

SILVER BULL RESOURCES, INC.

Form 10-Q

March 16, 2016

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 1934

FOR THE QUARTERLY PERIOD ENDED January 31, 2016.

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.)

925 West Georgia Street, Suite 1908

Vancouver, B.C. V6C 3L2

(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 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 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or smaller reporting company:

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Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company R
(Do not check if a smaller reporting company)

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 March 15, 2016, there were 159,072,657 shares of the registrant's \$0.01 par value common stock, 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 (Unaudited)

	January 31, 2016	October 31, 2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$585,409	\$950,878
Value-added tax receivable, net of allowance for uncollectible taxes of \$94,349 and \$103,429 respectively (Note 6)	118,798	132,207
Income tax receivable	—	2,596
Other receivables	15,101	18,400
Prepaid expenses and deposits	107,841	135,421
Assets held for sale (Note 7)	37,494	—
Total Current Assets	864,643	1,239,502
Office and mining equipment, net (Note 8)	247,570	305,614
Property concessions (Note 9)	5,563,093	5,593,263
Goodwill (Note 10)	2,058,031	2,058,031
TOTAL ASSETS	\$8,733,337	\$9,196,410
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$115,812	\$119,371
Accrued liabilities and expenses (Note 11)	281,780	282,933
Income tax payable	5,002	5,436
Total Current Liabilities	402,594	407,740
COMMITMENTS AND CONTINGENCIES (Notes 1, 12 and 16)		
STOCKHOLDERS' EQUITY (Notes 12, 13 and 14)		
Common stock, \$0.01 par value; 300,000,000 shares authorized, 159,072,657 and 159,072,657 shares issued and outstanding, respectively	1,590,726	1,590,726
Additional paid-in capital	125,031,324	125,025,319
Deficit accumulated during exploration stage	(118,512,069)	(118,046,936)
Other comprehensive income	220,762	219,561
Total Stockholders' Equity	8,330,743	8,788,670
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$8,733,337	\$9,196,410

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

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

	Three Months Ended January 31,	
	2016	2015
REVENUES	\$—	\$—
EXPLORATION AND PROPERTY HOLDING COSTS		
Exploration and property holding costs	106,593	272,097
Depreciation, asset and property concessions' impairment	50,503	17,632
TOTAL EXPLORATION AND PROPERTY HOLDING COSTS	157,096	289,729
GENERAL AND ADMINISTRATIVE EXPENSES		
Personnel	105,085	154,050
Office and administrative	79,921	160,259
Professional services	91,664	100,382
Directors' fees	28,130	56,043
Provision for (recovery of) uncollectible value-added taxes	293	(250)
Depreciation	—	445
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	305,093	470,929
LOSS FROM OPERATIONS	(462,189)	(760,658)
OTHER (EXPENSES) INCOME		
Interest and investment income	291	258
Interest and finance costs (Note 11)	(714)	—
Foreign currency transaction loss	(5,309)	(98,762)
Miscellaneous income	1,588	—
TOTAL OTHER EXPENSES	(4,144)	(98,504)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(466,333)	(859,162)
INCOME TAX (RECOVERY) EXPENSE		