

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

SILVER BULL RESOURCES, INC.

Form: 8-K

Date Filed: 2018-08-21

Corporate Issuer CIK: 1031093

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 21, 2018 (August 17, 2018)

SILVER BULL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

001-33125

(Commission
File Number)

91-1766677

(I.R.S. Employer
Identification Number)

**777 Dunsmuir Street, Suite 1610
Vancouver, B.C.**

(Address of principal executive offices)

V7Y 1K4

(Zip Code)

Registrant's telephone number, including area code: 604-687-5800

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry Into a Material Definitive Agreement.

On August 17, 2018, Silver Bull Resources, Inc. (the "Company") entered into a series of substantially similar subscription agreements (each, a "Subscription Agreement") with certain investors providing for the issuance and sale by the Company to the investors, in the second and final tranche of a private placement, of an aggregate 7,365,555 units (the "Units") of the Company at a price of USD\$0.13 per Unit for gross proceeds of USD\$957,522 (the "Second Tranche"). Each Unit consists of one share of common stock of the Company (a "Common Share") and one half of one Common Share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to acquire one Common Share at a price of USD\$0.16 until the second anniversary of the closing of the Second Tranche.

Under the initial tranche of the private placement, which closed on July 25, 2018, the Company issued a total of 21,776,317 Units for aggregate gross proceeds of USD\$2,830,921.

In this Second Tranche, the Company has agreed to pay aggregate cash commissions of USD\$40,040 and issue an aggregate of 220,000 non-transferable common share purchase warrants (the "**Finder's Warrants**") to a finder. Each Finder's Warrant entitles the holder to acquire one Common Share for USD\$0.14 until the second anniversary of closing of the Second Tranche.

All securities to be issued in the Second Tranche are subject to a hold period under applicable Canadian securities laws, which will expire four months from the closing date of the Second Tranche, and will be restricted securities under U.S. securities laws. The Company relied on the exemption from registration under Section 4(a)(2) of the U.S. Securities Act of 1933, as amended, or Rule 506 of Regulation D, or Regulation S, for purposes of the Second Tranche. This Current Report on Form 8-K is not, and shall not be deemed to be, an offer to sell or the solicitation of an offer to buy any of the securities.

The foregoing descriptions of the Subscription Agreements, Warrants and Finder's Warrants do not purport to be complete and are qualified in their entirety by reference to such agreements, substantially in the form of Subscription Agreement, form of Warrant and form of Finder's Warrant filed herewith as Exhibits 10.1, 10.2, and 10.3 respectively, to this Current Report on Form 8-K, which are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

Reference is made to the disclosure set forth in Item 1.01 of this Current Report on Form 8-K, which disclosure is incorporated by reference into this Item 3.02.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Form of Silver Bull Resources, Inc. Subscription Agreement
10.2	Form of Silver Bull Resources, Inc. Warrant Certificate (Investors)
10.3	Form of Silver Bull Resources, Inc. Warrant Certificate (Finders)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 21, 2018

SILVER BULL RESOURCES, INC.

By: /s/ Sean Fallis
Name: Sean Fallis
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	Form of Silver Bull Resources, Inc. Subscription Agreement
10.2	Form of Silver Bull Resources, Inc. Warrant Certificate (Investors)
10.3	Form of Silver Bull Resources, Inc. Warrant Certificate (Finders)

SUBSCRIPTION AGREEMENT FOR UNITS**SILVER BULL RESOURCES, INC.****THE UNITS BEING OFFERED FOR SALE MAY ONLY BE PURCHASED BY ELIGIBLE PURCHASERS****IMPORTANT**

The following items in this Subscription Agreement have been completed (please initial each applicable box):

All Eligible Purchasers:

All Purchaser information, as applicable, in the boxes on pages 1 to 3 hereof.

Unless other arrangements acceptable to the Company have been made, a wire transfer (which includes any wire transfer fee) as outlined in Section 9 hereof.

either

Appendix "I" – Canadian Investor Certificate (if the Purchaser is in Canada) and, if the Purchaser is an individual accredited investor, Appendix "I-A" – Risk Acknowledgment Form for Accredited Investors who are Individuals.

or

Appendix "II" – U.S. Investor Certificate (if the Purchaser is a U.S. Person or does not satisfy the conditions set out in Section 4.2(a)).

A completed and executed copy of this Subscription Agreement, including the items required to be completed as set out above, must be delivered, **by no later than 4:00 p.m. (Vancouver time) on Wednesday, July 18, 2018 to Silver Bull Resources, Inc., Suite 1610, 777 Dunsmuir Street, Vancouver, B.C. V7Y 1K4, Attention: Sean Fallis, Tel: 604-687-5800, Facsimile: 604-563-6004, Email: sfallis@silverbullresources.com.**

Subscription No.

TO: **SILVER BULL RESOURCES, INC. (the “Company”)**

The undersigned (the “Purchaser”), on its own behalf, and, if applicable, on behalf of a principal for whom it is acting hereunder, hereby irrevocably subscribes for and agrees to purchase from the Company the number of units of the Company (the “Units” and each individually, a “Unit”) set forth below for the aggregate subscription price set forth below, representing a subscription price of US\$0.13 per Unit (the “Subscription Price”). Each Unit is comprised of one common share in the capital of the Company (a “Unit Share”) and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one common share (a “Warrant Share”) at a price of US\$0.16 until the second anniversary of the Closing Date (as defined herein). This subscription plus the attached terms and conditions (the “Terms and Conditions”), each completed and executed Investor Certificate for Canadian Residents and the exhibits and appendices attached hereto and thereto, are collectively referred to as the “Subscription Agreement”. The Purchaser agrees to be bound by the Terms and Conditions including without limitation the terms, representations, warranties and covenants set forth in the applicable schedules attached thereto and agrees that the Company may rely upon the covenants, representations and warranties contained in this Subscription Agreement.

SUBSCRIPTION AND PURCHASER INFORMATION

Please print all information (other than signatures), as applicable, in the space provided below.

<i>(Name of Purchaser - please print)</i>
By: <i>Authorized Signature</i>
<i>(Official Capacity or Title – please print)</i>
<i>Please print name of individual whose signature appears above if different than the name of the purchaser printed above.</i>
<i>(Address of Residence)</i>
<i>(Purchaser’s E-mail)</i>
<i>(Purchaser’s Telephone No.)</i>

Number of Units:
Aggregate Subscription Price: US\$
<p>If the person signing this subscription is not purchasing, nor deemed by applicable securities regulation to be purchasing, as principal and is signing as agent for one or more principals, complete the following for each such principal (attach additional pages if required):</p>
<i>(Name of Principal)</i>
<i>(Address of Residence)</i>
<i>(Principal’s E-mail)</i>
<i>(Principal’s Telephone No.)</i>

The Company is hereby directed to issue and register the certificates representing the Unit Shares and Warrants comprising the Units subscribed for, and deliver them, as follows:

Registration Instructions: As above <input type="checkbox"/> or
Name <i>[Please Print]</i>
Account reference, if applicable
Address

Delivery Instructions: As above <input type="checkbox"/> or
Account reference, if applicable
Contact Name <i>[Please Print]</i>
Address
<i>(Telephone Number)</i>

Additional Purchaser Information

Present Ownership of Securities

The Purchaser either ***[check appropriate box]***:

- does not own**, directly or indirectly, or exercise control or direction over, any common shares in the capital of the Company or securities convertible into common shares; or
- owns directly or indirectly, or exercises control or direction over, _____ common shares and convertible securities entitling the Purchaser to acquire an additional _____ common shares.

Insider Status

The Purchaser either ***[check appropriate box]***:

- is an **"Insider"** of the Company as defined in the *Securities Act* (British Columbia), namely: "Insider" means:
 - (a) a director or an officer of the Company;
 - (b) a director or an officer of a person that is itself an insider or subsidiary of the Company;
 - (c) a person that has beneficial ownership of, or control or direction over, directly or indirectly, or a combination of beneficial ownership of, and control or director over, directly or indirectly, securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution;
 - (d) the Company itself if it holds any of its own securities;
 - (e) a person designated as an insider under an order made under Section 3.2 of the *Securities Act* (British Columbia); or
 - (f) a person that is in a prescribed class of persons.
- is not an **"Insider"** of the Company.

SILVER BULL RESOURCES, INC. accepts the subscription set forth above this ____ day of _____, 2018.

Authorized Signatory

**TERMS AND CONDITIONS
OF UNITS PRIVATE PLACEMENT**

1. Subscription

The Purchaser hereby irrevocably subscribes for and agrees to purchase from the Company, that number of units (the “Units” and each individually, a “Unit”) of the Company set forth on page 1 of this Subscription Agreement. Each Unit is comprised of one common share in the capital of the Company (a “Unit Share”) and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one common share (a “Warrant Share”) at a price of US\$0.16 per Warrant Share at any time on or before 4:00 p.m. (Vancouver time) on the second anniversary of the Closing Date (as defined below). The Purchaser acknowledges that this subscription forms part of a larger offering by the Company of Units (the “Offering”).

2. Conditions of Purchase

2.1 The Purchaser acknowledges that the Company's obligation to sell the Units to the Purchaser is subject to, among other things, the conditions that:

- (a) the Purchaser duly completes, executes and returns to the Company this subscription, together with all documents required by applicable securities laws, the Toronto Stock Exchange (the “Exchange”) and the OTCQB for delivery to the offices of the lawyers for the Company on behalf of the Purchaser, by no later than 4:00 p.m. (Vancouver time) on Wednesday, July 18, 2018 to Silver Bull Resources, Inc., Suite 1610, 777 Dunsmuir Street, Vancouver, B.C. V7Y 1K4, Attention: Sean Fallis, Facsimile: 604-563-6004, Email: sfallis@silverbullresources.com, including, if the Purchaser is in Canada, a duly completed and executed Appendix “I” – Canadian Investor Certificate and, if the Purchaser is an individual accredited investor, Appendix “I-A” – Risk Acknowledgment Form for Accredited Investors who are Individuals or, if the Purchaser is in the United States (as defined herein), is a U.S. Person (as defined herein), or is subscribing on behalf of a U.S. Person, or does not otherwise satisfy the conditions set out in Section 4.2(a), a duly completed and executed Appendix “II” – U.S. Investor Certificate;
- (b) payment has been made by the Purchaser of the Subscription Price as set out in Section 9 hereof;
- (c) the Company has accepted, in whole or in part, this Subscription Agreement, subject to Section 2.2;
- (d) all necessary regulatory, Exchange and OTCQB approvals have been obtained by the Company prior to the Closing (as defined below);
- (e) the sale of the Units is exempt from the requirement to file a prospectus or registration statement and the requirement to prepare and deliver an offering memorandum or similar document under any applicable statute relating to the sale of the Units or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or registration statement or delivering an offering memorandum or similar document;
- (f) all covenants, agreements and conditions contained in this Subscription Agreement to be performed by the Purchaser have been performed or complied with in all material respects on or prior to the Closing; and

(g) the representations, warranties and certifications of the Purchaser in this Subscription Agreement, including in any appendices hereto or other document delivered to the Company in connection with the Purchaser's subscription, are true and correct when made and being true and correct at the Closing with the same force and effect as if they had been made on and as of the Closing.

2.2 The Purchaser acknowledges and agrees that the Company reserves the right, in its absolute discretion, to reject this subscription for Units, in whole or in part, at any time prior to the time of Closing. If this subscription is rejected in whole, any cheques or other forms of payment delivered to the Company representing the subscription amount will be promptly returned to the Purchaser without interest or deduction. If this subscription is accepted only in part, a cheque representing any refund of the subscription amount for that portion of the subscription for the Units which is not accepted will be promptly delivered to the Purchaser without interest or deduction.

3. Delivery

Delivery of the certificates representing the Unit Shares and Warrants comprising the Units (the "*Closing*") shall be completed at the offices of the Company's legal counsel, Blake, Cassels & Graydon LLP, located at Suite 2600, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3 at 4:00 p.m. (Vancouver time) on Tuesday, July 24, 2018 (the "*Closing Date*"), or at such other places, times or dates as may be determined by the Company.

4. Purchaser's Representations, Warranties and Covenants

The Purchaser (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder) represents and warrants to, and covenants with, the Company (and acknowledges that the Company is relying on such representations, warranties and covenants), which representations, warranties and covenants shall survive the Closing, that as at the execution date of this Subscription Agreement and the Closing Date:

4.1 The Purchaser confirms that it:

- (a) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units;
- (b) is capable of assessing the merits and risks (including the potential loss of its entire investment) of the proposed investment in the Units;
- (c) is aware of the characteristics of the Units and understands the risks relating to an investment therein; and
- (d) is able to bear the economic risk of loss of its investment in the Units.

4.2 The Purchaser is resident in the jurisdiction set forth in the "Address of Residence" set out on page 1 of this Subscription Agreement and either:

- (a) All of the following are met:
 - (i) the Purchaser is not a "U.S. Person" (as that term is defined in Rule 902(k) of Regulation S ("*Regulation S*") under the United States Securities Act of 1933, as amended (the "*1933 Act*") and, without limiting such definition, includes a natural person resident in the United States, a partnership or corporation organized or incorporated under the laws of the United States, an estate of which any executor or administrator is a U.S. Person, a trust of which any trustee is a U.S. Person, a partnership or corporation organized or incorporated under the laws of any foreign jurisdiction by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated and owned by United States "Accredited Investors" who are not natural persons, estates or trusts) or a person in the United States of America, its territories or possessions, any State of the United States or District of Columbia (the "*United States*"), and is not purchasing the Units for the account of or benefit of a U.S. Person or a person in the United States;
 - (ii) the Purchaser was not offered the Units in the United States;
 - (iii) the buy order for the Purchaser's Units was not originated, and the Purchaser did not execute or deliver this Subscription Agreement, in the United States;
 - (iv) the Purchaser has no intention to distribute either directly or indirectly any of the Units in the United States and will not offer, sell or otherwise transfer, directly or indirectly, any of the Units (or any securities underlying the Units or that may be issued in connection with the Units) or to, or for the account or benefit of, a U.S. Person or person in the United States except pursuant to registration under the 1933 Act and the securities laws of all applicable states or available exemptions therefrom; the Purchaser did not receive the offer to purchase the Units as a result of, nor will it engage in, any "directed selling efforts" (as defined in Regulation S and, without limiting such definition, includes any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Units or any of the securities underlying the Units); and
 - (v) the Purchaser is not purchasing the Units as part of any plan or scheme to evade the registration provisions of the 1933 Act; or
- (b) The conditions set forth in clause (a) above are not met, but one or more of the conditions set forth on Appendix "II" are met and the Purchaser has completed a U.S. Investor Certificate in the form attached as Appendix "II".

4.3 The Purchaser is aware that no prospectus or registration statement has been prepared or filed by the Company with any securities commission or similar authority in connection with the offering of the Units contemplated hereby, and that:

- (a) the Purchaser may be restricted from using most of the civil remedies available under applicable securities laws in Canada;
- (b) the Purchaser may not receive information that would otherwise be required to be provided under applicable securities laws and the Company is relieved from certain obligations that would otherwise be required to be given if a prospectus were provided under applicable securities laws in connection with the Offering; and
- (c) the issuance and sale of the Units to the Purchaser is subject to such sale being exempt from the requirements of applicable securities laws as to the filing of a prospectus or registration statement.

4.4 The Purchaser, if in Canada, is purchasing the Units as principal and is:

- (a) an “accredited investor” as defined in National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”) and is not a person created or used solely to purchase or hold securities as an “accredited investor” as defined in paragraph (m) of the aforesaid definition of “accredited investor”; or
- (b) purchasing the Units at an acquisition cost to the Purchaser of not less than CDN\$150,000 paid in cash, the Purchaser is not an individual and the Purchaser was not created or used solely to purchase or hold securities in reliance on the exemption from the dealer registration requirement or prospectus requirement available under Section 2.10 of NI 45-106;

and (i) the Purchaser has duly completed Section I, II or III of, and executed and delivered to the Company, an Appendix “I” – Canadian Investor Certificate, and (ii) if the Purchaser is an accredited investor who is an individual, other than an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds CDN\$5,000,000, has completed and executed, in duplicate, and delivered one copy to the Company of, an Appendix “I-A” – Risk Acknowledgement Form for Accredited Investors who are Individuals.

4.5 If the Purchaser is resident in an international jurisdiction other than the United States then:

- (a) the Purchaser currently has knowledge and experience or has consulted the Purchaser’s own counsel, accountant or investment advisor, with respect to the investment contemplated hereby and applicable securities laws in the international jurisdiction in which the Purchaser resides which would apply to this subscription;
- (b) the delivery of this Subscription Agreement, the acceptance of it by the Company and the issuance of the Units to the Purchaser complies with all laws applicable to the Purchaser, including the laws of such Purchaser’s jurisdiction of residence, and all other applicable laws, and will not cause the Company to become subject to, or require it to comply with, any disclosure, prospectus, filing or reporting requirements under any applicable laws of the international jurisdiction.
- (c) the Purchaser is purchasing the Units in compliance with or pursuant to exemptions from any prospectus, registration or similar requirements under the applicable securities laws of the international jurisdiction in which the Purchaser resides (and the Purchaser shall deliver to the Company such further particulars of such applicable securities laws or exemptions and the Purchaser’s qualifications thereunder as the Company may request), and the purchase and sale of the Units does not trigger any obligation to prepare and file a prospectus, registration statement or similar document, or any other report with respect to such purchase and/or any registration on the part of the Company;

- (d) the applicable securities laws of the international jurisdiction in which the Purchaser resides do not require the Company to make any filings or seek any approvals of any kind whatsoever from any securities commission or regulatory authority of any kind whatsoever in the jurisdiction of residence of the Purchaser;
- (e) the Purchaser will, if requested by the Company, deliver to the Company a certificate or opinion of local counsel from the international jurisdiction which will confirm the matters referred to in subparagraphs (a) through (d) above to the satisfaction of the Company, acting reasonably; and
- (f) the Purchaser will not sell or otherwise dispose of any of Units (or any securities underlying the Units or that may be issued in connection with the Units) except in accordance with all applicable securities laws of the international jurisdiction in which the Purchaser resides.

4.6 The Purchaser acknowledges that:

- (a) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Units;
- (b) there is no government or other insurance covering the Units;
- (c) there are risks associated with the purchase of the Units;
- (d) there are restrictions on the Purchaser's ability to resell the Units (or any securities underlying the Units or that may be issued in connection with the Units) and it is the responsibility of the Purchaser to find out what those restrictions are and to comply with them before selling any of the Units (or any securities underlying the Units or that may be issued in connection with the Units); and
- (e) the Company has advised the Purchaser that the Company is relying on an exemption from the requirements to provide the Purchaser with a prospectus or registration statement and to sell the Units through a person or company registered to sell securities under applicable securities laws and, as a consequence of acquiring the Units pursuant to this exemption, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, will not be available to the Purchaser.

4.7 If the Purchaser has indicated that the Purchaser is a resident in a jurisdiction other than British Columbia in the "Address of Residence" field set out on page 1 of this Subscription Agreement, the Purchaser certifies that the Purchaser is not a resident in British Columbia and acknowledges that:

- (a) the Purchaser is knowledgeable of, or has been independently advised as to, the Other Applicable Securities Laws (as defined below);
- (b) the Purchaser is purchasing the Units pursuant to exemptions from any prospectus, registration or similar requirements under the Other Applicable Securities Laws, or, if such is not applicable, the Purchaser is permitted to purchase the Units under the Other Applicable Securities Laws without the need to rely on exemptions; and

(c) the distribution of the Units to the Purchaser by the Company complies with all of the Other Applicable Securities Laws.

For purposes hereof, "*Other Applicable Securities Laws*" means, in respect of each and every offer and sale of the Units, the securities legislation having application and the regulations, rules, orders, instruments, notices, directions, rulings and published policy statements of the securities regulatory authorities having jurisdiction over the Purchaser and the Offering, other than the laws of British Columbia which would apply to this subscription, if any.

- 4.8 The Purchaser is resident in the jurisdiction set forth in the "Address of Residence" set out on page 1 of this Subscription Agreement and will comply with all applicable securities laws and with the policies of the Exchange and the OTCQB concerning the purchase of, the holding of and the resale restrictions on the Units (or any securities underlying the Units or that may be issued in connection with the Units).
- 4.9 The Purchaser is aware that the offer made by this subscription (a) is irrevocable and (b) requires acceptance by the Company and the acceptance for filing thereof by the Exchange and will not become an agreement between the Purchaser and the Company until accepted by the Company signing in the space above.
- 4.10 If an individual, the Purchaser has attained the age of majority and is legally competent to execute and deliver this subscription and to take all actions required pursuant hereto and if a corporation, partnership or other entity, the Purchaser has been duly incorporated, created or organized and validly exists under the laws of its jurisdiction of incorporation, creation or organization and all necessary approvals by its directors and shareholders have been obtained for the execution and delivery of this subscription.
- 4.11 The execution and delivery of this Subscription Agreement and the performance and compliance with the terms hereof will not result in any breach of, or be in conflict with, or constitute a default under, or create a state of facts which after notice or lapse of time or both would constitute a default under, any term or provision of any constating documents, by-laws or resolutions of the Purchaser or any indenture, contract, agreement (whether written or oral), instrument or other document to which the Purchaser is a party or subject, or any judgment, decree, order, statute, rule or regulation applicable to the Purchaser.
- 4.12 Upon acceptance of this subscription by the Company, this Subscription Agreement, including all exhibits and appendices, will constitute a legal, valid and binding contract of purchase enforceable against the Purchaser in accordance with its terms and will not violate or conflict with the terms of any restriction, agreement or undertaking respecting purchases of securities by the Purchaser.
- 4.13 The Purchaser's purchase of the Units has not been made through or as a result of, the distribution of the securities comprising the Units is not being accompanied by and the Purchaser is not aware of, any advertisement of the securities in printed media of general and regular paid circulation, radio, television or electronically.
- 4.14 No prospectus or offering memorandum within the meaning of applicable securities laws or any other document purporting to describe the business and affairs of the Company has been delivered to the Purchaser in connection with the Offering.
- 4.15 No person has made to the Purchaser any written or oral representation;

- (a) that any person will resell or repurchase any of the Units (or any securities underlying the Units or that may be issued in connection with the Units);
 - (b) that any person will refund all or any part of purchase price of the Units;
 - (c) as to the future price or value of any of the Units; or
 - (d) that any of the Units (or any securities underlying the Units or that may be issued in connection with the Units) will be listed and posted for trading on a stock exchange or marketplace or that application has been made to list and post any of the Units (or any securities underlying the Units or that may be issued in connection with the Units) for trading on a stock exchange or marketplace.
- 4.16 None of the Units are being purchased by the Purchaser with knowledge of any material fact about the Company that has not been generally disclosed to the public.
- 4.17 In the case of a person signing this subscription as agent for a disclosed principal, each beneficial Purchaser for whom the agent is purchasing, or is deemed under NI 45-106 to be purchasing, as principal, for its own account and not for the benefit of any other person, and such person is duly authorized to enter into this Subscription Agreement and to execute all documentation in connection with the purchase on behalf of each such beneficial Purchaser.
- 4.18 The funds representing the aggregate Subscription Price in respect of the Units which will be advanced by or on behalf of the Purchaser to the Company hereunder do not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (for the purposes of this Section 4.18 the "PCMLTFA") and the Purchaser acknowledges and agrees that the Company may be required by law to provide the securities regulators with a list setting forth the identities of the beneficial purchasers of the Units, or disclosure pursuant to the PCMLTFA. Notwithstanding that the Purchaser may be purchasing Units as agent on behalf of an undisclosed principal, the Purchaser agrees to provide, on request, particulars as to the identity of such undisclosed principal as may be required by the Company in order to comply with the foregoing. To the best of the Purchaser's knowledge (a) none of the subscription funds provided by or on behalf of the Purchaser (i) have been or will be derived directly or indirectly from or related to any activity that is deemed criminal under the laws of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Purchaser and, (b) the Purchaser will promptly notify the Company if the Purchaser discovers that any of such representations cease to be true, and shall provide the Company with appropriate information in connection therewith.
- 4.19 The Purchaser is at arm's-length within the meaning of Securities Laws (as defined herein) of the Company.
- 4.20 The Purchaser is not, with respect to the Company or any of its affiliates, a "control person", as defined under applicable securities laws, and the acquisition of the Units hereunder by the Purchaser will not result in the Purchaser becoming a "control person".
- 4.21 The Purchaser has been advised to seek tax, investment and independent legal advice and any other professional advice the Purchaser considers appropriate in connection with the Purchaser's purchase of the Units and the Purchaser confirms that the Purchaser has not relied on the Company or its legal counsel in any manner in connection with the Purchaser's purchase of the Units.

5. Purchaser's Acknowledgments

5.1 The Purchaser acknowledges and agrees (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder) with the Company (which acknowledgements and agreements shall survive the Closing) that:

- (a) This subscription forms part of the Offering.
- (b) The Units are subject to resale restrictions under applicable Securities Laws (defined below) and the Purchaser covenants that it will not resell the Units (or any securities underlying the Units or that may be issued in connection with the Units), except in compliance with such laws and the Purchaser acknowledges that it is solely responsible (and the Company is not in any way responsible) for such compliance. The Purchaser is advised to consult the Purchaser's own legal advisors in this regard. For purposes of this Agreement, "*Securities Laws*" means the *Securities Act* (British Columbia) (the "*B.C. Act*"), the 1933 Act, and the rules and regulations promulgated thereunder and all orders, rulings, published policy statements, notices, interpretation notes, directions and instruments thereunder and, if the Purchaser is not resident in British Columbia, also means the Other Applicable Securities Laws.
- (c) The Units are being offered for sale only on a "private placement" basis.
- (d) In purchasing the Units, the Purchaser has relied solely upon publicly available information relating to the Company and not upon any oral or written representation as to any fact or otherwise made by or on behalf of the Company or any other person associated therewith, the decision to purchase the Units was made on the basis of publicly available information.
- (e) The Purchaser's ability to transfer the Units (or any securities underlying the Units or that may be issued in connection with the Units) is limited by, among other things, the Securities Laws and the policies of the Exchange. In particular the Purchaser acknowledges having been informed that the Units (or any securities underlying the Units or that may be issued in connection with the Units), are subject to resale restrictions under National Instrument 45-102 – *Resale of Securities* ("*NI 45-102*") and may not be sold or otherwise disposed of in Canada for a period of four months from the date of distribution of the Units, unless a statutory exemption is available or a discretionary order is obtained from the applicable Securities Commission allowing the earlier resale thereof, and may be subject to additional resale restrictions if such sale or other disposition would be a "control distribution", as that term is defined in NI 45-102. If the Purchaser is not resident in Canada, additional resale restrictions may apply under the Other Applicable Securities Laws. In addition, the policies of the Exchange may require that the Units (or any securities underlying the Units or that may be issued in connection with the Units) not be sold or otherwise disposed of for a period of not less than four months from the Closing Date.

In addition to the foregoing, the Purchaser acknowledges that (i) the Company is a "domestic issuer" for purposes of United States securities laws, (ii) the Units (and any securities underlying the Units or that may be issued in connection with the Units) will constitute "restricted securities" under the 1933 Act and (iii) certificates representing the Unit Shares and the Warrants comprising the Units will bear legends in the forms set forth in Sections 6.2 and 6.3. Because the Company is a "domestic issuer" the Units (and any securities underlying the Units or that may be issued in connection with the Units) will continue to be "restricted securities" notwithstanding any resale pursuant to Regulation S. The U.S. restrictive legend set forth on any certificate representing the Units (and any securities underlying the Units or that may be issued in connection with the Units) will not be removed except in connection with (A) a resale of the Units (and any securities underlying the Units or that may be issued in connection with the Units) pursuant to an effective registration statement under the 1933 Act, or (B) a resale of the Units (or any securities underlying the Units or that may be issued in connection with the Units) pursuant to Rule 144 under the 1933 Act, in each case, irrespective of the holding period set forth above under NI 45-102.

- (f) The representations, warranties, covenants and acknowledgements of the Purchaser contained in this Subscription Agreement, and in any appendices or other documents or materials executed and delivered by the Purchaser hereunder, are made by the Purchaser with the intent that they may be relied upon by the Company and its professional advisors in determining the Purchaser's eligibility to purchase the Units. The Purchaser further agrees that by accepting the Units the Purchaser shall be representing and warranting that the foregoing representations and warranties are true as at the Closing with the same force and effect as if they had been made by the Purchaser at the Closing and that they shall survive the purchase by the Purchaser of the Units and shall continue in full force and effect notwithstanding any subsequent disposition by the Purchaser of the Units (or any securities underlying the Units or that may be issued in connection with the Units). The Purchaser hereby agrees to indemnify and save harmless the Company and its directors, officers, employees, advisors, affiliates, shareholders and agents, and their respective counsel, against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur and which are caused by or arise from any inaccuracy in, breach or misrepresentation by the Purchaser of, any such representations, warranties and covenants. The Purchaser undertakes to immediately notify the Company of any change in any statement or other information relating to the Purchaser set forth herein or in an Investor Certificate, as the case may be, that takes place prior to the Closing Date.
- (g) The sale and delivery of the Units to the Purchaser is conditional upon such sale being exempt from the requirement to file a prospectus or registration statement or to prepare and deliver an offering memorandum or similar document under any applicable statute relating to the sale of the Units or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or registration statement or preparing and delivering an offering memorandum or similar document. The Purchaser further acknowledges and agrees that the Company may be required to provide applicable securities regulatory authorities with a list setting forth the identities of the beneficial purchasers of the Units and that the Purchaser will provide, on request, particulars as to the identity of such beneficial purchasers as may be required by the Company in order to comply with the foregoing.
- (h) The Purchaser and, if the person signing this subscription is acting as agent for a disclosed principal, such agent acknowledge and consent to the fact that the Company is collecting the Purchaser's, and, if applicable, such agent's personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), for the purpose of completing this Subscription Agreement. The Purchaser and, if the person signing this subscription is acting as agent for a disclosed principal, such agent acknowledge and consent to the Company retaining such personal information for as long as permitted or required by law or business practices. The Purchaser and, if the person signing this subscription is acting as agent for a disclosed principal, such agent further acknowledges and consents to the fact that the Company may be required by the Securities Laws, the rules and policies of any stock exchange or the rules of the Investment Industry Regulatory Organization of Canada to provide regulatory authorities, stock exchanges or marketplaces with any personal information provided by the Purchaser or, if applicable, such agent in this Subscription Agreement. The Purchaser and, if the person signing this subscription is acting as agent for a disclosed principal, such agent represent and warrant that it has the authority to provide the consents and acknowledgements set out in this Subsection 5.1(h). In addition to the foregoing, the Purchaser and, if the person signing this subscription is acting as agent for a disclosed principal, such agent acknowledge and agree that the Company may use and disclose the Purchaser's and, if applicable, such agent's personal information, and consents thereto, as follows:

- (i) for internal use with respect to managing the relationships between and contractual obligations of the Company and the Purchaser;
 - (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to the Canada Revenue Agency;
 - (iii) disclosure to stock exchanges, marketplaces and securities regulatory authorities and other regulatory bodies having jurisdiction with respect to approval or acceptance for filing of the Offering, reports of trades and similar stock exchange, marketplace or regulatory filings;
 - (iv) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
 - (v) disclosure to professional advisers of the Company in connection with the performance of their professional services;
 - (vi) disclosure to any person where such disclosure is necessary for legitimate business reasons;
 - (vii) disclosure to a court determining the rights of the parties under this Subscription Agreement; or
 - (viii) for use and disclosure as otherwise required or permitted by law.
- (i) The Purchaser is aware of the characteristics of the Units and the risks relating to an investment therein and agrees that the Purchaser must bear the economic risk of his, her or its investment in the Units.
 - (j) The Purchaser has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of the Purchaser's proposed investment in the Units.
 - (k) This subscription is conditional upon its acceptance by the Company and the Subscription Agreement is conditional upon the acceptance of the Offering for filing by the Exchange.
 - (l) The Purchaser is aware that (i) the Company may complete additional financings in the future in order to develop the Company's business and to fund its ongoing development, (ii) there is no assurance that such financings will be available and, if available, on reasonable terms, (iii) any such future financings may have a dilutive effect on the Company's securityholders, including the Purchaser, and (iv) if such future financings are not available, the Company may be unable to fund its on-going development and the lack of capital resources may result in the failure of the Company's business.
 - (m) A placement agent's fee or finder's fee may be payable by the Company to an agent in connection with a purchaser introduced by such agent to the Company and such person's Subscription Agreement is accepted by the Company.
 - (n) The Purchaser is aware that the Offering is not subject to a minimum aggregate subscription amount, and the Company may close the Offering for less than the maximum aggregate amount indicated or may increase the size of the Offering.

6. Resale Restrictions and Legending of Securities

6.1 In addition to the acknowledgements given in Article 5 hereof, the Purchaser acknowledges that the Units (or any securities underlying the Units or that may be issued in connection with the Units) will be subject to statutory and Exchange imposed resale restrictions.

6.2 The Purchaser acknowledges that the Unit Shares and Warrants and, if any Warrants are exercised prior to the expiry of the statutory or Exchange imposed resale restrictions, any Warrant Shares, will have attached to them an ownership statement issued under a direct registration system or other electronic book-entry system, or on certificates that may be issued, as applicable, legends setting out the resale restrictions under applicable securities legislation substantially in the following forms and with the information completed:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY [*and for the Warrants: OR ANY SECURITY ISSUED ON ITS EXERCISE*] IN CANADA OR WITH A RESIDENT OF CANADA BEFORE [*Insert the date that is four months and one day after the Closing Date*]”

“THE SECURITIES [*and for the Warrants: ISSUABLE ON THE EXERCISE OF THE WARRANTS*] REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (THE “TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON THE TSX.”

6.3 The Purchaser acknowledges that the Unit Shares, Warrants and Warrant Shares will have attached to them an ownership statement issued under a direct registration system or other electronic book-entry system, or on certificates that may be issued, as applicable, a legend (*the “U.S. Legend”*) setting out the resale restrictions under applicable securities legislation in the United States substantially in the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SILVER BULL RESOURCES, INC. (THE “COMPANY”) THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF (C), (D) OR (E), THE HOLDER HAS DELIVERED TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES ARE PROHIBITED EXCEPT IN COMPLIANCE WITH THE 1933 ACT”

6.4 The Purchaser acknowledges that the Units are being offered pursuant to an exemption from the registration requirements of the 1933 Act pursuant to Regulation S or Regulation D under the 1933 Act. The Purchaser further acknowledges that the Units (or any securities underlying the Units or that may be issued in connection with the Units) have not been registered under the 1933 Act or the securities laws of any State of the United States. The Units may not be offered or sold to a U.S. Person or a person in the United States unless registered in accordance with United States federal securities laws and all applicable state securities laws or exemptions from such requirements are available.

7. Company's Representations, Warranties and Covenants

- 7.1 The Company hereby represents and warrants to, and covenants with, the Purchaser, which representations, warranties and covenants shall survive the Closing, that as at the execution date of this Subscription Agreement and the Closing Date that:
- (a) the Company is a valid and subsisting corporation duly incorporated and in good standing under the *Nevada Revised Statutes* (Nevada) and each subsidiary representing 10% or more of the Company's consolidated assets or revenues (a "*Material Subsidiary*") is a valid and subsisting corporation duly created and in good standing under the laws of the jurisdictions in which it exists with respect to all acts necessary to maintain its corporate existence;
 - (b) the authorized capital of the Company consists of 300,000,000 Common Shares, with a par value \$0.01 per share, of which an aggregate of 205,726,342 Common Shares are issued and outstanding as of the date of this Agreement. As of the date of this Agreement, and not including any Common Shares that may be issuable in connection with the Offering, an aggregate of 31,823,325 Common Shares may be issued upon the exercise of outstanding options, warrants, convertible debts or any other arrangements, obligations, contracts, understandings or other commitments of any character whatsoever giving any Person any right to subscribe for or acquire any Common Shares by which the Company may be bound. The issuance and sale of the Units, Unit Shares, Warrants and Warrant Shares will not obligate the Company to issue any Common Shares or other securities to any Person (other than Purchasers under the Offering or any placement agent), and will not result in a right of any holder of the Company's securities to adjust the exercise, conversion, exchange or similar price of such securities;
 - (c) all of the issued and outstanding shares in the capital of each Material Subsidiary have been duly authorized and validly issued, are fully paid and are directly or indirectly beneficially owned by the Company, free and clear of any liens, none of the outstanding securities of any Material Subsidiary was issued in violation of the pre-emptive or similar rights of any security holder of such subsidiary and there are no options, warrants, purchase rights, or other contracts or commitments that could require the Company to sell, transfer or otherwise dispose of any securities of any Material Subsidiary, except as disclosed in the Public Record (for the purposes hereof, "Public Record" means all documents containing information regarding the Company, including the Company's audited annual and unaudited interim financial statements for the last two financial years (collectively the "*Financial Statements*") filed by the Company with (i) various Canadian securities commissions and available on the System for Electronic Document Analysis and Retrieval ("*SEDAR*") website at www.sedar.com, and (ii) the United States Securities and Exchange Commission and available on the Electronic Data Gathering and Retrieval ("*EDGAR*") website at <https://www.sec.gov/edgar/>);
 - (d) prior to the Closing, neither the Company nor any Material Subsidiary will have taken any steps to terminate its existence, to amalgamate or merge into another corporation, to continue into any other jurisdiction or to otherwise change its corporate existence and will not have received any notice or other communication from any person or governmental authority indicating that there exists any situation which could result in the termination of its existence;

- (e) the Company and each Material Subsidiary is not insolvent, and no acts or proceedings have been taken by or against it in connection therewith, the Company has not received any notice in respect of, and the Company and each Material Subsidiary is not in the course of, liquidation, winding-up, dissolution, bankruptcy or reorganization;
- (f) the Company and each Material Subsidiary has all requisite corporate power and capacity to possess its assets and to conduct its business as now carried on by it or proposed to be carried on by it;
- (g) the Company and each Material Subsidiary is duly qualified and registered or licensed to carry on business in the jurisdictions in which it is required to be so registered or licensed to carry on business or own property or assets and, to the Company's knowledge, is carrying on its business and owns its property and assets, in all material aspects, in accordance with all applicable laws, regulations and other requirements and has not received any notice of a breach thereof which would have a material adverse effect on the Company, except where it is in good faith attempting to remedy such breach or contesting such notice;
- (h) neither the Company nor any Material Subsidiary is a party to any actions, suits or proceedings which could materially affect its business or financial condition, and no such actions, suits or proceedings have been threatened or, to the Company's knowledge, are pending, except as disclosed in the Public Record;
- (i) the Company is the beneficial owner of the properties, business and assets or the interests in the properties, business and assets disclosed in the Public Record, all agreements by which the Company holds an interest in a property, business or asset are in good standing according to their terms except as disclosed in the Public Record or where any such default would not have a material adverse effect on the Company;
- (j) since July 6, 2017, the Company has timely filed with the relevant authorities all documents required to have been filed by it under the securities laws applicable to it, including, without limitation, all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Laws, the 1933 Act or the United States Securities Exchange Act of 1934, as amended (the "*1934 Act*") (such documents, schedules, forms and statements collectively being the "*Company Filings*"). As of their respective dates, the Company Filings complied in all material respects with the requirements of the applicable securities laws pertaining thereto;
- (k) the Public Record and the representations contained in this Subscription Agreement are accurate in all material respects and omit no fact, the omission of which would make the filings comprising the Public Record or such representations misleading in light of the circumstances in which such statements or representations were made;
- (l) there is no "material fact" or "material change" (as those terms are defined in applicable Securities Laws) affecting the Company that has not been generally disclosed to the public (without restricting the statutory definition of such terms, a "material fact" is a fact that would reasonably be expected to have a significant effect on the market price or value of the Company's securities and "material change" is a change (or a decision to implement a change) in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of its securities);

- (m) the Financial Statements accurately reflect the financial position of the Company as at the date thereof and have been properly prepared in accordance with accounting principles generally accepted in the United States of America;
- (n) no material adverse change in the Company's financial position has taken place since the date of the latest balance sheet contained in the Financial Statements, except as disclosed in the Public Record;
- (o) all tax returns, reports, elections, remittances and payments of the Company and its Material Subsidiaries required by applicable laws have been filed or made, except where the Company is contesting in good faith any re-assessments of its taxes payable thereunder, and are true, complete and correct except where the failure to make such filing, election, or remittance and payment shall not have a material adverse effect on the Company or its business;
- (p) the Company has all requisite corporate power and authority to issue and sell the Units and to execute, deliver and perform its obligations under this Subscription Agreement;
- (q) the Company has complied, and will comply, with all applicable corporate and securities laws and regulations in connection with the offer, sale and issuance of the Units;
- (r) the execution and delivery of this Subscription Agreement, the offer, sale and issuance of the Units, and the delivery of the certificates representing them, by the Company do not and will not conflict with and do not and will not result in a breach of any of the terms, conditions or provisions of its constituting documents or any agreement or instrument to which the Company is a party;
- (s) this Subscription Agreement and the consummation of the transactions contemplated herein have been duly authorized by all necessary corporate action on the part of the Company and, subject to acceptance by the Company, this Subscription Agreement constitutes a valid obligation of the Company legally binding upon it and enforceable in accordance with its terms subject to such limitations and prohibitions in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and interests of creditors generally;
- (t) upon issue and delivery at the Closing, the Unit Shares comprising the Units will be validly issued as fully paid and non-assessable and the Warrants will be validly issued and the certificates representing such Unit Shares and Warrants will be validly delivered;
- (u) at the Closing, the Warrant Shares will have been duly allotted and reserved for issuance and, when issued upon the due exercise of the Warrants, will be duly issued as fully paid and non-assessable Common Shares;

- (v) to the Company' knowledge, neither the Company nor its subsidiaries, nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Company and its subsidiaries, including but not limited to Canada's Corruption of Foreign Public Officials Act and the United States Foreign Corrupt Practices Act, or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary: (A) to any government official, whether directly or through any other person, for the purpose of influencing any act or decision of a government official in his or her official capacity, inducing a government official to do or omit to do any act in violation of his or her lawful duties, securing any improper advantage, inducing a government official to influence or affect any act or decision of any governmental authority, or assisting any representative of the Company or its subsidiaries in obtaining or retaining business for or with, or directing business to, any person; or (B) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage, and neither the Company nor its subsidiaries nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Company, a subsidiary or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any governmental authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws;
- (w) none of the Company, its affiliates, or , to the Company's knowledge, any person acting on their behalf (other than any finder, as to whose activities no representations or warranties are made) has engaged or will engage in any form of "general solicitation" or "general advertising" (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or other form of telecommunications, including electronic display, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising in the United States in connection with the Offering;
- (x) none of the Company, its affiliates or, to the Company's knowledge, any person acting on its or their behalf (other than the Placement Agent or any finder, as to whose activities no representations or warranties are made) has made or will make any "directed selling efforts" (as such term is defined in Regulation S under the 1933 Act) in the United States with respect to the Offering and, without limiting such definition, "directed selling efforts" generally means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered and includes placing an advertisement in a publication "with a general circulation in the United States" that refers to the offering of securities being made in reliance upon Regulation S under the 1933 Act;
- (y) no order ceasing or suspending trading in the Units nor prohibiting sale of the Units has been issued to, and is outstanding against, the Company or its directors, officers or promoters and, to the Company's knowledge, no investigations or proceedings for such purposes are pending or threatened;
- (z) the Company will apply to, and use commercially reasonable efforts to obtain the listing of the Unit Shares issuable under the Offering on, the Exchange;

- (aa) the Company is a reporting issuer under Securities Laws in British Columbia, Alberta and Ontario, and the Company is not in default in any material respect of any requirement of such Securities Laws;
- (bb) the Common Shares are registered under section 12(g) of the 1934 Act and the Company is not in default in any material respect of any requirement under the 1933 Act or the 1934 Act, and the Company has taken no action designed to, or which is likely to have the effect of, terminating the registration of the Common Shares under the 1934 Act, nor has the Company received any notification that the SEC is contemplating terminating such registration;
- (cc) the Common Shares are listed for trading on the Exchange and trade on the OTCQB and the Company is not in default in any material respect of any requirement of the Exchange or the OTCQB, and the Company has not received any notice from the Exchange or the OTCQB to the effect that the Company is not in compliance with the listing or maintenance requirements thereof;
- (dd) the Company's registrar and transfer agent for the Common Shares has been duly appointed; and
- (ee) there shall not be any consents, approvals, authorizations, orders or agreements of any stock exchanges, securities commissions or similar authorities, governmental agencies or regulators, courts or any other persons which may be required for the issuance of the Units and the delivery of certificates representing the Units to the Purchaser, not obtained and not in effect on the date of delivery of such certificates;
- (ff) it will reserve or set aside sufficient shares in its treasury to issue the Unit Shares and Warrant Shares; and
- (gg) no general solicitation or general advertising with respect to the sale of the Units offered hereby or of any of the securities of the Company has been made or is being made in relation to or in conjunction with the distribution pursuant to the Offering.

7.2 The Company shall perform and carry out all of the acts and things to be completed by it as provided in this Subscription Agreement.

8. General

8.1 Time shall, in all respects, be of the essence hereof.

8.2 The Purchaser authorizes the Company to complete or correct any errors or omissions in this Subscription Agreement or of any Appendix to this Subscription Agreement, which are required to be completed and executed by the Purchaser and delivered to the Company hereunder.

8.3 Unless otherwise indicated, all dollar amounts and references to "\$" or "CDN\$" are to Canadian dollars and references to "US\$" are to United States dollars.

8.4 The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

8.5 Except as expressly provided for in this Subscription Agreement and in the agreements, instruments and other documents provided for, contemplated or incorporated herein, this Subscription Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings. This Subscription Agreement may be amended or modified in any respect by written instrument only.

- 8.6 The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Purchaser, the Company and their respective successors and assigns; provided that, except as herein provided, this Subscription Agreement shall not be transferable or assignable by any party without the written consent of the other.
- 8.7 This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.
- 8.8 This Subscription Agreement is intended to and shall take effect on the date of acceptance of the subscription by the Company, notwithstanding its actual date of execution or delivery by any of the parties hereto, and shall be dated for reference as of the date of such acceptance by the Company.
- 8.9 The Company shall be entitled to rely on delivery of a facsimile or electronic copy of an executed subscription and acceptance by the Company of such subscription shall be legally effective to create a valid and binding Agreement between the Purchaser and the Company in accordance with the terms hereof.
- 8.10 The Purchaser acknowledges and agrees that all costs incurred by the Purchaser (including any fees and disbursements of counsel retained by the Purchaser) relating to the sale of the Units to the Purchaser shall be borne by the Purchaser.
- 8.11 The Purchaser acknowledges that the Purchaser has consented to and requested that all documents evidencing or relating in any way to the issuance of the Units be drawn up in the English language only. **Le soussigné reconnait par les presentes avoir consenti et exige que tous les documents faisant foi ou se rapportant de quelque maniere a la vente des titres offerts soient rediges en anglais seulement.**
- 8.12 Each of the parties hereto upon the request of the other parties hereto, whether before or after the Closing, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as reasonably may be necessary or desirable to complete, better evidence, or perfect the transactions contemplated herein.

9. Method of Payment

Payment for the Units subscribed for (the "*Subscription Amount*") must accompany this subscription and shall be paid by certified cheque, bank draft or by wire transfer (which subscription amount shall include any wire transfer fees payable) to:

United States Dollars

Beneficiary bank:
Beneficiary bank address:

Transit #:
Institution #:
SWIFT:

Beneficiary name:

Beneficiary account.

10. Execution and Delivery

This Subscription Agreement may be executed in any number of counterparts and may be delivered by facsimile or other electronic means, all of which when taken together and so delivered shall be deemed to be one and the same original document.

APPENDIX "I"

**CANADIAN INVESTOR CERTIFICATE
(TO BE COMPLETED BY ALL CANADIAN PURCHASERS)**

Reference is made to the subscription agreement between Silver Bull Resources, Inc. (the "*Company*") and the undersigned (the "*Purchaser*") of which this Appendix "I" – Canadian Investor Certificate, once executed, forms a part (the "*Subscription Agreement*"). Upon execution of this Investor Certificate by the Purchaser, this Investor Certificate shall be incorporated into and form a part of the Subscription Agreement. For purposes hereof, certain definitions are included below for convenience.

In addition to the covenants, representations and warranties contained in the Subscription Agreement, the undersigned Purchaser represents, warrants and certifies to the Company that the Purchaser is purchasing as principal and qualifies to purchase under National Instrument 45-106 *Prospectus Exemptions* ("*NI 45-106*"), or otherwise, by reason of the fact that the Purchaser falls into one or more of the subparagraphs set out below, the Purchaser having initialled the applicable subparagraph or subparagraphs, and is:

- I. If the Purchaser is not an individual, is subscribing for CDN\$150,000 or more and is an entity not created or used solely to purchase or hold securities, please complete **Section I – Minimum CDN\$150,000 Investment** below.
- II. If the Purchaser does not meet the requirements of Section I but is an Accredited Investor, please make the appropriate selection under **Section II – Accredited Investor** below.
- III. If none of the above applies, please make the appropriate selection under **Section III – Employees, Officers, Directors and Consultants** below.

I. MINIMUM CDN\$150,000 INVESTMENT

- _____ (a) A non-individual purchaser purchasing securities having an acquisition cost of not less than CDN\$150,000 paid in cash and was not created or used solely to purchase or hold securities in reliance on the exemption from the dealer registration requirement or prospectus requirement available under Section 2.10 of NI 45-106;

II. ACCREDITED INVESTOR

The Purchaser is an "Accredited Investor" as such term is defined in NI 45-106, and as at the Closing, the Purchaser and any beneficial subscriber, as applicable, falls within the following categories:

- _____ (a) a Canadian financial institution, or a Schedule III bank;
- _____ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- _____ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
- _____ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer;
- _____ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
-

- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the Securities Act (Ontario) or the Securities Act (Newfoundland and Labrador);
- _____ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- _____ (g) a municipality, public board or commission in Canada or a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
- _____ (h) a national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or an agency of that government;
- _____ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- _____ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds CDN\$1,000,000¹ **[The Purchaser is required to complete the Risk Acknowledgement Form for Accredited Investors who are Individuals at Appendix "I-A" hereto];**
- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds CDN\$5,000,000³;
- _____ (k) an individual whose net income before taxes exceeded CDN\$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded CDN\$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year² **[The Purchaser is required to complete the Risk Acknowledgement Form for Accredited Investors who are Individuals at Appendix "I-A" hereto];**

¹ For purposes of this certificate, (i) "financial assets" means cash, securities, or any contract of insurance or deposit or evidence thereof that is not a security for the purposes of securities legislation, and (ii) "related liabilities" means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets. If this category is being relied upon, a signed risk acknowledgment form, Form 45-106F9, attached hereto as Appendix "I", must be obtained by the seller and retained for 8 years following the distribution. It will not be sufficient for a seller to accept standard representations in a subscription agreement or an initial beside a category on Form 45-106F9 unless the seller has taken reasonable steps to verify the representations made by the purchaser. Such steps would include: (i) reviewing the list of purchasers prior to the distribution to identify each of the purchasers; (ii) understanding the criteria of the exemption and using background information and available knowledge of the purchasers to verify that the criteria are met; and (iii) where additional information is required to confirm the criteria of the exemption are met, following up with questions about the purchaser's net income, financial assets or net assets, or other questions to elicit details about the purchaser's financial circumstances. If the seller still has concerns after asking such questions, the seller may ask to see documentation that independently confirms the purchaser's claims such as the most recent financial statement for a corporate subscriber or the most recent tax return for an individual purchaser. The seller should retain documentation to evidence the steps the seller has taken to verify the availability of the exemption.

² If this category is being relied upon, a signed risk acknowledgment form, Form 45-106F9, attached hereto as Appendix "I", must be obtained by the seller and retained for 8 years following the distribution. It will not be sufficient for a seller to accept standard representations in a subscription agreement or an initial beside a category on Form 45-106F9 unless the seller has taken reasonable steps to verify the representations made by the purchaser. Such steps would include: (i) reviewing the list of purchasers prior to the distribution to identify each of the purchasers; (ii) understanding the criteria of the exemption and using background information and available knowledge of the purchasers to verify that the criteria are met; and (iii) where additional information is required to confirm the criteria of the exemption are met, following up with questions about the purchaser's net income, financial assets or net assets, or other questions to elicit details about the purchaser's financial circumstances. If the seller still has concerns after asking such questions, the seller may ask to see documentation that independently confirms the purchaser's claims such as the most recent financial statement for a corporate subscriber or the most recent tax return for an individual purchaser. The seller should retain documentation to evidence the steps the seller has taken to verify the availability of the exemption.

_____ (l) an individual³ who, either alone or with a spouse³, has net assets of at least CDN\$5,000,000 **[The Purchaser is required to complete the Risk Acknowledgement Form for Accredited Investors who are Individuals at Appendix “I-A” hereto];**

_____ (m) a person, other than an individual or investment fund, that has net assets of at least CDN\$5,000,000 as shown on its most recently prepared financial statements and such person has not been created or used solely to purchase or hold securities as an accredited investor;

Note: If you fall within this category (m), please provide the most recently prepared financial statements confirming this category.

_____ (n) an investment fund that distributes or has distributed its securities only to;

(i) a person that is or was an accredited investor at the time of the distribution;

(ii) a person that acquires or acquired securities in the circumstances referred to in Sections 2.10 of NI 45-106 [*Minimum amount investment*], and 2.19 of NI 45-106 [*Additional investment in investment funds*], or

(iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 of NI 45-106 [*Investment fund reinvestment*];

_____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator, or, in Québec, the securities regulatory authority has issued a receipt;

_____ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;

_____ (q) a person acting on behalf of a fully managed account⁴ managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;

_____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded⁵;

³ For purposes of this certificate, the term “spouse” means an individual who (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada) from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

⁴ A “fully managed account” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction.

⁵ For the purposes of this certificate, an “eligibility adviser” means (a) a person that is registered as an investment dealer and authorized to give advice with respect to the Purchased Securities; and (b) in Saskatchewan or Manitoba, also means a lawyer who is a practising member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or management accountants control persons, and (b) has not acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person or company that has acted for or been retained by the Issuer or any of its directors, executive officers, founders or control persons within the previous 12 months. in a jurisdiction of Canada, provided that the lawyer or public accountant (a) does not have a professional, business or personal relationship with the Issuer, or any of its directors, executive officers, founders or control persons, and (b) has not acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person or company that has acted for or been retained by the Issuer or any of its directors, executive officers, founders or control persons within the previous 12 months.

- _____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
- _____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- _____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;
- _____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor; or
- _____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.

III. EMPLOYEES, OFFICERS, DIRECTORS AND CONSULTANTS

- _____ (a) an employee, executive officer, director or consultant of the Company;
 - _____ (b) an employee, executive officer, director or consultant of a related entity of the Company; or
 - _____ (c) a permitted assign of a person referred to in paragraphs (a) or (b).
-

Definitions

In this Investor Certificate, the following definitions are included for convenience:

“affiliate” means an issuer connected with another issuer because

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same person;

“director” means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company; and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

“executive officer” means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or
- (c) performing a policy-making function in respect of the issuer;

“financial assets” means

- (a) cash,
- (b) securities, or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada;

“jurisdiction” means a province or territory of Canada except when used in the term foreign jurisdiction;

“permitted assign” means, for a person that is an employee, executive officer, director or consultant of an issuer or of a related entity of the issuer,

- (a) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the person,
- (b) a holding entity of the person,
- (c) a registered retirement savings plan or registered retirement income fund of the person,
- (d) a spouse of the person,
- (e) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the spouse of the person,
- (f) a holding entity of the spouse of the person, or
- (g) a registered retirement savings plan or registered retirement income fund of the spouse of the person;

“person” includes

- (a) an individual,
 - (b) a corporation,
 - (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
-

“related entity” means, for an issuer, a person that controls or is controlled by the issuer or that is controlled by the same person that controls the issuer;

“Schedule III bank” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

“spouse” means, an individual who,

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta);

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary; and

“voting security” means any security which:

- (a) is not a debt security; and
 - (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.
-

APPENDIX "I-A"

(ALL INVESTORS WHO ARE INDIVIDUALS AND IN CANADA)

Form 45-106F9

Risk Acknowledgement Form for Accredited Investors who are Individuals

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
1. About your investment	
Type of securities: Units consisting of one common share in the capital of the Company and one half of one common share purchase warrant.	Issuer: Silver Bull Resources, Inc. (the "Company")
Purchased from: the Company	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of US\$_____. [<i>Instruction: Insert the total dollar amount of the investment.</i>]	
Liquidity risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .	
3. Accredited investor status	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in Section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in Section 5, can help you if you have questions about whether you meet these criteria.	Your initials
• Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	

• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
• Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
• Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:

SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
[<i>Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer, a registrant or a person who is exempt from the registration requirement.</i>]	
First and last name of salesperson (please print):	

Telephone:

Email:

Name of firm (if registered):

SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER

6. For more information about this investment

For investment in a non-investment fund

Silver Bull Resources, Inc., Suite 1610, 777 Dunsmuir Street, Vancouver, B.C., V7Y 1K4, Attention: Sean Fallis (Tel: (604) 687-5800, Facsimile: (604) 563-6004, Email: sfallis@silverbullresources.com), <http://www.silverbullresources.com>

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.

Form instructions:

- 1. The information in Sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*
 - 2. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*
-

U.S. INVESTOR CERTIFICATE

(U.S. INVESTORS)

Reference is made to the subscription agreement between Silver Bull Resources, Inc. (the "*Company*") and the undersigned (the "*Purchaser*") of which this Appendix "II" – U.S. Investor Certificate, once executed, forms a part (the "*Subscription Agreement*"). Upon execution of this Investor Certificate by the Purchaser, this Investor Certificate shall be incorporated into and form a part of the Subscription Agreement.

In addition to the covenants, representations and warranties contained in the Subscription Agreement, the undersigned Purchaser represents, warrants and certifies to the Company that the Purchaser is purchasing as principal, qualifies to purchase as an accredited investor pursuant to Regulation D under the Securities Act of 1933 ("*1933 Act*") and is not acquiring the securities being offered and sold pursuant to the Subscription Agreement as part of any plan or scheme to evade the registration requirements of the 1933 Act. The undersigned certifies as follows (check all that apply):

_____ I am a natural person (including an Individual Retirement Account ("*IRA*") owned by me) whose individual net worth, or joint net worth with my spouse, exceeds US\$1,000,000. For purposes of this item, "*net worth*" means the excess of total assets at fair market value (including personal and real property, but excluding the estimated fair market value of a person's primary home) over total liabilities. Total liabilities excludes any mortgage on the primary home in an amount of up to the home's estimated fair market value as long as the mortgage was incurred more than 60 days before the date the securities are purchased, but includes (i) any mortgage amount in excess of the home's fair market value and (ii) any mortgage amount that was borrowed during the 60-day period before the closing date for the sale of securities for the purpose of investing in the securities.

_____ I am a natural person (including an IRA owned by me) who had individual income exceeding US\$200,000 in each of the last two calendar years and I have a reasonable expectation of reaching the same income level in the current calendar year.

_____ I am a natural person (including an IRA owned by me) who had joint income with my spouse exceeding US\$300,000 in each of the last two calendar years and I have a reasonable expectation of reaching the same income level in the current calendar year.

_____ I am currently a director, executive officer or general partner of the Company, or a director, executive officer or general partner of a general partner of the Company. For purposes of this item, "*executive officer*" means the president; any vice president in charge of a principal business unit, division or function, such as sales, administration or finance; or any other person or persons who perform(s) similar policymaking functions for the Company.

_____ The undersigned is a bank as defined in Section 3(a)(2) of the 1933 Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the United States Securities Exchange Act of 1934, as amended or any insurance company as defined in Section 2(a)(13) of the 1933 Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of US\$5,000,000; any employee benefit plan within the meaning of the Title 1 of the United States Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

_____ The undersigned is a private business development corporation as defined in Section 202(a)(22) of the United States Investment Advisers Act of 1940.

_____ The undersigned is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust, limited liability company or a partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US\$5,000,000.

_____ The undersigned is a trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment.

_____ The undersigned is a revocable trust (i) with total assets in excess of US\$5,000,000, not formed for the specific purpose of acquiring the securities offered, and whose trustee has such knowledge and experience in financial and business matters that the trustee is capable of evaluating the merits and risks of the investment, or (ii) whose the trustee or co-trustee is a bank, insurance company, registered investment company, business development company, or small business investment company, or (ii) that may be amended or revoked at any time by its settlors (creators), and each settlor is an "accredited investor" under the first paragraph above.

_____ The undersigned is an entity in which all of the equity owners are accredited investors.

The representations, warranties, statements and certifications made in this Certificate are true and accurate as of the date of this Certificate and will be true and accurate as of the Closing and the Purchaser acknowledges that this certificate is incorporated into and forms part of the subscription agreement to which it is attached. If any such representation, warranty, statement or certification becomes untrue or inaccurate prior to the Closing, the undersigned Purchaser shall give the Company immediate written notice thereof.

DATED _____, 2018.

Witness (If Purchaser is an individual)

Name of Purchaser [Please Print]

Name of Witness [Please Print]

Signature of Purchaser or Authorized Signatory of Purchaser

Name and Office of Authorized Signatory of Purchaser [Please Print]

Address of Purchaser

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY OR ANY SECURITY ACQUIRED UPON ITS EXERCISE BEFORE [INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE].

THE SECURITIES REPRESENTED HEREBY (AND ANY SECURITIES ISSUED ON THE EXERCISE THEREOF) HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SILVER BULL RESOURCES, INC. (THE "COMPANY") THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF (C), (D) OR (E), THE HOLDER HAS DELIVERED TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY AND ANY SECURITIES ISSUED ON THE EXERCISE THEREOF ARE PROHIBITED UNLESS IN COMPLIANCE WITH THE 1933 ACT.

THE WARRANTS REPRESENTED HEREBY MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON OR PERSON IN THE UNITED STATES AND THE SECURITIES ISSUED ON THE EXERCISE THEREOF MAY NOT BE DELIVERED WITHIN THE UNITED STATES UNLESS THE WARRANT AND THE UNDERLYING SHARES HAVE BEEN REGISTERED UNDER THE 1933 ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE USED HEREIN AS SUCH TERMS ARE DEFINED BY REGULATION S UNDER THE 1933 ACT."

SILVER BULL RESOURCES, INC.

WARRANT CERTIFICATE

Certificate No: 2018-[•]

Date: [•], 2018

Number of Warrants: [•]

THIS CERTIFIES THAT, for value received, [•] (the "**Holder**") is the registered holder of [•] warrants (each a "**Warrant**") to purchase shares of common stock, US\$0.01 par value per share ("**Common Stock**"), of Silver Bull Resources, Inc. (the "**Company**"). Each Warrant shall entitle the Holder, subject to the terms and conditions set forth in this certificate (this "**Warrant Certificate**"), to acquire from the Company one fully paid and non-assessable share of Common Stock (a "**Warrant Share**") on payment of US\$0.16 (the "**Exercise Price**"), all subject to adjustment as hereinafter provided, at any time commencing on the date hereof (the "**Effective Date**") and continuing up to 4:00 p.m. (Vancouver time) on [•], 2020 (the "**Time of Expiry**").

1. **Exercise of Warrants.**

1.1 **Election to Purchase.**

The rights evidenced by this Warrant Certificate may be exercised by the Holder in whole or in part at any time commencing on the Effective Date, and continuing up to the Time of Expiry and in accordance with the provisions hereof. The exercise may be effected by providing to the Company at its offices at Suite 1610, 777 Dunsmuir Street, Vancouver, B.C. V7Y 1K4, Canada (or such other address as may be notified in writing by the Company) (i) this Warrant Certificate, (ii) a duly completed and executed election to exercise form in substantially the form attached as Exhibit "1" hereto (the "**Election to Exercise**") and (iii) payment of the Exercise Price by a certified cheque, bank draft or money order payable at par to the order of the Company, or by wire or electronic funds transfer to an account designated by the Company, in each case in the amount of the aggregate Exercise Price for the number of shares of Common Stock specified in the Election to Exercise. Such exercise shall be effective upon the personal delivery to, or if sent by mail or other means of transmission upon actual receipt by, the Company of a duly completed and executed Election to Exercise and the Exercise Price for the number of shares of Common Stock specified in the Election to Exercise (the "**Exercise Date**").

1.2 U.S. Securities Law Matters.

Notwithstanding any other provision of this Warrant Certificate, the rights evidenced by this Warrant Certificate may not be exercised except by a Holder that:

- (a) represents that it (i) is not resident in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants for the account or benefit of a U.S. Person or a person in the United States, (iv) was not in the United States at the time the exercise form attached as Exhibit "1" hereto was completed and delivered, and (v) is not requesting delivery of the Warrant Shares to an address in the United States;
- (b) (i) is the original purchaser of the Warrants pursuant to the Unit Offering, (ii) completed the "U.S. Investor Certificate" attached as Appendix "II" to the subscription agreement pursuant to which the Holder purchased the Warrants as part of the Unit Offering (the "Subscription Agreement"), (iii) is exercising the Warrants for its own account and benefit or is exercising the Warrants for the account or benefit of a disclosed principal that was named in the Subscription Agreement, (iv) is, and such disclosed principal, if any, is an "accredited investor" (as defined in Rule 501(a) of Regulation D under the 1933 Act) at the time of exercise of the Warrants, and (v) the representations and warranties of the Holder made in the Subscription Agreement remain true and correct as of the date of exercise of the Warrants; or
- (c) has submitted to the Company at the time of exercise a written opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company (or such other written documentation that may be reasonably satisfactory to the Company) to the effect that the exercise of the Warrants and delivery of the Warrant Shares are exempt from the registration requirements of the 1933 Act and any applicable securities laws of any state in the United States.

For purposes of this Warrant Certificate, the following terms have the following meanings:

- (1) "**1933 Act**" means the United States Securities Act of 1933, as amended.
- (2) "**Unit Offering**" means the offering by the Company of up to 23,100,000 units of the Company at a price of US\$ 0.13 per unit, and with each unit consisting of one share of Common Stock and one-half of one Warrant.
- (3) "**United States**" has the meaning set forth in Rule 902(l) under the 1933 Act.
- (4) "**U.S. Person**" means a "**U.S. person**" as defined in Rule 902(k) under the 1933 Act, which includes
 - (a) a natural person resident in the United States,
 - (b) a partnership or corporation organized or incorporated under the laws of the United States,
 - (c) an estate of which any executor or administrator is a U.S. Person, and
 - (d) a trust of which any trustee is a U.S. Person.

1.3 Cashless Exercise.

If, at the time of exercise of the Warrant, the Company is no longer an issuer subject to the reporting requirements of Section 13(a) or 15(d) of the United States Securities Exchange Act of 1934, as amended, then the Warrant may be exercised by means of a “cashless exercise” (the “**Cashless Exercise Right**”), whereby the Holder shall be entitled to receive that number of Warrant Shares resulting from the following formula:

$$\frac{X(A - B)}{A}$$

Where:

A = the Current Market Price per Share (as defined below) immediately preceding the date on which the Holder elects to exercise the Warrant by means of the Cashless Exercise Right.

B = the then applicable exercise price of the Warrant.

X = the number of Warrant Shares that would otherwise have been issuable had the Holder elected to exercise the Warrant by means of a cash exercise.

1.4 Partial Exercise.

If the Holder subscribes for a lesser number of shares of Common Stock than may be subscribed for pursuant to this Warrant Certificate, the Company shall, contemporaneously with the issuance of the certificates representing the Common Stock issuable on the exercise of the Warrants so exercised, issue to the Holder, without charge, a Warrant Certificate on identical terms in respect of that number of shares of Common Stock in respect of which the Holder has not exercised the rights evidenced by this Warrant Certificate.

1.5 Issuance of Common Stock.

The Company shall, as soon as possible after the Exercise Date, issue the number of shares of Common Stock specified in the Election to Exercise. The Common Stock issuable upon the exercise of the Warrants shall be deemed to have been issued and the person or persons to whom such Common Stock is to be issued shall be deemed to have become the holder or holders of record of such Common Stock on the Exercise Date.

1.6 Certificates.

As promptly as practicable after the Exercise Date (but no later than three trading days following the Exercise Date), the Company shall issue and deliver or cause to be delivered to the Holder, registered in the name of the Holder, at the address specified therein, or, if not so specified in the Election to Exercise, cause to be held for collection by the Holder at the address of the Company as set out in subsection 1.1 (or at such additional place as may be decided by the Company from time to time and notified in writing to the Holder), certificates for that number of shares of Common Stock specified in the Election to Exercise, a replacement Warrant Certificate, if any, and a cheque representing the Fractional Cash Consideration (as defined below), if any.

1.7 Fractional Shares of Common Stock.

Fractional shares of Common Stock shall not be issued upon the exercise of any Warrants. The Holder shall be entitled to cash compensation in lieu of fractional shares of Common Stock of an amount in cash (the “**Fractional Cash Consideration**”) equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the fractional share of Common Stock, in each case calculated on the basis of the Current Market Price per Share at the date of exercise of such Warrant.

2. Anti-Dilution Protection.

2.1 Definitions.

For the purposes hereof, the words and terms defined below shall have the respective meanings specified therefor in this subsection 2.1:

- (i) “**Current Market Price per Share**”, at any date, means the price per share of Common Stock (denominated in Canadian dollars based, if necessary, on the daily average rate of exchange as reported by the Bank of Canada) equal to the VWAP for the five trading-days preceding such date (i) on the TSX, or (ii) if the Common Stock is not traded on the TSX, on any other recognized stock exchange, or (iii) if the Common Stock is not traded on a recognized stock exchange, on the over-the-counter market. If the Common Stock is not then traded in the over-the-counter market or on a recognized stock exchange, the Current Market Price of the Common Stock shall be the fair market value of the Common Stock as determined in good faith by the board of directors of the Company after consultation with an internationally recognized investment dealer or investment banker;
- (ii) “**director**” means a director of the Company from time to time and reference herein to an “**action by the directors**” means an action by the directors of the Company as a board or, whenever duly empowered, an action by a committee of directors;
- (iii) “**Dividends Paid in the Ordinary Course**” means dividends paid on the Common Stock in any fiscal year of the Company in cash, provided that the amount of such dividends does not in such fiscal year exceed 50% of the consolidated net income of the Company before extraordinary items for the period of 12 consecutive months ended immediately prior to the first day of such fiscal year less the amount of all cash dividends payable on all shares ranking prior to or on a parity with the Common Stock in respect of the payment of dividends (such consolidated net income, extraordinary items and dividends to be shown in the audited consolidated financial statements of the Company for such period of 12 consecutive months or if there are no audited consolidated financial statements for such period, computed in accordance with generally accepted accounting principles, consistent with those applied in the preparation of the most recent audited consolidated financial statements of the Company);
- (iv) “**recognized stock exchange**” means a stock exchange or quotation system recognized by the Canadian Securities Administrators;
- (v) “**TSX**” means the Toronto Stock Exchange; and
- (vi) “**VWAP**”, for any period, means the volume weighted average trading price of the Common Stock, calculated by dividing the total value by the total volume of Common Stock traded for the trading days included in the relevant period.

2.2 Adjustments.

The Exercise Price and the number of shares of Common Stock issuable upon exercise of the Warrants will be subject to adjustment from time to time upon the occurrence of any of the events and in the manner provided as follows:

- (a) If and whenever at any time prior to the Time of Expiry the Company shall:
 - (i) declare a dividend or make a distribution on the Common Stock payable in Common Stock (or securities exchangeable for or convertible into Common Stock)
 - (ii) subdivide, redivide or change the outstanding Common Stock into a greater number of shares of Common Stock; or
 - (iii) reduce, combine or consolidate the outstanding Common Stock into a lesser number of shares of Common Stock,

(any of such events in paragraphs (i), (ii) or (iii) above being called a “**Common Stock Reorganization**”), then effective immediately after the record date or effective date, as the case may be, at which the holders of Common Stock are determined for the purposes of the Common Stock Reorganization, the Exercise Price shall be adjusted to a price determined by multiplying the applicable Exercise Price in effect on such effective date or record date by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding on such effective date or record date before giving effect to such Common Stock Reorganization and the denominator of which shall be the number of shares of Common Stock outstanding immediately after giving effect to such Common Stock Reorganization (including, in the case where securities exchangeable for or convertible into Common Stock are distributed, the number of additional shares of Common Stock that would have been outstanding had such securities been exchanged for or converted into Common Stock immediately after giving effect to such Common Stock Reorganization).

- (b) If and whenever at any time prior to the Time of Expiry the Company shall fix a record date for the issuing of rights, options or warrants to all or substantially all of the holders of the Common Stock entitling them for a period expiring not more than forty-five (45) days after such record date (the “**Rights Period**”) to subscribe for or purchase Common Stock (or securities convertible into or exchangeable for Common Stock) at a price per share (or having a conversion or exchange price per share) which is less than 95% of the Current Market Price per Share as of three trading days prior to the record date for such issue (any of such events being called a “**Rights Offering**”), then effective immediately after the end of the Rights Period the Exercise Price shall be adjusted to a price determined by multiplying the applicable Exercise Price in effect at the end of the Rights Period by a fraction the numerator of which shall be the sum of:
- (i) the number of shares of Common Stock outstanding as of the record date for the Rights Offering; and
 - (ii) a number determined by dividing (A) either (i) the product of the number of shares of Common Stock issued or subscribed during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering and the price at which such Common Stock is offered, or (ii) as the case may be, the product of the number of shares of Common Stock for or into which the convertible or exchangeable securities offered during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering are exchangeable or convertible and the exchange or conversion price of the convertible or exchangeable securities so issued, by (B) the Current Market Price per Share as of three trading days prior to the record date for the Rights Offering, and

the denominator of which shall be the number of shares of Common Stock outstanding (including the number of shares of Common Stock actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering) or which would be outstanding upon the conversion or exchange of all convertible or exchangeable securities issued during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering, as applicable, in each case after giving effect to the Rights Offering.

In order to give effect to the provisions of subsection 2.2(e) in the circumstances described below, if the Holder shall have exercised its right to purchase Common Stock during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period therefor, in addition to the Common Stock to which it is otherwise entitled upon such exercise, then the Holder shall be entitled to that number of additional shares of Common Stock equal to the result obtained when the difference, if any, between the Exercise Price in effect immediately prior to the end of such Rights Offering and the Exercise Price, as adjusted for such Rights Offering pursuant to this subsection 2.2(b), is multiplied by the number of shares of Common Stock issued upon exercise of the Warrants held by the Holder during such period, and the resulting product is divided by the Exercise Price, as adjusted for such Rights Offering pursuant to this subsection 2.2(b). Such additional shares of Common Stock shall be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional shares of Common Stock shall be delivered to the Holder within 10 trading days following the end of the Rights Period.

(c) If and whenever at any time prior to the Time of Expiry the Company shall fix a record date for the payment, issue or distribution to all or substantially all of the holders of the Common Stock of (i) a dividend, (ii) any property, cash or assets (including evidences of indebtedness), or (iii) rights, options, warrants, or other securities (including, without limitation, securities convertible into or exchangeable for Common Stock), and such payment, issue or distribution does not constitute a Dividend Paid in the Ordinary Course, a Common Stock Reorganization or a Rights Offering, the Exercise Price shall be adjusted effective immediately after such record date to a price determined by multiplying the applicable Exercise Price in effect on such record date by a fraction:

(i) the numerator of which shall be:

- (1) the product of the number of shares of Common Stock outstanding on such record date and the Current Market Price per Share as of three trading days prior to such record date; less
- (2) the aggregate fair market value, as determined by action by the directors (whose determination shall be conclusive) and subject to the prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, to the holders of the Common Stock of such dividend, property, cash, assets, rights, options, warrants or other securities so paid, issued or distributed less the aggregate fair market value, as determined by action of the directors (whose determination shall be conclusive) and subject to the prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, of the consideration, if any, received therefor by the Company, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding on such record date multiplied by the Current Market Price per Share as of three trading days prior to such record date.

Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such payment, issuance or distribution is not so made, the Exercise Price shall be readjusted effective immediately to the Exercise Price which would then be in effect based upon such payment, issuance or distribution actually made.

(d) If and whenever at any time prior to the Time of Expiry there shall be a reorganization, reclassification or other change of Common Stock at any time outstanding or change of the Common Stock into other shares or into other securities (other than a Common Stock Reorganization), or a consolidation, amalgamation, arrangement or merger of the Company with or into any other corporation or other entity, or a sale, lease, exchange or transfer of all or substantially all of the undertaking or assets of the Company to another person in which the holders of Common Stock are entitled to receive shares, other securities or property, including cash (any of such events being herein called a "**Capital Reorganization**"), if the Holder exercises its right to subscribe for and purchase Common Stock pursuant to the exercise of the Warrants after the effective date of such Capital Reorganization then the Holder shall be entitled to receive, and shall accept for the same aggregate consideration in lieu of the number of shares of Common Stock to which the Holder was theretofore entitled upon such exercise, the aggregate number of shares, other securities or other property, including cash, which it would have received as a result of such Capital Reorganization had the Holder exercised its right to acquire Common Stock immediately prior to the effective date or record date, as the case may be, of the Capital Reorganization and had the Holder been the holder of such Common Stock on such effective date or record date, as the case may be.

- (e) If determined appropriate by the directors, acting reasonably, and subject to any required prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, appropriate adjustments shall be made in the application of the provisions set forth in this subsection 2.2, with respect to any shares, other securities or other property, including cash, deliverable upon the exercise of any Warrant. Any such adjustments shall be made by and set forth in an agreement supplemental hereto approved by action by the directors, acting reasonably, and shall for all purposes be conclusively deemed to be appropriate adjustments.
- (f) If and whenever at any time prior to the Time of Expiry there shall occur a Common Stock Reorganization which results in an adjustment to the Exercise Price pursuant to the provisions of this subsection 2.2, the number of shares of Common Stock issuable (at the adjusted Exercise Price) upon the exercise of Warrants shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of shares of Common Stock theretofore issuable on the exercise thereof by a fraction, the numerator of which shall be the applicable Exercise Price in effect immediately prior to such adjustment and the denominator of which shall be the applicable Exercise Price resulting from such adjustment.
- (g) In case the Company after the date of issue of the Warrants shall take any action affecting the Common Stock, other than action described above in this subsection 2.2, which in the opinion of the directors, acting reasonably, would materially affect the rights of the Holder or the acquisition rights of the Holder, then that number of shares of Common Stock which are to be received upon the exercise of the Warrants shall be adjusted in such manner, if any, and at such time, by action of the directors, acting reasonably, as they may determine to be equitable to the Holder in the circumstances, but subject in all cases to any necessary regulatory approval, including the prior consent of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded.

2.3 Rules.

For the purposes of subsection 2.2 hereof, any adjustment shall be made successively whenever an event referred to therein shall occur, subject to the following provisions:

- (a) no adjustment to the Exercise Price shall be required unless such adjustment would result in a change of at least 1% in the prevailing Exercise Price and no adjustment in the number of shares of Common Stock issuable upon exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the number of shares of Common Stock issuable upon the exercise of a Warrant by at least one share of Common Stock and, for greater clarity, any adjustment which, except for the qualification of this section, would otherwise have been required to be made shall be carried forward and taken into account in any subsequent adjustment; provided, however, that in no event shall the Company be obligated to issue fractional shares of Common Stock or fractional interests in Common Stock upon exercise of a Warrant;
- (b) if a dispute shall at any time arise with respect to adjustments to the Exercise Price or the number of shares of Common Stock issuable pursuant to the exercise rights represented by a Warrant, such disputes shall be conclusively determined by the Company's auditors or, if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action by the directors and any such determination shall, absent manifest or clerical error, be conclusive evidence of the correctness of any adjustments made; and
- (c) if the Company shall set a record date to determine the holders of its Common Stock for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights, options or warrants and shall thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of shares of Common Stock issuable upon exercise of the Warrants shall be required by reason of the setting of such record date.

2.4 Taking of Actions.

As a condition precedent to the taking of any action which would require an adjustment pursuant to subsection 2.2 hereof, the Company shall take any action that may, in the opinion of counsel, be necessary in order that the Company may validly and legally issue as fully paid and non-assessable all of the shares of Common Stock which the Holder is entitled to receive in accordance with the provisions of this Warrant Certificate.

2.5 Notice.

At least 10 trading days prior to the effective date or record date, as the case may be, of any event that requires or that may require an adjustment in any of the exercise rights of the Holder under this Warrant Certificate, including the number of shares of Common Stock that may be acquired under this Warrant Certificate, the Company shall deliver to the Holder a certificate of the Company specifying the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which a certificate has been given is not then determinable, the Company shall promptly after such adjustment is determinable deliver to the Holder a certificate of the Company showing how such adjustment was computed. The Company hereby covenants and agrees that the register of transfers and share transfer books for the Common Stock shall be open during normal business hours for inspection by the Holder, and that the Company will not take any action which might deprive the Holder of the opportunity of exercising the rights of subscription contained in this Warrant Certificate, during such 10 trading day period.

3. Covenants by the Company.

The Company hereby covenants and agrees as follows:

- (a) it will reserve and there will remain unissued out of its authorized capital, solely for the purpose of issuing upon the exercise of the Warrants, a sufficient number of shares of Common Stock to satisfy the rights of acquisition provided for in this Warrant Certificate;
- (b) all shares of Common Stock issued upon exercise of the right to purchase provided for herein shall, upon payment of the Exercise Price therefor, be duly authorized and issued as fully paid and non-assessable shares of Common Stock;
- (c) it will make all requisite filings under applicable securities legislation in connection with the issuance of Common Stock upon exercise of the Warrants;
- (d) it will at all times, so long as any of the Warrants evidenced by this Warrant Certificate remain outstanding use its reasonable commercial efforts to do and cause to be done all things necessary to maintain its status as a reporting issuer not in default under the laws of the Provinces of British Columbia, Alberta and Ontario;
- (e) it will at its expense and as expeditiously as possible, use its reasonable commercial efforts to cause all shares of Common Stock issuable upon the exercise of the Warrants to be duly listed on the TSX or any other recognized stock exchange upon which the Common Stock may be then listed prior to the issuance of such shares;
- (f) within 60 days after the Effective Date, the Company shall prepare and file, at its sole expense, a registration statement (the "**Registration Statement**") with the United States Securities and Exchange Commission (the "**SEC**") relating to the resale and, if applicable, issuance of the Warrant Shares (and any securities issued or then issuable upon any stock split, dividend or other distribution, capitalization or similar event with respect to the Warrant Shares) and use commercially reasonable efforts to (i) have the Registration Statement declared effective by the SEC within four months after the [•], being the closing date of the Unit Offering and (ii) maintain the effectiveness of the Registration Statement for a period ending on the earlier of (A) the first anniversary of the expiry date of the Warrants, and (B) the first date on which all of the Warrant Shares that have been or may be issued upon exercise of the Warrants (1) have been disposed of by the holders thereof, or (2) may be sold pursuant to Rule 144 under the 1933 Act by persons who are not "affiliates" of the Company (as defined in Rule 144) without being subject to the current public information requirements set forth in Rule 144(c); and

- (g) the Company shall use commercially reasonable efforts to obtain and maintain eligibility of its shares of Common Stock (including the Warrant Shares) to the deposit with, and book-entry transfer through the facilities of, The Depository Trust & Clearing Corporation (“**DTC Eligible**”) for 12 months from the expiry of the Warrants and if the Company’s shares of Common Stock fail to become or cease to be DTC Eligible, the Company will indemnify the Holder (unless the Holder is a broker employed, or one of the Exploration Capital Limited Partnerships managed, by Sprott Global Resource Investments, Ltd. or its affiliates) for any damages and costs incurred (other than loss of profits) therefrom but the aggregate amount of such indemnity in respect of any one claim shall not exceed US\$ 1,000 and the aggregate amount of all such indemnities shall not exceed US\$ 100,000.

4. **Representations and Warranties of the Company.**

The Company hereby represents and warrants that:

- (a) it is duly authorized and has all necessary corporate power and authority to create and issue the Warrants evidenced hereby and the Common Stock issuable upon the exercise of the Warrants;
- (b) this Warrant Certificate has been duly executed and the Warrants evidenced hereby represent valid, legal and binding obligations of the Company enforceable in accordance with their terms, and the Company has the power and authority to issue this certificate and to perform each of its obligations as herein contained; and
- (c) the execution and delivery of this Warrant Certificate by the Company are not, and the issuance of the Common Stock upon exercise of the Warrants in accordance with the terms hereof, will not be, inconsistent with the Company’s constating documents, and do not and will not contravene any provision of, or constitute a default under, any applicable law or any indenture, mortgage, contract or other instrument of which the Company is a party or by which it is bound.

5. **Transfer of Warrants.**

The Warrants are transferable subject to compliance with applicable securities laws. The term “Holder” shall mean and include any successor, transferee or assignee of the current or any future Holder. The Warrants may be transferred by the Holder completing and delivering to the Company the transfer form attached hereto as Exhibit “2”.

6. **Replacement.**

Upon receipt of evidence satisfactory to the Company, acting reasonably, of the loss, theft, destruction or mutilation of this Warrant Certificate, the Company shall issue and deliver to the Holder a replacement certificate containing the same terms and conditions as this Warrant Certificate.

7. **Expiry.**

The Warrants shall expire and all rights to purchase Common Stock hereunder shall cease and become null and void at the Time of Expiry.

8. **Time.**

Time shall be of the essence of this Warrant Certificate.

9. **Governing Law.**

This Warrant Certificate and its application and interpretation shall be governed by and interpreted and construed in accordance with the laws of the State of Nevada.

10. **Legends on Common Stock.**

Any certificate representing Common Stock issued upon the exercise of the Warrants prior to the date that is four months and a day after the Effective Date, will bear the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE].

Any certificate representing Common Stock issued upon the exercise of the Warrants will bear the following U.S. restrictive legend (the “**U.S. Legend**”) and TSX restrictive legend:

U.S. Legend

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SILVER BULL RESOURCES, INC. (THE “COMPANY”) THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF (C), (D) OR (E), THE HOLDER HAS DELIVERED TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES ARE PROHIBITED EXCEPT IN COMPLIANCE WITH THE 1933 ACT.

TSX Restrictive Legend

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (THE “TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON THE TSX.

provided that in the case of a sale of the Warrant Shares by the Holder made pursuant to either (A) the provisions of Rule 144 of the 1933 Act; or (B) an effective registration statement under the 1933 Act, the Company shall, at the Company’s own cost, use commercially reasonable efforts to cause the transfer agent to remove the U.S. Legend and deliver unlegended share certificates to the Holder within three trading days following the delivery by the Holder to the Company or the Company’s transfer agent of a share certificate endorsed with the U.S. Legend. If the Company’s transfer agent fails to deliver an unlegended share certificate within such three trading day period, the Company will indemnify the Holder (unless the Holder is a broker employed by or is one of the Exploration Capital Limited Partnerships managed by Sprott Global Resource Investments, Ltd. or its affiliates) for any damages and costs incurred as a result thereof, provided that: (i) such indemnity shall not extend to any lost profits of the Holder; and (ii) the aggregate amount of such indemnity in respect of any one legend removal shall not exceed US\$1,000 and the aggregate amount of all such indemnities shall not exceed US\$100,000. For greater clarity, if, in the case of a sale pursuant to, and subject to satisfaction of the conditions required by, (A) or (B) above, the Company or the Company’s transfer agent requires a legal opinion to remove the U.S. Legend from any certificates representing the Warrant Shares as contemplated in this section 10, the Company shall use commercially reasonable efforts to cause its legal counsel to deliver such legal opinion at the Company’s expense.

11. **Amendments.**

Any alteration, amendment or revision to this Warrant Certificate may only be made by a written agreement between the Company and the Holder.

12. **Miscellaneous Interpretation Matters.**

- (a) The division of this Warrant Certificate into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Unless otherwise expressly provided or unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (c) The use of the words, "includes" or "including" shall be deemed to mean "includes, without limitation", or "including, without limitation", as applicable, in each case whether or not they are in fact followed by such words or words of like import.
- (d) For the purposes hereof, "trading day" means any day on which the TSX is open for trading and, if any period expires or any day on which any action is to be taken under this Warrant Certificate falls on a day which is not a trading day, it shall be deemed to refer to the next trading day.

13. **Severability.**

If any covenant or provision herein or any portion hereof is determined to be void, unenforceable or prohibited by the law of any province or the local requirements of any provincial or federal government authority, such shall not be deemed to affect or impair the validity of any other covenant or provision herein or a portion thereof, as the case may be, nor the validity of such covenant or provision or a portion thereof, as the case may be, in any other jurisdiction.

14. **Enurement.**

This Warrant Certificate and all of its provisions shall enure to the benefit of the Holder and its successors or personal representatives and shall be binding upon the Company, its successors and permitted assigns.

15. **Language.**

The parties hereto acknowledge and confirm that they have requested that this Warrant Certificate as well as all notices and other documents contemplated hereby be drawn up in the English language.

16. **General.**

This Warrant Certificate is not valid for any purpose whatsoever unless and until it has been signed by or on behalf of the Company. The holding of the Warrants evidenced by this Warrant Certificate shall not be construed as conferring upon the Holder any right or interest whatsoever as a shareholder of the Company nor entitle the Holder to any right or interest in respect thereof except as expressly provided in this Warrant Certificate. The Company will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all other acts, deeds and assurances in law as may be reasonably required for better accomplishing and effecting the intentions and provisions of this Warrant Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be executed by its duly authorized officer.

DATED as of the ___ day of _____, 2018.

SILVER BULL RESOURCES, INC.

Name: Sean Fallis

Title: Chief Financial Officer

Signature Page to Warrant Certificate

Election to Exercise

The undersigned hereby irrevocably elects to exercise the number of the Warrants of Silver Bull Resources, Inc. set out below for the number of shares of Common Stock as set forth below:

(i)	Number of Warrants to be exercised:	_____
(ii)	Number of shares of Common Stock:	_____
(iii)	Exercise Price:	US\$0.16
(iv)	Aggregate Purchase Price [(ii) multiplied by (iii)]:	US\$
(v)	Direction as to Registration:	_____
	Name of Registered Holder:	_____
	Address of Registered Holder:	_____

and hereby tenders the original Warrant Certificate representing the Warrants and a certified cheque, bank draft or cash, or immediately available funds by wire or electronic funds transfer, for such aggregate purchase price, and directs such Common Stock to be registered and certificates therefor to be issued as directed above.

(Please check the **ONE** box applicable):

A The undersigned holder (i) is not resident in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants for the account or benefit of a U.S. Person or person in the United States, (iv) at the time of exercise of the Warrants and the execution and delivery of this exercise form, is not in the United States and (v) the delivery of the underlying shares of Common Stock will not be to an address in the United States.

B. The undersigned holder (i) is the original purchaser of the Warrants pursuant to the Unit Offering, (ii) completed the "U.S. Investor Certificate" attached as Appendix II to the Subscription Agreement, (iii) is exercising the Warrants for its own account and benefit or for the account and benefit of a disclosed principal that was named in the Subscription Agreement, (iv) is, and such disclosed principal, if any, is, an "accredited investor" as defined in Rule 501(a) of Regulation D under the 1933 Act at the time of exercise of these Warrants, and (v) the representations and warranties of the holder made in the Subscription Agreement, including the U.S. Investor Certificate, remain true and correct as of the date of exercise of these Warrants.

C. The undersigned holder has delivered to the Company an opinion of counsel (which will not be sufficient unless it is from counsel of recognized standing and in form and substance reasonably satisfactory to the Company) to the effect that the exercise of the Warrants and delivery of the Warrant Shares are exempt from the registration requirements of the 1933 Act and any applicable securities laws of any state of the United States.

Capitalized terms not otherwise defined in this exercise form have the meanings set forth in the Warrant Certificate representing the Warrants.

The undersigned holder understands that the certificates representing the Shares issued upon exercise of the Warrants will bear a legend restricting transfer under the 1933 Act.

DATED this _____ day of _____, 20____.

Per: _____

Transfer Form

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(name and address of the transferee)

a Warrant exercisable for _____ shares of common stock, represented by warrant certificate number _____, of Silver Bull Resources, Inc. (the "**Company**") registered in the name of the undersigned on the register of the Company maintained therefor, and hereby irrevocably appoints the Company as the attorney of the undersigned to transfer the said securities on the books maintained by the Company with full power of substitution.

DATED this _____ day of _____, 20____.

Signature of Transferor

Address of Transferor

The undersigned transferee hereby certifies that:
(check one)

_____ said transferee was not offered the Warrants in the United States and is not in the United States or a "**U.S. Person**" (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**1933 Act**")), and is not acquiring the Warrants for the account or benefit of a person in the United States or a U.S. Person; or

_____ enclosed herewith is an opinion of counsel of recognized standing in a customary form to the effect that no violation of the 1933 Act or applicable securities laws will result from transfer, exercise or deemed exercise of the Warrants.

It is understood that the Company may require additional evidence necessary to verify the foregoing.

DATED: _____

Address of Transferee:

X _____
Signature of individual (if Transferee **is** an individual)

X _____
Authorized signatory (if Transferee is **not** an individual)

Name of Transferee (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY OR ANY SECURITY ACQUIRED UPON ITS EXERCISE BEFORE [INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE].

THE SECURITIES REPRESENTED HEREBY (AND ANY SECURITIES ISSUED ON THE EXERCISE THEREOF) HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SILVER BULL RESOURCES, INC. (THE "COMPANY") THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF (C), (D) OR (E), THE HOLDER HAS DELIVERED TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY AND ANY SECURITIES ISSUED ON THE EXERCISE THEREOF ARE PROHIBITED UNLESS IN COMPLIANCE WITH THE 1933 ACT.

THE WARRANTS REPRESENTED HEREBY MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON OR PERSON IN THE UNITED STATES AND THE SECURITIES ISSUED ON THE EXERCISE THEREOF MAY NOT BE DELIVERED WITHIN THE UNITED STATES UNLESS THE WARRANT AND THE UNDERLYING SHARES HAVE BEEN REGISTERED UNDER THE 1933 ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE USED HEREIN AS SUCH TERMS ARE DEFINED BY REGULATION S UNDER THE 1933 ACT."

SILVER BULL RESOURCES, INC.

NON-TRANSFERABLE WARRANT CERTIFICATE

Certificate No: 2018-[•]

Date: [•], 2018

Number of Warrants: [•]

THIS CERTIFIES THAT, for value received, [•] (the "**Holder**") is the registered holder of [•] non-transferable warrants (each a "**Warrant**") to purchase shares of common stock, US\$0.01 par value per share ("**Common Stock**"), of Silver Bull Resources, Inc. (the "**Company**"). Each Warrant shall entitle the Holder, subject to the terms and conditions set forth in this certificate (this "**Warrant Certificate**"), to acquire from the Company one fully paid and non-assessable share of Common Stock (a "**Warrant Share**") on payment of US\$0.14 (the "**Exercise Price**"), all subject to adjustment as hereinafter provided, at any time commencing on the date hereof (the "**Effective Date**") and continuing up to 4:00 p.m. (Vancouver time) on [•], 2020 (the "**Time of Expiry**").

1. **Exercise of Warrants.**

1.1 **Election to Purchase.**

The rights evidenced by this Warrant Certificate may be exercised by the Holder in whole or in part at any time commencing on the Effective Date, and continuing up to the Time of Expiry and in accordance with the provisions hereof. The exercise may be effected by providing to the Company at its offices at Suite 1610, 777 Dunsmuir Street, Vancouver, B.C. V7Y 1K4, Canada (or such other address as may be notified in writing by the Company) (i) this Warrant Certificate, (ii) a duly completed and executed election to exercise form in substantially the form attached as Exhibit "1" hereto (the "**Election to Exercise**") and (iii) payment of the Exercise Price by a certified cheque, bank draft or money order payable at par to the order of the Company, or by wire or electronic funds transfer to an account designated by the Company, in each case in the amount of the aggregate Exercise Price for the number of shares of Common Stock specified in the Election to Exercise. Such exercise shall be effective upon the personal delivery to, or if sent by mail or other means of transmission upon actual receipt by, the Company of a duly completed and executed Election to Exercise and the Exercise Price for the number of shares of Common Stock specified in the Election to Exercise (the "**Exercise Date**").

1.2 U.S. Securities Law Matters.

Notwithstanding any other provision of this Warrant Certificate, the rights evidenced by this Warrant Certificate may not be exercised except by a Holder that:

- (a) represents that it (i) is not resident in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants for the account or benefit of a U.S. Person or a person in the United States, (iv) was not in the United States at the time the exercise form attached as Exhibit "1" hereto was completed and delivered, and (v) is not requesting delivery of the Warrant Shares to an address in the United States;
- (b) (i) is the original purchaser of the Warrants pursuant to the Unit Offering, (ii) completed the "U.S. Investor Certificate" attached as Appendix "II" to the subscription agreement pursuant to which the Holder purchased the Warrants as part of the Unit Offering (the "Subscription Agreement"), (iii) is exercising the Warrants for its own account and benefit or is exercising the Warrants for the account or benefit of a disclosed principal that was named in the Subscription Agreement, (iv) is, and such disclosed principal, if any, is an "accredited investor" (as defined in Rule 501(a) of Regulation D under the 1933 Act) at the time of exercise of the Warrants, and (v) the representations and warranties of the Holder made in the Subscription Agreement remain true and correct as of the date of exercise of the Warrants; or
- (c) has submitted to the Company at the time of exercise a written opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company (or such other written documentation that may be reasonably satisfactory to the Company) to the effect that the exercise of the Warrants and delivery of the Warrant Shares are exempt from the registration requirements of the 1933 Act and any applicable securities laws of any state in the United States.

For purposes of this Warrant Certificate, the following terms have the following meanings:

- (1) "**1933 Act**" means the United States Securities Act of 1933, as amended.
- (2) "**Unit Offering**" means the offering by the Company of up to 23,100,000 units of the Company at a price of US\$ 0.13 per unit, and with each unit consisting of one share of Common Stock and one-half of one Warrant.
- (3) "**United States**" has the meaning set forth in Rule 902(l) under the 1933 Act.
- (4) "**U.S. Person**" means a "**U.S. person**" as defined in Rule 902(k) under the 1933 Act, which includes
 - (a) a natural person resident in the United States,
 - (b) a partnership or corporation organized or incorporated under the laws of the United States,
 - (c) an estate of which any executor or administrator is a U.S. Person, and
 - (d) a trust of which any trustee is a U.S. Person.

1.3 Cashless Exercise.

If, at the time of exercise of the Warrant, the Company is no longer an issuer subject to the reporting requirements of Section 13(a) or 15(d) of the United States Securities Exchange Act of 1934, as amended, then the Warrant may be exercised by means of a “cashless exercise” (the “**Cashless Exercise Right**”), whereby the Holder shall be entitled to receive that number of Warrant Shares resulting from the following formula:

$$\frac{X(A - B)}{A}$$

Where:

A = the Current Market Price per Share (as defined below) immediately preceding the date on which the Holder elects to exercise the Warrant by means of the Cashless Exercise Right.

B = the then applicable exercise price of the Warrant.

X = the number of Warrant Shares that would otherwise have been issuable had the Holder elected to exercise the Warrant by means of a cash exercise.

1.4 Partial Exercise.

If the Holder subscribes for a lesser number of shares of Common Stock than may be subscribed for pursuant to this Warrant Certificate, the Company shall, contemporaneously with the issuance of the certificates representing the Common Stock issuable on the exercise of the Warrants so exercised, issue to the Holder, without charge, a Warrant Certificate on identical terms in respect of that number of shares of Common Stock in respect of which the Holder has not exercised the rights evidenced by this Warrant Certificate.

1.5 Issuance of Common Stock.

The Company shall, as soon as possible after the Exercise Date, issue the number of shares of Common Stock specified in the Election to Exercise. The Common Stock issuable upon the exercise of the Warrants shall be deemed to have been issued and the person or persons to whom such Common Stock is to be issued shall be deemed to have become the holder or holders of record of such Common Stock on the Exercise Date.

1.6 Certificates.

As promptly as practicable after the Exercise Date (but no later than three trading days following the Exercise Date), the Company shall issue and deliver or cause to be delivered to the Holder, registered in the name of the Holder, at the address specified therein, or, if not so specified in the Election to Exercise, cause to be held for collection by the Holder at the address of the Company as set out in subsection 1.1 (or at such additional place as may be decided by the Company from time to time and notified in writing to the Holder), certificates for that number of shares of Common Stock specified in the Election to Exercise, a replacement Warrant Certificate, if any, and a cheque representing the Fractional Cash Consideration (as defined below), if any.

1.7 Fractional Shares of Common Stock.

Fractional shares of Common Stock shall not be issued upon the exercise of any Warrants. The Holder shall be entitled to cash compensation in lieu of fractional shares of Common Stock of an amount in cash (the “**Fractional Cash Consideration**”) equal (computed in the case of a fraction of a cent to the next lower cent) to the value of the fractional share of Common Stock, in each case calculated on the basis of the Current Market Price per Share at the date of exercise of such Warrant.

2. Anti-Dilution Protection.

2.1 Definitions.

For the purposes hereof, the words and terms defined below shall have the respective meanings specified therefor in this subsection 2.1:

- (i) **“Current Market Price per Share”**, at any date, means the price per share of Common Stock (denominated in Canadian dollars based, if necessary, on the daily average rate of exchange as reported by the Bank of Canada) equal to the VWAP for the five trading-days preceding such date (i) on the TSX, or (ii) if the Common Stock is not traded on the TSX, on any other recognized stock exchange, or (iii) if the Common Stock is not traded on a recognized stock exchange, on the over-the-counter market. If the Common Stock is not then traded in the over-the-counter market or on a recognized stock exchange, the Current Market Price of the Common Stock shall be the fair market value of the Common Stock as determined in good faith by the board of directors of the Company after consultation with an internationally recognized investment dealer or investment banker;
- (ii) **“director”** means a director of the Company from time to time and reference herein to an **“action by the directors”** means an action by the directors of the Company as a board or, whenever duly empowered, an action by a committee of directors;
- (iii) **“Dividends Paid in the Ordinary Course”** means dividends paid on the Common Stock in any fiscal year of the Company in cash, provided that the amount of such dividends does not in such fiscal year exceed 50% of the consolidated net income of the Company before extraordinary items for the period of 12 consecutive months ended immediately prior to the first day of such fiscal year less the amount of all cash dividends payable on all shares ranking prior to or on a parity with the Common Stock in respect of the payment of dividends (such consolidated net income, extraordinary items and dividends to be shown in the audited consolidated financial statements of the Company for such period of 12 consecutive months or if there are no audited consolidated financial statements for such period, computed in accordance with generally accepted accounting principles, consistent with those applied in the preparation of the most recent audited consolidated financial statements of the Company);
- (iv) **“recognized stock exchange”** means a stock exchange or quotation system recognized by the Canadian Securities Administrators;
- (v) **“TSX”** means the Toronto Stock Exchange; and
- (vi) **“VWAP”**, for any period, means the volume weighted average trading price of the Common Stock, calculated by dividing the total value by the total volume of Common Stock traded for the trading days included in the relevant period.

2.2 Adjustments.

The Exercise Price and the number of shares of Common Stock issuable upon exercise of the Warrants will be subject to adjustment from time to time upon the occurrence of any of the events and in the manner provided as follows:

- (a) If and whenever at any time prior to the Time of Expiry the Company shall:
 - (i) declare a dividend or make a distribution on the Common Stock payable in Common Stock (or securities exchangeable for or convertible into Common Stock)
 - (ii) subdivide, redivide or change the outstanding Common Stock into a greater number of shares of Common Stock; or
 - (iii) reduce, combine or consolidate the outstanding Common Stock into a lesser number of shares of Common Stock,

(any of such events in paragraphs (i), (ii) or (iii) above being called a “**Common Stock Reorganization**”), then effective immediately after the record date or effective date, as the case may be, at which the holders of Common Stock are determined for the purposes of the Common Stock Reorganization, the Exercise Price shall be adjusted to a price determined by multiplying the applicable Exercise Price in effect on such effective date or record date by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding on such effective date or record date before giving effect to such Common Stock Reorganization and the denominator of which shall be the number of shares of Common Stock outstanding immediately after giving effect to such Common Stock Reorganization (including, in the case where securities exchangeable for or convertible into Common Stock are distributed, the number of additional shares of Common Stock that would have been outstanding had such securities been exchanged for or converted into Common Stock immediately after giving effect to such Common Stock Reorganization).

- (b) If and whenever at any time prior to the Time of Expiry the Company shall fix a record date for the issuing of rights, options or warrants to all or substantially all of the holders of the Common Stock entitling them for a period expiring not more than forty-five (45) days after such record date (the “**Rights Period**”) to subscribe for or purchase Common Stock (or securities convertible into or exchangeable for Common Stock) at a price per share (or having a conversion or exchange price per share) which is less than 95% of the Current Market Price per Share as of three trading days prior to the record date for such issue (any of such events being called a “**Rights Offering**”), then effective immediately after the end of the Rights Period the Exercise Price shall be adjusted to a price determined by multiplying the applicable Exercise Price in effect at the end of the Rights Period by a fraction the numerator of which shall be the sum of:
- (i) the number of shares of Common Stock outstanding as of the record date for the Rights Offering; and
 - (ii) a number determined by dividing (A) either (i) the product of the number of shares of Common Stock issued or subscribed during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering and the price at which such Common Stock is offered, or (ii) as the case may be, the product of the number of shares of Common Stock for or into which the convertible or exchangeable securities offered during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering are exchangeable or convertible and the exchange or conversion price of the convertible or exchangeable securities so issued, by (B) the Current Market Price per Share as of three trading days prior to the record date for the Rights Offering, and

the denominator of which shall be the number of shares of Common Stock outstanding (including the number of shares of Common Stock actually issued or subscribed for during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering) or which would be outstanding upon the conversion or exchange of all convertible or exchangeable securities issued during the Rights Period upon exercise of the rights, warrants or options under the Rights Offering, as applicable, in each case after giving effect to the Rights Offering.

In order to give effect to the provisions of subsection 2.2(e) in the circumstances described below, if the Holder shall have exercised its right to purchase Common Stock during the period beginning immediately after the record date for a Rights Offering and ending on the last day of the Rights Period therefor, in addition to the Common Stock to which it is otherwise entitled upon such exercise, then the Holder shall be entitled to that number of additional shares of Common Stock equal to the result obtained when the difference, if any, between the Exercise Price in effect immediately prior to the end of such Rights Offering and the Exercise Price, as adjusted for such Rights Offering pursuant to this subsection 2.2(b), is multiplied by the number of shares of Common Stock issued upon exercise of the Warrants held by the Holder during such period, and the resulting product is divided by the Exercise Price, as adjusted for such Rights Offering pursuant to this subsection 2.2(b). Such additional shares of Common Stock shall be deemed to have been issued to the Holder immediately following the end of the Rights Period and a certificate for such additional shares of Common Stock shall be delivered to the Holder within 10 trading days following the end of the Rights Period.

- (c) If and whenever at any time prior to the Time of Expiry the Company shall fix a record date for the payment, issue or distribution to all or substantially all of the holders of the Common Stock of (i) a dividend, (ii) any property, cash or assets (including evidences of indebtedness), or (iii) rights, options, warrants, or other securities (including, without limitation, securities convertible into or exchangeable for Common Stock), and such payment, issue or distribution does not constitute a Dividend Paid in the Ordinary Course, a Common Stock Reorganization or a Rights Offering, the Exercise Price shall be adjusted effective immediately after such record date to a price determined by multiplying the applicable Exercise Price in effect on such record date by a fraction:
- (i) the numerator of which shall be:
 - (1) the product of the number of shares of Common Stock outstanding on such record date and the Current Market Price per Share as of three trading days prior to such record date; less
 - (2) the aggregate fair market value, as determined by action by the directors (whose determination shall be conclusive) and subject to the prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, to the holders of the Common Stock of such dividend, property, cash, assets, rights, options, warrants or other securities so paid, issued or distributed less the aggregate fair market value, as determined by action of the directors (whose determination shall be conclusive) and subject to the prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, of the consideration, if any, received therefor by the Company, and
 - (ii) the denominator of which shall be the number of shares of Common Stock outstanding on such record date multiplied by the Current Market Price per Share as of three trading days prior to such record date.

Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such payment, issuance or distribution is not so made, the Exercise Price shall be readjusted effective immediately to the Exercise Price which would then be in effect based upon such payment, issuance or distribution actually made.

- (d) If and whenever at any time prior to the Time of Expiry there shall be a reorganization, reclassification or other change of Common Stock at any time outstanding or change of the Common Stock into other shares or into other securities (other than a Common Stock Reorganization), or a consolidation, amalgamation, arrangement or merger of the Company with or into any other corporation or other entity, or a sale, lease, exchange or transfer of all or substantially all of the undertaking or assets of the Company to another person in which the holders of Common Stock are entitled to receive shares, other securities or property, including cash (any of such events being herein called a "**Capital Reorganization**"), if the Holder exercises its right to subscribe for and purchase Common Stock pursuant to the exercise of the Warrants after the effective date of such Capital Reorganization then the Holder shall be entitled to receive, and shall accept for the same aggregate consideration in lieu of the number of shares of Common Stock to which the Holder was theretofore entitled upon such exercise, the aggregate number of shares, other securities or other property, including cash, which it would have received as a result of such Capital Reorganization had the Holder exercised its right to acquire Common Stock immediately prior to the effective date or record date, as the case may be, of the Capital Reorganization and had the Holder been the holder of such Common Stock on such effective date or record date, as the case may be.

- (e) If determined appropriate by the directors, acting reasonably, and subject to any required prior approval of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded, appropriate adjustments shall be made in the application of the provisions set forth in this subsection 2.2, with respect to any shares, other securities or other property, including cash, deliverable upon the exercise of any Warrant. Any such adjustments shall be made by and set forth in an agreement supplemental hereto approved by action by the directors, acting reasonably, and shall for all purposes be conclusively deemed to be appropriate adjustments.
- (f) If and whenever at any time prior to the Time of Expiry there shall occur a Common Stock Reorganization which results in an adjustment to the Exercise Price pursuant to the provisions of this subsection 2.2, the number of shares of Common Stock issuable (at the adjusted Exercise Price) upon the exercise of Warrants shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of shares of Common Stock theretofore issuable on the exercise thereof by a fraction, the numerator of which shall be the applicable Exercise Price in effect immediately prior to such adjustment and the denominator of which shall be the applicable Exercise Price resulting from such adjustment.
- (g) In case the Company after the date of issue of the Warrants shall take any action affecting the Common Stock, other than action described above in this subsection 2.2, which in the opinion of the directors, acting reasonably, would materially affect the rights of the Holder or the acquisition rights of the Holder, then that number of shares of Common Stock which are to be received upon the exercise of the Warrants shall be adjusted in such manner, if any, and at such time, by action of the directors, acting reasonably, as they may determine to be equitable to the Holder in the circumstances, but subject in all cases to any necessary regulatory approval, including the prior consent of the TSX and any other stock exchange or market on which the Common Stock may be listed or traded.

2.3 Rules.

For the purposes of subsection 2.2 hereof, any adjustment shall be made successively whenever an event referred to therein shall occur, subject to the following provisions:

- (a) no adjustment to the Exercise Price shall be required unless such adjustment would result in a change of at least 1% in the prevailing Exercise Price and no adjustment in the number of shares of Common Stock issuable upon exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the number of shares of Common Stock issuable upon the exercise of a Warrant by at least one share of Common Stock and, for greater clarity, any adjustment which, except for the qualification of this section, would otherwise have been required to be made shall be carried forward and taken into account in any subsequent adjustment; provided, however, that in no event shall the Company be obligated to issue fractional shares of Common Stock or fractional interests in Common Stock upon exercise of a Warrant;
- (b) if a dispute shall at any time arise with respect to adjustments to the Exercise Price or the number of shares of Common Stock issuable pursuant to the exercise rights represented by a Warrant, such disputes shall be conclusively determined by the Company's auditors or, if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action by the directors and any such determination shall, absent manifest or clerical error, be conclusive evidence of the correctness of any adjustments made; and
- (c) if the Company shall set a record date to determine the holders of its Common Stock for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights, options or warrants and shall thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of shares of Common Stock issuable upon exercise of the Warrants shall be required by reason of the setting of such record date.

2.4 Taking of Actions.

As a condition precedent to the taking of any action which would require an adjustment pursuant to subsection 2.2 hereof, the Company shall take any action that may, in the opinion of counsel, be necessary in order that the Company may validly and legally issue as fully paid and non-assessable all of the shares of Common Stock which the Holder is entitled to receive in accordance with the provisions of this Warrant Certificate.

2.5 Notice.

At least 10 trading days prior to the effective date or record date, as the case may be, of any event that requires or that may require an adjustment in any of the exercise rights of the Holder under this Warrant Certificate, including the number of shares of Common Stock that may be acquired under this Warrant Certificate, the Company shall deliver to the Holder a certificate of the Company specifying the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which a certificate has been given is not then determinable, the Company shall promptly after such adjustment is determinable deliver to the Holder a certificate of the Company showing how such adjustment was computed. The Company hereby covenants and agrees that the register of transfers and share transfer books for the Common Stock shall be open during normal business hours for inspection by the Holder, and that the Company will not take any action which might deprive the Holder of the opportunity of exercising the rights of subscription contained in this Warrant Certificate, during such 10 trading day period.

3. Covenants by the Company.

The Company hereby covenants and agrees as follows:

- (a) it will reserve and there will remain unissued out of its authorized capital, solely for the purpose of issuing upon the exercise of the Warrants, a sufficient number of shares of Common Stock to satisfy the rights of acquisition provided for in this Warrant Certificate;
- (b) all shares of Common Stock issued upon exercise of the right to purchase provided for herein shall, upon payment of the Exercise Price therefor, be duly authorized and issued as fully paid and non-assessable shares of Common Stock;
- (c) it will make all requisite filings under applicable securities legislation in connection with the issuance of Common Stock upon exercise of the Warrants;
- (d) it will at all times, so long as any of the Warrants evidenced by this Warrant Certificate remain outstanding use its reasonable commercial efforts to do and cause to be done all things necessary to maintain its status as a reporting issuer not in default under the laws of the Provinces of British Columbia, Alberta and Ontario;
- (e) it will at its expense and as expeditiously as possible, use its reasonable commercial efforts to cause all shares of Common Stock issuable upon the exercise of the Warrants to be duly listed on the TSX or any other recognized stock exchange upon which the Common Stock may be then listed prior to the issuance of such shares;
- (f) within 60 days after the Effective Date, the Company shall prepare and file, at its sole expense, a registration statement (the "**Registration Statement**") with the United States Securities and Exchange Commission (the "**SEC**") relating to the resale and, if applicable, issuance of the Warrant Shares (and any securities issued or then issuable upon any stock split, dividend or other distribution, capitalization or similar event with respect to the Warrant Shares) and use commercially reasonable efforts to (i) have the Registration Statement declared effective by the SEC within four months after the [•], being the closing date of the Unit Offering and (ii) maintain the effectiveness of the Registration Statement for a period ending on the earlier of (A) the first anniversary of the expiry date of the Warrants, and (B) the first date on which all of the Warrant Shares that have been or may be issued upon exercise of the Warrants (1) have been disposed of by the holders thereof, or (2) may be sold pursuant to Rule 144 under the 1933 Act by persons who are not "affiliates" of the Company (as defined in Rule 144) without being subject to the current public information requirements set forth in Rule 144(c); and

- (g) the Company shall use commercially reasonable efforts to obtain and maintain eligibility of its shares of Common Stock (including the Warrant Shares) to the deposit with, and book-entry transfer through the facilities of, The Depository Trust & Clearing Corporation (“**DTC Eligible**”) for 12 months from the expiry of the Warrants and if the Company’s shares of Common Stock fail to become or cease to be DTC Eligible, the Company will indemnify the Holder (unless the Holder is a broker employed, or one of the Exploration Capital Limited Partnerships managed, by Sprott Global Resource Investments, Ltd. or its affiliates) for any damages and costs incurred (other than loss of profits) therefrom but the aggregate amount of such indemnity in respect of any one claim shall not exceed US\$ 1,000 and the aggregate amount of all such indemnities shall not exceed US\$ 100,000.

4. **Representations and Warranties of the Company.**

The Company hereby represents and warrants that:

- (a) it is duly authorized and has all necessary corporate power and authority to create and issue the Warrants evidenced hereby and the Common Stock issuable upon the exercise of the Warrants;
- (b) this Warrant Certificate has been duly executed and the Warrants evidenced hereby represent valid, legal and binding obligations of the Company enforceable in accordance with their terms, and the Company has the power and authority to issue this certificate and to perform each of its obligations as herein contained; and
- (c) the execution and delivery of this Warrant Certificate by the Company are not, and the issuance of the Common Stock upon exercise of the Warrants in accordance with the terms hereof, will not be, inconsistent with the Company’s constating documents, and do not and will not contravene any provision of, or constitute a default under, any applicable law or any indenture, mortgage, contract or other instrument of which the Company is a party or by which it is bound.

5. **Transfer of Warrants.**

The Warrants may not be transferred or assigned in whole or in part. The Warrant Shares may be transferred or assigned in whole or in part provided that the transferor and the transferee comply with the constating documents of the Company, applicable securities laws and the rules, instruments and policies of any applicable securities regulatory authority.

6. **Replacement.**

Upon receipt of evidence satisfactory to the Company, acting reasonably, of the loss, theft, destruction or mutilation of this Warrant Certificate, the Company shall issue and deliver to the Holder a replacement certificate containing the same terms and conditions as this Warrant Certificate.

7. **Expiry.**

The Warrants shall expire and all rights to purchase Common Stock hereunder shall cease and become null and void at the Time of Expiry.

8. **Time.**

Time shall be of the essence of this Warrant Certificate.

9. **Governing Law.**

This Warrant Certificate and its application and interpretation shall be governed by and interpreted and construed in accordance with the laws of the State of Nevada.

10. **Legends on Common Stock.**

Any certificate representing Common Stock issued upon the exercise of the Warrants prior to the date that is four months and a day after the Effective Date, will bear the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE].

Any certificate representing Common Stock issued upon the exercise of the Warrants will bear the following U.S. restrictive legend (the “**U.S. Legend**”) and TSX restrictive legend:

U.S. Legend

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR ANY STATE SECURITIES LAW. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SILVER BULL RESOURCES, INC. (THE “COMPANY”) THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE LOCAL SECURITIES LAWS AND REGULATIONS, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF (C), (D) OR (E), THE HOLDER HAS DELIVERED TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES ARE PROHIBITED EXCEPT IN COMPLIANCE WITH THE 1933 ACT.

TSX Restrictive Legend

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (THE “TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON THE TSX.

provided that in the case of a sale of the Warrant Shares by the Holder made pursuant to either (A) the provisions of Rule 144 of the 1933 Act; or (B) an effective registration statement under the 1933 Act, the Company shall, at the Company's own cost, use commercially reasonable efforts to cause the transfer agent to remove the U.S. Legend and deliver unlegended share certificates to the Holder within three trading days following the delivery by the Holder to the Company or the Company's transfer agent of a share certificate endorsed with the U.S. Legend. If the Company's transfer agent fails to deliver an unlegended share certificate within such three trading day period, the Company will indemnify the Holder (unless the Holder is a broker employed by or is one of the Exploration Capital Limited Partnerships managed by Sprott Global Resource Investments, Ltd. or its affiliates) for any damages and costs incurred as a result thereof, provided that: (i) such indemnity shall not extend to any lost profits of the Holder; and (ii) the aggregate amount of such indemnity in respect of any one legend removal shall not exceed US\$1,000 and the aggregate amount of all such indemnities shall not exceed US\$100,000. For greater clarity, if, in the case of a sale pursuant to, and subject to satisfaction of the conditions required by, (A) or (B) above, the Company or the Company's transfer agent requires a legal opinion to remove the U.S. Legend from any certificates representing the Warrant Shares as contemplated in this section 10, the Company shall use commercially reasonable efforts to cause its legal counsel to deliver such legal opinion at the Company's expense.

11. **Amendments.**

Any alteration, amendment or revision to this Warrant Certificate may only be made by a written agreement between the Company and the Holder.

12. **Miscellaneous Interpretation Matters.**

- (a) The division of this Warrant Certificate into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.
- (b) Unless otherwise expressly provided or unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (c) The use of the words, "includes" or "including" shall be deemed to mean "includes, without limitation", or "including, without limitation", as applicable, in each case whether or not they are in fact followed by such words or words of like import.
- (d) For the purposes hereof, "trading day" means any day on which the TSX is open for trading and, if any period expires or any day on which any action is to be taken under this Warrant Certificate falls on a day which is not a trading day, it shall be deemed to refer to the next trading day.

13. **Severability.**

If any covenant or provision herein or any portion hereof is determined to be void, unenforceable or prohibited by the law of any province or the local requirements of any provincial or federal government authority, such shall not be deemed to affect or impair the validity of any other covenant or provision herein or a portion thereof, as the case may be, nor the validity of such covenant or provision or a portion thereof, as the case may be, in any other jurisdiction.

14. **Enurement.**

This Warrant Certificate and all of its provisions shall enure to the benefit of the Holder and its successors or personal representatives and shall be binding upon the Company, its successors and permitted assigns.

15. **Language.**

The parties hereto acknowledge and confirm that they have requested that this Warrant Certificate as well as all notices and other documents contemplated hereby be drawn up in the English language.

16. **General.**

This Warrant Certificate is not valid for any purpose whatsoever unless and until it has been signed by or on behalf of the Company. The holding of the Warrants evidenced by this Warrant Certificate shall not be construed as conferring upon the Holder any right or interest whatsoever as a shareholder of the Company nor entitle the Holder to any right or interest in respect thereof except as expressly provided in this Warrant Certificate. The Company will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all other acts, deeds and assurances in law as may be reasonably required for better accomplishing and effecting the intentions and provisions of this Warrant Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be executed by its duly authorized officer.

DATED as of the ___ day of _____, 2018.

SILVER BULL RESOURCES, INC.

Name: Sean Fallis
Title: Chief Financial Officer

Signature Page to Warrant Certificate

EXHIBIT "1"

Election to Exercise

The undersigned hereby irrevocably elects to exercise the number of the Warrants of Silver Bull Resources, Inc. set out below for the number of shares of Common Stock as set forth below:

(i)	Number of Warrants to be exercised:	_____
(ii)	Number of shares of Common Stock:	_____
(iii)	Exercise Price:	US\$0.14
(iv)	Aggregate Purchase Price [(ii) multiplied by (iii)]:	US\$ _____
(v)	Direction as to Registration:	_____
	Name of Registered Holder:	_____
	Address of Registered Holder:	_____

and hereby tenders the original Warrant Certificate representing the Warrants and a certified cheque, bank draft or cash, or immediately available funds by wire or electronic funds transfer, for such aggregate purchase price, and directs such Common Stock to be registered and certificates therefor to be issued as directed above.

(Please check the **ONE** box applicable):

A The undersigned holder (i) is not resident in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants for the account or benefit of a U.S. Person or person in the United States, (iv) at the time of exercise of the Warrants and the execution and delivery of this exercise form, is not in the United States and (v) the delivery of the underlying shares of Common Stock will not be to an address in the United States.

B. The undersigned holder (i) is the original purchaser of the Warrants pursuant to the Unit Offering, (ii) completed the "U.S. Investor Certificate" attached as Appendix II to the Subscription Agreement, (iii) is exercising the Warrants for its own account and benefit or for the account and benefit of a disclosed principal that was named in the Subscription Agreement, (iv) is, and such disclosed principal, if any, is, an "accredited investor" as defined in Rule 501(a) of Regulation D under the 1933 Act at the time of exercise of these Warrants, and (v) the representations and warranties of the holder made in the Subscription Agreement, including the U.S. Investor Certificate, remain true and correct as of the date of exercise of these Warrants.

C. The undersigned holder has delivered to the Company an opinion of counsel (which will not be sufficient unless it is from counsel of recognized standing and in form and substance reasonably satisfactory to the Company) to the effect that the exercise of the Warrants and delivery of the Warrant Shares are exempt from the registration requirements of the 1933 Act and any applicable securities laws of any state of the United States.

Capitalized terms not otherwise defined in this exercise form have the meanings set forth in the Warrant Certificate representing the Warrants.

The undersigned holder understands that the certificates representing the Shares issued upon exercise of the Warrants will bear a legend restricting transfer under the 1933 Act.

DATED this _____ day of _____, 20_____.

Per: _____