

SILVER BULL RESOURCES, INC.

Form 10-Q

June 07, 2012

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED April 30, 2012.

£ 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
State or other jurisdiction of
incorporation or organization

91-1766677
(I.R.S. Employer
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 R No o

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 o

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(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 No

As of June 7, 2012, there were 136,160,157 shares of the Registrant's \$.01 par value Common Stock ("Common Stock"), the Registrant's only outstanding class of voting securities.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

SILVER BULL RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED APRIL 30, 2012

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

	April 30, 2012 (Unaudited)	October 31, 2011 **
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$6,558,718	\$4,239,899
Restricted cash (Note 5)	44,227	77,068
Value-added tax receivable, net of allowance for uncollectible taxes of \$528,888 and \$nil, respectively (Note 6)	2,112,951	—
Other receivable	165,419	80,789
Prepaid expenses and deposits	338,115	239,286
Prepaid income taxes	1,778	10,933
Total Current Assets	9,221,208	4,647,975
PROPERTY CONCESSIONS		
Sierra Mojada, Mexico (Note 7)	5,596,669	4,846,687
Gabon, Africa (Notes 7 and 9)	3,913,069	4,500,148
	9,509,738	9,346,835
EQUIPMENT		
Office and mining equipment, net of accumulated depreciation of \$880,653 and \$973,457, respectively (Note 8)	730,493	785,486
OTHER ASSETS		
Value-added tax receivable, net of allowance for uncollectible taxes of \$nil and \$1,380,818, respectively (Note 6)	476,320	1,826,664
Goodwill (Note 10)	18,495,031	18,495,031
Other assets	56,619	112,170
	19,027,970	20,433,865
TOTAL ASSETS	\$38,489,409	\$35,214,161
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$899,547	\$798,679
Accrued liabilities and expenses	360,941	874,605
Income tax payable	20,119	7,842
Payable to joint venture partner (Note 9)	523,438	541,913
Total Current Liabilities	1,804,045	2,223,039
COMMITMENTS AND CONTINGENCIES (Notes 12 and 17)		
STOCKHOLDERS' EQUITY (Notes 12, 13, 14 and 15)		
Common stock, \$0.01 par value; 300,000,000 shares authorized,	1,361,601	1,151,101

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136,160,157 and 115,110,157 shares issued and outstanding, respectively

Additional paid-in capital	115,839,441	105,201,435
Deficit accumulated during exploration stage	(80,549,477)	(73,559,865)
Other comprehensive income	33,799	198,451
Total Stockholders' Equity	36,685,364	32,991,122
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$38,489,409	\$35,214,161

** Derived from the audited financial statements for the year ended October 31, 2011.

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

SILVER BULL RESOURCES, INC.

(AN EXPLORATION STAGE COMPANY)

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (Unaudited)

	Three Months Ended April 30,		Six Months Ended April 30,		Period from November 8, 1993 (Inception) to April 30, 2012
	2012	2011	2012	2011	
REVENUES	\$—	\$ —	\$—	\$ —	\$—
EXPLORATION AND PROPERTY HOLDING COSTS					
Exploration and property holding costs	3,406,383	2,025,646	5,854,192	3,066,812	41,761,382
Depreciation and asset write-off (Note 7)	317,685	58,141			