

May 7, 2015

## **ISS Recommends Silver Bullion Trust Unitholders Vote FOR Silver Bullion Trust Trustee Nominees And Vote AGAINST Polar's Proposals**

- ISS Recommends Unitholders Vote Using Only the WHITE Form of Proxy
- ISS Recommends Unitholders Vote AGAINST Polar's Proposed Unit Redemption Amendments
- ISS Recommends Unitholders Vote FOR Silver Bullion Trust's Incumbent Trustees
- ISS Calls Polar's Proposal "Short-term and Opportunistic"
- ISS Believes Polar's Proposal "Constitutes a Cause of Concern for Long-term Unitholders"

**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 Institutional Shareholder Services ("ISS") has recommended that its clients vote FOR all of SBT's Trustee nominees, and vote AGAINST the changes to the Trust's Amended and Restated Declaration of Trust being proposed by Polar Securities Inc., on behalf of its Cayman Islands based hedge fund, North Pole Capital Master Fund (together, "Polar"), at the upcoming Annual and Special Meeting of Unitholders of SBT to be held on May 20, 2015 (the "Meeting").

ISS is a leading independent corporate governance analysis and proxy voting firm. ISS recommendations are intended to assist investors in making choices regarding proxy voting decisions. In making its recommendations, ISS carefully considers the validity of the arguments and the outcome that is in the best interests of all investors.

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. Polar is also seeking to replace all of the Trust's Independent Trustees with Polar's hand-picked slate of nominees.

**Unitholders should vote FOR SBT's Trustee nominees and AGAINST Polar's proposals as recommended by ISS using only SBT's WHITE form of proxy.**

In its May 6 report, ISS concluded:

**"Overall, the short-term and opportunistic nature of the dissident proposal constitutes a cause of concern for long-term unitholders.** In addition, by just amending the Trust's Declaration of Trust and not providing a detailed business plan with new strategic initiatives on how to better manage the Trust, the dissident's request to replace the majority of the board appears overly demanding."

ISS went further in expressing their support, stating:

**"Another consideration is that a physical bullion redemption option does not appear to be a means that would help fundamentally improve the performance or the operating efficiency of the Trust. In other words, it will not help improve NAV [net asset value] or the intrinsic value of the Trust."**

"...the dissident has not made a compelling case for change, and therefore **support for the amendment to add the physical redemption option to the Trust's Declaration of Trust as well as the dissident slate is not warranted.**"

### **ISS Recommends Voting ONLY the WHITE Form of Proxy Now**

"We are pleased to have the support of a leading independent proxy advisory firm for both your Trustees and for their opposition to Polar's proposal", stated Bruce Heagle, Chair of the Special Committee of Independent Trustees. "ISS has confirmed the Trustees' view that Polar's proposal is nothing more than a self-serving attempt by Polar to facilitate a short-term trade which, if implemented, would be to the detriment of SBT and its long-term Unitholders."

**The Board of Trustees recommends that Unitholders REJECT Polar's proposal and vote FOR all of SBT's Trustee nominees.**

### **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 an unsolicited 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 Polar's proposal and voting for the election of SBT's Trustee nominees 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 very 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 form of proxy and REJECT Polar's self-serving proposal, vote AGAINST all of Polar's proposed resolutions, DISREGARD any proxy materials received from Polar and vote FOR SBT's Trustee nominees. We urge you to vote the WHITE form of 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 as soon as possible.

For up to date information and ease of voting we strongly encourage Unitholders to please visit [www.silverbulliontrust.com](http://www.silverbulliontrust.com).

If you have any questions or require any assistance in executing your proxy or voting instruction form, 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.

### **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 May 6, 2015, the Units of Silver Bullion Trust were 99.2% 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.

### **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 Polar's proposal on the Trust and its Unitholders. 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. 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.

Permission to quote from the ISS report was neither sought nor obtained.