

SILVER BULLION TRUST
(the “Trust”)

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE MANDATE

The Corporate Governance and Nominating Committee (the “Committee”) shall operate as follows:

Responsibilities

The Committee shall have a broad responsibility for examining corporate governance practices observed within the Trust (including Trustees and Committee practices and performance) and for making recommendations with respect to such matters to the Trustees. The duties and responsibilities of the Committee are set out below, and shall be considered by the Trustees (sometimes referred to herein as the "Board of Trustees") and modified as required from time to time:

- (a) oversee the number and composition of the Board of Trustees and its Committees and provide advice to the Trustees in this regard;
- (b) annually review Trustees' effectiveness including time commitments, conflicts of interest and continuing qualification and contribution by individual Trustees and effectiveness of Committees of the Trustees;
- (c) assess the quality and effectiveness of the Trustees' relationship with the senior executive officers;
- (d) recommend topics of interest or importance for discussion and/or action by the Board of Trustees and address information requirements of the Trustees;
- (e) assess and propose to the Trustees any new nominee as a Trustee;
- (f) approve the engagement by an individual Trustee of an outside legal or other advisor at the expense of the Trust;
- (g) keep generally abreast of changes in corporate governance practices and policies in general; and
- (h) generally report to the Trustees after each of the Committee’s meetings.

Composition

The Committee shall consist of not less than three Trustees. All of the members shall be the equivalent of "independent" as defined in Multilateral Instrument 52-110 of the Canadian Securities Administrators. "Independent" for this purpose means that a member has no direct or indirect material relationship with the Trust that could, in the view of the Trustees, reasonably interfere with his or her independent judgment. No member shall be related to an Officer of the Trust or an officer or employee of the Administrator.

Members of the Committee shall be appointed by the Board of Trustees, and shall hold office subject to re-appointment on an annual basis. A member may be removed or replaced at any time by the Board. A member shall cease to be a member of the Committee on ceasing to be a Trustee.

Procedures

The Committee shall have adequate resources and authority to discharge its responsibilities, including the authority to engage and compensate independent counsel and other advisors which it determines are necessary to enable the Committee to carry out its duties.

The times and locations of meetings of the Committee, the calling of such meetings and all aspects of procedure at such meetings shall be determined by the Committee, as the case may be, provided that in every case:

- (a) the presence of at least two members shall be necessary to constitute a quorum; and
- (b) the acts of the Committee or any sub-committee, at a duly constituted meeting, shall require no more than the vote of a majority of the members present and that, furthermore, in any circumstance, a resolution or other instrument in writing signed by all members of the Committee shall avail as the act of the Committee.

The Secretary of the Trust, failing which the Assistant Secretary of the Trust, shall be the Secretary of the Committee.

Approved: June 8, 2009