

SILVER BULL RESOURCES, INC.

Form 10-Q

June 13, 2018

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
R 1934

FOR THE QUARTERLY PERIOD ENDED April 30, 2018.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
£ 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____.

Commission File Number: 001-33125

SILVER BULL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada

91-1766677

State or other jurisdiction of (I.R.S. Employer
incorporation or organization 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

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 R No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files).

Yes R 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.

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Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company R

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No R

As of June 13, 2018, there were 205,726,342 shares of the registrant's \$0.01 par value common stock outstanding, the registrant's only outstanding class of voting securities.

SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)

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PART I – FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS.
SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
CONDENSED CONSOLIDATED BALANCE SHEETS

	April 30, 2018 (Unaudited)	October 31, 2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 13)	\$246,573	\$681,776
Value-added tax receivable, net of allowance for uncollectible taxes of \$94,756 and \$67,729 respectively (Note 5)	165,058	156,997
Other receivables	12,689	5,245
Prepaid expenses and deposits	85,677	116,836
Total Current Assets	509,997	960,854
Office and mining equipment, net (Note 6)	194,875	208,755
Property concessions (Note 7)	5,019,927	5,004,386
Goodwill (Note 8)	2,058,031	2,058,031
TOTAL ASSETS	\$7,782,830	\$8,232,026
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$175,951	\$138,130
Accrued liabilities and expenses (Note 9)	220,938	313,058
Income tax payable	2,000	4,780
Stock option liability (Note 11)	31,917	5,194
Warrant derivative liability (Note 12)	1,263,313	341,717
Total Current Liabilities	1,694,119	802,879
COMMITMENTS AND CONTINGENCIES (Notes 1 and 14)		
STOCKHOLDERS' EQUITY (Notes 10, 11 and 12)		
Common stock, \$0.01 par value; 300,000,000 shares authorized, 204,739,342, and 199,259,967 shares issued and outstanding, respectively	2,047,393	1,992,599
Additional paid-in capital	128,614,759	127,679,664
Accumulated deficit	(124,665,689)	(122,335,364)
Other comprehensive income	92,248	92,248
Total Stockholders' Equity	6,088,711	7,429,147
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$7,782,830	\$8,232,026
Subsequent event (Note 16)		

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

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

	Three Months Ended April 30,		Six Months Ended April 30,	
	2018	2017	2018	2017
REVENUES	\$—	\$—	\$—	\$—
EXPLORATION AND PROPERTY HOLDING COSTS				
Exploration and property holding costs	102,536	196,578	276,640	556,775
Depreciation	6,763	12,981	13,880	20,663
TOTAL EXPLORATION AND PROPERTY HOLDING COSTS	109,299	209,559	290,520	577,438
GENERAL AND ADMINISTRATIVE EXPENSES				
Personnel	113,045	155,546	245,342	271,734
Office and administrative	139,123	107,248	238,089	169,177
Professional services	88,289	79,454	140,199	121,205
Directors' fees	38,440	59,181	80,454	93,977
Provision for (recovery of) uncollectible value-added taxes (Note 5)	5,800	1,204	25,202	(49,966)
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	384,697	402,633	729,286	606,127
LOSS FROM OPERATIONS	(493,996)	(612,192)	(1,019,806)	(1,183,565)
OTHER INCOME (EXPENSES)				
Interest income	129	1,396	769	1,904
Interest and finance costs (Note 9)	(690)	(663)	(1,639)	(1,588)