

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

SILVER BULL RESOURCES, INC.

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

FORM 10-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED October 31, 2020
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD OF _____ TO _____.

Commission File Number: 001-33125

SILVER BULL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada

State or other jurisdiction of incorporation or organization

91-1766677

(I.R.S. Employer Identification No.)

777 Dunsmuir Street, Suite 1610

Vancouver, B.C. V7Y 1K4

(Address of principal executive offices, including zip code)

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, \$0.01 Par Value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of January 28, 2021, there were 33,484,945 shares outstanding of the registrant's \$0.01 par value common stock, the registrant's only outstanding class of voting securities. As of April 30, 2020, the aggregate market value of the registrant's voting common stock held by non-affiliates of the registrant was approximately \$13.7 million based upon the closing sale price of the common stock as reported by the OTCQB. For the purpose of this calculation, the registrant has assumed that its affiliates as of April 30, 2020 included all directors and officers.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A in connection with the 2021 annual meeting of shareholders are incorporated by reference in Part III of this Annual Report on Form 10-K.

**SILVER BULL RESOURCES, INC.
ANNUAL REPORT ON FORM 10-K
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When we use the terms "Silver Bull," "we," "us," or "our," we are referring to Silver Bull Resources, Inc. and its subsidiaries, unless the context otherwise requires. We have included technical terms important to an understanding of our business under "Glossary of Common Terms" at the end of this section. Throughout this document we make statements that are classified as "forward-looking." Please refer to the "Cautionary Statement Regarding Forward-Looking Statements" section of this document for an explanation of these types of assertions.

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the United States Private Securities Litigation Reform Act of 1995, and "forward-looking information" within the meaning of applicable Canadian securities legislation. We use words such as "anticipate," "continue," "likely," "estimate," "expect," "may," "will," "projection," "should," "believe," "potential," "could," or similar words suggesting future outcomes (including negative and grammatical variations) to identify forward-looking statements. These statements include statements regarding the following, among other things:

- The sufficiency of our existing cash resources to enable us to continue our operations for the next 12 months as a going concern;
- Future payments that may be made by South32 under the terms of the South32 Option Agreement;

- Future exploration expenditures on the Beskauga Property, the potential exercise of the Beskauga Option and potential bonus payments under the Beskauga Option Agreement;
- Prospects of entering the development or production stage with respect to any of our projects;
- Our planned activities at the Sierra Mojada Project and the Beskauga Project in 2021 and beyond;
- Whether any part of the Sierra Mojada Project or Beskauga Project will ever be confirmed or converted into SEC Industry Guide 7-compliant “reserves”;
- The requirement of additional power supplies for the Sierra Mojada Project if a mining operation is determined to be feasible;
- Our ability to obtain and hold additional concessions in the Sierra Mojada Project and Beskauga Project areas;
- The timing, duration and overall impact of the COVID-19 pandemic on the Company’s business;
- Whether we will be required to obtain additional surface rights if a mining operation is determined to be feasible;
- The possible impact on the Company’s operations of the blockade by a cooperative of miners on the Sierra Mojada property;
- The potential acquisition of additional mineral properties or property concessions;
- Testing of the impact of the fine bubble flotation test work on the recovery of minerals and initial rough concentrate grade;
- The impact of recent accounting pronouncements on our financial position, results of operations or cash flows and disclosures;
- The impact of changes to current state or federal laws and regulations on estimated capital expenditures, the economics of a particular project and/or our activities;
- Our ability to raise additional capital and/or pursue additional strategic options, and the potential impact on our business, financial condition and results of operations of doing so or not;
- The impact of changing foreign currency exchange rates on our financial condition;
- Whether using major financial institutions with high credit ratings mitigates credit risk;
- The impact of changing economic conditions on interest rates;
- Our expectations regarding future recovery of value-added taxes (“VAT”) paid in Mexico; and
- The merits of any claims in connection with, and the expected timing of any, ongoing legal proceedings.

These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties and our actual results could differ from those expressed or implied in these forward-looking statements as a result of the factors described under “Risk Factors” in this Annual Report on Form 10-K, including:

- The continued funding by South32 of amounts required under the South32 Option Agreement;
- The results of future exploration at the Beskauga Property, including a feasibility study in compliance with Canadian National Instrument 43-101, and our ability to raise the capital for exploration expenditures on the Beskauga Property to maintain the effectiveness of the Beskauga Option;
- Our ability to obtain additional financial resources on acceptable terms to (i) conduct our exploration activities, (ii) fund the expenditures required as per the terms of the Beskauga Option Agreement and (iii) maintain our general and administrative expenditures at acceptable levels;
- Our ability to acquire additional mineral properties or property concessions;
- Results of future exploration at our Sierra Mojada Project and Beskauga Project;
- Worldwide economic and political events affecting (i) the market prices for silver, zinc, lead, copper and other minerals that may be found on our exploration properties (ii) interest rates and (iii) foreign currency exchange rates;
- Outbreaks of disease, including the COVID-19 pandemic, and related stay-at-home orders, quarantine policies and restrictions on travel, trade and business operations;
- The amount and nature of future capital and exploration expenditures;
- Volatility in our stock price;
- Our inability to obtain required permits;
- Competitive factors, including exploration-related competition;
- Timing of receipt and maintenance of government approvals;
- Unanticipated title issues;
- Changes in tax laws;
- Changes in regulatory frameworks or regulations affecting our activities;
- Our ability to retain key management, consultants and experts necessary to successfully operate and grow our business; and

- Political and economic instability in Mexico and other countries in which we conduct our business, and future potential actions of the governments in such countries with respect to nationalization of natural resources or other changes in mining or taxation policies.

These factors are not intended to represent a complete list of the general or specific factors that could affect us.

All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements. Except as required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. You should not place undue reliance on these forward-looking statements.

Cautionary Note Regarding Exploration Stage Companies

We are an exploration stage company and do not currently have any known reserves and cannot be expected to have known reserves unless and until a feasibility study is completed for the Sierra Mojada and Beskauga concessions that shows proven and probable reserves. There can be no assurance that our concessions contain proven and probable reserves and investors may lose their entire investment. See the "Risk Factors" section below.

Glossary of Common Terms

The following terms are used throughout this Annual Report on Form 10-K.

<i>Concession</i>	A grant of a tract of land made by a government or other controlling authority in return for stipulated services or a promise that the land will be used for a specific purpose.
<i>Exploration Stage</i>	A prospect that is not yet in either the development or production stage.
<i>Feasibility Study</i>	An engineering study designed to define the technical, economic, and legal viability of a mining project with a high degree of reliability.
<i>Formation</i>	A distinct layer of sedimentary rock of similar composition.
<i>Mineralized Material</i>	Mineral bearing material such as zinc, silver, gold, lead or copper that has been physically delineated by one or more of a number of methods, including drilling, underground work, surface trenching and other types of sampling. This material has been found to contain a sufficient amount of mineralization of an average grade of metal or metals to have economic potential that warrants further exploration evaluation. While this material is not currently or may never be classified as reserves, it is reported as mineralized material only if the potential exists for reclassification into the reserves category. This material cannot be classified in the reserves category until final technical, economic and legal factors have been determined. Under the U.S. Securities and Exchange Commission's standards, a mineral deposit does not qualify as a reserve unless the recoveries from the deposit are expected to be sufficient to recover total cash and non-cash costs for the mine and related facilities and make a profit.
<i>Mining</i>	The process of extraction and beneficiation of mineral reserves to produce a marketable metal or mineral product. Exploration continues during the mining process and, in many cases, mineral reserves are expanded during the life of the mine operations as the exploration potential of the deposit is realized.
<i>Ore, Ore Reserve, or Mineable Ore Body</i>	The part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination.
<i>Reserves</i>	Estimated remaining quantities of mineral deposit and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: <ul style="list-style-type: none"> (a) analysis of drilling, geological, geophysical and engineering data; (b) the use of established technology; (c) specified economic conditions, which are generally accepted as being reasonable, and which are disclosed; and (d) whether they are permitted and financed for development.
<i>Resources</i>	Those quantities of mineral deposit estimated to exist originally in naturally occurring accumulations. <p>Resources are, therefore, those quantities estimated on a particular date to be remaining in known accumulations plus those quantities already produced from known accumulations plus those quantities in accumulations yet to be discovered. Resources are divided into:</p> <ul style="list-style-type: none"> (a) discovered resources, which are limited to known accumulations; and (b) undiscovered resources.
<i>Tonne</i>	A metric ton which is equivalent to 2,204.6 pounds.

PART I

Items 1 and 2. BUSINESS AND PROPERTIES

Overview and Corporate Structure

Silver Bull Resources, Inc. was incorporated in the State of Nevada on November 8, 1993 as the Cadgie Company for the purpose of acquiring and developing mineral properties. The Cadgie Company was a spin-off from its predecessor, Precious Metal Mines, Inc. On June 28, 1996, our name was changed to Metalline Mining Company ("Metalline"). On April 21, 2011, we changed our name to Silver Bull Resources, Inc. We have not realized any revenues from our planned operations, and we are considered an exploration stage company. We have not established any reserves with respect to our exploration projects and may never enter into the development stage with respect to any of our projects.

We engage in the business of mineral exploration. We currently own a number of property concessions in Mexico within a mining district known as the Sierra Mojada District, located in the west-central part of the state of Coahuila, Mexico. We conduct our operations in Mexico through our wholly-owned subsidiary corporations, Minera Metalin S.A. de C.V. ("Minera Metalin"), Contratistas de Sierra Mojada S.A. de C.V. ("Contratistas") and Minas de Coahuila SBR S.A. de C.V. ("Minas").

In April 2010, Metalline Mining Delaware, Inc., our wholly-owned subsidiary incorporated in the State of Delaware, was merged with and into Dome Ventures Corporation ("Dome"), a Delaware corporation. As a result, Dome became a wholly-owned subsidiary of Silver Bull. Dome has a wholly-owned subsidiary, Dome Asia Inc. ("Dome Asia"), which is incorporated in the British Virgin Islands. Dome Asia has a wholly-owned subsidiary, Dome Minerals Nigeria Limited, incorporated in Nigeria.

On June 5, 2015, we announced our decision to voluntarily delist our shares of common stock from the NYSE MKT due to costs associated with the continued listing and NYSE MKT exchange rules regarding maintenance of a minimum share price. On June 29, 2015, our shares began trading on the OTCQB marketplace operated by OTC Markets Group. Our shares of common stock continue to trade on the Toronto Stock Exchange ("TSX").

On August 12, 2020, we entered into an option agreement (the "Beskauga Option Agreement") with Copperbelt AG, a corporation existing under the laws of Switzerland ("CB Parent"), and Dostyk LLP, an entity existing under the laws of Kazakhstan and a wholly-owned subsidiary of CB Parent (the "CB Sub," and together with CB Parent, "CB"), pursuant to which we have the exclusive right and option (the "Beskauga Option") to acquire CB's right, title and 100% interest in the Beskauga property located in Kazakhstan (the "Beskauga Property"), which consists of the Beskauga Main project (the "Beskauga Main Project") and the Beskauga South project (the "Beskauga South Project," and together the Beskauga Main Project, the "Beskauga Project"). After the completion of due diligence, the transaction contemplated by the Beskauga Option Agreement closed on January 26, 2021.

On September 1, 2020, we entered into a joint venture agreement (the "Stepnoe and Ekidos JV Agreement") with CB Parent in connection with mineral license applications for, and further exploration and evaluation of, the Stepnoe and Ekidos properties located in Kazakhstan. Pursuant to the Stepnoe and Ekidos JV Agreement, we are obligated to contribute to the joint venture such funds as may be required to apply for the Stepnoe and Ekidos mineral licenses and to fund such other exploration activities on the Stepnoe and Ekidos properties as we, in our sole discretion, may deem appropriate, and CB is obligated to contribute to the joint venture the identification of the Stepnoe and Ekidos properties. We and CB have initial participating interests in the joint venture of 80% and 20%, respectively. Pursuant to the Stepnoe and Ekidos JV Agreement, we are entitled to acquire CB's participating interest in one or both of the Stepnoe and Ekidos properties for \$1.5 million each in cash.

On September 18, 2020, we completed a one-for-eight reverse stock split of our shares of common stock. All share and per share information in this annual report on Form 10-K, including references to the number of shares of common stock, stock options and warrants, prices of issued shares, exercise prices of stock options and warrants, and loss per share, have been adjusted to reflect the impact of the reverse stock split.

Our efforts and expenditures have been and are expected to be concentrated in the exploration of properties, principally the Sierra Mojada property located in Coahuila, Mexico (the "Sierra Mojada Property") and the Beskauga Property. We have not determined whether our exploration properties contain ore reserves that are economically recoverable. The ultimate realization of our investment in exploration properties is dependent upon the success of future property sales, the existence of economically recoverable reserves, and our ability to obtain financing or make other arrangements for exploration, development and future profitable production activities. The ultimate realization of our investment in exploration properties cannot be determined at this time.

South32 Option Agreement

On June 1, 2018, we and our subsidiaries Minera Metalin and Contratistas entered into an earn-in option agreement (the "South32 Option Agreement") with South32 International Investment Holdings Pty Ltd ("South32"), a wholly owned subsidiary of South32 Limited (ASX/JSE/LSE: S32), whereby South32 is able to obtain an option to purchase 70% of the shares of Minera Metalin and Contratistas (the "South32 Option"). Minera Metalin owns the Sierra Mojada Property located in Coahuila, Mexico (the "Sierra Mojada Project") and Contratistas supplies labor for the Sierra Mojada Project. Under the South32 Option Agreement, South32 earns into the South32 Option by funding a collaborative exploration program on the Sierra Mojada Project. Upon the terms and subject to the conditions set forth in the South32 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 Project 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 (the "Initial Funding"). Funding is made on a quarterly basis based on the subsequent quarter's exploration budget. South32 may exercise the South32 Option by contributing \$100 million to Minera Metalin (the "Subscription Payment"), less the amount of Initial Funding previously contributed by South32. The issuance of shares upon notice of exercise of the South32 Option by South32 is subject to antitrust approval by the Mexican government. If the full amount of the Subscription Payment is advanced by South32 and the South32 Option becomes exercisable and is exercised, we and South32 will be obligated to contribute funding to Minera Metalin on a 30/70 pro rata basis. If South32 elects not to continue with the South32 Option during the four-year option period, the Sierra Mojada Project will remain 100% owned by us. The exploration program will be initially managed by us, with South32 being able to approve the exploration program funded by it. We received funding of \$3,144,163 from South32 for Year 1 of the South32 Option Agreement. In April 2019, we received a notice from South32 to maintain the South32 Option Agreement for Year 2 by providing cumulative funding of \$6 million by the end of such period. As of October 31, 2020, we had received funding of \$1,420,161 from South32 for Year 2 of the South32 Option Agreement, the time period for which has been extended by an event of force majeure described in more detail below. In November 2020, we received an additional payment of \$60,286 for the extended

Year 2 time period. If the South32 Option Agreement is terminated by South32 without cause or if South32 is unable to obtain authorization from the Mexican government, we are under no obligation to reimburse South32 for amounts contributed under the South32 Option Agreement.

Upon exercise of the South32 Option, Minera Metalin and Contratistas are required to issue common shares to South32. Pursuant to the South32 Option Agreement, following exercise and until a decision has been made by the board of directors of Minera Metalin to develop and construct a mine on the Sierra Mojada Project, each shareholder holding greater than or equal to 10% of the shares may withdraw as an owner in exchange for a 2% net smelter royalty on products produced and sold from the Sierra Mojada Project. Any shareholder whose holdings are reduced to less than 10% must surrender its interest in exchange for a 2% net smelter royalty.

On October 11, 2019, we and our subsidiary Minera Metalin issued a notice of force majeure to South32 pursuant to the South32 Option Agreement. Due to a blockade by a cooperative of local miners called Sociedad Cooperativa de Exploración Minera Mineros Norteños, S.C.L. ("Mineros Norteños"), we have temporarily halted all work on the Sierra Mojada Property. The notice of force majeure was issued because of the blockade's impact on the ability of us and our subsidiary Minera Metalin to perform our obligations under the South32 Option Agreement. Pursuant to the South32 Option Agreement, any time period provided for in the South32 Option Agreement will generally be extended by a period equal to the period of delay caused by the event of force majeure. As of January 28, 2021, the blockade by Mineros Norteños at, on and around the Sierra Mojada Property is ongoing.

Beskauga Option Agreement

On August 12, 2020, we entered into the Beskauga Option Agreement with CB pursuant to which we have the exclusive right and option to acquire CB's right, title and 100% interest in the Beskauga Property, which consists of the Beskauga Main Project and the Beskauga South Project. Upon the execution of the Beskauga Option Agreement, we paid CB Parent \$30,000. In addition, we paid CB Parent \$40,000 upon completion of our due diligence, and the transaction contemplated by the Beskauga Option Agreement closed on January 26, 2021.

The Beskauga Option Agreement provides that subject to its terms and conditions, in order to maintain the effectiveness of the Beskauga Option, we must incur \$2,000,000 in cumulative exploration expenditures on the Beskauga Property by the first anniversary following the closing of the transactions contemplated by the Beskauga Option Agreement (the "Closing Date"), \$5,000,000 in cumulative expenditures on the Beskauga Property by the second anniversary following the Closing Date, \$10,000,000 in cumulative expenditures on the Beskauga Property by the third anniversary following the Closing Date, and \$15,000,000 in cumulative expenditures on the Beskauga Property by the fourth anniversary following the Closing Date (collectively, the "Exploration Expenditures"). The Beskauga Option Agreement also provides that subject to its terms and conditions, after we have incurred the Exploration Expenditures, we may exercise the Beskauga Option and acquire (i) the Beskauga Property by paying CB \$15,000,000 in cash, (ii) the Beskauga Main Project only by paying CB \$13,500,000 in cash, or (iii) the Beskauga South Project only by paying CB \$1,500,000 in cash.

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In addition, the Beskauga Option Agreement provides that subject to its terms and conditions, we may be obligated to make the following bonus payments (collectively, the "Bonus Payments") to CB Parent if the Beskauga Main Project or the Beskauga South Project is the subject of a bankable feasibility study in compliance with Canadian National Instrument 43-101 indicating gold equivalent resources in the amounts set forth below, with (i) (A) 20% of the Bonus Payments payable after completion of the bankable feasibility study or after the mineral resource statement is finally determined and (B) the remaining 80% of the Bonus Payments due within 15 business days of commencement of on-site construction of a mine for the Beskauga Main Project or the Beskauga South Project, as applicable, and (ii) up to 50% of the Bonus Payments payable in shares of our common stock to be valued at the 20-day volume-weighted average trading price of the shares on the Toronto Stock Exchange calculated as of the date immediately preceding the date such shares are issued:

Gold equivalent resources	Cumulative Bonus Payments
Beskauga Main Project	
3,000,000 ounces	\$ 2,000,000
5,000,000 ounces	\$ 6,000,000
7,000,000 ounces	\$ 12,000,000
10,000,000 ounces	\$ 20,000,000
Beskauga South Project	
2,000,000 ounces	\$ 2,000,000
3,000,000 ounces	\$ 5,000,000
4,000,000 ounces	\$ 8,000,000
5,000,000 ounces	\$ 12,000,000

The Beskauga Option Agreement may be terminated under certain circumstances, including (i) upon the mutual written agreement of us and CB; (ii) upon the delivery of written notice by us, provided that at the time of delivery of such notice, unless there has been a material breach of a representation or warranty given by CB that has not been cured, the Beskauga Property is in good standing; or (iii) if there is a material breach by a party of its obligations under the Beskauga Option Agreement and the other party has provided written notice of such material breach, which is incapable of being cured or remains uncured.

On August 24, 2020, we loaned \$360,000 to Ekidos Minerals LLP, an unrelated third-party Kazakh entity relating to the acquisition of mineral property concessions in Kazakhstan. The loan is interest free and is to be repaid by January 31, 2021.

On December 21, 2020, we loaned an additional \$400,000 to Ekidos Minerals LLP. This loan is interest free and is to be repaid by June 30, 2021.

Sierra Mojada Project

Location, Access and Infrastructure

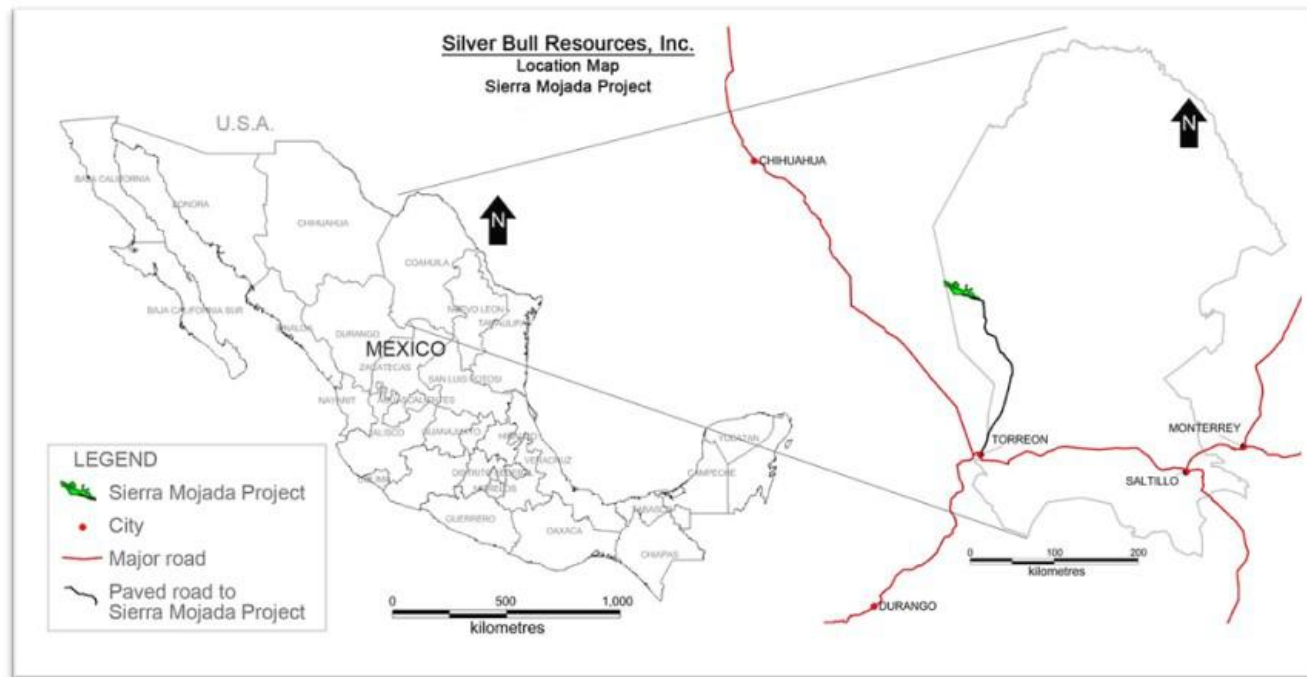
The Sierra Mojada Project is located within a mining district known as the Sierra Mojada District. The Sierra Mojada District is located in the west-central part of the state of Coahuila, Mexico, near the Coahuila-Chihuahua state border approximately 200 kilometers south of the Big Bend of the Rio Grande River. The principal mining area extends for approximately five kilometers in an east-west direction along the base of the precipitous, 1,000-meter high Sierra Mojada Range.

The Sierra Mojada Project site is situated to the south of the village of Esmeralda, on the northern side of a major escarpment that forms the northern margin of the Sierra Mojada range. In general, the site is approximately 1,500 meters above sea level. The project is accessible by paved road from the city of Torreón,

Coahuila, which lies approximately 250 kilometers to the south. Esmeralda is served by a rail spur of the Coahuila Durango railroad. There is an airstrip east of Esmeralda, although its availability is limited, and another airstrip at the nearby Penoles plant, which we can use occasionally. The Sierra Mojada District has high voltage electric power supplied by the national power company, Comisión Federal de Electricidad, C.F.E., and is supplied water by the municipality of Sierra Mojada. Although power levels are sufficient for current operations and exploration, future development of the project, if any, may require additional power supplies to be sourced.

Our facilities in Mexico include offices, accommodation for employees, workshops, warehouse buildings and exploration equipment located at Calle Mina #1, La Esmeralda, Coahuila, Mexico.

The map below shows the location of the Sierra Mojada Project:



Property History

Silver and lead were first discovered by a foraging party in 1879, and mining through 1886 consisted of native silver, silver chloride, and lead carbonate ores. After 1886, silver-lead-zinc-copper sulphide ores within limestone and sandstone units were produced. No accurate production history has been found for historical mining during this period.

Approximately 95 years ago, zinc silicate and zinc carbonate minerals ("Zinc Manto Zone") were discovered underlying the silver-lead mineralized horizon. The Zinc Manto Zone is predominantly zinc dominated, but with subordinate lead-rich manto and is principally situated in the footwall rocks of the Sierra Mojada Fault System. Since discovery and until 1990, zinc, silver, and lead ores were mined from various mines along the strike of the deposit, including from the Sierra Mojada Property. Ores mined from within these areas were hand-sorted, and the concentrate shipped mostly to smelters in the United States.

Activity during the period of 1956 to 1990 consisted of operations by the *Mineros Norteños* and operations by individual owners and operators of pre-existing mines. The *Mineros Norteños* operated the San Salvador, Encantada, Fronteriza, Esmeralda, and Parrena mines, and shipped oxide zinc ore to Zinc National's smelter in Monterrey, while copper and silver ore were shipped to smelters in Mexico and the United States.

We estimate that over 45 mines have produced ore from underground workings throughout the approximately five kilometers by two-kilometer area that comprises the Sierra Mojada District. We estimate that since its discovery in 1879, the Sierra Mojada District has produced approximately 10 million tons of silver, zinc, lead and copper ore. The Sierra Mojada District does not have a mill to concentrate ore, and all mining conducted thus far has been limited to selectively mined ore of sufficient grade to direct ship to smelters. We believe that mill-grade mineralization that was not mined remains available for extraction. No mining operations are currently active within the area of the Sierra Mojada District, except for a dolomite quarry by Peñoles near Esmeralda.

In the 1990s, Kennecott Copper Corporation ("Kennecott") had a joint venture agreement with USMX, Inc. ("USMX") involving its Sierra Mojada concessions. Kennecott terminated the joint venture in approximately 1995. We entered into a Joint Exploration and Development Agreement with USMX in July 1996 involving USMX's Sierra Mojada concessions. In 1998, we purchased the Sierra Mojada and the USMX concessions, and the joint exploration and development agreement was terminated. We also purchased certain other concessions during this time and conducted exploration for copper and silver mineralization from 1997 through 1999.

Title and Ownership Rights

The Sierra Mojada Project is comprised of 20 concessions consisting of 6,496 hectares (about 16,052 acres). We periodically obtain additional concessions in the Sierra Mojada Project area, and whether we will continue to hold these additional concessions will depend on future exploration work and exploration results

and our ability to obtain financing. As we have done in prior years, we continue to assess our concession ownership, and we may terminate our rights to certain concessions holdings.

Each mining concession enables us to explore the underlying concession in consideration for the payment of a semi-annual fee to the Mexican government and completion of certain annual assessment work. Annual assessment work in excess of statutory annual requirements can be carried forward and applied to future periods.

Ownership of a concession provides the owner with exclusive exploration and exploitation rights to all minerals located on the concessions, but does not include the surface rights to the real property. Therefore, we will need to negotiate any necessary agreements with the appropriate surface landowners if we determine that a mining operation is feasible for the concessions. We own surface rights to five lots in the Sierra Mojada Property (Sierra Mojada lot #1, #3, #4, #6 and #7) but anticipate that we will be required to obtain additional surface rights if we determine that a mining operation is feasible.

Geology and Mineralization

The Sierra Mojada concessions contain a mineral system which can be separated into two distinct zones: a silver-rich zone (the "Silver Zone") and a zinc-rich zone (the "Zinc Zone"). These two zones lie along the Sierra Mojada Fault which trends east-west along the base of the Sierra Mojada range. The majority of the mineralization identified to date is seen as oxide, which has been derived from primary "sulphide" bodies that have been oxidized and remained in situ or remobilized into porous and fractured rock along the Sierra Mojada Fault. The formation of the Silver Zone and the Zinc Zone is a reflection of the mobility of the metals in the ground water conditions at Sierra Mojada.

The geology of the Sierra Mojada District is composed of a Cretaceous limestone and dolomite sequence sitting on top of the Jurassic "San Marcos" red sediments. This sedimentary sequence was subsequently intruded by Tertiary volcanics, which are considered to be responsible for the mineralization seen at Sierra Mojada. Historical mines are dry, and the rocks are competent for the most part. We believe that the thickness and attitude of the mineralized material could potentially be amenable to high volume mechanized mining methods and low-cost production.

Sierra Mojada Technical Report (October 2018)

On October 30, 2018, Archer, Cathro & Associates (1981) Limited and Timothy Barry delivered an updated technical report (the "Sierra Mojada Report") on the silver and zinc mineralization at the Sierra Mojada Project in accordance with Canadian National Instrument 43-101 ("NI 43-101"). The Sierra Mojada Report supersedes the prior mineralized material estimate released by the Company in June 2015. The Sierra Mojada Report includes an update on the silver and zinc mineralization which was estimated from 1,336 diamond drill holes, 24 reverse circulation drill holes, 9,027 channel samples and 2,346 underground long holes. Using a net smelter return ("NSR") economic cut-off, the Sierra Mojada Report indicates mineralized material in the optimized pit of 70.4 million tonnes at an average silver grade of 38.6 grams/tonne silver, an average zinc percentage of 3.4%, an average copper percentage of 0.04% and an average lead percentage of 0.3%. The Sierra Mojada Report used a \$13.50/tonne NSR cut-off grade and assumed a silver price of \$15.00/ounce and a zinc price of \$1.20/pound. Mineralized material estimates do not include any amounts categorized as inferred resources.

"Mineralized material" as used in this Annual Report on Form 10-K, although permissible under the Securities and Exchange Commission's ("SEC's") Industry Guide 7, does not indicate "reserves" by SEC standards. We cannot be certain that any part of the Sierra Mojada Project will ever be confirmed or converted into SEC Industry Guide – 7 -- compliant "reserves." Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

Sampling, Analysis, Quality Control and Security

Our activities conform to mining industry standard practices and follow the Best Practices Guidelines of the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM). Sampling is directed and supervised by trained and experienced geologists. Drill core and other samples are processed and logged using industry standard methods. Standard samples, duplicates and blanks are periodically entered into the stream of samples submitted for assays, and campaigns of re-sampling and duplicate analyses and round-robin inter-laboratory validations are conducted periodically. We use ALS Chemex – Vancouver ("ALS Chemex") laboratory as our independent primary laboratory. ALS Chemex is ISO 9001:2000 certified. All analytical results that are used in resource models are exclusively from the independent primary laboratory.

Our consultants perform technical audits of our operations, including our formal quality assurance/quality control ("QA/QC") program, and recommend improvements as needed. A systematic program of duplicate sampling and assaying of representative samples from previous exploration activities was completed in 2010 under the direction and control of our consultants. Results of this study acceptably confirm the values in the project database used for resource modeling.

We formerly operated a sample preparation and an analytical laboratory at the project that prepared samples for shipment, performed QA/QC analyses to ensure against cross-contamination of samples during preparation and removed most low-value samples from the flow to the primary laboratory. For cost and other reasons, the internal laboratory has been shut down.

Prior Exploration Activities

We have focused our exploration efforts on two primary locations: the Silver Zone and the Zinc Zone. As further described below, we have conducted various exploration activities at the Sierra Mojada Project; however, to date, we have not established any reserves, and the project remains in the exploration stage and may never enter the development stage.

Prior to 2008, exploration efforts largely focused on the Zinc Zone with surface and underground drilling. In fiscal year 2009, we scaled back our exploration activities and administrative costs to conserve capital while we tried to secure additional sources of capital resources.

After closing the transaction with Dome in April 2010, we focused our exploration activities at Sierra Mojada primarily on the Silver Zone, which lies largely at surface. By the end of calendar 2018, approximately 101,000 meters of diamond drilling from surface and 10,000 meters of underground drilling had been completed.

The silver contained within the Silver Zone is seen primarily as silver halide minerals. The zinc contained within the Zinc Zone is contained mostly in the mineral hemimorphite and, to a lesser amount, in the mineral smithsonite.

2020 Exploration Activities

In January 2020, our board of directors approved an exploration budget for the Sierra Mojada Property of \$0.2 million for the period from January 2020 through May 2020 and \$1.1 million for general and administrative expenses for calendar year 2020. In June 2020, our board of directors approved an exploration budget for the Sierra Mojada Property of \$0.1 million for the period from June 2020 through December 2020. Due to the blockade by Mineros Norteños previously mentioned under the "South32 Option Agreement" section of this Form 10-K, we have temporarily halted all work at the Sierra Mojada Property.

2020 Drilling

During the year ended October 31, 2020, we conducted no drilling as we halted the drilling program due to the blockade.

Airborne Geophysics

Between September 2018 and November 2018, we completed a 5,297 line kilometer helicopter-borne Versatile Time Domain Electro Magnetic (VTEM) and Magnetic Geophysical Survey over the Sierra Mojada Property. The results of this survey aided in refining the design of the drilling program.

2021 Exploration Program

The focus of our 2021 calendar year exploration program on the Sierra Mojada Property will be to resolve the blockade and maintain our property concessions. Upon resolution of the blockade, we will work with South32 to approve an updated exploration program.

Metallurgical Studies

In May 2015, we selected and shipped samples of high-grade zinc material to a lab in Denver, Colorado for "fine bubble" flotation test work and to a group in Australia to assess their proprietary hydrometallurgy process. Previous test work completed by Silver Bull using mechanical flotation has shown an 87% recovery of zinc from the white zinc zone to produce a rough concentrate of 43% zinc, and a 72.5% recovery of zinc from the red zinc zone to produce a rough concentrate of 30% zinc. The "fine bubble" flotation test work that was performed did not improve recovery, but based on analysis of the results, it was determined that the "fine bubble" flotation test process may be able to be adjusted to improve recovery. Further testing is not planned at this time.

In addition, we previously conducted a metallurgical program to test the recovery of (i) the silver mineralization using the agitation cyanide leach method and (ii) the zinc mineralization using the SART process (sulfidization, acidification, recycling, and thickening). The test work on the Silver Zone focused on cyanide leach recovery of the silver using "Bottle Roll" tests to simulate an agitation leach system and to determine the recovery of (A) low-grade zinc that occurs in the Silver Zone and (B) high-grade zinc from the Zinc Zone that had been blended with mineralization from the Silver-rich Zone to the leach solution. The silver was recovered from the cyanide leach solution using the Merrill Crowe technique, and the zinc was recovered from the leach solution using the SART process. The SART process is a metallurgical process that regenerates and recycles the cyanide used in the leaching process of the silver and zinc and allows for the recovery of zinc that has been leached by the cyanide solution. The results showed an overall average silver recovery of 73.2%, with peak values of 89.0% and an overall average zinc recovery of 44% in the Silver Zone.

Beskauga Project

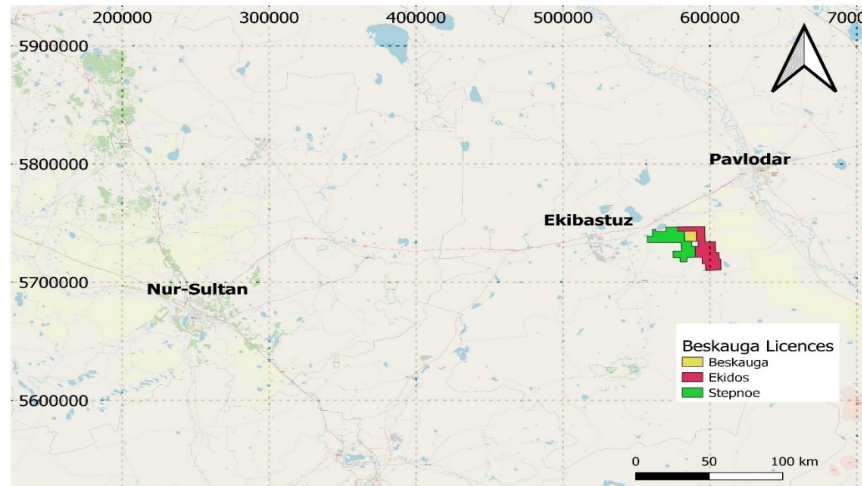
Location, Access and Infrastructure

The Beskauga Project is located in the Pavlodar Region of northeastern Kazakhstan, approximately 300 kilometers from the Kazakhstan capital Nur-Sultan (formerly Astana), approximately 70 kilometers southwest of the city of Pavlodar, and approximately 65 km east of the town of Ekibastuz. There is an international airport at Nur-Sultan. Access to the project area is via sealed road from Pavlodar.

The property comprises three licenses, the Beskauga mineral license (67.8 square kilometers) in the center of the property, which has been the subject of all work carried out thus far, and the Stepnoe (425 square kilometers) and Ekidos (425 square kilometers) mineral exploration licenses.

The region has sufficient infrastructure to host large-scale mining operations and is a sophisticated transportation and communication node with a local economy dominated by activity in the mining and industrial sectors. Some 40% of all of Kazakhstan's power-generating capacity comes from the region, which contains six power stations, three of which are in Pavlodar. Fresh water is supplied to the area from the Irtys River/Karaganda Canal, and there is a large, well-trained labour force to draw upon for any future mining activities.

The map below shows the location of the Beskauga Project:



Property History, Title and Ownership Rights

The Beskauga deposit was discovered by a regional shallow drilling program conducted during the Soviet-era in the 1980's. CB Sub maintains minerals rights for the Beskauga deposit based on License No. 785 (series MG) dated January 8, 1996, and a series of subsequent contracts and addendums as per the Republic of Kazakhstan legislation.

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The Beskauga mineral exploration license was issued under Kazakhstan's previous mining code, which was based on a contract arrangement whereby a company agrees to meet certain milestones and expenditure with the government. Despite a new mining code being in place since June 2018, obligations under existing contracts and licenses are still enforced. CB Sub has a mineral exploration license providing for the right to explore for all minerals (except uranium) on the Beskauga property. In order to maintain the exploration license in good standing, CB Sub is required to spend the following:

- 2021: \$1,801,000
- 2022: \$2,726,000
- 2023: \$4,700,000

Before the end of the three-year period ending December 31, 2023, the Beskauga exploration license will need to be converted to a mining license. A mining license has a provision to allow for another 3-year exploration period before an economic study needs to be completed on the project. Pursuant to the Beskauga Option Agreement with CB Parent and the Beskauga mineral exploration license held by CB Sub, Silver Bull has the exclusive right and option to acquire CB Sub's right to explore for all minerals (except uranium) on the Beskauga property until December 31, 2023.

Geology and Mineralization

The Beskauga Project is located in northeastern Kazakhstan, an area underlain by the rocks of the Altaid tectonic collage or Central Asian Orogenic Belt, an extensive Palaeozoic subduction-accretion complex made up of fragments of sedimentary basins, island arcs, accretionary wedges and tectonically bounded terranes that was progressively developed from the late Neoproterozoic Era, through the Palaeozoic Era to the early Mesozoic Era, and which extends eastwards into Russia, Mongolia and China as the Transbaikalian-Mongolian orogenic collage. These tectonic collages contain several major porphyry copper-gold/molybdenum and epithermal gold deposits formed over an extensive period from the Ordovician to the Jurassic and associated with the various magmatic arcs of this complex.

Beskauga is thought to be located in the lower Boshchekul-Chingiz volcanic arc, part of the Kipchak arc system. Island-arc volcanism was calc-alkaline in nature, evolving from more sodic chemistry to more potassic in later stages and formed small hypabyssal intrusive bodies of gabbro, diorites, granodiorite and sodic granite. These intrusives are responsible for the formation of the copper-gold porphyry deposits in the region.

Beskauga Main is a copper-gold porphyry deposit with elevated grades of molybdenum and silver, related to granodiorite and plagiogranite porphyry intrusions. The project area is predominantly underlain by volcanogenic-sedimentary rocks of upper Ordovician age that have been intruded by small stock-like intrusive bodies of porphyry ranging in composition from gabbro-diorite to quartz diorite and granodiorite. Porphyry-style mineralization is hosted in granodiorite and plagiogranite intrusions that have elongated sheet-like shapes. Mineralized zones are affected by stockwork veining and hydrothermal alteration and dip steeply. Alteration is mainly represented by albitization, sericitization and pyritization, though potassic alteration is also described. The most intensive alteration is at a depth of 250-500 meters. The principal sulphide minerals at Beskauga Main are pyrite and chalcopyrite, with smaller amounts of bornite, chalcocite, tennantite, enargite, and molybdenite, with magnetite and hematite also described. Analysis indicates a close correlation between gold and copper grades. Sulphides occur as fine-grained disseminations as well as in stockwork veins and veinlets.

Beskauga South is a gold only deposit associated with sericite-pyrophyllite-quartz alteration and silicification in steeply-dipping alteration zones affecting diorite porphyry. Mineralization may represent an epithermal stage within a porphyry-epithermal system.

Beskauga Technical Report (January 2021)

On January 27, 2021, Silver Bull announced a technical report prepared by CSA Global Consultants Canada Ltd on the mineralization at the Beskauga Project in accordance with NI 43-101 (the "Beskauga Report"). The Beskauga Report includes an estimate of the copper, gold and silver mineralization at Beskauga Main. Using a NSR economic cut-off, the Beskauga Report indicates mineralized material in an open-pit constrained block resource model of 207 million tonnes at an average copper percentage of 0.23%, gold grade of 0.35 grams/tonne, and silver grade of 1.09 grams/tonne. The Beskauga Report used a \$5.70/tonne NSR cut-off grade and assumed a copper price of \$2.80/pound, a gold price of \$1,500/ounce and a silver price of \$17.25/ounce. These mineralized material estimates do not include any amounts categorized as inferred resources.

The full Beskauga Report will be issued by March 12, 2021, which is 45 days from the report announcement date, as per Canadian regulatory requirements.

"Mineralized material" as used in this Annual Report on Form 10-K, although permissible under the SEC's Industry Guide 7, does not indicate "reserves" by SEC standards. We cannot be certain that any part of the Beskauga Project will ever be confirmed or converted into SEC Industry Guide 7-compliant "reserves." Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

2021 Exploration Program

We anticipate the commencement of an exploration program in the second calendar quarter of 2021 on the Beskauga property. This will involve a geological mapping and sampling program of key select areas, as well as a diamond drilling program targeting extensions to the known mineralization in the second half of calendar year 2021. The exploration program's design is being determined based historical geological information in the area and an airborne geophysics program that has recently been completed. The exploration drilling program is subject to obtaining adequate financing.

Information about our Executive Officers

We have three executive officers: a Chairman, a President and Chief Executive Officer and a Chief Financial Officer. Set forth below is information regarding our executive officers.

Name and Residence	Age	Position
Brian Edgar Vancouver, BC	71	Chairman
Timothy Barry Squamish, BC	45	President, Chief Executive Officer and Director
Christopher Richards Vancouver, BC	43	Chief Financial Officer

Brian Edgar. Mr. Edgar was appointed Chairman of the Board of Directors in April 2010. Mr. Edgar has broad experience working in junior and mid-size natural resource companies. He previously served as Dome's President and Chief Executive Officer from February 2005 to April 2010, when Dome was acquired by Silver Bull. Further, Mr. Edgar served on Dome's board of directors from 1998 to 2010. Mr. Edgar currently serves as a director of Denison Mines Corp. Mr. Edgar practiced corporate/securities law in Vancouver, British Columbia, Canada for 16 years.

Timothy Barry. Mr. Barry has served as a director, President and Chief Executive Officer of Silver Bull since March 2011. From August 2010 to March 2011, he served as our Vice President – Exploration. Between 2006 and August 2010, Mr. Barry spent five years working as Chief Geologist in West and Central Africa for Dome. During this time, he managed all aspects of Dome's exploration programs and oversaw corporate compliance for Dome's various subsidiaries. Mr. Barry also served on Dome's board of directors. In 2005, he worked as a project geologist in Mongolia for Entree Gold, a company that has a significant stake in the Oyu Tolgoi mine in Mongolia. Between 1998 and 2005, Mr. Barry worked as an exploration geologist for Ross River Minerals Inc. on its El Pulpo copper/gold project in Sinaloa, Mexico, for Canabrava Diamonds Corporation on its exploration programs in the James Bay lowlands in Ontario, Canada, and for Homestake Mining Company on its Plutonic Gold Mine in Western Australia. He has also worked as a mapping geologist for the Geological Survey of Canada in the Coast Mountains, and as a research assistant at the University of British Columbia, where he examined the potential of CO₂ sequestration in Canada using ultramafic rocks. Mr. Barry received a bachelor of science degree from the University of Otago in Dunedin, New Zealand and is a Chartered Professional Geologist (CPAusIMM).

Christopher Richards. Mr. Richards was appointed Chief Officer in September 2020. From June 2018 to February 2020, he served as the Vice President of Finance for Great Panther Mining Limited, a U.S. and Canadian dual-listed gold and silver producer. From January 2017 to May 2018, he was self-employed as a senior financial consultant at various public and private mining companies. Prior to that, Mr. Richards served as the Vice President of Finance and Corporate Secretary (December 2013–December 2016) and Group Controller (April 2009–November 2013) of Kyzyl Gold Ltd., which owned the Kyzyl Gold Mine located in northeastern Kazakhstan. From July 2015 to October 2016, he served as the Chief Financial Officer of TSX Venture Exchange-listed True North Gems Inc. Previously, Mr. Richards served as the Corporate Controller of U.S. and Canadian dual-listed NovaGold Resources Inc. and as a Senior Manager of audit for KPMG LLP. Mr. Richards is a CPA (Chartered Professional Accountant, British Columbia), CA, and received a bachelor of business administration degree from Simon Fraser University in 2000 and a certificate in mining studies from the University of British Columbia in 2014.

Competition and Mineral Prices

Mineral Prices

Silver and zinc are commodities, and their prices are volatile. From January 1, 2020 to December 31, 2020 the price of silver ranged from a low of \$12.00 per troy ounce to a high of \$28.89 per troy ounce, and from January 1, 2020 to December 31, 2020 the price of zinc ranged from a low of \$1,903 per tonne to a high of \$2,780 per tonne. Silver and zinc prices are affected by many factors beyond our control, including prevailing interest rates and returns on other asset classes, expectations regarding inflation, speculation, currency values, governmental decisions regarding the disposal of precious metals stockpiles, global and regional demand and production, political and economic conditions and other factors. The competitive nature of the business and the risks we face are discussed further

in the "Risk Factors – Risks Related to Our Business" section below.

The following tables set forth, for the periods indicated, high and low silver and zinc prices on the London Metal Exchange in U.S. dollars per troy ounce and per tonne, respectively. On October 31, 2020, the closing price of silver was \$23.63 per troy ounce. On October 31, 2020, the closing price of zinc was \$2,441 per tonne.

Year	Silver (per troy ounce)	
	High	Low
2013	\$32.23	\$18.61
2014	\$22.05	\$15.28
2015	\$18.23	\$13.71
2016	\$20.71	\$13.58
2017	\$18.56	\$15.22
2018	\$17.52	\$13.97
2019	\$19.31	\$14.38
2020	\$28.89	\$12.00

Year	Zinc (per tonne)	
	High	Low
2013	\$2,129	\$1,831
2014	\$2,327	\$2,008
2015	\$2,281	\$1,528
2016	\$2,566	\$1,520
2017	\$3,264	\$2,573
2018	\$3,533	\$2,434
2019	\$2,932	\$2,272
2020	\$2,780	\$1,903

Competition

Our industry is highly competitive. We compete with other mining and exploration companies in the acquisition and exploration of mineral properties. There is competition for a limited number of mineral property acquisition opportunities, some of which is with other companies having substantially greater financial resources, staff and facilities than we do. As a result, we may have difficulty acquiring attractive exploration properties, staking claims related to our properties and exploring properties. Our competitive position depends upon our ability to successfully and economically acquire and explore new and existing mineral properties.

Government Regulation

Mineral exploration activities are subject to various national, state/provincial, and local laws and regulations, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. Similarly, if any of our properties are developed and/or mined, those activities are also subject to significant governmental regulation and oversight. We plan to obtain the licenses, permits and other authorizations currently required to conduct our exploration program. We believe that we are in compliance in all material respects with applicable mining, health, safety and environmental statutes and the regulations applicable to the mineral interests we now hold in Mexico.

Environment Regulations

Our activities are subject to various national and local laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. We intend to conduct business in a way that safeguards public health and the environment and is in compliance with applicable laws and regulations.

Changes to current state or federal laws and regulations in Mexico or Kazakhstan could, in the future, require additional capital expenditures and increased operating and/or reclamation costs. Although we are unable to predict what additional legislation, if any, might be proposed or enacted, additional regulatory requirements could impact the economics of our projects.

During fiscal year 2020, we had no material environmental incidents or non-compliance with any applicable environmental regulations.

Employees

We have three employees, all of whom work full time. Contratistas, our wholly-owned operating subsidiary in Mexico, currently has one full-time employee. Minera Metalin, our wholly-owned mineral holding company in Mexico, does not have any employees.

Corporate Offices

Our corporate office is located at 777 Dunsmuir Street, Suite 1610, Vancouver, British Columbia, Canada V7Y 1K4. Our telephone number is (604) 687-5800, and our fax number is (604) 563-6004.

We maintain an internet website at <http://www.silverbullresources.com>. The information on our website is not incorporated by reference in this Annual Report on Form 10-K. We make available on or through our website certain reports and amendments to those reports that we file with or furnish to the SEC in accordance with the Exchange Act. You may also obtain this information from the SEC's website, <http://www.sec.gov>.

Item 1A. RISK FACTORS

A purchase of our securities involves a high degree of risk. Our business or operating or financial condition could be harmed due to any of the following risks. Accordingly, investors should carefully consider these risks in making a decision as to whether to purchase, sell or hold our securities. In addition, investors should note that the risks described below are not the only risks facing us. Additional risks not presently known to us, or risks that do not seem significant today, may impair our business operations in the future. You should carefully consider the risks described below, as well as the other information contained in this Annual Report on Form 10-K and the documents incorporated by reference herein, before making a decision to invest in our securities.

RISKS RELATED TO OUR BUSINESS:

There is substantial doubt about whether we can continue as a going concern.

To date, we have earned no revenues and have incurred accumulated net losses of \$132,019,148. In addition, we have limited financial resources. As of October 31, 2020, we had cash and cash equivalents of \$1,862,000 and working capital of \$1,828,000. Therefore, our continuation as a going concern is dependent upon our achieving a future financing or strategic transaction. However, there is no assurance that we will be successful pursuing a financing or strategic transaction. Accordingly, there is substantial doubt as to whether our existing cash resources and working capital are sufficient to enable us to continue our operations for the next 12 months as a going concern. Ultimately, in the event that we cannot obtain additional financial resources, or achieve profitable operations, we may have to liquidate our business interests and investors may lose their investment. The accompanying consolidated financial statements have been prepared assuming that our company will continue as a going concern. Continued operations are dependent on our ability to obtain additional financial resources or generate profitable operations. Such additional financial resources may not be available or may not be available on reasonable terms. Our consolidated financial statements do not include any adjustments that may result from the outcome of this uncertainty. Such adjustments could be material.

If South32 exercises its option to purchase 70% of the equity of Minera Metalin and Contratistas, we will no longer control the development of the Sierra Mojada Project.

On June 1, 2018, we entered into the South32 Option Agreement with South32, a wholly owned subsidiary of South32 Limited (ASX/JSE/LSE: S32), whereby South32 is able to obtain the South32 Option to purchase 70% of the equity of Minera Metalin and Contratistas, and oversee the mineral exploration of the Sierra Mojada Project. If South32 exercises the South32 Option, then we will no longer control the development of the Sierra Mojada Project. South32 would have the ability to control the timing and pace of future development, and its decisions may not be in the best interests of the Company and its stockholders.

If South32 were to exercise its option to purchase 70% of the equity of Minera Metalin and Contratistas, we will be required to contribute 30% of subsequent funding toward development of the Sierra Mojada Project, and we do not currently have sufficient funds to do so.

If South32 exercises its option to purchase 70% of the equity of Minera Metalin and Contratistas, under the terms of the South32 Option Agreement, we will retain a 30% ownership in Minera Metalin and Contratistas, and be obligated to contribute 30% of subsequent funding toward the development of the Sierra Mojada Project. If we fail to satisfy our funding commitment, our interest in Minera Metalin and Contratistas will be diluted. We do not currently have sufficient funds with which to satisfy this future funding commitment, and there is no certainty that we will be able to obtain sufficient future funds on acceptable terms or at all.

We may have difficulty meeting our current and future capital requirements.

Our management and our board of directors monitor our overall costs and expenses and, if necessary, adjust our programs and planned expenditures in an attempt to ensure that we have sufficient operating capital. We continue to evaluate our costs and planned expenditures for our ongoing exploration efforts at our Sierra Mojada Project. As of October 31, 2020, we had cash and cash equivalents of \$1,862,000. Even with the South32 funds, the continued exploration and possible development of the Sierra Mojada Project will require significant amounts of additional capital. If we are unable to fund future operations by way of financings, including public or private offerings of equity or debt securities, we will need to reorganize or significantly reduce our operations, which may result in an adverse impact on our business, financial condition and exploration activities. We do not have a credit, off-take or other commercial financing arrangement in place that would finance continued evaluation or development of the Sierra Mojada Project, and we believe that securing credit for these projects may be difficult. Moreover, equity financing may not be available on attractive terms and, if available, will likely result in significant dilution to existing stockholders.

We are an exploration stage mining company with no history of operations.

We are an exploration stage enterprise engaged in mineral exploration in Mexico and Kazakhstan. We have a very limited operating history and are subject to all the risks inherent in a new business enterprise. As an exploration stage company, we may never enter the development and production stages. To date, we have had no revenues and have relied upon equity financing and South32 funding to fund our operations. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with an exploration stage business, and the competitive and regulatory environment in which we operate and will operate, such as under-capitalization, personnel limitations, and limited financing sources.

We have no commercially mineable ore body.

No commercially mineable ore body has been delineated on the Sierra Mojada Project or Beskauga Project, nor have our properties been shown to contain proven or probable mineral reserves. Investors should not assume that the projections contained in the Sierra Mojada Report or Beskauga Report will ever be realized. We cannot assure you that any mineral deposits we identify on the Sierra Mojada Project or Beskauga Project will qualify as an ore body that can be

legally and economically exploited or that any particular level of recovery of silver, zinc or other minerals from discovered mineralization will in fact be realized. Most exploration projects do not result in the discovery of commercially mineable ore deposits. Even if the presence of reserves is established at a project, the legal and economic viability of the project may not justify exploitation.

Mineral resource estimates may not be reliable.

There are numerous uncertainties inherent in estimating quantities of mineralized material such as silver, zinc, lead, and copper, including many factors beyond our control, and no assurance can be given that the recovery of mineralized material will be realized. In general, estimates of mineralized material are based upon a number of factors and assumptions made as of the date on which the estimates were determined, including:

- geological and engineering estimates that have inherent uncertainties;
- the assumed effects of regulation by governmental agencies;
- the judgment of the engineers preparing the estimate;
- estimates of future metals prices and operating costs;
- the quality and quantity of available data;
- the interpretation of that data; and
- the accuracy of various mandated economic assumptions, all of which may vary considerably from actual results.

All estimates are, to some degree, uncertain. For these reasons, estimates of the recoverable mineral resources prepared by different engineers or by the same engineers at different times may vary substantially. As such, there is significant uncertainty in any mineralized material estimate, and actual deposits encountered and the economic viability of a deposit may differ materially from our estimates.

Our business plan is highly speculative, and its success largely depends on the successful exploration of our Sierra Mojada and Beskauga concessions.

Our business plan is focused on exploring the Sierra Mojada and Beskauga concessions to identify reserves and, if appropriate, to ultimately develop each property. Although we have reported mineralized material on our Sierra Mojada Project and the Beskauga Project, we have not established any reserves and remain in the exploration stage. We may never enter the development or production stage. Exploration of mineralization and determination of whether the mineralization might be extracted profitably is highly speculative, and it may take a number of years until production is possible, during which time the economic viability of the project may change. Substantial expenditures are required to establish reserves, extract metals from ore and construct mining and processing facilities.

Both the Sierra Mojada Project and Beskauga Project are subject to all of the risks inherent in mineral exploration and development. The economic feasibility of any mineral exploration and/or development project is based upon, among other things, estimates of the size and grade of mineral reserves, proximity to infrastructures and other resources (such as water and power), anticipated production rates, capital and operating costs, and metals prices. To advance from an exploration project to a development project, we will need to overcome various hurdles, including completing favorable feasibility studies, securing necessary permits, and raising significant additional capital to fund activities. There can be no assurance that we will be successful in overcoming these hurdles. Because of our focus on the Sierra Mojada Project and the Beskauga Project, the success of our operations and our profitability may be disproportionately exposed to the impact of adverse conditions unique to the Torreon, Mexico and Pavlodar, Kazakhstan regions, as the Sierra Mojada Project and Beskauga Project, respectively, due to their proximity to these locales.

Due to our history of operating losses, we are uncertain that we will be able to maintain sufficient cash to accomplish our business objectives.

During the fiscal years ended October 31, 2020 and October 31, 2019, we suffered net losses of \$2,226,000 and \$3,939,000 respectively. At October 31, 2020, we had stockholders' equity of \$9,116,000 and cash and cash equivalents of \$1,862,000. Significant amounts of capital will be required to continue to explore and potentially develop the Sierra Mojada concessions. We are not engaged in any revenue producing activities, and we do not expect to be in the near future. Currently, our potential sources of funding consist of the sale of additional equity securities, entering into joint venture agreements or selling a portion of our interests in our assets. There is no assurance that any additional capital that we will require will be obtainable on terms acceptable to us, if at all. Failure to obtain such additional financing could result in delays or indefinite postponement of further exploration of our projects. Additional financing, if available, will likely result in substantial dilution to existing stockholders.

Our exploration activities require significant amounts of capital that may not be recovered.

Mineral exploration activities are subject to many risks, including the risk that no commercially productive or extractable resources will be encountered. There can be no assurance that our activities will ultimately lead to an economically feasible project or that we will recover all or any portion of our investment. Mineral exploration often involves unprofitable efforts, including drilling operations that ultimately do not further our exploration efforts. The cost of minerals exploration is often uncertain, and cost overruns are common. Our drilling and exploration operations may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond our control, including title problems, weather conditions, protests, compliance with governmental requirements, including permitting issues, and shortages or delays in the delivery of equipment and services.

Our financial condition could be adversely affected by changes in currency exchange rates, especially between the U.S. dollar and each of the Mexican peso (“\$MXN”) and the Kazakh tenge (“\$KZT”) and the U.S. dollar and the Canadian dollar (“\$CDN”) given our focus on the Sierra Mojada Project in Mexico and the Beskauga Project in Kazakhstan, and our corporate office in Vancouver, Canada.

Our financial condition is affected in part by currency exchange rates, as portions of our exploration costs in Mexico and Kazakhstan and general and administration costs in Canada are denominated in the local currency. A weakening U.S. dollar relative to the \$MXN, \$KZT and \$CDN will have the effect of increasing exploration costs and general and administration costs while a strengthening U.S. dollar will have the effect of reducing exploration costs and general and administration costs. The exchange rates between the \$CDN and the U.S. dollar and between the \$MXN, \$KZT and U.S. dollar have fluctuated widely in

response to international political conditions, general economic conditions and other factors beyond our control.

Our success depends on developing and maintaining relationships with local communities and other stakeholders.

Our ongoing and future success depends on developing and maintaining productive relationships with the communities surrounding our operations and other stakeholders in our operating locations. We believe that our operations can provide valuable benefits to surrounding communities, in terms of direct employment, training and skills development. In addition, we seek to maintain our partnerships and relationships with local communities and stakeholders in a variety of ways, including in-kind contributions, sponsorships and donations. Notwithstanding our ongoing efforts, local communities and stakeholders can become dissatisfied with our activities or the level of benefits provided, which may result in legal or administrative proceedings, civil unrest, protests, direct action or campaigns against us, such as the recent blockade by Mineros Norteños that caused us to halt all work on the Sierra Mojada Property. Any such occurrences, including the blockade, could materially and adversely affect our financial condition, results of operations and cash flows.

Our operations may be disrupted, and our financial results may be adversely affected, by global outbreaks of contagious diseases, including the novel coronavirus (COVID-19) pandemic.

Global outbreaks of contagious diseases, including the December 2019 outbreak of a novel strain of coronavirus (COVID-19), have the potential to significantly and adversely impact our operations and business. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. Pandemics or disease outbreaks such as the currently ongoing COVID-19 outbreak may have a variety of adverse effects on our business, including by depressing commodity prices and the market value of our securities and limiting the ability of our management to meet with potential financing sources. The spread of COVID-19 has had, and continues to have, a negative impact on the financial markets, which may impact our ability to obtain additional financing in the near term. A prolonged downturn in the financial markets could have an adverse effect on our business, results of operations and ability to raise capital.

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RISKS RELATING TO THE MINERAL EXPLORATION INDUSTRY:

There are inherent risks in the mineral exploration industry.

We are subject to all of the risks inherent in the minerals exploration industry, including, without limitation, the following:

- we are subject to competition from a large number of companies, many of which are significantly larger than we are, in the acquisition, exploration, and development of mining properties;
- we might not be able raise enough money to pay the fees and taxes and perform the labor necessary to maintain our concessions in good status;
- exploration for minerals is highly speculative, involves substantial risks and is frequently unproductive, even when conducted on properties known to contain significant quantities of mineralization, and our exploration projects may not result in the discovery of commercially mineable deposits of ore;
- the probability of an individual prospect ever having reserves that meet the requirements for reporting under SEC Industry Guide 7 is remote, and any funds spent on exploration may be lost;
- our operations are subject to a variety of existing laws and regulations relating to exploration and development, permitting procedures, safety precautions, property reclamation, employee health and safety, air quality standards, pollution and other environmental protection controls, and we may not be able to comply with these regulations and controls; and
- a large number of factors beyond our control, including fluctuations in metal prices, inflation, and other economic conditions, will affect the economic feasibility of mining.

Metals prices are subject to extreme fluctuation.

Our activities are influenced by the prices of commodities, including silver, zinc, lead, copper and other metals. These prices fluctuate widely and are affected by numerous factors beyond our control, including interest rates, expectations for inflation, speculation, currency values (in particular, the strength of the U.S. dollar), global and regional demand, political and economic conditions and production costs in major metal-producing regions of the world.

Our ability to establish reserves through our exploration activities, our future profitability and our long-term viability depend, in large part, on the market prices of silver, zinc, lead, copper and other metals. The market prices for these metals are volatile and are affected by numerous factors beyond our control, including:

- global or regional consumption patterns;
- supply of, and demand for, silver, zinc, lead, copper and other metals;
- speculative activities and producer hedging activities;
- expectations for inflation;
- political and economic conditions; and
- supply of, and demand for, consumables required for production.

Future weakness in the global economy could increase volatility in metals prices or depress metals prices, which could in turn reduce the value of our properties, make it more difficult to raise additional capital, and make it uneconomical for us to continue our exploration activities.

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There are inherent risks with foreign operations.

Our business activities are primarily conducted in Mexico and are expected to expand into Kazakhstan, and as such, our activities are exposed to various levels of foreign political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, labor unrest, war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation, changing political conditions (including, potential instability if the United States withdraws from the United States-Mexico-Canada Agreement), currency controls and governmental regulations that favor or require the rewarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude in Mexico or Kazakhstan may adversely affect our exploration and possible future development activities. We may also be affected to varying degrees by government regulations with respect to, but not limited to, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on our operations. In addition, legislation in the United States, Canada, Kazakhstan or Mexico regulating foreign trade, investment and taxation could have a material adverse effect on our financial condition.

Our Sierra Mojada Project is located in Mexico and is subject to varying levels of political, economic, legal and other risks.

The Sierra Mojada Project is in Mexico. In the past, Mexico has been subject to political instability, changes and uncertainties that have resulted in changes to existing governmental regulations affecting mineral exploration and mining activities. Mexico's status as a developing country may make it more difficult for us to obtain any required financing for the Sierra Mojada Project or other projects in Mexico in the future. Our Sierra Mojada Project is also subject to a variety of governmental regulations governing health and worker safety, employment standards, waste disposal, protection of historic and archaeological sites, mine development, protection of endangered and protected species and other matters. Mexican regulators have broad authority to shut down and/or levy fines against facilities that do not comply with regulations or standards.

Our exploration activities in Mexico may be adversely affected to varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase the costs related to the Sierra Mojada Project. Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect our financial condition. Expansion of our activities will be subject to the need to obtain sufficient access to adequate supplies of water and assure the availability of sufficient power and surface rights that could be affected by government policy and competing operations in the area.

We also have litigation risk with respect to our operations. See Part I, Item 3 – Legal Proceedings of this Annual Report on Form 10-K for an explanation of material legal proceedings to which Silver Bull or its subsidiaries have been a party.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on our financial condition. Future changes in applicable laws and regulations or changes in their enforcement or regulatory interpretation could negatively impact current or planned exploration activities with the Sierra Mojada Project or in respect to any other projects in which we become involved in Mexico. Any failure to comply with applicable laws and regulations, even if inadvertent, could result in the interruption of exploration operations or material fines, penalties or other liabilities.

Our Beskauga Project is located in Kazakhstan and is subject to varying levels of political, economic, legal and other risks.

The Beskauga Project is in Kazakhstan. As is typical of an emerging market, Kazakhstan's business, legal and regulatory infrastructure has been subject to substantial political, economic and social change. Our business in Kazakhstan is subject to Kazakhstan-specific laws and regulations, including with respect to tax, anti-corruption, and foreign exchange controls. Such laws are often rapidly changing and are unpredictable. Our failure to manage the risks associated with doing business in Kazakhstan could have a material adverse effect upon our results of operations.

Title to our properties may be challenged or defective.

Our future operations, including our activities at the Sierra Mojada Project and other exploration activities, will require additional permits from various governmental authorities. Our operations are and will continue to be governed by laws and regulations governing prospecting, mineral exploration, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, mining royalties and other matters. There can be no assurance that we will be able to acquire all required licenses, permits or property rights on reasonable terms or in a timely manner, or at all, that such terms will not be adversely changed, that required extensions will be granted, or that the issuance of such licenses, permits or property rights will not be challenged by third parties.

We attempt to confirm the validity of our rights of title to, or contract rights with respect to, each mineral property in which we have a material interest. However, we cannot guarantee that title to our properties will not be challenged. The Sierra Mojada Property may be subject to prior unregistered agreements, interests or native land claims, and title may be affected by undetected defects. There may be valid challenges to the title of any of the claims comprising the Sierra Mojada Property that, if successful, could impair possible development and/or operations with respect to such properties in the future. Challenges to permits or property rights (whether successful or unsuccessful), changes to the terms of permits or property rights, or a failure to comply with the terms of any permits or property rights that have been obtained could have a material adverse effect on our business by delaying or preventing or making continued operations economically unfeasible.

A title defect could result in Silver Bull losing all or a portion of its right, title, and interest to and in the properties to which the title defect relates. Title insurance generally is not available, and our ability to ensure that we have obtained secure title to individual mineral properties or mining concessions may be severely constrained. In addition, we may be unable to operate our properties as permitted or to enforce our rights with respect to our properties. We annually monitor the official mining records in Mexico City to determine if there are annotations indicating the existence of a legal challenge against the validity of any of our concessions. As of January 2021, and to the best of our knowledge, there are no such annotations, nor are we aware of any challenges from the government or from third parties, except for the Mineros Norteños matter described in Part I, Item 3 – Legal Proceedings.

In addition, in connection with the purchase of certain mining concessions, Silver Bull agreed to pay a net royalty interest on revenue from future mineral sales on certain concessions at the Sierra Mojada Project, including concessions on which a significant portion of our mineralized material is located. The aggregate amount payable under this royalty is capped at \$6.875 million (the "Royalty"), an amount that will only be reached if there is significant future production from the concessions. As noted in Part I, Item 3 (Legal Proceedings), this Royalty is currently the subject of a dispute with a local cooperative. In addition, records from prior management indicate that additional royalty interests may have been created, although the continued applicability and scope of these interests are uncertain. The existence of these royalty interests may have a material effect on the economic feasibility of potential future development of the Sierra Mojada Project.

We are subject to complex environmental and other regulatory risks, which could expose us to significant liability and delay and potentially the suspension or termination of our exploration efforts.

Our mineral exploration activities are subject to federal, state and local environmental regulations in the jurisdictions where our mineral properties are located. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. No assurance can be given that environmental standards imposed by these governments will not be changed, thereby possibly materially adversely affecting our proposed activities. Compliance with these environmental requirements may also necessitate significant capital outlays or may materially affect our earning power.

Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. As a result of recent changes in environmental laws in Mexico, for example, more legal actions supported or sponsored by non-governmental groups interested in halting projects may be filed against companies operating in all industrial sectors, including the mining sector. Mexican projects are also subject to the environmental agreements entered into by Mexico, the United States and Canada in connection with the United States-Mexico-Canada Agreement.

Future changes in environmental regulations in the jurisdictions where our projects are located may adversely affect our exploration activities, make them prohibitively expensive, or prohibit them altogether. Environmental hazards may exist on the properties in which we currently hold interests, such as the Sierra Mojada Project, or may hold interests in the future, that are unknown to us at present and that have been caused by us or previous owners or operators, or that may have occurred naturally. We may be liable for remediating any damage that we may have caused. The liability could include costs for removing or remediating the release and damage to natural resources, including ground water, as well as the payment of fines and penalties.

Our industry is highly competitive, attractive mineral properties and property concessions are scarce, and we may not be able to obtain quality properties or concessions.

We compete with other mining and exploration companies in the acquisition of mineral properties and property concessions. There is competition for a limited number of attractive mineral property acquisition opportunities, some of which is with other companies having substantially greater financial resources, staff and facilities than we do. As a result, we may have difficulty acquiring quality mineral properties or property concessions.

We may face a shortage of water.

Water is essential in all phases of the exploration and development of mineral properties. It is used in such processes as exploration, drilling, leaching, placer mining, dredging, testing, and hydraulic mining. Both the lack of available water and the cost of acquisition may make an otherwise viable project economically impossible to complete. In November 2013, Silver Bull was granted the right to exploit up to 3.5 million cubic meters of water per year from six different well sites by the water regulatory body in Mexico, La Comisión Nacional del Agua, but it has yet to be determined if the six well sites can produce this much water over a sustained period of time.

Our non-operating properties are subject to various hazards.

We are subject to risks and hazards, including environmental hazards, possible encounters with unusual or unexpected geological formations, cave-ins, flooding and earthquakes, and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in damage to, or the destruction of, mineral properties or future production facilities, personal injury or death, environmental damage, delays in our exploration activities, asset write-downs, monetary losses and possible legal liability. We may not be insured against all losses or liabilities, either because such insurance is unavailable or because we have elected not to purchase such insurance due to high premium costs or other reasons. Although we maintain insurance in an amount that we consider to be adequate, liabilities might exceed policy limits, in which event we could incur significant costs that could adversely affect our activities. The realization of any significant liabilities in connection with our activities as described above could negatively affect our activities and the price of our common stock.

We need and rely upon key personnel.

Presently, we employ a limited number of full-time employees, utilize outside consultants, and in large part rely on the efforts of our officers and directors. Our success will depend, in part, upon the ability to attract and retain qualified employees. In particular, we have only three executive officers, Brian Edgar, Timothy Barry and Christopher Richards, and the loss of the services of any of these three would adversely affect our business.

RISKS RELATING TO OUR COMMON STOCK:

We will have virtually no shares available for issuance to raise capital to fund our general corporate overhead or cover the costs associated with maintaining our mineral interests unless the number of authorized shares of common stock is increased.

Currently, we have 37,500,000 authorized shares of common stock. As of January 28, 2021, we had 33,484,945 shares of common stock outstanding. After taking into account the 4,015,039 shares reserved for issuance upon the exercise of outstanding options and warrants, we have virtually no shares available for issuance. For all practical purposes, the 37,500,000 authorized shares of our common stock have been fully utilized, restricting our ability to issue any more shares. In December 2020, we solicited the approval of our shareholders to amend our articles of incorporation to increase the number of authorized shares of common stock to 300,000,000; however, we did not receive the requisite shareholder approval. If the number of authorized shares of common stock is not increased, we will have virtually no shares available for issuance to raise capital to fund our general corporate overhead or cover the costs associated with maintaining our interests in the Sierra Mojada Project in Mexico or our interests in the Beskauga Project in Kazakhstan. Further delays in securing, or the failure

to secure, shareholder approval to amend our articles of incorporation to increase the number of authorized shares of common may prevent us from executing a capital raising transaction, which may have a material adverse effect on our business and financial condition.

Further equity financings may lead to the dilution of our common stock.

In order to finance future operations, we may raise funds through the issuance of common stock or the issuance of debt instruments or other securities convertible into common stock. We cannot predict the size of future issuances of common stock or the size and terms of future issuances of debt instruments or other securities convertible into common stock or the effect, if any, that future issuances and sales of our securities will have on the market price of our common stock. Any transaction involving the issuance of previously authorized but unissued shares, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective security holders. Demand for equity securities in the mining industry has been weak; therefore, equity financing may not be available on attractive terms and, if available, will likely result in significant dilution to existing shareholders.

No dividends are anticipated.

At the present time, we do not anticipate paying dividends, cash or otherwise, on our common stock in the foreseeable future. Future dividends will depend on our earnings, if any, our financial requirements and other factors. There can be no assurance that we will pay dividends.

Our stock price can be very volatile.

Our common stock is listed on the TSX and trades on the OTCQB. The trading price of our common stock has been, and could continue to be, subject to wide fluctuations in response to announcements of our business developments, results and progress of our exploration activities at the Sierra Mojada Project, progress reports on our exploration activities, and other events or factors. In addition, stock markets have experienced significant price volatility in recent months and years. This volatility has had a substantial effect on the share prices of companies, at times for reasons unrelated to their operating performance. These fluctuations could be in response to:

- volatility in metal prices;
- political developments in the foreign countries in which our properties are located; and
- news reports relating to trends in our industry or general economic conditions.

These broad market and industry fluctuations may adversely affect the price of our common stock, regardless of our operating performance.

We cannot make any predictions or projections as to what the prevailing market price for our common stock will be at any time, including as to whether our common stock will achieve or remain at levels at or near its offering price, or as to what effect the sale of shares or the availability of common stock for sale at any time will have on the prevailing market price.

Item 1B. UNRESOLVED STAFF COMMENTS

None.

Item 3. LEGAL PROCEEDINGS

On May 20, 2014, Mineros Norteños filed an action in the Local First Civil Court in the District of Morelos, State of Chihuahua, Mexico, against our subsidiary, Minera Metalin, claiming that Minera Metalin breached an agreement regarding the development of the Sierra Mojada Project. Mineros Norteños sought payment of the Royalty, including interest at a rate of 6% per annum since August 30, 2004, even though no revenue has been produced from the applicable mining concessions. It also sought payment of wages to the cooperative's members since August 30, 2004, even though none of the individuals were ever hired or performed work for Minera Metalin under this agreement and Minera Metalin never committed to hiring them. On January 19, 2015, the case was moved to the Third District Court (of federal jurisdiction). On October 4, 2017, the court ruled that Mineros Norteños was time barred from bringing the case. On October 19, 2017, Mineros Norteños appealed this ruling. On July 31, 2019, the Federal Appeals Court upheld the original ruling. This ruling was subsequently challenged by Mineros Norteños and on January 24, 2020, the Federal Circuit Court ruled that the Federal Appeals Court must consider additional factors in its ruling. In March 2020, the Federal Appeals Court upheld the original ruling after considering these additional factors. In August 2020, Mineros Norteños appealed this ruling, which appeal we timely responded and objected to on October 5, 2020. We and our Mexican legal counsel believe that it is unlikely that the court's ruling will be overturned. We have not accrued any amounts in our consolidated financial statements with respect to this claim. See Note 15 – Commitments and Contingencies to our consolidated financial statements.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

From May 2, 2011 to June 28, 2015 our common stock traded on the NYSE MKT (the predecessor stock exchange to the NYSE American) under the symbol "SVBL." On June 5, 2015, we announced our decision to voluntarily delist our shares of common stock from the NYSE MKT due to costs associated with the continued listing and NYSE MKT exchange rules regarding maintenance of a minimum share price. On June 29, 2015, our shares began trading on the OTCQB marketplace operated by OTC Markets Group. Since August 26, 2010, our common stock has been trading on the TSX under the symbol "SVB."

The sales prices on the OTCQB reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Holders

As of January 28, 2021, there were 128 holders of record of our common stock. This does not include persons or entities that hold our common stock in brokerage accounts or otherwise in "street name."

Dividends

We did not declare or pay cash or other dividends on our common stock during the last two fiscal years. We have no plans to pay any dividends in the foreseeable future.

Securities Authorized for Issuance Under Equity Compensation Plans

As of October 31, 2020, we had one formal equity compensation plan under which equity securities were authorized for issuance to our officers, directors, employees and consultants: the 2019 Stock Option and Stock Bonus Plan (the "2019 Plan"). The 2019 Plan was adopted by the board of directors in February 2019 and approved by the shareholders in April 2019. Under the 2019 Plan, the lesser of (i) 3,750,000 shares or (ii) 10% of the total shares outstanding will be reserved to be issued upon the exercise of options or the grant of stock bonuses. As of October 31, 2020, there were 3,316,595 shares reserved for issuance under the 2019 Plan. As of October 31, 2020, options issued under the 2010 Stock Option and Stock Bonus Plan, as amended (the "2010 Plan"), were outstanding to acquire 2,043,750 shares of common stock. The term of the 2010 Plan expired on or around December 22, 2019. As of October 31, 2020, no additional shares remain available for issuance under the 2010 Plan.

The following table gives information about our common stock that may be issued upon the exercise of options, warrants and rights under our compensation plans as of October 31, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options and rights	Weighted average exercise price of outstanding options and rights	Number of securities remaining available for future issuance
Equity compensation plans approved by security holders	2,043,750 ⁽¹⁾	\$0.72	3,316,595 ⁽²⁾
Total	2,043,750	\$0.72	3,316,595

(1) Includes options to acquire 2,043,750 shares of common stock under the 2010 Plan.

(2) Includes 3,316,595 shares of common stock available for issuance under the 2019 Plan.

Recent Sales of Unregistered Securities and Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Recent Sales of Unregistered Securities

On October 27, 2020, in the initial tranche of a private placement (the "Private Placement"), we sold 3,623,580 units (each, a "Unit") at a purchase price of \$0.47 per Unit for gross proceeds of \$1,703,000. On November 9, 2020, in the second tranche of the Private Placement, we sold 319,000 Units at a purchase price of \$0.47 per Unit for gross proceeds of \$150,000. Each Unit consists of one share of our common stock and one half of one transferable common stock purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one share of our common stock at a price of \$0.59 per share until the fifth annual anniversary of the closing of the respective tranche of the Private Placement.

We paid a 4% finder's fee totaling \$26,000 to an agent with respect to certain purchasers who were introduced by the agent.

We relied on the exemption from registration under Section 4(a)(2) of the Securities Act or Rule 506 of Regulation D, or Regulation S, for purposes of the Private Placement.

Purchases of Equity Securities by the Company and Affiliated Purchasers

No purchases of equity securities were made by or on behalf of Silver Bull or any "affiliated purchaser" within the meaning of Rule 10b-18 under the Exchange Act during the period covered by this report.

Item 6. SELECTED FINANCIAL DATA

Not applicable.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Business Overview

Silver Bull, incorporated in Nevada, is an exploration stage company, engaged in the business of mineral exploration. Our primary objective is to define sufficient mineral reserves on the Sierra Mojada Property and the Beskauga Property to justify the development of a mechanized mining operation. We conduct our operations in Mexico through our wholly-owned Mexican subsidiaries, Minera Metalin, Contratistas, and Minas. However, as noted above, we have not established any reserves at the Sierra Mojada Property [or Beskauga Property], are in the exploration stage and may never enter the development or production stage.

Our principal office is located at 777 Dunsmuir Street, Suite 1610, Vancouver, BC, Canada V7Y 1K4, and our telephone number is 604-687-5800.

Recent Developments

Reverse Stock Split

On September 18, 2020, we completed a one-for-eight reverse stock split of our shares of common stock. All share and per share information in this annual report on Form 10-K, including references to the number of shares of common stock, stock options and warrants, prices of issued shares, exercise prices of stock options and warrants, and loss per share, have been adjusted to reflect the impact of the reverse stock split.

2020 Private Placement

In October 2020, we raised gross proceeds of \$1,703,000 in the initial tranche of a two-tranche private placement (the "Private Placement"). In the initial tranche of the Private Placement, we sold of 3,623,580 units consisting of one share of our common stock and one half of one transferable common stock purchase warrant. For a full description of the two-tranche Private Placement, see the "Material Changes in Financial Condition; Liquidity and Capital Resources" section below.

Beskauga Option Agreement

On August 12, 2020, we entered into an option agreement (the "Beskauga Option Agreement") with Copperbelt AG, a corporation existing under the laws of Switzerland ("CB Parent"), and Dostyk LLP, an entity existing under the laws of Kazakhstan and a wholly-owned subsidiary of CB Parent (the "CB Sub," and together with CB Parent, "CB"), pursuant to which we have the exclusive right and option (the "Beskauga Option") to acquire CB's right, title and 100% interest in the Beskauga property located in Kazakhstan (the "Beskauga Property"), which consists of the Beskauga Main project (the "Beskauga Main Project") and the Beskauga South project (the "Beskauga South Project," and together with the Beskauga Main Project, the "Beskauga Project"). Upon the execution of the Beskauga Option Agreement, we paid CB Parent \$30,000. In addition, we paid CB Parent \$40,000 after the results of our due diligence was completed on the Beskauga Property to our satisfaction. The transactions contemplated by the Beskauga Option Agreement closed on January 26, 2021.

The Beskauga Option Agreement provides that subject to its terms and conditions, in order to maintain the effectiveness of the Beskauga Option, we must incur \$2,000,000 in cumulative exploration expenditures on the Beskauga Property by the first anniversary following the closing of the transactions contemplated by the Beskauga Option Agreement (the "Closing Date"), \$5,000,000 in cumulative expenditures on the Beskauga Property by the second anniversary following the Closing Date, \$10,000,000 in cumulative expenditures on the Beskauga Property by the third anniversary following the Closing Date, and \$15,000,000 in cumulative expenditures on the Beskauga Property by the fourth anniversary following the Closing Date (collectively, the "Exploration Expenditures"). The Beskauga Option Agreement also provides that subject to its terms and conditions, after we have incurred the Exploration Expenditures, we may exercise the Beskauga Option and acquire (i) the Beskauga Property by paying CB \$15,000,000 in cash, (ii) the Beskauga Main Project only by paying CB \$13,500,000 in cash, or (iii) the Beskauga South Project only by paying CB \$1,500,000 in cash.

In addition, the Beskauga Option Agreement provides that subject to its terms and conditions, we may be obligated to make the following bonus payments (collectively, the "Bonus Payments") to CB Parent if the Beskauga Main Project or the Beskauga South Project is the subject of a bankable feasibility study in compliance with Canadian National Instrument 43-101 indicating gold equivalent resources in the amounts set forth below, with (i) (A) 20% of the Bonus Payments payable after completion of the bankable feasibility study or after the mineral resource statement is finally determined and (B) the remaining 80% of the Bonus Payments due within 15 business days of commencement of on-site construction of a mine for the Beskauga Main Project or the Beskauga South Project, as applicable, and (ii) up to 50% of the Bonus Payments payable in shares of our common stock to be valued at the 20-day volume-weighted average trading price of the shares on the Toronto Stock Exchange calculated as of the date immediately preceding the date such shares are issued:

Gold equivalent resources	Cumulative Bonus Payments
Beskauga Main Project	
3,000,000 ounces	\$ 2,000,000
5,000,000 ounces	\$ 6,000,000
7,000,000 ounces	\$ 12,000,000
10,000,000 ounces	\$ 20,000,000
Beskauga South Project	
2,000,000 ounces	\$ 2,000,000
3,000,000 ounces	\$ 5,000,000
4,000,000 ounces	\$ 8,000,000
5,000,000 ounces	\$ 12,000,000

The Beskauga Option Agreement may be terminated under certain circumstances, including (i) upon the mutual written agreement of us and CB; (ii) upon the delivery of written notice by us, provided that at the time of delivery of such notice, unless there has been a material breach of a representation or warranty given by CB that has not been cured, the Beskauga Property is in good standing; or (iii) if there is a material breach by a party of its obligations under the Beskauga Option Agreement and the other party has provided written notice of such material breach, which is incapable of being cured or remains uncured.

On August 24, 2020, we loaned \$360,000 to Ekidos Minerals LLP, an unrelated third-party Kazakh entity, relating to the acquisition of mineral property concessions in Kazakhstan. The loan is interest free and is to be repaid on January 31, 2021.

On December 21, 2020, we loaned an additional \$400,000 to Ekidos Minerals LLP. This loan is interest free and is to be repaid by June 30, 2021.

South32 Option Agreement

On June 1, 2018, we and our subsidiaries Minera Metalin and Contratistas entered into the South32 Option Agreement with South32, whereby South32 is able to obtain the South32 Option to purchase 70% of the shares of Minera Metalin and Contratistas. Minera Metalin owns the Sierra Mojada Property located in Coahuila, Mexico, and Contratistas supplies labor for the Sierra Mojada Project. Under the South32 Option Agreement, South32 earns into the South32 Option by funding a collaborative exploration program on the Sierra Mojada Project. Upon the terms and subject to the conditions set forth in the South32 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 Project 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 is made on a quarterly basis based on the following quarter's exploration budget. South32 may exercise the South32 Option by contributing \$100 million to Minera Metalin, less the amount of Initial Funding previously contributed by South32. The issuance of shares upon notice of exercise of the South32 Option by South32 is subject to antitrust approval by the Mexican government. If the full amount of the Subscription Payment is advanced by South32 and the South32 Option becomes exercisable and is exercised, we and South32 will be obligated to contribute funding to Minera Metalin on a 30/70 pro rata basis. If South32 elects not to continue with the South32 Option during the four-year option period, the Sierra Mojada Project will remain 100% owned by us. The exploration program will be initially managed by us, with South32 being able to approve the exploration program funded by it. We received funding of \$3,144,163 from South32 for Year 1 of the South32 Option Agreement. In April 2019, we received a notice from South32 to maintain the South32 Option Agreement for Year 2 by providing cumulative funding of \$6 million by the end of such period. As of October 31, 2020, we had received funding of \$1,420,161 from South32 for Year 2 of the South32 Option Agreement, the time period for which has been extended by an event of force majeure described in more detail below. In November 2020, we received a payment of \$60,286 for the extended Year 2 time period. If the South32 Option Agreement is terminated by South32 without cause or if South32 is unable to obtain antitrust authorization from the Mexican government, we are under no obligation to reimburse South32 for amounts contributed under the South32 Option Agreement.

Upon exercise of the South32 Option, Minera Metalin and Contratistas are required to issue common shares to South32. Pursuant to the South32 Option Agreement, following exercise and until a decision has been made by the board of directors of Minera Metalin to develop and construct a mine on the Sierra Mojada Project, each shareholder holding greater than or equal to 10% of the shares may withdraw as an owner in exchange for a 2% net smelter royalty on products produced and sold from the Sierra Mojada Project. Any shareholder whose holdings are reduced to less than 10% must surrender its interest in exchange for a 2% net smelter royalty.

We have determined that Minera Metalin and Contratistas are variable interest entities and that the South32 Option Agreement has not resulted in the transfer of control of the Sierra Mojada Project to South32. We have also determined that the South32 Option Agreement represents non-employee share-based compensation associated with the collaborative exploration program undertaken by the parties. The compensation cost is expensed when the associated exploration activity occurs. The share-based payments have been classified as equity instruments and valued based on the fair value of consideration received, as it is more reliably measurable than the fair value of the equity interest. If the South32 Option is exercised and shares are issued prior to a decision to develop a mine, such shares would be classified as temporary equity as they would be contingently redeemable in exchange for a net smelter royalty under circumstances not wholly in control of us or South32 and which are not currently probable.

On October 11, 2019, we and our subsidiary Minera Metalin issued a notice of force majeure to South32 pursuant to the South32 Option Agreement. Due to a blockade by Mineros Norteños, we have temporarily halted all work on the Sierra Mojada Property. The notice of force majeure was issued because of the blockade's impact on the ability of us and our subsidiary Minera Metalin to perform their obligations under the South32 Option Agreement. Pursuant to the South32 Option Agreement, any time period provided for in the South32 Option Agreement will generally be extended by a period equal to the period of delay caused by the event of force majeure.

Sierra Mojada Property

In January 2020, our board of directors approved an exploration budget for the Sierra Mojada Property of \$0.2 million for the period from January 2020 through May 2020 and \$1.1 million for general and administrative expenses for calendar year 2020. In June 2020, our board of directors approved an exploration budget for the Sierra Mojada Property of \$0.1 million for the period from June 2020 through December 2020. Due to the blockade by Mineros Norteños previously mentioned under the "Recent Developments – South32 Option Agreement" section of this Form 10-K, we have temporarily halted all exploration work at the Sierra Mojada Property.

2020 Drilling

During the year ended October 31, 2020, we conducted no drilling as we halted the drilling program due to the blockade.

2021 Exploration Program

The focus of our 2021 calendar year exploration program on the Sierra Mojada Property will be to resolve the blockade and to maintain our property concessions in Mexico. Upon resolution of the blockade, we will work with South32 to approve an updated exploration program.

In addition, we anticipate the commencement of an exploration drilling program in the second calendar quarter of 2021 on the Beskauga Property. This will involve a geological mapping and sampling program of key select areas, as well as a diamond drilling program targeting extensions to the known mineralization in the second half of calendar year 2021. The exploration program's design is being determined based historical geological information in the area and an airborne geophysics program that has recently been completed. The exploration drilling program is subject to obtaining adequate financing.

Management Changes

On September 28, 2020, Christopher Richards was appointed Chief Financial Officer, replacing Sean Fallis who served as Chief Financial Officer until September 25, 2020. Mr. Richards is a CPA (Chartered Professional Accountant, British Columbia), CA and was the Vice President of Finance for Great Panther

Mining Limited. Prior to Great Panther, he served as a senior financial consultant at various public and private mining companies. Prior to that, he spent seven years as the Vice President Finance and Corporate Secretary of Kazakhstan-focused Kyzyl Gold Ltd., and was Corporate Controller at NovaGold Resources Inc. and a Senior Manager at KPMG LLP.

Results of Operations

Fiscal Year Ended October 31, 2020 Compared to Fiscal Year Ended October 31, 2019

For the fiscal year ended October 31, 2020, we reported a consolidated net loss of \$2,226,000 or approximately \$0.08 per share, compared to a consolidated net loss of \$3,939,000 or approximately \$0.13 per share during the fiscal year ended October 31, 2019. The \$1,713,000 decrease in the consolidated net loss was primarily due to a \$1,873,000 decrease in exploration and property holding costs, a \$285,000 decrease in general and administrative expenses, which was partially offset by \$15,000 in other expenses in the 2020 fiscal year compared to \$428,000 in other income in the 2019 fiscal year as described below.

Exploration and Property Holding Costs

Exploration and property holding costs decreased by \$1,873,000 to \$680,000 in the 2020 fiscal year from \$2,553,000 in the 2019 fiscal year. This decrease was mainly due to the blockade discussed in the "Recent Developments – South32 Option Agreement" section above and the fact that we were drilling and completed an airborne geophysics survey in the 2019 fiscal year.

General and Administrative Costs

General and administrative expenses decreased by \$285,000 to \$1,523,000 in the 2020 fiscal year from \$1,808,000 in the 2019 fiscal year as described below.

Personnel costs decreased by \$78,000 to \$614,000 in the 2020 fiscal year from \$692,000 in the 2019 fiscal year. This decrease was mainly due to a \$87,000 decrease in stock-based compensation expense as a result of stock options vesting in the 2020 fiscal year having a lower fair value than stock options vesting in the 2019 fiscal year.

Office and administrative expenses decreased by \$130,000 to \$317,000 in the 2020 fiscal year from \$447,000 in the 2019 fiscal year. This decrease was mainly due to a decrease in investor relations activities.

Professional services increased by \$152,000 to \$398,000 in the 2020 fiscal year from \$246,000 in the 2019 fiscal year. This increase was mainly due to a \$177,000 increase in legal fees, which was partially offset by a \$35,000 decrease in accounting fees.

Directors' fees decreased by \$57,000 to \$144,000 in the 2020 fiscal year as compared to \$201,000 for the 2019 fiscal year. This decrease was primarily due to a \$56,000 decrease in stock-based compensation expense as a result of stock options vesting in the 2020 fiscal year having a lower fair value than stock options vesting in the 2019 fiscal year.

We recorded a \$50,000 provision for uncollectible VAT for the 2020 fiscal year as compared to a \$222,000 provision for uncollectible VAT in the 2019 fiscal year. The decrease was mainly due to increased exploration activity at the Sierra Mojada Property and a reduction in the probability of collecting outstanding in the 2019 fiscal year VAT. The allowance for uncollectible taxes in Mexico was estimated by management based upon a number of factors, including the length of time the returns have been outstanding, responses received from tax authorities, general economic conditions in Mexico and estimated net recovery after commissions.

Other (Expenses) Income

We recorded other expense of \$15,000 in the 2020 fiscal year as compared to other income of \$428,000 in the 2019 fiscal year. The significant factor contributing to other expenses in the 2020 fiscal year was a \$22,000 foreign currency transaction loss. The significant factor contributing to other income in the 2019 fiscal year was \$393,000 in income from a change in the fair value of the warrant derivative liability that was due to a decrease in the fair value of warrants with \$CDN exercise prices from October 31, 2018 to October 31, 2019.

Material Changes in Financial Condition; Liquidity and Capital Resources

2020 Private Placement

On October 27, 2020, in the initial tranche of the Private Placement, we sold 3,623,580 Units at a purchase price of \$0.47 per Unit for gross proceeds of \$1,703,000. On November 9, 2020, in the second tranche of the Private Placement, we sold 319,000 Units at a purchase price of \$0.47 per Unit for gross proceeds of \$150,000. Each Unit consists of one share of our common stock and one half of one transferable common stock purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one share of our common stock at a price of \$0.59 until the fifth annual anniversary of the closing of the respective tranche of the Private Placement.

We paid a finder's fee totaling \$26,000 to an agent with respect to certain purchasers who were introduced by the agent. We incurred other offering costs associated with the Private Placement of \$98,456.

Cash Flows

During the 2020 fiscal year, we primarily utilized cash and cash equivalents to fund (i) exploration activities at the Sierra Mojada Property, (ii) project evaluation, (iii) a loan to a Kazakh entity with respects to the acquisition of mineral concessions located in Kazakhstan, and (iv) general and administrative expenses. In addition, we received \$1,101,000 from South32, net proceeds of \$1,669,000 from the first tranche of the Private Placement, and a Canada Emergency Business Account ("CEBA") loan for \$30,000. As a result of net cash proceeds received from the Private Placement, funding from South32 and the CEBA loan, which was partially offset by exploration activities and general and administrative expenses, cash and cash equivalents increased from \$1,432,000 at October 31, 2019 to \$1,862,000 at October 31, 2020.

Cash flows used in operations for the 2020 fiscal year was \$1,958,000 as compared to \$4,209,000 in the 2019 fiscal year. This decrease was mainly due to decreased exploration and property holding costs due to the blockade and decreased general and administrative expenses.

Cash flows used in investing activities in the 2019 fiscal year was \$408,000 for (i) acquisition of property concessions, (ii) a loan to a Kazakh entity, and (iii) purchases of equipment. Cash flows used in investing activities in the 2019 fiscal year was \$69,000 for the acquisition of property concessions and purchases of equipment.

Cash flows provided by financing activities for the 2020 fiscal year was \$2,799,000 as compared to \$2,684,000 in the 2019 fiscal year. The cash flows provided by financing activities in the 2020 fiscal year was due to the Private Placement, funding from South32 and the CEBA loan. The cash flows provided by financing activities in the 2019 fiscal year was due to funding from South32 and the exercise of certain warrants.

Capital Resources

As of October 31, 2020, we had cash and cash equivalents of \$1,862,000 as compared to cash and cash equivalents of \$1,432,000 as of October 31, 2019. The increase in our liquidity was primarily the result of the Private Placement, funding from South32 and the CEBA loan, which was partially offset by the exploration activities at the Sierra Mojada Property and general and administrative expenses.

Since our inception in November 1993, we have not generated revenue and have incurred an accumulated deficit of \$132,019,000. Accordingly, we have not generated cash flows from operations, and since inception we have relied primarily upon proceeds from private placements and registered direct offerings of our equity securities, warrant exercises and funding from South32 as the primary sources of financing to fund our operations. We anticipate that we will continue to rely on sales of our securities in order to continue to fund our business operations. The issuance of additional shares will result in dilution to our existing stockholders. There is no assurance that we will be able to complete any additional sales of our equity securities or that we will be able to arrange for other financing to fund our planned business activities.

Any future additional financing in the near term will likely be in the form of payments from South32 or an issuance of equity interests, which will result in dilution to our existing shareholders. Moreover, we may incur significant fees and expenses in the pursuit of a financing or other strategic transaction, which will increase the rate at which our cash and cash equivalents are depleted.

Capital Requirements and Liquidity; Need for Additional Funding

Our management and board of directors monitor our overall costs, expenses, and financial resources and, if necessary, will adjust our planned operational expenditures in an attempt to ensure that we have sufficient operating capital. We continue to evaluate our costs and planned expenditures, including for our Sierra Mojada Property and Beskauga Property as discussed below.

The continued exploration of the Sierra Mojada Property and the Beskauga Property will require significant amounts of additional capital. In January 2021, our board of directors approved an exploration budget for the Sierra Mojada Property of \$0.2 million, an exploration budget for the Beskauga Property of \$8.6 million subject to completion of due diligence and \$1.4 million for general and administrative expenses for calendar year 2021. As of December 31, 2020, we had approximately \$1.1 million in cash and cash equivalents and a loan receivable of \$0.8 million as described in the "Recent Developments – Beskauga Option Agreement" section above. The continued exploration of the Sierra Mojada Property and Beskauga Property ultimately will require us to raise additional capital, identify other sources of funding or identify another strategic partner. For information about our current strategic partnership with South32, see Note 3 – South32 Option Agreement in our financial statements. If South32 exercises its option to purchase 70% of the equity of Minera Metalin and Contratistas, under the terms of the South32 Option Agreement, we will retain a 30% ownership in Minera Metalin and Contratistas, and be obligated to contribute 30% of subsequent funding toward the development of the Sierra Mojada Project. If we fail to satisfy our funding commitment, our interest in Minera Metalin and Contratistas will be diluted. We do not currently have sufficient funds with which to satisfy this future funding commitment, and there is no certainty that we will be able to obtain sufficient future funds on acceptable terms or at all. If South32 terminates the South32 Option Agreement, our funding obligations for the Sierra Mojada Property would increase, likely resulting in a reduction in exploration work on the Sierra Mojada Property. We will continue to evaluate our ability to obtain additional financial resources, and we will attempt to reduce or limit expenditures on the Sierra Mojada Property and Beskauga Property as well as general and administrative costs if we determine that additional financial resources are unavailable or available on terms that we determine are unacceptable. However, it may not be possible to reduce costs, and even if we are successful in reducing costs, we still may not be able to continue operations for the next 12 months as a going concern. If we are unable to fund future operations by obtaining additional financial resources, including through public or private offerings of equity, we do not expect to have sufficient available cash and cash equivalents to continue our operations for the next 12 months as a going concern. Debt or equity financing may not be available to us on acceptable terms, if at all. Equity financing, if available, may result in substantial dilution to existing stockholders. If we are unable to fund future operations by way of financings, including public or private offerings of equity or debt securities, our business, financial condition and results of operations will be adversely impacted. Our limited ability to issue shares to raise capital without an increase in the number of authorized shares of common stock is discussed further in the "Risk Factors – Risks Related to our Business" section above.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to our shareholders.

Recent Accounting Pronouncements Adopted in the Fiscal Year Ended October 31, 2020

On November 1, 2019, we adopted the Financial Accounting Standards Board's (the "FASB's") Accounting Standards Update ("ASU") 2018-07, "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting", which became effective for fiscal years beginning after December 15, 2018. ASU 2018-07 simplifies the accounting for nonemployee share-based payments, aligning it more closely with the accounting for employee awards. Under the adoption provisions, equity-classified awards for which a measurement date had already been established as of the adoption date, including our South32 Option Agreement (Note 3), are unaffected by ASU 2018-07. As a result of this adoption, we reclassified \$4,803 from stock option liability to additional paid-in capital (Note 11).

On November 1, 2019, we adopted the FASB's ASU 2016-02, "Leases (Topic 842)," together with subsequent amendments, which became effective for fiscal years beginning after December 15, 2018. The new standard requires a lessee to recognize on its balance sheet, a liability to make lease payments (the lease liability) and the right-of-use ("ROU") asset representing the right to the underlying asset for the lease term and allows companies to elect to apply the standard at the effective date. We elected the package of practical expedients permitted under the transition guidance, which applies to expired or existing leases and allows us not to reassess whether a contract contains a lease, the lease classification, and any initial direct costs incurred.

We also elected a number of optional practical expedients including the following:

- the short-term lease recognition exemption whereby ROU assets and lease liabilities will not be recognized for leasing arrangements with terms less than one year;
- the land easements practical expedient whereby existing land easements are not reassessed under the new standard;
- the hindsight practical expedient when determining lease term at transition; and
- the practical expedient not to apply lease accounting to the intangible right to explore for those natural resources, and rights to use the land in which those natural resources are contained.

The adoption of this update did not have an impact on our financial position, results of operations or cash flows and disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, "Income Taxes - Simplifying the Accounting for Income Taxes (Topic 740)," which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and clarifies and amends existing guidance to improve consistent application. ASU 2019-12 will be effective for interim and annual periods beginning after December 15, 2020. Early adoption is permitted. At this time, we do not expect this standard to affect our financial position, results of operations or cash flows and disclosures.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the SEC did not or are not expected to have a material impact on our present or future consolidated financial statements.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires us to establish accounting policies and make estimates and assumptions that affect our reported amounts of assets and liabilities at the date of the consolidated financial statements. These consolidated financial statements include some estimates and assumptions that are based on informed judgments and estimates of management. We evaluate our policies and estimates on an ongoing basis and discuss the development, selection and disclosure of critical accounting policies with the Audit Committee of the Board of Directors. Predicting future events is inherently an imprecise activity and as such requires the use of judgment. Our consolidated financial statements may differ based upon different estimates and assumptions.

We discuss our significant accounting policies in Note 2, Summary of Significant Accounting Policies, to our consolidated financial statements. Our significant accounting policies are subject to judgments and uncertainties that affect the application of such policies. We believe that these consolidated financial statements include the most likely outcomes with regard to amounts that are based on our judgment and estimates. Our consolidated financial position and results of operations may be materially different when reported under different conditions or when using different assumptions in the application of such policies. If estimates or assumptions prove to be different from the actual amounts, adjustments are made in subsequent periods to reflect more current information. We believe that the following accounting policies are critical to the preparation of our consolidated financial statements due to the estimation process and business judgment involved in their application:

Principles of Consolidation – South32 Option Agreement

We consolidate entities in which we have a controlling financial interest based on either the variable interest entity (VIE) or voting interest model. Generally, the primary beneficiary of a VIE is a reporting entity that has (a) the power to direct the activities that most significantly impact the VIE's economic performance, and (b) the obligation to absorb losses of, or the right to receive benefits from, the VIE that could potentially be significant to the VIE. Currently, we manage the mineral exploration program in the property concessions in Mexico through our wholly-owned subsidiary corporations Minera Metalin and Contratistas.

We have determined Minera Metalin and Contratistas are variable interest entities and we are the primary beneficiary.

We have applied judgment in reaching our conclusion with respect to accounting for the South32 Option Agreement with South32, described in Note 3 to the consolidated financial statements. Under the South32 Option Agreement, South32 is able to obtain an option to purchase 70% of the shares of Minera Metalin and Contratistas (the "South32 Option"). We have determined that the South32 Option Agreement has not resulted in the transfer of control of the Sierra Mojada Project to South32 and that the South32 Option Agreement represents non-employee share-based compensation associated with the collaborative exploration program undertaken by the parties. The compensation cost is expensed when the associated exploration activity occurs. The share-based payments have been classified as equity instruments and valued based on the fair value of consideration received, as it is more reliably measurable than the fair value of the equity interest. In the event the South32 Option is exercised and shares are issued prior to a decision to develop a mine, such shares would be classified as temporary equity as they would be contingently redeemable in exchange for a net smelter royalty under circumstances not wholly in control of us or South32 and which are not currently probable. No portion of the equity value has been classified as temporary equity as the South32 Option has no intrinsic value.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates based on assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results could differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and assumptions are accounted for prospectively.

Significant areas involving the use of estimates include determining the allowance for uncollectible taxes, evaluating recoverability of property concessions, evaluating impairment of long-lived assets, evaluating impairment of goodwill, establishing a valuation allowance on future use of deferred tax assets, calculating a valuation for stock option liability, calculating a valuation for warrant derivative liability and calculating stock-based compensation.

Property Concessions

Property concession acquisition costs are capitalized when incurred and will be amortized using the units of production method following the commencement of production. If a property concession is subsequently abandoned or impaired, any capitalized costs will be expensed in the period of abandonment or impairment. To date, no property concessions have reached the production stage.

Acquisition costs include cash consideration and the fair market value of shares issued on the acquisition of property concessions.

Exploration Costs

Exploration costs incurred are expensed to the date of establishing that costs incurred are economically recoverable. Exploration expenditures incurred subsequent to the establishment of economic recoverability are capitalized and included in the carrying amount of the related property. To date, we have not established the economic recoverability of our exploration prospects; therefore, all exploration costs are being expensed.

Impairment of Long-Lived Assets

We review and evaluate our long-lived assets for impairment when events and changes in circumstances indicate that the related carrying amounts of our assets may not be recoverable. Impairment is considered to exist if the future cash flows on an undiscounted basis are less than the carrying amount of the long-lived asset. An impairment loss is measured and recorded based on the difference between book value and fair value of the asset group. In estimating future cash flows, assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of cash flows from other asset groups. In estimating future cash flows, we estimate the price that would be received to sell an asset group in an orderly transaction between market participants at the measurement date. Significant factors that impact this price include the price of silver and zinc, and general market conditions for exploration companies, among other factors.

Goodwill

Goodwill is the purchase premium after adjusting for the fair value of net assets acquired. We test goodwill for impairment at the reporting unit level at least annually, or more frequently if events or changes in circumstances indicate that the assets may be impaired. Goodwill impairment tests require judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. We perform our annual goodwill impairment tests on April 30th of each fiscal year.

Income Taxes

The Tax Cuts and Jobs Act of 2017 was signed into law on December 22, 2017. The law includes significant changes to the U.S. corporate income tax system, including a federal corporate rate reduction from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, and the transition of U.S. international taxation from a worldwide tax system to a territorial tax system. The law did not have a material impact on our financial position, results of operations or cash flows and disclosures.

We follow the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on temporary differences between the tax basis and accounting basis of the assets and liabilities measured using tax rates enacted at the balance sheet date. We recognize the tax benefit from uncertain tax positions only if it is at least "more likely than not" that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement with the taxing authorities. This accounting standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods and disclosure.

A valuation allowance is recorded against deferred tax assets if management does not believe that we have met the "more likely than not" standard imposed by this guidance to allow recognition of such an asset. Management recorded a full valuation allowance at October 31, 2020 and October 31, 2019 against the deferred tax assets as it determined that future realization would not meet the "more likely than not" criteria.

Warrant Derivative Liability

We classified warrants with a \$CDN exercise price on our balance sheet as a derivative liability that is fair valued at each reporting period subsequent to the initial issuance as our functional currency is the U.S. dollar and the exercise price of the warrants is the \$CDN. We have used the Black-Scholes pricing model to value the warrants that do not have an acceleration feature and have used the Monte Carlo valuation model to value the warrants that do have an acceleration feature. Determining the appropriate fair-value model and calculating the fair value of warrants requires considerable judgment. Any change in the estimates used may cause the value to be higher or lower than that reported. The estimated volatility of our common stock at the date of issuance, and at each subsequent reporting period, is based on our historical volatility adjusted to reflect the implicit discount to historical volatilities observed in the prices of traded warrants. The risk-free interest rate is based on rates published by the government for bonds with a maturity similar to the expected remaining life of the warrants at the valuation date. The expected life of the warrants is assumed to be equivalent to their remaining contractual term. The dividend yield is expected to be none as we have not paid dividends nor do we anticipate paying any dividend in the foreseeable future.

The derivatives warrants are not traded in an active market and the fair value is determined using valuation techniques. The estimates may be significantly different from those recorded in the consolidated financial statements because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market. All changes in the fair value are recorded in the consolidated statement of operations and comprehensive loss each reporting period.

Stock-Based Compensation

We use the Black-Scholes pricing model as a method for determining the estimated fair value for all stock options awarded to employees, officers, directors and consultants. The expected term of the options is based upon an evaluation of historical and expected future exercise behavior. The risk-free interest rate is based on rates published by the government for bonds with a maturity similar to the expected remaining life of the options at the valuation date. Volatility is determined based upon historical volatility of our stock and adjusted if future volatility is expected to vary from historical experience. The dividend yield is assumed to be none

as we have not paid dividends nor do we anticipate paying in the foreseeable future. We use the graded vesting attribution method to recognize compensation costs over the requisite service period. Stock options granted to consultants when the exercise price is in \$CDN are classified as stock option liability on our consolidated balance sheets upon vesting.

We classify cumulative compensation cost associated with options on subsidiary equity as additional paid-in capital until exercise.

Foreign Currency Translation

During the fiscal years ended October 31, 2020 and October 31, 2019, the functional currency of Silver Bull Resources, Inc. and our subsidiaries was the U.S. dollar.

During the fiscal years ended October 31, 2020 and October 31, 2019, our Mexican operations' monetary assets and liabilities with foreign source currencies were translated into U.S. dollars at the period-end exchange rate, and non-monetary assets and liabilities with foreign source currencies were translated using the historical exchange rate. Our Mexican operations' revenue and expenses were translated at the average exchange rate during the period except for depreciation of office and mining equipment, costs of office and mining equipment sold and impairment of property concessions, all of which are translated using the historical exchange rate. Foreign currency translation gains and losses of our Mexican operations are included in the consolidated statements of operations.

Accounting for Loss Contingencies and Legal Costs

From time to time, we are named as a defendant in legal actions arising from our normal business activities. We record an accrual for the estimated loss from a loss contingency when information available prior to issuance of our financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Disclosure of a loss contingency is made by Silver Bull Resources, Inc. if there is at least a reasonable possibility that a loss has been incurred, and either an accrual has not been made or an exposure to loss exists in excess of the amount accrued. In cases where only disclosure of the loss contingency is required, either the estimated loss or a range of estimated loss is disclosed or it is stated that an estimate cannot be made. Legal costs incurred in connection with loss contingencies are considered period costs and accordingly are expensed in the period services are provided.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See "Index to Consolidated Financial Statements" following the signature page of this Annual Report on Form 10-K.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

As of October 31, 2020, we have carried out an evaluation under the supervision of, and with the participation of our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Based on the evaluation as of October 31, 2020, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were effective.

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as that term is defined in Rule 13a-15(f) under the Exchange Act. Under the supervision and with the participation of our management, including our principal executive and principal financial officers, we assessed, as of October 31, 2020, the effectiveness of our internal control over financial reporting. This assessment was based on criteria established in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment using those criteria, management concluded that our internal control over financial reporting as of October 31, 2020 was effective.

Internal control over financial reporting is defined as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the internal control system are met. Because of the inherent limitations of any internal control system, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

(c) Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting during the fiscal year ended October 31, 2020 that materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

For information regarding our executive officers, see “*Items 1 and 2: Business and Properties – Executive Officers of Silver Bull Resources* .”

Information relating to this item will be included in an amendment to this report or in the proxy statement for our 2021 annual meeting of shareholders and is incorporated by reference in this report.

We have adopted a Code of Ethics that applies to all of our directors and employees, including our principal executive officer, principal financial officer, principal accounting officer, and those of our officers performing similar functions. The full text of our Code of Ethics can be found on the Corporate Governance page of our website – at <http://www.silverbullresources.com/corporate/corporate-governance/>. If our board of directors approves an amendment to or waiver from any provision of our Code of Ethics, we will disclose the required information pertaining to such amendment or waiver on our website.

Item 11. EXECUTIVE COMPENSATION

Information relating to this item will be included in an amendment to this report or in the proxy statement for our 2021 annual meeting of shareholders and is incorporated by reference in this report.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information relating to this item will be included in an amendment to this report or in the proxy statement for our 2021 annual meeting of shareholders and is incorporated by reference in this report.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information relating to this item will be included in an amendment to this report or in the proxy statement for our 2021 annual meeting of shareholders and is incorporated by reference in this report.

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information relating to this item will be included in an amendment to this report or in the proxy statement for our 2021 annual meeting of shareholders and is incorporated by reference in this report.

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Financial Statements and Financial Statement Schedules

See “Index to Consolidated financial statements” on page F-1.

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date Filed	Exhibit	
3.1	Restated Articles of Incorporation	10-K	1/14/2011	3.1.1	
3.1.1	Certificate of Amendment to Articles of Incorporation	8-K	4/26/2011	3.1	
3.1.2	Certificate of Change to Restated Articles of Incorporation, as Amended	8-K	9/18/2020	3.1	
3.2	Bylaws	10-K	1/14/2011	3.1.2	

4.1	Description of Capital Stock				X
4.2	Form of Warrant Certificate	8-K	11/2/2020	10.2	
10.1	Option Agreement, by and among the Company, Minera Metalin S.A. de C.V., Contratistas de Sierra Mojada S.A. de C.V., and South32 International Investment Holdings Pty Ltd, dated as of June 1, 2018	8-K	6/7/2018	10.1	
10.1.1	Amending Agreement No. 1, dated as of April 4, 2019 and effective as March 20, 2019, to the South32 Option Agreement, dated as of June 1, 2018, by and among the Company, Minera Metalin S.A. de C.V., Contratistas de Sierra Mojada S.A. de C.V. and South32 International Investment Holding Pty Ltd	8-K	4/5/2019	10.1	
10.2	Option Agreement, dated as of August 12, 2020, by and among the Company, Copperbelt AG, and Dostyk LLP	8-K/A	11/5/2020	10.1	
10.3	Joint Venture Agreement, dated as of September 1, 2020, by and between the Company and Copperbelt AG				X
10.4	Form of Subscription Agreement	8-K	11/2/2020	10.1	
10.5+	Silver Bull Resources, Inc. 2010 Stock Option Plan and Stock Bonus Plan, as amended	10-Q	6/14/2016	10.3	
10.6+	Silver Bull Resources, Inc. 2019 Stock Option and Stock Bonus Plan	10-Q	6/14/2019	10.2	
10.7+	Amended and Restated Employment Agreement, dated as of February 26, 2013, by and between the Company and Timothy Barry	8-K	3/1/2013	10.1	
10.7.1+	Amendment to Amended and Restated Employment Agreement, dated as of February 23, 2016, by and between the Company and Timothy Barry	8-K	2/26/2016	10.1	
10.7.2+	Amendment to Amended and Restated Employment Agreement, dated as of June 24, 2016, by and between the Company and Timothy Barry	8-K	6/28/2016	10.2	
10.7.3+	Amendment to Amended and Restated Employment Agreement, dated as of August 28, 2018, by and between the Company and Timothy Barry	8-K	8/29/2018	10.2	
10.8+	Amended and Restated Employment Agreement, dated as of February 26, 2013, by and between the Company and Brian Edgar	8-K	3/1/2013	10.3	
10.8.1+	Amendment to Amended and Restated Employment Agreement, dated as of February 23, 2016, by and between the Company and Brian Edgar	8-K	2/26/2016	10.3	
10.8.2+	Amendment to Amended and Restated Employment Agreement, dated as of June 24, 2016, by and between the Company and Brian Edgar	8-K	6/28/2016	10.1	

10.8.3+	Amendment to Amended and Restated Employment Agreement, dated as of August 28, 2018, by and between the Company and Brian Edgar	8-K	8/29/2018	10.1	
10.9+	Form of Amendment to Amended and Restated Employment Agreement, dated as of June 4, 2015, by and between the Company and each of Timothy Barry and Brian Edgar	8-K	6/8/2015	10.1	
10.10+	Employment Agreement, dated as of September 23, 2020, by and between the Company and Christopher Richards	8-K	9/25/2020	10.1	
10.11+	Consulting Agreement, dated as of September 26, 2020, by and between the Company and Sean Fallis				X
10.12+	Form of Indemnification Agreement (Directors and Officers)	10-K	1/13/2020	10.10	
14.1	Code of Ethics	8-K	11/7/2019	14.1	
21.1	Subsidiaries of the Registrant				X
23.1	Consent of Smythe LLP				X
23.2	Consent of Archer, Cathro & Associates (1981) Limited				X
23.3	Consent of CSA Global Consultants Canada Ltd				X
31.1	Certification of CEO pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
31.2	Certification of CFO pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				X
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				X
101.INS*	XBRL Instance Document				X
101.SCH*	XBRL Schema Document				X
101.CAL*	XBRL Calculation Linkbase Document				X
101.DEF*	XBRL Definition Linkbase Document				X
101.LAB*	XBRL Labels Linkbase Document				X
101.PRE*	XBRL Presentation Linkbase Document				X
99.1†	Sierra Mojada location map				X
99.2†	Beskauga location map				X

* The following financial information from Silver Bull Resources, Inc.'s Annual Report on Form 10-K for the fiscal year ended October 31, 2020, formatted in XBRL (Extensible Business Reporting Language): Consolidated Balance Sheets, Consolidated Statements of Operations and Comprehensive Loss, Consolidated Statement of Stockholders' Equity, Consolidated Statements of Cash Flows

+ Indicates a management contract or compensatory plan, contract or arrangement.

† Filed herewith under Items 1 and 2 – Business and Properties.

Item 16. FORM 10-K SUMMARY

None.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SILVER BULL RESOURCES, INC.

Date: January 28, 2021

By: /s/ Timothy Barry
Timothy Barry,
President and Chief Executive Officer
(Principal Executive Officer)

Date: January 28, 2021

By: /s/ Christopher Richards
Christopher Richards,
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: January 28, 2021

By: /s/ Timothy Barry
Timothy Barry,
President and Chief Executive Officer and Director

Date: January 28, 2021

By: /s/ Brian Edgar
Brian Edgar,
Director

Date: January 28, 2021

By: /s/ Daniel Kunz
Daniel Kunz,
Director

Date: January 28, 2021

By: /s/ John McClintock
John McClintock,
Director

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INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

SILVER BULL RESOURCES, INC.
(An Exploration Stage Company)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Silver Bull Resources, Inc.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Silver Bull Resources, Inc. (an exploration stage company) (the "Company") as of October 31, 2020 and 2019, and the related consolidated statements of operations and comprehensive loss, stockholders' equity, and cash flows for the years then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of October 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Going Concern Uncertainty

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations and has limited cash and cash equivalents at October 31, 2020, that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Smythe LLP

Smythe LLP, Chartered Professional Accountants

We have served as the Company's auditor since 2016.

Vancouver, Canada
January 28, 2021

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CONSOLIDATED BALANCE SHEETS

	October 31, 2020	October 31, 2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,861,518	\$ 1,431,634
Value-added tax receivable, net of allowance for uncollectible taxes of \$345,059 and \$327,624, respectively (Note 4)	219,804	255,847
Income tax receivables	580	784
Other receivables	14,387	8,543
Prepaid expenses and deposits	229,647	204,713
Loan receivable (Note 5)	360,050	—
Total Current Assets	2,685,986	1,901,521
Office and mining equipment, net (Note 6)	239,769	226,413
Property concessions (Note 7)	5,019,927	5,019,927
Goodwill (Note 8)	2,058,031	2,058,031
TOTAL ASSETS	\$ 10,003,713	\$ 9,205,892
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 499,057	\$ 328,943
Accrued liabilities and expenses	383,718	305,446
Income tax payable	5,000	1,825
Stock option liability (Note 11)	—	4,803
Total Current Liabilities	887,775	641,017
Loan payable (Note 9)	30,034	—
TOTAL LIABILITIES	917,809	641,017
COMMITMENTS AND CONTINGENCIES (Note 15)		
STOCKHOLDERS' EQUITY (Notes 3, 10, 11 and 12)		
Common stock, \$0.01 par value; 37,500,000 shares authorized, 33,165,945 and 29,541,027 shares issued and outstanding, respectively*	2,399,518	2,363,282
Additional paid-in capital	138,613,286	135,902,944
Accumulated deficit	(132,019,148)	(129,793,599)
Other comprehensive income	92,248	92,248
Total Stockholders' Equity	9,085,904	8,564,875
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 10,003,713	\$ 9,205,892

*Shares outstanding for prior period have been restated for the one-for-eight reverse stock split.

The accompanying notes are an integral part of these consolidated financial statements.

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SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	Years Ended October 31,	
	2020	2019
REVENUES	\$ —	\$ —
EXPLORATION AND PROPERTY HOLDING COSTS		
Exploration and property holding costs	645,701	2,508,602
Depreciation, asset and property concessions' impairment (Notes 6 and 7)	34,694	44,119
TOTAL EXPLORATION AND PROPERTY HOLDING COSTS	680,395	2,552,721
GENERAL AND ADMINISTRATIVE EXPENSES		
Personnel	613,517	692,242

Office and administrative	316,930	446,853
Professional services	398,154	245,949
Directors' fees	144,310	201,073
Provision for uncollectible value-added taxes (Note 4)	49,619	222,130
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>1,522,530</u>	<u>1,808,247</u>
LOSS FROM OPERATIONS	(2,202,925)	(4,360,968)
OTHER (EXPENSES) INCOME		
Interest income	7,689	28,443
Foreign currency transaction loss	(22,371)	(15,214)
Change in fair value of stock option liability (Note 11)	—	21,105
Change in fair value of warrant derivative liability	—	393,374
TOTAL OTHER (EXPENSES) INCOME	<u>(14,682)</u>	<u>427,708</u>
LOSS BEFORE INCOME TAXES	(2,217,607)	(3,933,260)
INCOME TAX EXPENSE (Note 13)	7,942	5,309
NET AND COMPREHENSIVE LOSS	<u>\$ (2,225,549)</u>	<u>\$ (3,938,569)</u>
BASIC AND DILUTED NET LOSS PER COMMON SHARE*	<u>\$ (0.08)</u>	<u>\$ (0.13)</u>
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING*	<u>29,580,786</u>	<u>29,485,841</u>

*Shares outstanding for prior period have been restated for the one-for-eight reverse stock split.

The accompanying notes are an integral part of these consolidated financial statements.

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SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended October 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (2,225,549)	\$ (3,938,569)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation, asset and property concessions' impairment	34,694	44,119
Provision for uncollectible value-added taxes	49,619	222,130
Foreign currency transaction loss	15,191	145
Change in fair value of warrant derivative liability	—	(393,374)
Change in fair value of stock option liability (Note 11)	—	(21,105)
Stock options issued for compensation (Note 11)	62,417	206,756
Changes in operating assets and liabilities:		
Value-added tax receivable	(39,820)	(288,673)
Income tax receivables	123	(604)
Other receivables	(6,338)	3,641
Prepaid expenses and deposits	(25,419)	31,090
Accounts payable	120,273	71,476
Accrued liabilities and expenses	53,511	(143,286)
Income tax payable	3,175	(2,875)
Net cash used in operating activities	<u>(1,958,123)</u>	<u>(4,209,129)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property concessions	—	(11,821)
Purchase of equipment	(48,050)	(57,224)
Loan receivable (Note 5)	(360,050)	—
Net cash used in investing activities	<u>(408,100)</u>	<u>(69,045)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Property concessions funding (Note 3)	1,100,731	2,540,810
Proceeds from loan financing (Note 9)	29,531	—
Proceeds from issuance of common stock, net of offering costs (Note 10)	1,668,669	—
Proceeds from exercise of warrants, net of costs (Note 10)	—	142,876
Net cash provided by financing activities	<u>2,798,931</u>	<u>2,683,686</u>

Effect of exchange rates on cash and cash equivalents	(2,824)	283
Net increase (decrease) in cash and cash equivalents	429,884	(1,594,205)
Cash and cash equivalents beginning of year	1,431,634	3,025,839
Cash and cash equivalents end of year	<u>\$ 1,861,518</u>	<u>\$ 1,431,634</u>

The accompanying notes are an integral part of these consolidated financial statements.

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SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

	Years Ended October 31,	
	2020	2019
SUPPLEMENTAL CASH FLOW DISCLOSURES:		
Income taxes paid	\$ 4,825	\$ 8,080
Interest paid	—	—
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Offering costs included in accounts payable and accrued liabilities	\$ 90,042	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

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SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Other Comprehensive Income	Total Stockholders' Equity
	Number of Shares *	Amount				
Balance, October 31, 2018	29,358,527	\$ 2,348,682	\$ 133,015,768	\$ (125,855,030)	\$ 92,248	\$ 9,601,668
Issuance of common stock as follows:						
- Exercise of warrants at a price of \$0.13 per share less costs of \$210 (Note 10)	182,500	14,600	128,276	—	—	142,876
South32 option agreement (Note 3)	—	—	2,540,810	—	—	2,540,810
Reclassification to additional paid-in capital of stock option liability (Notes 3 and 11)	—	—	12,126	—	—	12,126
Reclassification of consultants' stock options to liability (Note 11)	—	—	(792)	—	—	(792)
Stock option activity as follows:						
- Stock-based compensation for options issued to directors, officers, employees and consultants (Note 11)	—	—	206,756	—	—	206,756
Net loss for the year ended October 31, 2019	—	—	—	(3,938,569)	—	(3,938,569)
Balance, October 31, 2019	<u>29,541,027</u>	<u>\$ 2,363,282</u>	<u>\$ 135,902,944</u>	<u>\$ (129,793,599)</u>	<u>\$ 92,248</u>	<u>\$ 8,564,875</u>

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Other Comprehensive Income	Total Stockholders' Equity
	Number of Shares *	Amount				

Balance, October 31, 2019	29,541,027	\$ 2,363,282	\$ 135,902,944	\$ (129,793,599)	\$ 92,248	\$ 8,564,875
Issuance of common stock as follows:						
- Fractional share adjustment (Note 10)	1,338	—	—	—	—	—
- for cash at a price of \$0.47 per share with attached warrants, less offering costs of \$124,456 (Note 10)	3,623,580	36,236	1,542,391	—	—	1,578,627
South32 option agreement (Note 3)	—	—	1,100,731	—	—	1,100,731
Reclassification to additional paid-in capital of stock option liability (Notes 3 and 11)	—	—	4,803	—	—	4,803
Stock option activity as follows:						
- Stock-based compensation for options issued to directors, officers, employees and consultants (Note 11)	—	—	62,417	—	—	62,417
Net loss for the year ended October 31, 2020	—	—	—	(2,225,549)	—	(2,225,549)
Balance, October 31, 2020	<u>33,165,945</u>	<u>\$ 2,399,518</u>	<u>\$ 138,613,286</u>	<u>\$ (132,019,148)</u>	<u>\$ 92,248</u>	<u>\$ 9,085,904</u>

*Shares outstanding for prior periods have been restated for the one-for-eight reverse stock split.

The accompanying notes are an integral part of these consolidated financial statements.

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NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

Silver Bull Resources, Inc. (the “Company”) was incorporated in the State of Nevada on November 8, 1993 as the Cadgie Company for the purpose of acquiring and developing mineral properties. The Cadgie Company was a spin-off from its predecessor, Precious Metal Mines, Inc. On June 28, 1996, the Company’s name was changed to Metalline Mining Company. On April 21, 2011, the Company’s name was changed to Silver Bull Resources, Inc. The Company’s fiscal year-end is October 31. The Company has not realized any revenues from its planned operations and is considered an exploration stage company. The Company has not established any reserves with respect to its exploration projects and may never enter into the development stage with respect to any of its projects.

The Company engages in the business of mineral exploration. The Company currently owns a number of property concessions in Mexico (collectively known as the “Sierra Mojada Property”). The Company conducts its operations in Mexico through its wholly-owned subsidiary corporations, Minera Metalin S.A. de C.V. (“Minera Metalin”), Contratistas de Sierra Mojada S.A. de C.V. (“Contratistas”) and Minas de Coahuila SBR S.A. de C.V. (“Minas”). In addition, the Company has the option to acquire certain property concessions in Kazakhstan.

On April 16, 2010, Metalline Mining Delaware, Inc., a wholly-owned subsidiary of the Company incorporated in the State of Delaware, was merged with and into Dome Ventures Corporation (“Dome”), a Delaware corporation. As a result, Dome became a wholly-owned subsidiary of the Company. Dome has a wholly-owned subsidiary Dome Asia Inc. (“Dome Asia”), which is incorporated in the British Virgin Islands. Dome Asia has a wholly-owned subsidiary, Dome Minerals Nigeria Limited, incorporated in Nigeria.

On September 18, 2020, the Company completed a one-for-eight reverse stock split of its shares of common stock. All share and per share information in the consolidated financial statements, including references to the number of shares of common stock, stock options and warrants, prices of issued shares, exercise prices of stock options and warrants, and loss per share, have been adjusted to reflect the impact of the reverse stock split.

The Company’s efforts and expenditures have been concentrated on the exploration of properties, principally in the Sierra Mojada Property located in Coahuila, Mexico. The Company has not determined whether its exploration properties contain ore reserves that are economically recoverable. The ultimate realization of the Company’s investment in exploration properties is dependent upon the success of future property sales, the existence of economically recoverable reserves, and the ability of the Company to obtain financing or make other arrangements for exploration, development, and future profitable production activities. The ultimate realization of the Company’s investment in exploration properties cannot be determined at this time.

Going Concern

Since its inception in November 1993, the Company has not generated revenue and has incurred an accumulated deficit of \$132,019,148. Accordingly, the Company has not generated cash flows from operations, and since inception the Company has relied primarily upon proceeds from private placements and registered direct offerings of the Company’s equity securities and warrant exercises as the primary sources of financing to fund the Company’s operations. As of October 31, 2020, the Company had cash and cash equivalents of \$1,861,518. Based on the Company’s limited cash and cash equivalents, and history of losses, there is substantial doubt as to whether the Company’s existing cash resources are sufficient to enable the Company to continue its operations for the next 12 months as a going concern. Management plans to pursue possible financing and strategic options including, but not limited to, obtaining additional equity financing. Management has successfully pursued these options previously and believes that they alleviate the substantial doubt that the Company can continue its operations for the next 12 months as a going concern. However, there is no assurance that the Company will be successful in pursuing these plans. The Company’s limited ability to issue shares to raise capital without an increase in the number of authorized shares of common stock is discussed further in the “Risk Factors – Risks Related to our Business” section above.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the consolidated financial statements. The consolidated financial statements and notes are representations of the Company’s management, which is responsible for their integrity and objectivity.

Basis of Presentation

The Company’s consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) using the accrual method of accounting, except for cash flow amounts.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, after elimination of intercompany accounts and transactions. The wholly owned subsidiaries of the Company are listed in Note 1 to the consolidated financial statements.

The Company consolidates entities in which it has a controlling financial interest based on either the variable interest entity (VIE) or voting interest model.

Under the VIE model, a VIE is a reporting entity that has (a) the power to direct the activities that most significantly impact the VIE's economic performance, and (b) the obligation to absorb losses of, or the right to receive benefits from, the VIE that could potentially be significant to the VIE. Currently, the Company manages the mineral exploration program in the property concessions in Mexico through its wholly-owned subsidiary corporations Minera Metalin and Contratistas.

The Company has determined Minera Metalin and Contratistas are variable interest entities and the Company is the primary beneficiary.

Use of Estimates

The preparation of these consolidated financial statements in conformity with GAAP requires management to make estimates based on assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results could differ from those estimates. Estimates and assumptions are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and assumptions are accounted for prospectively.

Significant areas involving the use of estimates include determining the allowance for uncollectible taxes, evaluating recoverability of property concessions, evaluating impairment of long-lived assets, evaluating impairment of goodwill, establishing a valuation allowance on future use of deferred tax assets, calculating a valuation for stock option liability, calculating a valuation for warrant derivative liability and calculating stock-based compensation.

Cash and Cash Equivalents

Cash and cash equivalents include all highly-liquid investments with an original maturity of three months or less at the date of purchase.

Property Concessions

Property concession acquisition costs are capitalized when incurred and will be amortized using the units of production method following the commencement of production. If a property concession is subsequently abandoned or impaired, any capitalized costs will be expensed in the period of abandonment or impairment. To date, no property concessions have reached the production stage.

Acquisition costs include cash consideration and the fair market value of shares issued on the acquisition of property concessions.

Exploration Costs

Exploration costs incurred are expensed to the date of establishing that costs incurred are economically recoverable. Exploration expenditures incurred subsequent to the establishment of economic recoverability are capitalized and included in the carrying amount of the related property. To date, the Company has not established the economic recoverability of its exploration prospects; therefore, all exploration costs are being expensed.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation and impairment losses. Assets under construction are depreciated when they are substantially complete and available for their intended use, over their estimated useful lives. Repairs and maintenance of property and equipment are expensed as incurred. Costs incurred to enhance the service potential of property and equipment are capitalized and depreciated over the remaining useful life of the improved asset. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the related assets as follows:

- Mining equipment – five to 10 years
- Vehicles – four years
- Building and structures – 40 years
- Computer equipment and software – three years
- Well equipment – 10 to 40 years
- Office equipment – three to 10 years

Impairment of Long-Lived Assets

Management reviews and evaluates its long-lived assets for impairment when events and changes in circumstances indicate that the related carrying amounts of its assets may not be recoverable. Impairment is considered to exist if the future cash flows on an undiscounted basis are less than the carrying amount of the long-lived asset. An impairment loss is measured and recorded based on the difference between book value and fair value of the asset group. In estimating future cash flows, assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of cash flows from other asset groups. In estimating future cash flows, the Company estimates the price that would be received to sell an asset group in an orderly transaction between market

participants at the measurement date. Significant factors that impact this price include the price of silver and zinc, and general market conditions for exploration companies, among other factors.

Goodwill

Goodwill is the purchase premium after adjusting for the fair value of net assets acquired. The Company tests goodwill for impairment at the reporting unit level at least annually, or more frequently if events or changes in circumstances indicate that the assets may be impaired. Goodwill impairment tests require judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The Company performs its annual goodwill impairment tests on April 30th of each fiscal year. During the year ended October 31, 2020, the Company determined that no impairment was required.

Income Taxes

The Tax Cuts and Jobs Act of 2017 (the "Tax Act") was signed into law on December 22, 2017. The law includes significant changes to the U.S. corporate income tax system, including a federal corporate rate reduction from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, and the transition of U.S. international taxation from a worldwide tax system to a territorial tax system. The law did not have a material impact on the Company's financial position, results of operations or cash flows and disclosures.

The Company follows the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on temporary differences between the tax basis and accounting basis of the assets and liabilities measured using tax rates enacted at the balance sheet date. The Company recognizes the tax benefit from uncertain tax positions only if it is at least "more likely than not" that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement with the taxing authorities. This accounting standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods and disclosure.

A valuation allowance is recorded against deferred tax assets if management does not believe that the Company has met the "more likely than not" standard imposed by this guidance to allow recognition of such an asset. Management recorded a full valuation allowance at October 31, 2020 and 2019 against the deferred tax assets as it determined that future realization would not meet the "more likely than not" criteria.

Warrant Derivative Liability

The Company classifies warrants with a Canadian Dollar ("\$CDN") exercise price on its consolidated balance sheets as a derivative liability that is fair valued at each reporting period subsequent to the initial issuance as the functional currency of Silver Bull is the U.S. dollar and the exercise price of the warrants is the \$CDN. The Company has used the Black-Scholes pricing model to fair value the warrants that do not have an acceleration feature and has used the Monte Carlo valuation model to fair value the warrants that do have an acceleration feature. Determining the appropriate fair-value model and calculating the fair value of warrants requires considerable judgment. Any change in the estimates used may cause the value to be higher or lower than that reported. The estimated volatility of the Company's common stock at the date of issuance, and at each subsequent reporting period, is based on the historical volatility adjusted to reflect the implicit discount to historical volatilities observed in the prices of traded warrants. The risk-free interest rate is based on rates published by the government for bonds with a maturity similar to the expected remaining life of the warrants at the valuation date. The expected life of the warrants is assumed to be equivalent to their remaining contractual term. The dividend yield is expected to be none as the Company has not paid dividend nor does the Company anticipate paying any dividend in the foreseeable future.

The derivatives warrants are not traded in an active market and the fair value is determined using valuation techniques. The estimates may be significantly different from those recorded in the consolidated financial statements because of the use of judgment and the inherent uncertainty in estimating the fair value of these instruments that are not quoted in an active market. All changes in the fair value are recorded in the consolidated statement of operations and comprehensive loss each reporting period.

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Stock-Based Compensation

The Company uses the Black-Scholes pricing model as a method for determining the estimated fair value for all stock options awarded to employees, officers, directors and consultants. The expected term of the options is based upon an evaluation of historical and expected future exercise behavior. The risk-free interest rate is based on rates published by the government for bonds with a maturity similar to the expected remaining life of the options at the valuation date. Volatility is determined based upon historical volatility of the Company's stock and adjusted if future volatility is expected to vary from historical experience. The dividend yield is assumed to be none as the Company has not paid dividends nor does the Company anticipate paying any dividends in the foreseeable future. The Company uses the graded vesting attribution method to recognize compensation costs over the requisite service period. Stock options granted to consultants when the exercise price is in \$CDN are classified as stock option liability on the Company's consolidated balance sheets upon vesting.

The Company classifies cumulative compensation cost associated with options on subsidiary equity as additional paid-in capital until exercise.

Loss per Share

Basic loss per share includes no dilution and is computed by dividing net loss available to common shareholders by the weighted average common shares outstanding for the period. Diluted loss per share reflects the potential dilution of securities that could share in the earnings of an entity similar to fully diluted loss per share. Although there were stock options and warrants in the aggregate of 3,855,539 shares and 4,019,039 shares outstanding at October 31, 2020 and 2019, respectively, they were not included in the calculation of loss per share because they would have been considered anti-dilutive.

Foreign Currency Translation

During the years ended October 31, 2020 and 2019, the functional currency of Silver Bull Resources, Inc. and its subsidiaries was the U.S. dollar.

During the years ended October 31, 2020 and 2019, the Company's Mexican operations' monetary assets and liabilities with foreign source currencies were translated into U.S. dollars at the period-end exchange rate and non-monetary assets and liabilities with foreign source currencies were translated using the historical exchange rate. The Company's Mexican operations' revenue and expenses were translated at the average exchange rate during the period except for depreciation of office and mining equipment, costs of office and mining equipment sold and impairment of property concessions, all of which are translated using

the historical exchange rate. Foreign currency translation gains and losses of the Company's Mexican operations are included in the consolidated statement of operations.

Accounting for Loss Contingencies and Legal Costs

From time to time, the Company is named as a defendant in legal actions arising from its normal business activities. The Company records an accrual for the estimated loss from a loss contingency when information available prior to issuance of its financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Disclosure of a loss contingency is made by the Company if there is at least a reasonable possibility that a loss has been incurred, and either an accrual has not been made or an exposure to loss exists in excess of the amount accrued. In cases where only disclosure of the loss contingency is required, either the estimated loss or a range of estimated loss is disclosed or it is stated that an estimate cannot be made. Legal costs incurred in connection with loss contingencies are considered period costs and accordingly are expensed in the period services are provided.

Recent Accounting Pronouncements Adopted in the Year

On November 1, 2019, the Company adopted the Financial Accounting Standards Board's (the "FASB's") Accounting Standards Update ("ASU") 2018-07, "Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting", which became effective for fiscal years beginning after December 15, 2018. ASU 2018-07 simplifies the accounting for nonemployee share-based payments, aligning it more closely with the accounting for employee awards. Under the adoption provisions, equity-classified awards for which a measurement date had already been established as of the adoption date, including the Company's South32 Option Agreement (Note 3), are unaffected by ASU 2018-07. As a result of this adoption, during the year ended October 31, 2020, the Company reclassified \$4,803 from stock option liability to additional paid-in capital (Note 11).

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On November 1, 2019, the Company adopted the FASB's ASU 2016-02, "Leases (Topic 842)," together with subsequent amendments, which became effective for fiscal years beginning after December 15, 2018. The new standard requires a lessee to recognize on its balance sheet, a liability to make lease payments (the lease liability) and the right-of-use ("ROU") asset representing the right to the underlying asset for the lease term and allows companies to elect to apply the standard at the effective date. The Company elected the package of practical expedients permitted under the transition guidance, which applies to expired or existing leases and allows the Company not to reassess whether a contract contains a lease, the lease classification, and any initial direct costs incurred.

The Company also elected a number of optional practical expedients including the following:

- the short-term lease recognition exemption whereby ROU assets and lease liabilities will not be recognized for leasing arrangements with terms less than one year;
- the land easements practical expedient whereby existing land easements are not reassessed under the new standard;
- the hindsight practical expedient when determining lease term at transition; and
- the practical expedient not to apply lease accounting to the intangible right to explore for those natural resources, and rights to use the land in which those natural resources are contained.

The adoption of this update did not have an impact on the Company's financial position, results of operations or cash flows and disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, "Income Taxes - Simplifying the Accounting for Income Taxes (Topic 740)," which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and clarifies and amends existing guidance to improve consistent application. ASU 2019-12 will be effective for interim and annual periods beginning after December 15, 2020. Early adoption is permitted. At this time, the Company does not expect this standard to affect the Company's financial position, results of operations or cash flows and disclosures.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the SEC did not or are not expected to have a material impact on the Company's present or future consolidated financial statements.

NOTE 3 – SOUTH32 OPTION AGREEMENT

On June 1, 2018, the Company and its subsidiaries Minera Metalin and Contratistas entered into an earn-in option agreement (the "South32 Option Agreement") with South32 International Investment Holdings Pty Ltd ("South32"), a wholly-owned subsidiary of South32 Limited (ASX/JSE/LSE: S32), whereby South32 is able to obtain an option to purchase 70% of the shares of Minera Metalin and Contratistas (the "South32 Option"). Minera Metalin owns the Sierra Mojada Property located in Coahuila, Mexico (the "Sierra Mojada Project"), and Contratistas supplies labor for the Sierra Mojada Project. Under the South32 Option Agreement, South32 earns into the South32 Option by funding a collaborative exploration program on the Sierra Mojada Project. Upon the terms and subject to the conditions set forth in the South32 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 Project 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 (the "Initial Funding"). Funding is made on a quarterly basis based on the subsequent quarter's exploration budget. South32 may exercise the South32 Option by contributing \$100 million to Minera Metalin (the "Subscription Payment"), less the amount of Initial Funding previously contributed by South32. The issuance of shares upon notice of exercise of the South32 Option by South32 is subject to antitrust approval by the Mexican government. If the full amount of the Subscription Payment is advanced by South32 and the South32 Option becomes exercisable and is exercised, the Company and South32 will be obligated to contribute funding to Minera Metalin on a 30/70 pro rata basis. If South32 elects not to continue with the South32 Option during the four-year option period, the Sierra Mojada Project will remain 100% owned by the Company. The exploration program will be initially managed by the Company, with South32 being able to approve the exploration program funded by it. The Company received funding of \$3,144,163 from South32 for Year 1 of the South32 Option Agreement. In April 2019, the Company received a notice from South32 to maintain the South32 Option Agreement for Year 2 by providing cumulative funding of \$6 million by the end of such period. As of October 31, 2020, the Company had received funding of \$1,420,161, which included a \$319,430 received during the year ended October 31, 2019, from South32 for Year 2 of the South32 Option Agreement, the time period for which has been extended by an event of force majeure described in more detail below. In November 2020, the Company received a payment of \$60,286 for the extended Year 2 time period. If the South32 Option Agreement is terminated by South32 without cause or if South32 is unable to obtain antitrust authorization from the Mexican government, the Company is under no obligation to reimburse South32 for amounts contributed under the South32 Option Agreement.

Upon exercise of the South32 Option, Minera Metalin and Contratistas are required to issue common shares to South32. Pursuant to the South32 Option Agreement, following exercise and until a decision has been made by the board of directors of Minera Metalin to develop and construct a mine on the Sierra Mojada Project, each shareholder holding greater than or equal to 10% of the shares may withdraw as an owner in exchange for a 2% net smelter royalty on products produced and sold from the Sierra Mojada Project. Any shareholder whose holdings are reduced to less than 10% must surrender its interest in exchange for a 2% net smelter royalty.

The Company has determined that Minera Metalin and Contratistas are variable interest entities and that the South32 Option Agreement has not resulted in the transfer of control of the Sierra Mojada Project to South32. The Company has also determined that the South32 Option Agreement represents non-employee share-based compensation associated with the collaborative exploration program undertaken by the parties. The compensation cost is expensed when the associated exploration activity occurs. The share-based payments have been classified as equity instruments and valued based on the fair value of the cash consideration received, as it is more reliably measurable than the fair value of the equity interest. If the South32 Option is exercised and shares are issued prior to a decision to develop a mine, such shares would be classified as temporary equity as they would be contingently redeemable in exchange for a net smelter royalty under circumstances that are not wholly in control of the Company or South32 and are not currently probable.

No portion of the equity value has been classified as temporary equity as the South32 Option has no intrinsic value.

On October 11, 2019, the Company and its subsidiary Minera Metalin issued a notice of force majeure to South32 pursuant to the South32 Option Agreement. Due to a blockade by a cooperative of local miners called Sociedad Cooperativa de Exploración Minera Mineros Norteños, S.C.L. ("Mineros Norteños"), the Company has temporarily halted all work on the Sierra Mojada Property. The notice of force majeure was issued because of the blockade's impact on the ability of the Company and its subsidiary Minera Metalin to perform their obligations under the South32 Option Agreement. Pursuant to the South32 Option Agreement, any time period provided for in the South32 Option Agreement will generally be extended by a period equal to the period of delay caused by the event of force majeure. As of January 28, 2021, the blockade by Mineros Norteños at, on and around the Sierra Mojada Property is ongoing.

The combined carrying amount of the assets and liabilities of Minera Metalin and Contratistas (consolidated with their wholly-owned subsidiary) are as follows at October 31, 2020:

Assets:	Mexico
Cash and cash equivalents	\$ 9,000
Value-added tax receivable, net	220,000
Other receivables	4,000
Income tax receivable	1,000
Prepaid expenses and deposits	100,000
Office and mining equipment, net	192,000
Property concessions	5,020,000
Total assets	<u>\$ 5,546,000</u>
Liabilities:	
Accounts payable	51,000
Accrued liabilities and expenses	187,000
Payable to Silver Bull Resources, Inc. to be converted to equity upon exercise of the South 32 Option	3,621,000
Total liabilities	<u>\$ 3,859,000</u>
Net advances and investment in the Company's Mexican subsidiaries	<u>\$ 1,687,000</u>

In addition, at October 31, 2020, Silver Bull Resources, Inc. held \$nil of cash received from South32, which is to be contributed to the capital of the Mexican subsidiaries as required for exploration. Cash received from South32 is required to be used to further exploration at the Sierra Mojada Property.

The Company's maximum exposure to loss at October 31, 2020 is \$5,308,000, which includes the carrying value of the VIEs' net assets, excluding the payable to Silver Bull Resources, Inc.

NOTE 4 – VALUE-ADDED TAX RECEIVABLE

Value-added tax ("VAT") receivable relates to VAT paid in Mexico. The Company estimates net VAT of \$219,804 will be received within 12 months of the balance sheet date. The allowance for uncollectible VAT was estimated by management based upon a number of factors, including the length of time the returns have been outstanding, responses received from tax authorities, general economic conditions in Mexico and estimated net recovery after commissions.

A summary of the changes in the allowance for uncollectible VAT for the fiscal years ended October 31, 2020 and 2019 is as follows:

Allowance for uncollectible VAT – October 31, 2018	\$ 98,414
Provision for uncollectible VAT	222,130
Foreign currency translation adjustment	7,080
Allowance for uncollectible VAT – October 31, 2019	<u>327,624</u>
Provision for uncollectible VAT	49,619
Foreign currency translation adjustment	(32,184)
Allowance for uncollectible VAT – October 31, 2020	<u>\$ 345,059</u>

NOTE 5 – LOAN RECEIVABLE

On August 24, 2020, the Company loaned \$360,000 to Ekidos Minerals LLP, an unrelated third-party Kazakh entity, relating to the acquisition of mineral property concessions in Kazakhstan. The loan is interest free and is to be repaid on January 31, 2021.

NOTE 6 – OFFICE AND MINING EQUIPMENT

The following is a summary of the Company's office and mining equipment at October 31, 2020 and October 31, 2019:

	October 31, 2020	October 31, 2019
Mining equipment	\$ 444,202	\$ 396,152
Vehicles	92,873	92,873
Buildings and structures	185,724	185,724
Computer equipment and software	74,236	74,236
Well equipment	39,637	39,637
Office equipment	47,597	47,597
	<u>884,269</u>	<u>836,219</u>
Less: Accumulated depreciation	(644,500)	(609,806)
Office and mining equipment, net	<u>\$ 239,769</u>	<u>\$ 226,413</u>

NOTE 7 – PROPERTY CONCESSIONS

The following is a summary of the Company's property concessions in Sierra Mojada, Mexico as at October 31, 2020 and 2019:

Property Concessions – October 31, 2018	\$ 5,019,927
Acquisitions	11,821
Impairment	<u>(11,821)</u>
Property Concessions – October 31, 2020 and 2019	<u>\$ 5,019,927</u>

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NOTE 8 – GOODWILL

Goodwill represents the excess, at the date of acquisition, of the purchase price of the business acquired over the fair value of the net tangible and intangible assets acquired. On April 30, 2020, the Company elected to perform a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. Based on this assessment, management determined it is not more likely than not that the fair value of the reporting unit is less than its carrying amount.

The following is a summary of the Company's goodwill balance as at October 31, 2020 and 2019:

Goodwill – October 31, 2020 and 2019	<u>\$ 2,058,031</u>
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NOTE 9 – LOAN PAYABLE

In June 2020, the Company received \$29,531 (\$CDN 40,000) in the form of a Canada Emergency Business Account ("CEBA") loan. CEBA is part of the economic assistance program launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic that can only be used to pay non-deferrable operating expenses. During the period from receipt of the CEBA loan to December 31, 2022 (the "Initial Term"), no interest will be charged on the principal amount outstanding. If at least \$CDN 30,000 is repaid on or before the end of the Initial Term, the remaining \$CDN 10,000 of principal will be forgiven pursuant to the terms of the CEBA loan. During the period from January 1, 2023 to December 31, 2025 (the "Extended Term"), if any portion of the loan remains outstanding, interest will be payable monthly at a rate of 5% per annum on the outstanding principal balance. The balance of the CEBA loan is fully repayable on or before the end of the Extended Term, if not repaid on or before the end of the Initial Term.

Loan payable – October 31, 2019	\$ —
Loan payable received – June 2020	29,531
Foreign currency translation adjustment	<u>503</u>
Loan payable – October 31, 2020	<u>\$ 30,034</u>

NOTE 10 – COMMON STOCK

On September 18, 2020, the Company completed a one-for-eight reverse stock split of its shares of common stock. As a result of the reverse stock split, every eight pre-split shares of issued and outstanding common stock of the Company were combined and reclassified into one post-split share of common stock of the Company. No fractional shares were issued in connection with the reverse stock split. Any fractional share that otherwise would have been issued as a result of the reverse stock split was rounded up to the nearest whole share. In connection with the reverse stock split, the 300,000,000 pre-split authorized shares of common stock were proportionately reduced to 37,500,000 post-split authorized shares of Company common stock. The \$0.01 par value per share of common stock and other terms of the common stock were not affected by the reverse stock split.

The Company's outstanding shares of common stock and shares underlying the Company's options and warrants entitling the holders to purchase shares of common stock have been adjusted as a result of the reverse stock split, as required by the terms of these securities. In addition, the number of shares reserved for issuance under the Company existing 2019 Stock Option and Stock Bonus Plan were reduced proportionately based on the split ratio.

The current financial statements as well as prior period financial statements have been retroactively adjusted to reflect the impact of the reverse stock split.

On October 27, 2020, the Company completed the initial tranche of a two-tranche private placement (the "Private Placement") for 3,623,580 units (each, a "Unit") at a purchase price of \$0.47 per Unit for gross proceeds of \$1,703,083. Each Unit consists of one share of the Company's common stock and one half of one transferable common stock purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one share of common stock at a price of \$0.59 until October 27, 2025. The Company paid a 4% finder's fee totaling \$26,000 to an agent with respect to certain purchasers who were introduced by the agent. The Company incurred other offering costs associated with the initial tranche of the Private Placement of \$98,456. Subscribers of the initial tranche of the Private Placement included management and directors for a total 840,000 units and gross proceeds of \$394,800.

No options to acquire shares of common stock were exercised during the year ended October 31, 2020.

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On March 6, 2019, 57,500 warrants to acquire 57,500 shares of common stock were exercised at an exercise price of \$CDN 1.04 per share of common stock for aggregate gross proceeds of \$44,560 (\$CDN 59,800).

On February 21, 2019, 75,000 warrants to acquire 75,000 shares of common stock were exercised at an exercise price of \$CDN 1.04 per share of common stock for aggregate gross proceeds of \$59,109 (\$CDN 78,000).

On January 30, 2019, 50,000 warrants to acquire 50,000 shares of common stock were exercised at an exercise price of \$CDN 1.04 per share of common stock for aggregate gross proceeds of \$39,418 (\$CDN 52,000).

The Company incurred costs of \$210 related to warrant exercises in the year ended October 31, 2019.

NOTE 11 – STOCK OPTIONS

The Company has one stock option plan under which equity securities are authorized for issuance to officers, directors, employees and consultants: the 2019 Stock Option and Stock Bonus Plan (the "2019 Plan"). Under the 2019 Plan, the lesser of (i) 3,750,000 shares or (ii) 10% of the total shares outstanding are reserved for issuance upon the exercise of options or the grant of stock bonuses.

The term of the Company's 2010 Stock Option and Stock Bonus Plan, as amended, expired on or around December 22, 2019.

Options are typically granted with an exercise price equal to the closing market price of the Company's stock at the date of grant, have a graded vesting schedule over approximately one to two years and have a contractual term of five years.

No options were granted or exercised during the year ended October 31, 2020 and October 31, 2019.

The following is a summary of stock option activity for the fiscal years ended October 31, 2020 and 2019:

Options	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at October 31, 2018	2,368,750	\$ 0.88	3.48	\$ 429,158
Expired	(325,000)	1.92		
Outstanding at October 31, 2019	2,043,750	0.72	2.83	46,448
Outstanding at October 31, 2020	2,043,750	0.72	1.83	53,546
Exercisable at October 31, 2020	2,043,750	\$ 0.72	1.83	\$ 53,546

The Company recognized stock-based compensation costs for stock options of \$62,417 and \$206,756 for the fiscal years ended October 31, 2020 and 2019, respectively. As of October 31, 2020, there remains \$nil of total unrecognized compensation expense, which is expected to be recognized over a weighted average period of nil years.

Summarized information about stock options outstanding and exercisable at October 31, 2020 is as follows:

Options Outstanding			Options Exercisable		
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$ 0.45	509,375	0.31	\$ 0.45	509,375	\$ 0.45
0.75	509,375	1.43	0.75	509,375	0.75
0.78	943,750	2.88	0.78	943,750	0.78
1.29	43,750	2.30	1.29	43,750	1.29
1.53	37,500	0.76	1.53	37,500	1.53
\$ 0.45 – 1.53	2,043,750	1.83	\$ 0.72	2,043,750	\$ 0.72

Stock options granted to consultants with a \$CDN exercise price were previously classified as a stock option liability on the Company's consolidated balance sheets upon vesting. During the year ended October 31, 2020, the stock option liability was reclassified to additional paid-in capital upon adoption of ASU 2018-07, "Compensation - Stock Compensation (Topic 718)." The following is a summary of the Company's stock option liability at October 31, 2020 and October 31, 2019:

Stock option liability at October 31, 2018	\$	25,116
Reclassification from additional paid-in capital		792
Change in fair value of stock option liability		(21,105)
Stock option liability at October 31, 2019	\$	4,803
Reclassification from additional paid-in capital		(4,803)
Stock option liability at October 31, 2020	\$	—

NOTE 12 – WARRANTS

A summary of warrant activity for the fiscal years ended October 31, 2020 and 2019 is as follows:

Warrants	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at October 31, 2018	4,537,530	\$ 1.04	1.16	\$ 254,068
Exercised	(182,500)	0.80		
Expired	(2,379,741)	0.80		
Outstanding and exercisable at October 31, 2019	1,975,289	\$ 1.28	0.75	\$ —
Issued in the initial tranche of the Private Placement (Note 10)	1,811,789	0.59		
Expired	(1,975,289)	1.28		
Outstanding and exercisable at October 31, 2020	1,811,789	\$ 0.59	4.99	\$ 18,118

During the year ended October 31, 2020, the Company issued 1,811,789 warrants with an exercise price of \$0.59 in connection with the Private Placement.

No warrants were exercised during the year ended October 31, 2020.

Warrants exercised during the years ended October 31, 2019 are discussed in Note 10.

The warrants exercised during the years end October 31, 2019 had an intrinsic value of \$12,126.

Summarized information about warrants outstanding and exercisable at October 31, 2020 is as follows:

Warrants Outstanding and Exercisable			
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price
\$ 0.59	1,811,789	4.99	\$ 0.59

NOTE 13 – TAX REFORM AND INCOME TAXES

Provision for Taxes

The Tax Act was signed into law on December 22, 2017. The law includes significant changes to the U.S. corporate income tax system, including a federal corporate rate reduction from 35% to 21%, limitations on the deductibility of interest expense and executive compensation, and the transition of U.S. international taxation from a worldwide tax system to a territorial tax system. The Tax Act required the Company to use a statutory tax rate of 21% for the year ended October 31, 2020 and 2019.

The Company files a United States federal income tax return and a Canadian branch return on a fiscal year-end basis and files Mexican income tax returns for its three Mexican subsidiaries on a calendar year-end basis. The Company and two of its wholly-owned subsidiaries, Minera Metalin and Minas, have not generated taxable income since inception. Contratistas, another wholly-owned Mexican subsidiary, has historically generated taxable income based upon intercompany fees billed to Minera Metalin on the services it provides.

On April 16, 2010, a wholly-owned subsidiary of the Company was merged with and into Dome, resulting in Dome becoming a wholly-owned subsidiary of the Company. Dome, a Delaware corporation, files a tax return in the United States as part of the Company's consolidated tax return.

The components of loss before income taxes were as follows:

	For the year ended October 31,	
	2020	2019
United States	\$ (1,695,000)	\$ (1,155,000)
Foreign	(523,000)	(2,778,000)
Loss before income taxes	<u>\$ (2,218,000)</u>	<u>\$ (3,933,000)</u>

The components of the provision for income taxes are as follows:

	For the year ended October 31,	
	2020	2019
Current tax expense	\$ 7,942	\$ 5,309
Deferred tax expense	—	—
	<u>\$ 7,942</u>	<u>\$ 5,309</u>

The Company's provision for income taxes for the fiscal year ended October 31, 2020 consisted of a tax expense of \$7,942 related to a provision for income taxes for the Silver Bull and Dome Canadian branch return for the fiscal year ended October 31, 2020.

The reconciliation of the provision for income taxes computed at the U.S. statutory rate to the provision for income tax as shown in the statement of operations and comprehensive loss is as follows:

	For the year ended October 31,	
	2020	2019
Income tax benefit calculated at U.S. federal income tax rate	\$ (466,000)	\$ (826,000)
Differences arising from:		
Other permanent differences	116,000	81,000
Differences due to foreign income tax rates	(47,000)	(244,000)
Adjustment to prior year taxes	(22,000)	(28,000)
Inflation adjustment foreign net operating loss	(174,000)	(258,000)
Foreign currency fluctuations	638,000	(344,000)
Decrease in valuation allowance	(565,000)	(403,000)
Net operation loss carry forwards expiration - United States	159,000	154,000
Net capital loss carry forwards expiration - United States	62,000	—
Net operation loss carry forwards expiration - Mexico	307,000	1,873,000
Net income tax provision	<u>\$ 8,000</u>	<u>\$ 5,000</u>

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The components of the deferred tax assets at October 31, 2020 and 2019 were as follows:

	October 31,	
	2020	2019
Deferred tax assets:		
Net operating loss carry forwards – U.S.	\$ 7,502,000	\$ 7,359,000
Net capital loss carry forwards – U.S.	—	62,000
Net operating loss carry forwards – Mexico	6,080,000	6,656,000
Stock-based compensation – U.S.	8,000	8,000
Exploration costs	777,000	830,000
Other – United States	19,000	30,000
Other – Mexico	23,000	29,000
Total net deferred tax assets	<u>14,409,000</u>	<u>14,974,000</u>
Less: valuation allowance	(14,409,000)	(14,974,000)
Net deferred tax asset	<u>\$ —</u>	<u>\$ —</u>

At October 31, 2020, the Company has U.S. net operating loss carry-forwards of approximately \$31 million that expire in the years 2021 through 2037 and \$4 million which will be carried forward indefinitely. The Company has approximately \$20 million of net operating loss carry-forwards in Mexico that expire in the years 2021 through 2030.

The valuation allowance for deferred tax assets of \$14.4 and \$15.0 million at October 31, 2020 and 2019, respectively, relates principally to the uncertainty of the utilization of certain deferred tax assets, primarily net operating loss carry forwards in various tax jurisdictions. The Company continually assesses both positive and negative evidence to determine whether it is more likely than not that the deferred tax assets can be realized prior to their expiration. Based on the Company's assessment, it has determined that the deferred tax assets are not currently realizable.

Net Operating Loss Carry Forward Limitation

The Tax Reform Act of 1986 contains provisions that limit the utilization of net operating loss and tax credit carry forwards if there has been a change in ownership as described in Section 382 of the Internal Revenue Code. As a result of the Dome merger in April 2010, substantial changes in the Company's ownership have occurred that may limit or reduce the amount of net operating loss carry forwards that the Company could utilize in the future to offset taxable income. The Company has not completed a detailed Section 382 study at this time to determine what impact, if any, that ownership change may have had on its operating loss carry forwards. In each period since its inception, the Company has recorded a valuation allowance for the full amount of its deferred tax assets, as the realization of the deferred tax asset is uncertain. As a result, the Company has not recognized any federal or state income tax benefit in its consolidated statement of operations and comprehensive loss.

Accounting for Uncertainty in Income Taxes

During the fiscal years ended October 31, 2020 and 2019, the Company has not identified any unrecognized tax benefits or had any additions or reductions in tax positions and therefore a reconciliation of the beginning and ending amount of unrecognized tax benefits is not presented.

The Company does not have any unrecognized tax benefits as of October 31, 2020, and accordingly the Company's effective tax rate will not be materially affected by unrecognized tax benefits.

The following tax years remain open to examination by the Company's principal tax jurisdictions:

United States:	2016 and all following years
Mexico:	2015 and all following years
Canada:	2016 and all following years

The Company has not identified any uncertain tax position for which it is reasonably possible that the total amount of unrecognized tax benefit will significantly increase or decrease within the next 12 months.

The Company's policy is to classify tax related interest and penalties as income tax expense. There is no interest or penalties estimated on the underpayment of income taxes as a result of unrecognized tax benefits.

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NOTE 14 – FINANCIAL INSTRUMENTS

Fair Value Measurements

All financial assets and financial liabilities are recorded at fair value on initial recognition. Transaction costs are expensed when they are incurred, unless they are directly attributable to the acquisition of financial assets or the assumption of liabilities carried at amortized cost, in which case the transaction costs adjust the carrying amount.

The three levels of the fair value hierarchy are as follows:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Under fair value accounting, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's financial instruments consist of cash and cash equivalents, accounts payable, stock option liability and warrant derivative liability.

The carrying amounts of cash and cash equivalents and accounts payable approximate fair value at October 31, 2020 and 2019 due to the short maturities of these financial instruments.

Derivative liability

The Company classified warrants with a \$CDN exercise price as a derivative liability, which was fair valued at each reporting period subsequent to the initial issuance as the functional currency of Silver Bull is the U.S. dollar. The Company used the Black-Scholes pricing model to determine the fair value of these warrants. Determining the appropriate fair-value model and calculating the fair value of warrants requires considerable judgment. The estimated volatility of the Company's common stock at the date of issuance, and at each subsequent reporting period, was based on the historical volatility adjusted to reflect the implicit discount to historical volatilities observed in the prices of traded warrants. The risk-free interest rate was based on rates published by the government for bonds with a maturity similar to the expected remaining life of the warrants at the valuation date. The expected life of the warrants was assumed to be equivalent to their remaining contractual term. The dividend yield was expected to be none as the Company has not paid dividends nor does the Company anticipate paying a dividend in the foreseeable future. All changes in fair value were recorded in the interim Condensed Consolidated Statements of Operations and Comprehensive Loss each reporting period. As of October 31, 2020, the warrants with a \$CDN exercise price had been exercised or had expired.

The Company reclassified stock options granted to consultants with a \$CDN exercise price on its consolidated balance sheets upon vesting as a stock option liability that is fair valued at each reporting period subsequent to reclassification as the functional currency of Silver Bull is the U.S. dollar. The Company has used the Black-Scholes pricing model to fair value these stock options. Determining the appropriate fair-value model and calculating the fair value of these stock options requires considerable judgment. Any change in the estimates used may cause the value to be higher or lower than that reported. The estimated volatility of the Company's common stock at the date of reclassification, and at each subsequent reporting period, is based on the historical volatility of the Company's common stock and adjusted if future volatility is expected to vary from historical experience. The risk-free interest rate is based on rates published by the government for bonds with a maturity similar to the expected remaining life of the options at the valuation date. The expected life of the options is based upon historical and expected future exercise behavior. The dividend yield is expected to be none as the Company has not paid dividends nor does the Company anticipate paying any dividend in the foreseeable future. During the year ended October 31, 2020, the Company adopted ASU 2018-07, "Compensation - Stock

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge its obligations. To mitigate exposure to credit risk on financial assets, the Company has established policies to ensure liquidity of funds and ensure that counterparties demonstrate minimum acceptable credit worthiness.

The Company maintains its U.S. dollar and \$CDN cash and cash equivalents in bank and demand deposit accounts with major financial institutions with high credit standings. Cash deposits held in Canada are insured by the Canada Deposit Insurance Corporation (“CDIC”) for up to \$CDN 100,000. Certain Canadian bank accounts held by the Company exceed these federally insured limits or are uninsured as they related to U.S. dollar deposits held in Canadian financial institutions. As of October 31, 2020 and 2019, the Company’s cash and cash equivalent balances held in Canadian financial institutions included \$1,793,270 and \$1,296,115, respectively, which was not insured by the CDIC. The Company has not experienced any losses on such accounts and management believes that using major financial institutions with high credit ratings mitigates the credit risk in cash and cash equivalents.

The Company also maintains cash in bank accounts in Mexico. These accounts are denominated in the local currency and are considered uninsured. As of October 31, 2020 and 2019, the U.S. dollar equivalent balance for these accounts was \$8,739 and \$62,024, respectively.

Interest Rate Risk

The Company holds substantially all of the Company’s cash and cash equivalents in bank and demand deposit accounts with major financial institutions. The interest rates received on these balances may fluctuate with changes in economic conditions. Based on the average cash and cash equivalent balances during the fiscal year ended October 31, 2020, a 1% decrease in interest rates would have resulted in a reduction in interest income for the period of approximately \$5,969.

Foreign Currency Exchange Risk

The Company is not subject to any material market risk related to foreign currency exchange rate fluctuations.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Compliance with Environmental Regulations

The Company’s exploration activities are subject to laws and regulations controlling not only the exploration and mining of mineral properties, but also the effect of such activities on the environment. Compliance with such laws and regulations may necessitate additional capital outlays or affect the economics of a project, and cause changes or delays in the Company’s activities.

Property Concessions Mexico

To properly maintain property concessions in Mexico, the Company is required to pay a semi-annual fee to the Mexican government and complete annual assessment work.

Royalty

The Company has agreed to pay a 2% net smelter return royalty on certain property concessions within the Sierra Mojada Property based on the revenue generated from production. Total payments under this royalty are limited to \$6.875 million (the “Royalty”). To date, no royalties have been paid.

Litigation and Claims

On May 20, 2014, Mineros Norteños filed an action in the Local First Civil Court in the District of Morelos, State of Chihuahua, Mexico, against the Company’s subsidiary, Minera Metalin, claiming that Minera Metalin breached an agreement regarding the development of the Sierra Mojada Property. Mineros Norteños sought payment of the Royalty, including interest at a rate of 6% per annum since August 30, 2004, even though no revenue has been produced from the applicable mining concessions. It also sought payment of wages to the cooperative’s members since August 30, 2004, even though none of the individuals were hired or performed work for Minera Metalin under this agreement and Minera Metalin did not commit to hiring them. On January 19, 2015, the case was moved to the Third District Court (of federal jurisdiction). On October 4, 2017, the court ruled that Mineros Norteños was time barred from bringing the case. On October 19, 2017, Mineros Norteños appealed this ruling. On July 31, 2019, the Federal Appeals Court upheld the original ruling. This ruling was subsequently challenged by Mineros Norteños and on January 24, 2020, the Federal Circuit Court ruled that the Federal Appeals Court must consider additional factors in its ruling. In March 2020, the Federal Appeals Court upheld the original ruling after considering these additional factors. In August 2020, Mineros Norteños appealed this ruling, which appeal the Company timely responded and objected to on October 5, 2020. The Company and the Company’s Mexican legal counsel believe that it is unlikely that the court’s ruling will be overturned. The Company has not accrued any amounts in its consolidated financial statements with respect to this claim.

From time to time, the Company is involved in other disputes, claims, proceedings and legal actions arising in the ordinary course of business. The Company intends to vigorously defend all claims against the Company, and pursue its full legal rights in cases where the Company has been harmed. Although the ultimate outcome of these proceedings cannot be accurately predicted due to the inherent uncertainty of litigation, in the opinion of management, based upon current information, no other currently pending or overtly threatened proceeding is expected to have a material adverse effect on the Company’s business, financial condition or results of operations.

COVID-19

Global outbreaks of contagious diseases, including the December 2019 outbreak of a novel strain of coronavirus (COVID-19), have the potential to significantly and adversely impact our operations and business. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. Pandemics or disease outbreaks such as the currently ongoing COVID-19 outbreak may have a variety of adverse effects on our business, including by depressing commodity prices and the market value of our securities and limiting the ability of our management to meet with potential financing sources. The spread of COVID-19 has had, and continues to have, a negative impact on the financial markets, which may impact our ability to obtain additional financing in the near term. A prolonged downturn in the financial markets could have an adverse effect on our business, results of operations and ability to raise capital.

NOTE 16 – SEGMENT INFORMATION

The Company operates in a single reportable segment: the exploration of mineral property interests. The Company has mineral property interests in Sierra Mojada, Mexico.

Geographic information is approximately as follows:

	For the Year Ended	
	October 31,	
	2020	2019
Net loss		
Mexico	\$ (552,000)	\$ (2,784,000)
Canada	(1,465,000)	(1,155,000)
Other	(209,000)	—
Net Loss	<u>\$ (2,226,000)</u>	<u>\$ (3,939,000)</u>

The following table details allocation of assets included in the accompanying consolidated balance sheets at October 31, 2020:

	Canada	Mexico	Total
Cash and cash equivalents	\$ 1,853,000	\$ 9,000	\$ 1,862,000
Value-added tax receivable, net	—	220,000	220,000
Other receivables	10,000	4,000	14,000
Prepaid expenses and deposits	130,000	100,000	230,000
Loan receivable	360,000	—	360,000
Office and mining equipment, net	48,000	192,000	240,000
Property concessions	—	5,020,000	5,020,000
Goodwill	—	2,058,000	2,058,000
	<u>\$ 2,401,000</u>	<u>\$ 7,603,000</u>	<u>\$ 10,004,000</u>

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The following table details the allocation of assets included in the accompanying consolidated balance sheet at October 31, 2019:

	Canada	Mexico	Total
Cash and cash equivalents	\$ 1,370,000	\$ 62,000	\$ 1,432,000
Value-added tax receivable, net	—	256,000	256,000
Other receivables	4,000	5,000	9,000
Prepaid expenses and deposits	103,000	102,000	205,000
Office and mining equipment, net	—	226,000	226,000
Property concessions	—	5,020,000	5,020,000
Goodwill	—	2,058,000	2,058,000
	<u>\$ 1,477,000</u>	<u>\$ 7,729,000</u>	<u>\$ 9,206,000</u>

The Company has significant assets in Coahuila, Mexico. Although Mexico is generally considered economically stable, it is always possible that unanticipated events in Mexico could disrupt the Company's operations. The Mexican government does not require foreign entities to maintain cash reserves in Mexico.

The following table details the allocation of exploration and property holding costs for the exploration properties:

	For the Year Ended	
	October 31,	
	2020	2019
Exploration and property holding costs for the year		
Mexico	\$ (477,000)	\$ (2,553,000)
Other	(203,000)	—
	<u>\$ (680,000)</u>	<u>\$ (2,553,000)</u>

NOTE 17 – SUBSEQUENT EVENTS

On November 9, 2020, the Company completed the second and final tranche of the Private Placement for 319,000 Units for gross proceeds of \$149,930. The Company incurred other offering costs associated with the second and final tranche of the Private Placement of \$152. Subscribers of the second and final tranche of the Private Placement included management for a total 319,000 units and gross proceeds of \$149,930.

On December 21, 2020, the Company loaned an additional \$400,000 to Ekidos Minerals LLP relating to the acquisition of mineral property concessions in Kazakhstan. This loan is interest free and is to be repaid by June 30, 2021.

On August 12, 2020, the Company entered into the Beskauga Option Agreement (the "Beskauga Option Agreement") with Copperbelt AG ("Copperbelt") pursuant to which it has the exclusive right and option to acquire Copperbelt's right, title and 100% interest in the Beskauga property located in Kazakhstan. Upon execution of the Beskauga Option Agreement, the Company paid Copperbelt \$30,000. Upon completion of the Company's due diligence on January 26, 2021, the Beskauga Option Agreement was finalized and the Company paid Copperbelt \$40,000.

As per the Beskauga Option Agreement, to maintain the effectiveness of the option, the Company must incur the following exploration expenditures:

Date	Amount (USD \$)
Within 1 year from Closing Date	\$2 million
Within 2 years from Closing Date	\$3 million
Within 3 years from Closing Date	\$5 million
Within 4 years from Closing Date	\$5 million

The Beskauga Option Agreement also provides that subject to its terms and conditions, after the Company has incurred the above noted exploration expenditures, it may exercise the option and acquire the Beskauga property by paying Copperbelt up to \$15,000,000.

DESCRIPTION OF CAPITAL STOCK

The following is a description of each class of securities of Silver Bull Resources, Inc. ("Silver Bull" or the "Company") that is registered under Section 12 of the Securities Exchange Act of 1934, as amended, and does not purport to be complete. For a complete description of the terms and provisions of such securities, refer to the Company's restated articles of incorporation, as amended, and the Company's bylaws, which are incorporated herein by reference to Exhibit 3.1.1 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on January 14, 2011, Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on April 26, 2011, Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on September 18, 2020, and Exhibit 3.1.2 to the Company's Annual Report on Form 10-K filed with the SEC on January 14, 2011, respectively. This summary is qualified in its entirety by reference to these documents.

Common Stock

Silver Bull's restated articles of incorporation, as amended, authorize Silver Bull to issue 37,500,000 shares of common stock, \$0.01 par value per share. As of January 28, 2021, 33,484,945 shares of Silver Bull common stock were issued and outstanding. The rights of the holders of Silver Bull common stock are governed by Chapter 78 of the Nevada Revised Statutes, Silver Bull's articles of incorporation and Silver Bull's bylaws.

Dividend Rights

Holders of Silver Bull common stock will be entitled to receive dividends when, as and if declared by the Company's board of directors, and out of funds legally available for their payment. At the present time, the Company does not anticipate paying dividends, cash or otherwise, on Silver Bull common stock in the foreseeable future. Future dividends will depend on the Company's earnings, if any, the Company's financial requirements and other factors.

Redemption Rights

Silver Bull common stock is not redeemable or convertible.

Voting Rights

Each holder of Silver Bull common stock is entitled to one vote per share, and all voting rights are vested in the holders of shares of Silver Bull common stock. Holders of shares of common stock will have noncumulative voting rights, which means that the holders of more than 50% of the shares voting for the election of directors will be able to elect 100% of the directors, and the holders of the remaining shares voting for the election of directors will not be able to elect any directors.

Election of Directors

The Company's directors are elected by a majority vote in a meeting at which a quorum is present. A director candidate that receives a majority of the votes in favor of such candidate will be elected to serve on the Company's board of directors.

In February 2016, the Company's board of directors adopted a majority voting policy stipulating that stockholders shall be entitled to vote in favor of, or withhold from voting for, each individual director nominee at a stockholders' meeting. If the number of shares "withheld" for any nominee exceeds the number of shares voted "for" such nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, he or she shall tender his or her written resignation to the chair of the board. The Corporate Governance and Nominating Committee will consider such offer of resignation and will make a recommendation to the board of directors concerning the acceptance or rejection of the resignation after considering, among other things, the stated reasons, if any, why certain stockholders "withheld" votes for the director, the qualifications of the director and whether the director's resignation from the board would be in the best interests of the Company. The board of directors must take formal action on the Corporate Governance and Nominating Committee's recommendation within 90 days and announce its decision by a press release. According to the majority voting policy, the affected director cannot participate in the deliberations of the Corporate Governance and Nominating Committee or the board of directors regarding his or her resignation. The majority voting policy applies only in circumstances involving an uncontested election of directors, meaning an election in which the number of nominees is equal to the number of directors to be elected.

Liquidation Rights

In the event of the Company's voluntary or involuntary liquidation, dissolution or winding up, the holders of Silver Bull common stock will be entitled to share equally in any of Silver Bull's assets available for distribution after the payment in full of all debts and distributions.

No Preemptive or Similar Rights

Under Nevada law, a stockholder of a corporation does not have a preemptive right to acquire the corporation's unissued shares unless there is a provision to the contrary in the articles of incorporation. The Company's articles of incorporation do not provide the Company's stockholders with any preemptive or similar rights.

Transfer Agent

The transfer agent and registrar for Silver Bull common stock is Equiniti Trust Company, located at 1110 Centre Pointe Curve, Suite 101, Mendota Heights, Minnesota 55120-4100.

Warrants

As of January 28, 2021, the Company had issued and outstanding warrants to purchase 1,971,289 shares of common stock as follows:

- Warrants to purchase 1,811,789 shares at \$0.59 per share, exercisable on October 27, 2020 and expiring on October 27, 2025; and
- Warrants to purchase 159,500 shares at \$0.59 per share, exercisable on November 9, 2020 and expiring on November 9, 2025.

The number of shares of Silver Bull common stock to be received upon the exercise of each warrant may be adjusted from time to time upon the occurrence of certain events, including but not limited to (i) a declaration of a dividend or other distribution in respect of Silver Bull common stock; (ii) a subdivision, redivision or change to the outstanding shares of Silver Bull common stock into a greater number of shares of Silver Bull common stock; (iii) a reduction, combination or consolidation of Silver Bull common stock into a lesser number of shares of Silver Bull common stock; (iv) a rights offering to subscribe for or purchase Silver Bull common stock or securities convertible into or exchangeable for Silver Bull common stock; and (v) a reorganization, reclassification, consolidation, amalgamation, arrangement or merger of the Company with or into any other corporation or entity, or a sale, lease, exchange or transfer of substantially all of the undertaking of assets of the Company, or similar event.

Anti-Takeover Provisions in the Company's Articles of Incorporation and Bylaws

The Company's articles of incorporation and bylaws also contain provisions that the Company describes in the following paragraphs, which may delay, defer, discourage, or prevent a change in control of the Company, the removal of the Company's existing management or directors, or an offer by a potential acquirer to the Company's stockholders, including an offer by a potential acquirer at a price higher than the market price for the stockholders' shares.

Among other things, Silver Bull's articles of incorporation and bylaws:

- provide that vacancies on the board of directors may be filled by the vote of a two-thirds (2/3) majority of the directors then in office or in the case of a vacancy by resignation or death, by the majority of directors then in office;
- establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of the Company's stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to the Company's corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at the Company's principal executive offices not less than 120 days prior to the first anniversary of the prior year's annual meeting (or, in the case of a special meeting, a reasonable time before the Company begins to print and send its proxy materials). The Company's bylaws specify the information that must be included in a stockholder's notice. These requirements may prevent stockholders from bringing matters before the stockholders at an annual or special meeting;
- provide that stockholders may not act by written consent in lieu of a meeting;

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- provide that stockholders are not permitted to call special meetings of stockholders. Only the board of directors, by a two-thirds (2/3) majority vote, and the Company's president are permitted to call a special meeting of stockholders; and
 - provide that the Company's board of directors, by a two-thirds (2/3) majority vote, may amend or repeal the Company's bylaws without further stockholder approval unless otherwise required by law, and provide that a stockholder amendment to the bylaws requires a favorable vote of sixty-six and two-thirds percent (66 2/3%) of the Company's outstanding voting shares then entitled to vote at an election of directors.

CONSULTING AGREEMENT

This AGREEMENT dated September 26, 2020 (the "Effective Date").

BETWEEN:

SILVER BULL RESOURCES, INC.

Suite 1610, 777 Dunsmuir Street, Vancouver, BC, V7Y 1K4

(the "Company")

AND:

Sean Fallis

Suite 1610, 777 Dunsmuir Street, Vancouver, BC, V7Y 1K4

(the "Consultant")

WITNESSES THAT WHEREAS:

- A. The Consultant currently an employee of the Company whose employment will terminate effective September 25, 2020.
- B. The Company wishes to retain the Consultant to assist, through telephone calls and email, with transitioning responsibilities to the Company's new Chief Financial Officer effective September 26, 2020.
- C. The Consultant agrees to provide such services to the Company on the terms and conditions set out herein.

THEREFORE in consideration of the sum of \$10.00 and the covenants and agreements herein, and for other good and valuable consideration given by each party hereto to the other, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereby agree as follows:

1. SERVICES

1.1 **Independent Contractor.** It is acknowledged and agreed that:

- (a) The Consultant shall at all times be an independent contractor. The Consultant is not the employee or agent of the Company and no partnership, joint venture or agency will be created by this Agreement or by any action of the parties under this Agreement and the Consultant shall not represent itself to be in any such relationship with the Company.
- (b) The Consultant acknowledges and agrees that he shall be responsible for payment to the proper authorities of any and all income taxes.

2. STOCK OPTIONS

2.1 The Consultant shall be eligible to exercise all vested options during the consulting period and within 90 days of the termination of this Agreement on the terms and conditions set out in the Company's 2010 Stock Option and Stock Bonus Plan, as amended. The Consultant will be eligible for additional stock option grants at the sole discretion of the Board of Directors of the Company.

3. TERM AND TERMINATION

3.1 This Agreement shall become effective on September 26, 2020 and shall continue until September 25, 2021. This agreement may be extended on the written agreement of the Company and the Consultant. Either party may terminate this Agreement during its term in the event of a fundamental breach by the other party, provided that the party alleging a fundamental breach provide the other party written notice of the alleged breach and provides that party 10 days to cure the alleged breach if possible.

4. CONFIDENTIAL INFORMATION AND COMPANY PROPERTY

4.1 Except as required by law or in the normal and proper course of the Consultant providing services to the Company hereunder, the Consultant will not use for the Consultant's own account or disclose to anyone else, during or after the term of this Agreement, any confidential or proprietary information or material relating to the operations or business of the Company and its subsidiaries which the Consultant obtains from the Company, the subsidiaries or their officers, employees, agents, suppliers or customers or otherwise by virtue of the Consultant's engagement by

the Company or the subsidiaries. Confidential or proprietary information or material includes, without limitation, the following types of information or material, both existing and contemplated, regarding the Company or its subsidiaries except to the extent otherwise in the public domain: corporate information, including plans, strategies, tactics, policies, resolutions, and any litigation or negotiations; financial information, including cost and performance data, debt arrangements, equity structure, investors and holdings; operational and scientific information, including trade secrets; technical information, technical drawings and designs, mine plans, pit designs and reserve and resource estimates; and personnel information, including personnel lists, resumes, personnel data, organizational structure and performance evaluations (collectively, the "Confidential Information").

4.2 The Consultant agrees that all documents (including, without limitation, software and information in machine-readable form) of any nature pertaining to activities of the Company and to its subsidiaries, including without limitation, Confidential Information, in the Consultant's possession now or at any time during the term of this Agreement, are and shall be the property of the Company and its subsidiaries, and that all such documents and all copies of them shall be surrendered to the Company whenever requested by the Company.

5. RETURN OF DOCUMENTS

5.1 The Consultant agrees that all files, documents and equipment issued to the Consultant of any nature pertaining to business of the Company are and shall be the property of the Company, and that all such documents and all copies of them and any equipment shall be returned to the Company up on the termination of the Consultant's engagement by the Company for any reason.

6. EQUITABLE RELIEF

6.1 The Consultant agrees that, in the event it violates any of the restrictions referred to in sections 4 and 55,6 75the Company shall suffer irreparable harm and shall be entitled to preliminary and permanent injunctive relief and any other remedies in law or in equity which the court deems fit.

7. SEVERABILITY

Should any part of this Agreement be declared or held to be invalid for any reason, the invalidity shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion, and it is hereby declared the intention of the parties that this Agreement would have been executed without reference to any portion that may, for any reason, be hereafter declared or held invalid.

8. INDEMNIFICATION

During the period of this Agreement the Company will continue to indemnify the Consultant in accordance with the terms of the Indemnification Agreement between the Company and the Consultant dated May 2, 2013.

9. SURVIVAL

The Company and the Consultant expressly acknowledge and agree that the provisions of this Agreement, which by their express or implied terms extend beyond the termination of the Consultant's services hereunder, or beyond the termination of this Agreement, shall continue in full force and effect notwithstanding the termination of the Consultant's services or the termination of this Agreement for any reason.

10. ENTIRE AGREEMENT AND AMENDMENTS

The provisions herein, constitute the entire agreement between the parties in relation to providing consulting services to the Company and supersede all previous communications, representations and agreements, whether oral or written, between the Company and the Consultant with respect to the subject matter hereof. This Agreement may not be amended or modified except by written instrument signed by the Company and the Consultant.

11. GOVERNING LAW

This Agreement shall be governed by and interpreted exclusively in accordance with the laws of British Columbia, and the courts of British Columbia shall have the exclusive jurisdiction over this Agreement and any claim or dispute arising under it.

12. ENUREMENT

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, personal representatives and permitted assigns.

13. ASSIGNMENT OF RIGHTS

The Company shall have the right to assign this Agreement to another party, including, without limitation, any successor company that acquires all or substantially all of the Company's assets. The Consultant shall not assign his rights under this Agreement.

14. LEGAL ADVICE

The Consultant acknowledges that it was recommended by the Company that it obtain independent legal advice before executing this Agreement and that by executing this Agreement the Consultant represents that it had the opportunity to obtain independent legal advice.

IN WITNESS WHEREOF the parties have hereto have duly executed this agreement as of the day and year first above written.

SILVER BULL RESOURCES, INC.

Per: /s/ Brain Edgar

/s/ Sean Fallis
SEAN FALLIS

SUBSIDIARIES OF THE REGISTRANT

Silver Bull Resources, Inc. (the "Company") currently conduct its operations through subsidiaries. The names and ownership structure of our subsidiaries as of January 28, 2021 are set forth in the chart below:

Name	Jurisdiction of Incorporation or Organization	Ownership Percentage
Metalline, Inc. ("Metalline")	Colorado, USA	100% by Silver Bull
Contratistas de Sierra Mojada S.A. de C.V. ("Contratistas")	Mexico	98% by Silver Bull and 2% by Metalline ⁽¹⁾
Minera Metalin S.A. de C.V. ("Minera Metalin")	Mexico	99.998% by Silver Bull and 0.002% by Metalline ⁽¹⁾
Minas de Coahuila SBR S.A. de C.V.	Mexico	99.998% by Minera Metalin and 0.002% by Contratistas
Dome Ventures Corporation ("Dome")	Delaware, USA	100% by Silver Bull
Dome Asia Inc.	British Virgin Islands	100% by Dome
Dome Minerals Nigeria Limited	Nigeria	99.99% by Dome Asia Inc.

(1) Pursuant to that certain earn-in South32 option agreement (the "South32 Option Agreement"), dated June 1, 2018, and amended effective as of March 20, 2019, among the Company, Minera Metalin, Contratistas, and South32 International Investment Holdings Pty Ltd ("South32"), a wholly owned subsidiary of South32 Limited (ASX/JSE/LSE: S32), South32 is able to obtain an option to purchase 70% of the equity of Minera Metalin and Contratistas (the "Option"), and oversee the mineral exploration of Minera Metalin's Sierra Mojada property located in Coahuila, Mexico (the "Sierra Mojada Project"). The South32 Option Agreement provides that, upon the terms and subject to the conditions set forth in the South32 Option Agreement, in order for South32 to maintain its Option, South32 must contribute to Minera Metalin a minimum of \$10 million in tranches over the first four years of the Option for the Sierra Mojada Project funding (the "Initial Funding"). South32 may exercise the Option at any time by contributing \$100 million to Minera Metalin (the "Subscription Payment"), less the amount of Initial Funding previously contributed by South32. Once the full amount of the Subscription Payment is advanced by South32 and the Option is exercised, the Company and South32 will be obligated to contribute funding to Minera Metalin on a 30/70 pro rata basis. If South32 elects not to continue with the Sierra Mojada Project during the four-year option period, the Sierra Mojada Project will remain 100% owned by the Company. The exploration program will be initially managed by the Company.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-1 (File Nos. 333-214228, 333-221459, and 333-227465), as amended, and Form S-8 (File Nos. 333-171723, 333-180142, 333-214229, 333-221460, and 333-232627) of Silver Bull Resources, Inc. of our report dated January 28, 2021 relating to the audit of the consolidated financial statements, which appears in this Annual Report on Form 10-K for the year ended October 31, 2020.

/s/ Smythe LLP

Smythe LLP

Chartered Professional Accountants

Vancouver, Canada

January 28, 2021

CONSENT OF ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

We hereby consent to the incorporation by reference of any mineralized material and other analyses performed by us in our capacity as an independent consultant to Silver Bull Resources, Inc. (the "Company"), which are set forth in the Company's Annual Report on Form 10-K for the year ended October 31, 2020, in the Company's Registration Statements on Form S-1 (File Nos. 333-214228, 333-221459, and 333-227465), as amended, and Form S-8 (File Nos. 333-171723, 333-180142, 333-214229, 333-221460, and 333-232627), or in any prospectuses or amendments or supplements thereto. We also consent to the reference to us under the heading "Experts" in such Registration Statements and any related amendments or prospectuses.

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

Date: January 28, 2021

By:

/s/ Matthew Dumala

Name: Matthew Dumala, P.Eng.

Title: Partner and Senior Engineer

CONSENT OF CSA GLOBAL CONSULTANTS CANADA LTD.

We hereby consent to the incorporation by reference of any mineralized material and other analyses performed by us in our capacity as an independent consultant to Silver Bull Resources, Inc. (the "Company"), which are set forth in the Company's Annual Report on Form 10-K for the year ended October 31, 2020, in the Company's Registration Statements on Form S-1 (File Nos. 333-214228, 333-221459, and 333-227465), as amended, and Form S-8 (File Nos. 333-171723, 333-180142, 333-214229, 333-221460, and 333-232627), or in any prospectuses or amendments or supplements thereto. We also consent to the reference to us under the heading "Experts" in such Registration Statements and any related amendments or prospectuses.

CSA GLOBAL CONSULTANTS CANADA LTD.

Date: January 28, 2021

By: /s/ Neal Reynolds

Name: Neal Reynolds, P.Eng.

Title: Director

**CERTIFICATION OF CEO PURSUANT TO EXCHANGE ACT RULES 13 a-14 AND 15d-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Timothy Barry, certify that:

1. I have reviewed this Annual Report on Form 10-K of Silver Bull Resources, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 28, 2021

By: /s/ Timothy Barry
Timothy Barry, President and Chief Executive Officer
(Principle Executive Officer)

**CERTIFICATION OF CFO PURSUANT TO EXCHANGE ACT RULES 13 a-14 AND 15d-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Christopher Richards, certify that:

1. I have reviewed this Annual Report on Form 10-K of Silver Bull Resources, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: January 28, 2021

By: /s/ Christopher Richards
Christopher Richards, Chief Financial Officer
(Principal Accounting and Financial Officer)

**CERTIFICATION OF CEO PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Silver Bull Resources, Inc. (the "Company") does hereby certify with respect to the Annual Report of the Company on Form 10-K for the period ended October 31, 2020 (the "Report") that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 28, 2021

By: /s/ Timothy Barry

Timothy Barry, President and Chief Executive Officer
(Principle Executive Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code). It shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (15 U.S.C. Section 78r) or otherwise subject to the liability of that section. It shall also not be deemed incorporated by reference into any filing under the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, except to the extent that the Company specifically incorporates it by reference.

**CERTIFICATION OF CFO PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of Silver Bull Resources, Inc. (the "Company") does hereby certify with respect to the Annual Report of the Company on Form 10-K for the period ended October 31, 2020 (the "Report") that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: January 28, 2021

By: /s/ Christopher Richards
Chief Financial Officer
(Principal Accounting and Financial Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code). It shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 (15 U.S.C. Section 78r) or otherwise subject to the liability of that section. It shall also not be deemed incorporated by reference into any filing under the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, except to the extent that the Company specifically incorporates it by reference.