommendations to Unitholders regarding the Proposals in the Management Information Circular to be delivered to Unitholders, together with the Notice of Meeting, in connection with the Annual and Special Meeting. The Trustees ask that Unitholders take no steps in connection with the Proposals or in response to approaches or communications from Polar or any other Unitholders until such time that the Trustees have had the opportunity to complete their analysis and share their recommendations concerning the Proposals with all Unitholders. As the Trustees have not yet finalized their recommendations to Unitholders concerning the Proposals, nothing in this press release should be construed as a solicitation or a request for a proxy or a recommendation as to how Unitholders should vote at the Annual and Special Meeting.

SBT was founded with a singular purpose to passively hold physical silver bullion on an unencumbered, fully allocated and physically segregated basis at all times in the safest, most secure and cost effective manner possible for all types of long term investors' accounts, which it continues to do.

Ian McAvity, independent lead Trustee, stated "SBT Trustees have always acted in the best interest of all of its Unitholders and we will continue to do so. Given SBT's small size, the Trustees and its administrator have kept administration costs to Unitholders among the lowest in the industry partly due to the administrator waiving 75% of its fees and the Trustees waiving between 50-75% of their fees over the past six years. We are committed to completing our analysis and reporting back to Unitholders as soon as possible in order that Unitholders may make an informed decision regarding Polar's proposals at the upcoming Annual and Special Meeting of SBT's Unitholders."

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 February 19, 2015, the Units of Silver Bullion Trust were 98.7% 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, contact J.C. Stefan Spicer, President and CEO;
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Additional Information

The information contained in this press release does not and is not meant to constitute a solicitation of a proxy within the meaning of applicable securities laws. Unitholders of SBT are not being asked to execute a proxy in favour of any of the matters described in this press release at this time.

Forward Looking Statements

Statements contained in this release that are not historical facts are forward-looking statements that involve risks and uncertainties. The Trust's actual results could differ materially from those expressed or implied by such forward-looking statements. 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.