

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

SILVER BULL RESOURCES, INC.

Form: 8-K

Date Filed: 2019-04-05

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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): **April 4, 2019**

SILVER BULL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada	001-33125	91-1766677
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

777 Dunsmuir Street, Suite 1610	V7Y 1K4
Vancouver, B.C.	
(Address of principal executive offices)	(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 April 4, 2019, Silver Bull Resources, Inc. (the “Company”) and its subsidiaries Minera Metalin S.A. de C.V. (“Minera Metalin”) and Contratistas de Sierra Mojada S.A. de C.V. entered into Amending Agreement No. 1 (the “Amendment”), effective as of March 20, 2019, with South32 International Investment Holdings Pty Ltd (“South32”) to the previously announced Option Agreement (the “Option Agreement”), dated as of June 1, 2018, pursuant to which South32 may obtain an option to purchase 70% of the shares of Minera Metalin and Contratistas (the “Option”). Upon the terms and subject to the conditions set forth in the Option Agreement, in order for South32 to earn and maintain its four-year Option, South32 must have contributed to Minera Metalin for exploration of the Sierra Mojada property located in Coahuila, Mexico, at least \$3 million by the end of Year 1, \$6 million by the end of Year 2, \$8 million by the end of Year 3 and \$10 million by the end of Year 4. Funding for each annual tranche is made on a quarterly basis based on the subsequent quarter’s exploration budget.

The Amendment provides that if South32 remits the first quarterly Capital Advance (as defined in the Option Agreement) with respect to an annual tranche, South32 is obligated to remit all quarterly Capital Advances in respect of such annual tranche. In addition, the Amendment includes provisions relating to a special purpose bank account of the Company into which Capital Advances by South32 must be deposited in certain circumstances.

The foregoing description of the Amendment does not purport to be complete and is subject to and qualified in its entirety by reference to the Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	<u>Amending Agreement No. 1, dated as of April 4, 2019 and effective as of March 20, 2019, to the Option Agreement, dated as of June 1, 2018, by and among Silver Bull Resources, Inc., Minera Metalin S.A. de C.V., Contratistas de Sierra Mojada S.A. de C.V., and South32 International Investment Holdings Pty Ltd</u>

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.

SILVER BULL RESOURCES, INC.

Date: April 5, 2019

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

[South32 Letterhead]

20, March 2019

Tim Barry
Chief Executive Officer
Silver Bull Resources Inc.

Minera Metalin S.A. de C.V.
c/o Silver Bull Resources Inc.

Contratistas de Sierra Mojada S.A.de C.V.
c/o Silver Bull Resources Inc.

Suite 1610, 777 Dunsmuir Street
Vancouver, British Columbia
Canada V7Y 1K4

PRIVATE AND CONFIDENTIAL

Dear Mr Barry:

Re: Amending Agreement No. 1 – Option Agreement between Silver Bull Resources Inc. (“Silver Bull”), Minera Metalin S.A, de C.V. (“Company”), Contratistas de Sierra Mojada S.A. de C.V. (“Contratistas”) and South32 International Investment Holdings Pty Ltd (“South32”) dated June 1, 2018 (“Agreement”)

1. Introduction

Silver Bull, the Company, Contratistas and South32 are parties to the Agreement. The Parties now desire to amend the Agreement in accordance with this amending agreement.

2. Definitions and Interpretation

Terms defined in the Agreement, but not defined in this amending agreement, will have the same meaning when used in this amending agreement.

3. Amendment

With effect from the date of this amending agreement the Option Agreement is amended by:

- (1) deleting “section 3.8(1)” in section 1.1(80) and substituting “section 3.8(2)”;
 - (2) inserting after section 1.1(102):
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“(102A) “Silver Bull Option Agreement Account” has the meaning given in section 3.8(1)”

(3) deleting sections 3.8(1) to 3.8(3) in their entirety and substituting:

“(1) Silver Bull must open in its own name and maintain a special purpose bank account (which must be interest-bearing if possible), in US Dollars, to be styled the “Silver Bull Option Agreement Account” into which account a Capital Advance by South32 on account of any Tranche must be deposited if:

- (a) South32 is unable to directly deposit such Capital Advance into the Option Agreement Accounts; or*
- (b) the Parties expressly agree that such Capital Advance is to be deposited into the Silver Bull Option Agreement Account.*

(2) The Company must open in its own name and maintain special purpose bank accounts (which must be interest-bearing if possible), in both Mexican pesos and US Dollars, to be styled the “Option Agreement Accounts”. Except where the Parties expressly agree pursuant to section 3.8(1)(b) that a Capital Advance is to be deposited into the Silver Bull Option Agreement Account, each Capital Advance by South32 on account of any Tranche must be deposited into the Option Agreement Accounts:

- (a) if South32 is able to directly deposit such Capital Advance into the Option Agreement Accounts; or*
- (b) upon such Capital Advance being remitted or transferred by Silver Bull to the Company from the Silver Bull Option Agreement Account in accordance with section 3.8(3)(a),*

and from which all Qualifying Expenditure which is to be funded by South32 will be paid or reimbursed to the Company.

(3) Subject to section 3.8(4) and for greater certainty all Capital Advances by South32 on account of any Tranche will be held by Silver Bull in the Silver Bull Option Agreement Account or by the Company in the Option Agreement Accounts (or both, as the case may be) subject to the following:

- (a) in the case where South32 has deposited a Capital Advance into the Silver Bull Option Agreement Account, the approval or deemed approval of any Approved Program by the Technical Committee will be deemed to be South32’s consent for Silver Bull to:*



- (i) *retain the Capital Advance or the relevant part of it as reimbursement for Qualifying Expenditures incurred directly by Silver Bull or make disbursements with respect to Qualifying Expenditures to be incurred directly by Silver Bull; or*
 - (ii) *remit or transfer the Capital Advance or the relevant part of it to the Company for deposit into the Option Agreement Accounts and thereafter for the Company to withdraw and remit (without deduction of any kind) to the Operator the funds in the Option Agreement Accounts to be expended by the Operator as contemplated by such Approved Program;*
 - (b) *in the case where South32 has directly deposited a Capital Advance into the Option Agreement Accounts, the approval or deemed approval of any Approved Program by the Technical Committee will be deemed to be South32's consent for the Company to withdraw and remit (without deduction of any kind) to the Operator the funds in the Option Agreement Accounts to be expended by the Operator as contemplated by such Approved Program; and*
 - (c) *South32 will have no further rights or interests in the Silver Bull Option Agreement Account, the Option Agreement Accounts or the South32 Initial Funding upon the expiry or exercise of the Option or upon the termination of this Agreement in accordance with its terms.*
 - (4) *If Silver Bull, the Company or the Operator is the subject of any of the events described in section 11.1(2) such that Silver Bull, the Company or the Operator becomes an Insolvent Party then immediately preceding the happening of any such event, any consent of South32 and any right or authority of Silver Bull or the Company to withdraw any funds standing in the Silver Bull Option Agreement Account or the Option Agreement Accounts (or both, as the case may be) or to remit to the Operator any funds withdrawn from the Option Agreement Accounts will be deemed immediately terminated.”;*
 - (4) renumbering the existing section 3.8(4) as section 3.8(5);
 - (5) renumbering the existing section 3.8(5) as section 3.8(6);
 - (6) inserting after section 3.9(4):
 - “(5) *If South32 remits to the Operator the first Capital Advance with respect to a Tranche, then it must remit to the Operator all Capital Advances in respect of such Tranche in accordance with section 3.9(4).*
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(6) *Any Capital Advance is to be treated as a contribution for future capital increases (Aportaciones para futuros aumentos de capital)*”.

(7) deleting sections 3.11(1)(a) and 3.11(1)(b) and substituting:

“(a) remit to the Company the amount of the Additional Income Tax, less the amount of any payment made, or to be made, pursuant to section 4.10(2), which amount may be allocated at the sole discretion of the Silver Bull Parties; and

(b) indemnifies the Company for the Additional Income Tax incurred by the Company, less any payment made, or to be made, pursuant to section 4.10(2).

(8) deleting section 4.10(2) in its entirety and substituting:

“(2) *Subject to section 14.15, if this Agreement is terminated in accordance with section 4.9 and South32 has remitted to the Operator the first Capital Advance with respect to a Tranche, then South32 will pay to the Operator the difference between the total value of the Approved Budget in relation to the relevant Tranche and the amount remitted to the Operator as of the date specified in the notice given by South32 pursuant to section 4.9(2), less any payments made, or to be made, pursuant to section 4.10 (1)(a).*

(3) *Termination will not release or discharge any Party from any Claim that arose or accrued prior to the date of termination.*”

4. Effect of Amendments

Each Party consents to and agrees to be bound by the Agreement as amended by this amending agreement. In the event of any inconsistency between the terms of the Agreement and the terms of this amending agreement, the terms of this amending agreement will prevail.

5. Counterparts

This amending agreement may be executed by the Parties in counterparts and may be delivered by facsimile or electronic mail, each of which when delivered will be deemed an original and all of which will constitute one and the same agreement.

Yours truly,

South32 International Investment Holdings Pty Ltd

Brian Purdy - Director

/s/ Brian Purdy

for **Silver Bull Resources Inc.**
for **Minera Metalin S.A, de C.V.**

/s/ Tim Barry

Tim Barry
Chief Executive Officer

for **Contratistas de Sierra Mojada S.A.**
de C.V.