

Relationship Disclosure

Sprott | Capital
Partners

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About Relationship Disclosure

We are required by securities legislation to provide you with a disclosure document that describes: our relationship with you; the services and products we offer; the fees and expenses we charge you; how we attempt to mitigate conflicts of interest, the risks that you should consider when making investments and frequently asked questions. This document will also explain the nature of the roles and responsibilities that you will have in maintaining a successful relationship with Sprott Capital Partners LP. We encourage you to read this document carefully before opening an account or signing an Investment Application with Sprott Capital Partners LP.

Your signature on an Investment Application confirms you have received this document and understand its contents. It also acknowledges your consent to the disclosure of information as described herein. If you have any questions related to the contents of this document, please contact us by telephone at 416.943.8099, toll free 855.943.8099, by fax 416.977.9555, or by e-mail at invest@sprottwealth.com.

About Sprott Capital Partners LP and Related Registrants

Sprott Capital Partners LP (hereinafter referred to as "SCP", "we", "us", "our") is registered as a dealer in the category of investment dealer in Ontario. We are also registered as an investment dealer in Quebec, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Newfoundland and Labrador. We are a member of the Investment Industry Regulatory Organization of Canada ("IIROC"). Our office is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2600, Toronto, Ontario, M5J 2J1, Canada.

Our registered representatives (referred to herein as "investment advisors") and portfolio managers are trained to give you the investment advice to assist you in achieving your investment objectives.

Some of the information we are required to provide about our relationship with you may be contained in other documents that we have provided you or will provide you from time to time. These additional documents are incorporated by reference.

SCP has provided securities trading and investment advisory services since 2000. SCP is a limited partnership. The parent shareholder of the general partner of SCP is Sprott Inc., a public company listed on the Toronto Stock Exchange under the symbol "SII". SCP is an affiliate of: Sprott Asset Management LP ("SAM"), an investment fund manager and advisor and exempt market dealer; Sprott Global Resource Investments Ltd. ("SGRIL"), a US full service broker-dealer and member of the Financial Industry Regulatory

Authority ("FINRA"); Sprott Asset Management USA Inc. ("SAM USA"), a SEC-registered investment advisor; and Resource Capital Investment Corp. ("RCIC"), an investment manager of pooled investment vehicles. On occasion we will work in a cooperative fashion with SAM or other affiliates in providing services to you.

Description of Services Provided by SCP

Advisory and Managed Account

SCP has two different types of relationships with its clients – advisory or managed account. Except where your account is a separately managed account, our relationship is that of an advisory relationship.

In each of the advisory account services or managed account services, your account could be used, depending on your personal circumstances to buy, hold or sell equity stocks, bonds, mutual funds, hedge funds, deposit notes.

Advisory Account Services and Relationship

In an advisory relationship, you are responsible for making all investment decisions in respect of your SCP account(s) but you can rely on the investment advice given to you by your investment advisor. Below is a description of the responsibilities of you, your investment advisor and SCP in an advisory relationship.

Your Responsibilities

You are responsible for making all investment decisions in respect of your SCP account(s). You are also responsible for providing accurate and up-to-date Know Your Client (**KYC**) information (which is described later in this Relationship Disclosure document) to SCP and for carefully and promptly reviewing all communications you receive from SCP, including trade confirmations and account statements, and informing SCP promptly of any inaccuracies or errors. You are responsible for being an active participant in our relationship, proactively asking questions and requesting information about your account(s) and contacting SCP immediately if you are unsatisfied with the handling of the affairs in your account(s). You are also responsible for reviewing any and all product disclosure documents, including prospectuses and offering memoranda, that we provide to you in connection with the investments you make in your account(s).

Your Investment Advisor's Responsibilities

Your investment advisor is responsible for the investment advice given to you and ensuring that it is unbiased, meets an appropriate standard of care and is suitable based on your investment needs and objectives.

SCP's Responsibilities

SCP is responsible for, among other things, providing you with relationship disclosure information, assessing the suitability of investments in your SCP account(s), reporting account activity to you through trade confirmations and account statements and various other requirements mandated by securities laws and regulations. SCP is also responsible for providing you with fund facts, prospectuses, offering memoranda and/or other product disclosure documents where required by law. SCP is responsible for the supervision of its investment advisors and for handling any complaints regarding its services in a fair and reasonable manner.

Managed Account Services and Relationship

Separately managed account ("SMA") is an investment account which allows individuals to invest in a diversified portfolio of individual securities, which are owned directly by the investor. This portfolio of securities is managed by a professional portfolio manager employed or retained by SCP according to a specific investment mandate chosen by the investor. Various portfolio managers manage the SMAs. The names of the portfolio managers responsible for managing the various investment mandates in the SMA will be provided to you when you open an SMA.

There are minimum investments for SMAs, typically \$500,000 or higher. If you have opened a SMA account, we will not have an advisory relationship with you in respect of those accounts. Instead, we will have a managed account relationship, which means that investment decisions in respect of those SMA accounts will be made on a continuing basis by the applicable portfolio manager according to a specific investment mandate, not by you. Below are the responsibilities of you, your portfolio manager and SCP where you have an SMA.

Your Responsibilities

You are responsible for providing accurate and up-to-date Know Your Client (**KYC**) information (which is described later in this Relationship Disclosure document) to SCP and for carefully and promptly reviewing all communications you receive from SCP, including account statements, and informing SCP promptly of any inaccuracies or errors. You are responsible for being an active participant in our relationship, proactively asking questions and requesting information about your account(s) and contacting SCP immediately if you are unsatisfied with the handling of the affairs in your account(s).

Your Portfolio Manager's Responsibilities

Your portfolio manager is responsible for the investment advice given to you regarding whether an SMA is suitable for you and if so, which investment mandate(s) is/are suitable, and ensuring that that advice is unbiased, meets an appropriate standard of care and is suitable based on your investment needs and objectives.

SCP's Responsibilities

SCP is responsible for, among other things, providing you with relationship disclosure information, assessing the suitability of an SMA and investment mandate(s), reporting account activity to you through account statements and various other requirements mandated by securities laws and regulations. SCP is also responsible for monitoring the services provided by the portfolio managers for, among other things, compliance with the investment mandates and the operations of the SMA. SCP is responsible for the supervision of its portfolio managers and for handling any complaints regarding its services in a fair and reasonable manner.

Operation of Your Account(s)

The operation of your SCP account(s) is governed by legal agreements depending on the type of account that you have. SMAs are governed by the Separately Managed Account Agreement and margin accounts are governed by the Margin Account Agreement. All other accounts are governed by the SCP Investment Application and, where you are enrolled in the SCP Fee-based Program, by the SCP Fee-based Program Agreement. The applicable agreements will be provided to you on account opening.

Our Procedures Regarding Handling Cash, Cheques and Securities

SCP does not, nor do we allow our investment advisors or portfolio managers to, accept cash under any circumstances. All cheques for investments within your SCP account(s) must be made payable by you to Sprott Capital Partners LP. Under no circumstances should you leave the name of the payee blank on your signed cheque nor should you make any cheque payable to your SCP investment advisor or portfolio managers or to a numbered or personal holding company.

Understanding the Know-Your-Client (KYC) information

KYC

SCP and your investment advisor/portfolio manager are required under securities legislation to ensure that investments in your account(s) are suitable for you. To assess suitability, we consider factors including your investment objectives and time horizon, risk tolerance and personal circumstances, including your age, annual income, net worth and investment knowledge. This is known in the securities industry as the “know-your-client” or “KYC” information. The KYC information that you provide to SCP and your investment advisor is important. Without up-to-date, accurate and complete information, we cannot accurately assess whether the investments in your account(s) are suitable for you. Therefore, you must provide us with accurate and complete information regarding your life circumstances and objectives, including your financial condition, ensure that this information has been accurately recorded on your account opening documentation and any subsequent updated documentation, and promptly inform us of any inaccuracies or changes to that information. You will receive a copy of the KYC information that we obtain from you when you open your account and when you tell us about any material changes to the information.

As noted above, the KYC information includes your age, investment knowledge, financial situation (your annual income and net worth), investment objectives and time horizon, your current investments and risk tolerance.

- **Age** – we record your date of birth.
- **Investment Knowledge** – this reflects your understanding of investing, investment products and their associated risks, which will be recorded on our account documentation as sophisticated, good, limited or poor/nil.
- **Annual Income** – this is the approximate amount of your annual income from all relevant sources, and includes your spouse’s income.
- **Net Worth** – this is calculated as your (and your spouse’s) fixed assets less estimated liabilities plus your (and your spouse’s) liquid assets less estimated liabilities.
- **Investment Objectives** – this is the result that you would like to achieve from the account. The investments recommended and purchased within your account should be consistent with your investment objectives. You may have more than one investment objective for an account. Your investment objectives are recorded as percentages of income and/or short term, medium term and/or long term capital gains.

Income

Your objective is to generate current income from your investments and you are less concerned with capital appreciation. Investments that will satisfy this objective include fixed income investments such as mutual funds that invest in bond or money market instruments.

Short, Medium or Long Term Capital Gains

Your objective is capital appreciation and current income from investments is not a requirement. This may lead you to hold a relatively high proportion of mutual funds that invest in equities if you also have a higher risk tolerance and long term time horizon. The time frames provided for each type of capital gains listed below are general guidelines for your reference only. The prospectus for each mutual fund will provide additional guidance regarding the time frame.

Short term capital gains	Less than 3 years
Medium term capital gains	2-7 years
Long term capital gains	Greater than 7 years

- **Time Horizon** – this is the period from when you provide this information to us until you need to access a significant portion of your investments.
- **Risk Tolerance** – your risk tolerance documents your willingness to accept risk and your ability to withstand declines in your portfolio both on a comfort level and on an actual financial ability level. Your risk tolerance should reflect the relative weighting of the types of investments you wish to hold in the account. The value of the investments we recommend should not exceed the allocation thresholds outlined on your account documents. We will use the following risk categories for the various investments that may be suitable for your account.

Low Risk

Investments demonstrating a low volatility, which are best suited for investors who are willing to accept lower returns for greater safety of capital. Low risk investments may include such investments as Canada Savings Bonds, GICs and money market mutual funds.

Low to Medium Risk

Investments demonstrating a low to medium volatility but a higher volatility than those described above and which may include bond or balanced mutual funds. This category is available only for split risk-ranked mutual funds (i.e. those ranked low to medium risk).

Medium Risk

Investments demonstrating a medium volatility, which are best suited for investors seeking moderate growth over a longer period of time. These investments may include Canadian dividend, Canadian equity, U.S. equity and certain international equity mutual funds and bond mutual funds. These investments may fluctuate in value, but are generally higher quality.

Medium to High Risk

Investments demonstrating a medium to high volatility, which are best suited for investors looking for long term growth and may include mutual funds that invest in smaller companies, specific market sectors or geographic areas. This category is available only for split risk-ranked mutual funds (i.e. those ranked medium to high risk).

High Risk

Investments demonstrating a high volatility, which are best suited for investors who are growth oriented and are willing to accept significant short term fluctuations in portfolio value in exchange for potentially higher long term returns. These investments may include labour-sponsored venture capital funds or mutual funds that invest in specific market sectors or geographic areas such as emerging markets, science and technology, of mutual funds that engage in speculative trading strategies including hedge funds that invest in derivatives, short selling or use of leverage.

How We Assess Suitability of Investments in Your Account(s)

When Suitability Assessments are Done

SCP and your investment advisor or portfolio manager conduct a suitability assessment for each recommendation made to you and each trade accepted from you (including those proposed by you, whether or not a recommendation is made to you by your investment advisor) in respect of your account(s).

In addition to the above instances, SCP and your investment advisor will also conduct a suitability assessment of the investments in your account(s) if and when: (i) you transfer or deposit assets into your account(s); (ii) SCP or your investment advisor or portfolio manager becomes aware of a material change to your KYC information; and (iii) there is a change in your investment advisor or portfolio manager.

SCP and your investment advisor or portfolio manager will not review the suitability of the investments in your account(s) whenever significant market events occur. However, should you have any questions or concerns regarding the investments in your account(s) in the event of a significant market fluctuation or at any other time, you should contact your investment

advisor or portfolio manager to request a review of your account(s).

The Process We Use For Assessing Suitability of Investments in Your Account(s)

When we do a suitability assessment, we match the existing KYC information on your account to the characteristics of an investment with the overall assets in your account.

If there is a discrepancy between the KYC information and the investments, the investments will generally be considered to be either unsuitable or the KYC information may need to be updated if there have been any material changes to your circumstances that warrant a change.

Following this assessment, if an investment is considered to be unsuitable, your investment advisor or portfolio manager will discuss the situation with you and may recommend that you not proceed to purchase the investment (or that you sell the unsuitable investment if it is already in your account) or that you make changes to the other investments in your account to ensure suitability of your account overall. If you nevertheless wish to purchase an investment that we have determined to be unsuitable, SCP will, on a case-by-case basis, determine whether it will proceed with the transaction.

The Account Reporting that We Provide to You

You will receive reporting with respect to your account(s) from SCP in the form of trade confirmations and account statements. It is important that you carefully review each trade confirmation and account statement that is sent to you and inform SCP promptly if you feel there are any errors or discrepancies or if you should have any questions or concerns.

Trade Confirmations

You will receive a trade confirmation promptly from SCP for each trade (purchases and sales in your account(s)).

Account Statements

We will send you an account statement once a month for each of your accounts with us that has activity in the prior month or quarterly, if there has been no activity in the prior month.

The account statement(s) will include various details about the activity in your account since your last statement(s), including, among other things, the opening and closing balance of the account; all debits and credits in the account during the period; the quantity and description of each security purchased, sold or transferred and the dates of each transaction; and the quantity, description and market value of each security position held for the account.

The Fees and Charges You will Incur in Respect of Your Investments and Your SCP Account(s)

You will pay various fees and charges in connection with your investments and/or your SCP account(s). Fees and charges relating to you making and holding your investments may be charged to you by the product manufacturer (such as a mutual fund company). Fees and charges relating to the operation of your SCP account(s) may be charged to you by SCP. We have described these two instances further below.

You will pay commissions to SCP if you ask us to trade in any securities for your account.

These commissions compensate SCP and your investment advisor for the services we undertake for you in carrying out the trade.

For most fixed income securities (bonds, treasury bills, debentures, etc.) the commission you pay is built into the price of the security. The portion of the price you pay for the fixed income security that we retain as our commission is also known as the "spread".

For any equity or other security listed on a stock exchange (such as common shares, preferred shares, flow-through shares, warrants or rights, exchange-traded funds), you pay us a commission on each purchase or sale of the security. The amount of the commissions you pay will vary depending on the security, its trading and listed status on the stock exchanges and the amount of the trade. Commissions will vary also amongst our investment advisors. The charges you will incur and the compensation we receive for your trading in mutual funds is described below.

Fees and Charges Relating to Your Investments and Compensation Received by SCP

You will be charged fees and certain charges by the product manufacturer (such as a mutual fund company) in respect of you making, holding, and selling your actual investment. For example, product manufacturers typically charge a management fee which they deduct from the mutual fund or product that you have invested in. Product manufacturers use this fee in part to pay dealers such as SCP for our services. Product manufacturers may also charge you a deferred sales charge (**DSC**) when you redeem your investment prior to the expiry of a set schedule.

SCP will receive a commission from the product manufacturer at the time of your purchase. This commission may be either deducted directly from your initial investment or it may be paid to SCP by the product manufacturer from its management fee. SCP may also receive an ongoing commission (known as a trailer or service fee) from the product manufacturer for as long as you hold the investment in your SCP account. There may be

other fees or costs charged to you by the product manufacturer depending on the investment product.

All information with respect to the fees and costs associated with you making and holding the investment and the compensation paid by the product manufacturer to SCP is set out in the product manufacturer's offering document, such as a prospectus or offering memorandum.

SCP may also have referral arrangements in place with third parties for which SCP may receive a referral fee. Before any services are provided to you under a referral arrangement, details about the referral arrangement, including the fees SCP will receive, will be disclosed to you in writing by your investment advisor.

SCP will pay a portion or all of the fees that it receives from product manufacturers and other third parties (such as in a referral arrangement) to your investment advisor. SCP may also pay a portion of those fees to another registrant of SCP.

Fees and Charges Relating to Your SCP Account(s)

Separate and apart from the compensation described above in respect of your investments, you will be charged fees by SCP relating to us operating your SCP account(s). These are administration and service fees that SCP charges directly to you. These fees are set out in SCP's Account Service Fee Schedule on the following page.

Standard fee structure for fee based accounts

Fee Based	
On the first \$1,000,000	1.00%
On the next \$2,000,000	0.85%
On the next \$7,000,000	0.70%
Over \$10MM	0.55%

Account Service Fee Schedule

Service	Fees
REGISTERED PLANS	Including RRSP/LIRA, RRIF/LIF, RESP, and TFSA accounts
Administration fees	\$125.00 annual, additional account with the same SIN – \$67.50 annual.*
RIF unscheduled payment	\$25.00*
RRSP full deregistration	\$75.00*
RRSP partial deregistration	\$50.00*
Transfer out fee – full	\$125*
Transfer out fee – partial	\$50.00*
OTHER FEES	
Wire transfer out	\$25.00 (Cdn and US funds)
Wire transfer in	\$10.00 (Cdn and US funds)
Bank draft and cert. cheques	\$15.00
Drip enrollment	\$10.00
Stop payments	\$25.00
NSF cheque	\$25.00
Account transfer out	\$125.00*
Partial account transfer out	\$50.00*
CERTIFICATE REGISTRATION	
Withdrawal/Deposit	\$95.00 per issuer, plus mailing costs.*
Security Registration Withdrawal/Deposit (RUSH)	\$250.00*
Certificate safekeeping	\$50.00 per position, per account per month*
DUPLICATE STATEMENT/ CONFIRM REQUEST	
Less than 2 years old	\$5.00 per item,
Over 2 years old	\$20.00 per hour

* HST will apply – HST #102609211 RT0001

Interest Rate Schedule

NON-REGISTERED ACCOUNTS

Credit Balances	CDN\$ Balance	US\$ Balance
\$10,000 or less	CDN Prime – 3.5%	US Prime – 4.0%
\$10,001 up to \$50,000	CDN Prime – 3.5%	US Prime – 4.0%
\$50,001 up to \$100,000	CDN Prime – 3.0%	US Prime – 4.0%
Over \$100,001	CDN Prime – 3.0%	US Prime – 4.0%

Debit Balances	CDN\$ Balance	US\$ Balance
\$10,000 or less	CDN Prime + 1.5%	US Prime
\$10,001 up to \$50,000	CDN Prime + 1.5%	US Prime
\$50,001 up to \$100,000	CDN Prime + 1.0%	US Prime
Over \$100,001	CDN Prime + 1.0%	US Prime

REGISTERED ACCOUNTS

Credit Balances	CDN\$ Balance
\$10,000 or less	CDN Prime – 4.0%
\$10,001 up to \$50,000	CDN Prime – 4.0%
\$50,001 up to \$100,000	CDN Prime – 4.0%
Over \$100,001	CDN Prime – 4.0%

Note: On cash and margin accounts interest is not paid or charged if less than \$1.00 per month. The \$1.00 minimum interest pay out does not apply to Credit interest on Registered Accounts. Debit interest on Registered Plans is not charged if less than \$2.00. Interest rates paid on cash balances or charged on debit balances in your Sprott Capital Partners LP account are subject to change without notice.

Carrying Broker Disclosure Statement

Investment Industry Regulatory Organization of Canada
(IIROC) Rule 35

This statement contains important information. Please read this carefully and retain it for future reference.

National Bank Independent Network Inc. (NBIN) is the Carrying Broker for the financial institution with whom you opened your securities account. Your financial institution is independent of NBIN and has retained NBIN to provide certain record keeping and operational services which may include execution and settlement of securities transactions, custody of securities and cash balances, and extension of credit on margin transactions.

These services are provided under a written Introducing/Carrying Broker Agreement between NBIN and your financial institution. It is important that you understand the responsibilities of your financial institution and NBIN under this Agreement.

Responsibilities of Your Financial Institution

Your financial institution has specific responsibility for servicing and supervising your securities account through its own personnel in accordance with its own policies and applicable laws and regulations.

Your financial institution is solely responsible for approving the opening of your account and obtaining necessary account documentation.

Your financial institution is solely responsible for knowing you and understanding your investment objectives.

Your financial institution is solely responsible for any investment advice, investment recommendations, or investment management services that may be provided to you. It is also solely responsible for determining whether particular types of transactions, which may be recommended to you (e.g. margin, options, short sales, convertible hedges, etc.), are appropriate for you.

Your financial institution is solely responsible for the acceptance, and in some circumstances, the execution of securities orders.

Your financial institution is solely responsible for knowing the facts about any orders for the purchase or sale of securities for your account.

If your financial institution obtains possession of any money or securities intended for your account, it is solely responsible for correctly identifying and promptly forwarding the same to NBIN.

Your financial institution is solely responsible for supervising the activities of the individual or individuals who service your account, for resolving any complaints regarding the handling of your account, and, in general, for the ongoing relationship that it has with you.

In all of the above matters relating to the servicing of your account, NBIN has no involvement and assumes no responsibility.

Responsibilities of NBIN

In general, NBIN is only responsible for those services provided at the request or direction of your financial institution, as outlined in the Introducing/Carrying Broker Agreement.

NBIN will process orders for the purchase, sale or transfer of securities for your account as your financial institution directs. NBIN is not obligated to accept orders for securities transactions for your account directly from you and will do so only in exceptional circumstances. NBIN reserves the right to refuse to accept a particular account or order at its sole discretion for the sole protection of NBIN.

NBIN will receive and deliver cash and securities for your account and will record such receipts and deliveries according to information provided either by your financial institution or directly, in writing, by you.

NBIN will hold in custody securities and cash received for your account, and will collect and disburse dividends and interest and process reorganization and voting instructions with respect to securities held in custody. NBIN is responsible for the custody of your cash and securities only after it comes into NBIN's physical possession or control.

NBIN will prepare and transmit to you or provide facilities to your financial institution for the preparation and transmission of confirmations of trades. NBIN will prepare and transmit periodic (minimum quarterly) account statements summarizing transactions processed for your account to you.

If your financial institution opens a margin account for you, NBIN or your financial institution will loan you money for the purpose of purchasing or holding securities subject to the terms of NBIN's and your financial institution's written Customer Agreement, applicable regulatory margin requirements, and NBIN's and/or your financial institution's margin policies, which may be more stringent than regulatory minimums.

NBIN will provide your financial institution with written reports of all transactions processed for your account to enable it to carry out its responsibilities under the Introducing/Carrying Agreement.

NBIN will assist you and your financial institution in dealing with any discrepancies or errors that may occur in the processing of transactions for your account.

NBIN does not control, audit, or otherwise supervise the activities of your financial institution or its employees. NBIN does not verify information provided by your financial institution regarding your account or transactions processed for your account nor undertake responsibility for reviewing the appropriateness of transactions entered by your financial institution on your behalf.

In furnishing its services under the Introducing/Carrying Agreement, NBIN may use and rely upon the services of clearing agencies, automatic data processing vendors, proxy processing agents, transfer agents, securities pricing services, and other similar organizations.

This disclosure statement addresses the basic allocation of functions regarding the handling of your account. It is not intended to be a definitive enumeration of every possible circumstance, but only as a general disclosure.

Account Protection

The safety and protection of your assets are of utmost importance. NBIN is a member firm of the Canadian Investor Protection Fund (CIPF). Customers' accounts are protected for losses arising from the insolvency of a member firm for up to \$1,000,000.

An explanatory brochure on CIPF is available upon request from Sprott Capital Partners LP (SCP) or by visiting www.cipf.ca.

The account protection applies in the unlikely situation where NBIN becomes financially insolvent and is unable to meet its obligations to its customers. CIPF does not cover customers' losses which result from fluctuating market values, regardless of the cause of such losses.

Investment Performance Benchmarks

Comparing your portfolio's performance to that of an appropriate benchmark is a useful exercise for monitoring purposes. Benchmark comparisons can help you determine if your investment approach is delivering the desired results, or whether changes might be called for. Investment benchmarks are also helpful for developing realistic expectations about returns your portfolio can generate over the long term.

Investment benchmarks usually provide a broad measure of the return generated by specific asset classes over a given period. They are often referred to as reference indices since the most common form of investment benchmark is an index – such as a stock or bond index. A benchmark must replicate the security or portfolio you are monitoring closely as possible for the comparison to be meaningful. Examples of benchmarks would include the S&P/TSX for Canadian stocks, the DEX Universe for Canadian bonds and the S&P 500 for U.S. stocks. For a portfolio composed of securities from several different asset classes, the appropriate benchmark would be a blend of indices weighed according to the portfolio's asset mix.

For more information about comparing your portfolio's return to a benchmark, please don't hesitate to contact your Investment Advisor.

Conflicts of Interest

We are required under securities laws to have policies and procedures in place to address the handling of conflicts of interest. A conflict of interest arises where an action or decision by us has the effect of benefitting us at your expense.

Addressing of Conflicts of Interest

SCP has taken reasonable steps to identify existing and potential material conflicts of interest that may exist between you and us. Our employees are familiar with our policies and procedures and are required to conduct their responsibilities in compliance with such policies and procedures.

SCP may adopt one or more of the following measures or procedures when addressing conflicts of interest:

Control of information – preventing or controlling the exchange of information between opposing sides of a conflict of interest, for example, by establishing a firewall.

Separate supervision – ensure that employees on opposite sides of a conflict of interest are supervised by different people.

Neutralizing financial incentives – removing the financial incentive of an employee to favour a particular product or service.

Removing inappropriate influence – preventing one employee from inappropriately influencing another employee where such influence could impair integrity or judgment.

Segregation of tasks – controlling the simultaneous or sequential involvement of employees in separate tasks or services.

Disclosure and Consent – disclosing the conflict to you and obtaining your written consent to act.

Referral Arrangements

To the extent that SCP determines it to be in the interests of its clients to engage the services of, or invest in financial products offered by, another service provider, including our affiliates, in return for a referral fee, SCP would be subject to a conflict of interest that must be addressed in a manner prescribed by legal requirements. These requirements stipulate that SCP must ensure that if it selects or refers another service provider to assist a SCP client, it is based on the determination that such other service provider is an appropriate selection having regard to the client's circumstances. In addition, to the extent that any fees are to be paid by a service provider to SCP as compensation for a client referral, SCP and the service provider shall (i) disclose to the client the amount of the fees paid in connection with the referral; and (ii) obtain the written acknowledgement and consent of the client.

Fair and Equitable Allocation

SCP endeavours to allocate investment opportunities in a fair and equitable manner across client accounts. In summary, this process involves allocating purchases and sales of securities pro rata based on account value among accounts invested in similar strategies, subject to cash flow requirements such as subscriptions to and redemptions from the accounts.

Related Securities

The principal business activity of SCP is to trade securities on behalf of clients and provide investment advice in respect of these trades. In providing trading and advisory services to our clients it is important that our clients understand our interests in the service or transaction.

We must make certain disclosures where we (a) act as your dealer/broker; or (b) advise you, with respect to securities issued by us, by a related issuer or, in the course of a distribution, by a connected issuer (collectively, "**Related Securities**").

In these situations, we must disclose our relationship with the issuer of the securities. We must also make disclosure to you where we know or should know that, as a result of our acting as your dealer/broker, Related Securities will be purchased or sold by you through us.

The following is a list of the time and manner in which these disclosures must be made:

- Where we purchase or sell securities for your account, the required disclosure will be contained in the confirmation of trade and monthly statement, which we prepare and send to you.
- Where we advise you with respect to the purchase or sale of securities, the disclosure must be made prior to our giving the advice.

- If there is a significant change to the information previously disclosed to you, SCP will notify you of the change in a timely manner and, if possible, before making the next purchase or sale of the securities for you or providing advice to you to purchase or sell the securities.

Potential for Conflict

To the extent that one Sprott Registrant determines it to be in the interests of its clients to engage the services of, or invest in financial products offered by, another Sprott Registrant, it could be subject to a potential conflict of interest, given its indirect relationship with the other Sprott Registrants. SCP and its officers and employees must ensure that if they select another Sprott Registrant to assist a SCP client it is based on the determination that such other Sprott Registrant is an appropriate selection having regard to the client's circumstances.

Representatives of SCP and other Sprott Registrants may from time to time act as officers of SCP and may also be officers of other Sprott Registrants. All Sprott Registrants have adopted policies and procedures that minimize the potential for conflicts of interest resulting from the relationships of the officers and the Sprott Registrants, and all officers are required to observe such policies in carrying out their duties.

Shared Premises Disclosure

Please be advised that your branch of Sprott Capital Partners LP (SCP) share premises with Sprott Inc., Sprott Asset Management LP, Sprott Resource Lending Corp., Sprott Consulting LP, Sprott Resource Holdings Inc. and Sprott Asia LP. For our securities transactions you are/will be dealing with SCP, an Investment Dealer, a member of the Investment Industry Regulatory Organization of Canada and a member of the Canadian Investor Protection Fund.

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Our Related Issuers and Investment Funds

SAM, an affiliated entity of SCP, is an investment fund manager and portfolio advisor to the Sprott mutual funds, hedge funds and specialty products listed at www.sprott.com. Each of the Sprott mutual funds, hedge funds and specialty products is a related and/or connected issuer of SCP for purposes of National Instrument 33-

105 Underwriting Conflicts. In addition, SCP's parent, Sprott Inc., is a reporting issuer under applicable securities laws and is a related issuer of SAM. Sprott Consulting LP ("Sprott Consulting") provides active management, consulting and administrative services to certain companies, and is a subsidiary of Sprott Inc. As such, the companies that enter into a management service agreement with Sprott Consulting may be considered connected issuer to SCP.

National Instrument 31-103 *Registration Requirements, Exemptions* and Ongoing Registrant Obligations requires SCP to disclose to investors whether any securities it recommends to investors to purchase or sell are securities issued by SCP, a related issuer or, during the distribution of the securities, a connected issuer of SCP. An issuer is related to SCP if, through the ownership of, or control over, voting securities or otherwise, the issuer is an influential securityholder of SCP, SCP is an influential securityholder of the issuer or if each of them is a related issuer of the same third party. An issuer is connected to SCP if it has a business relationship with SCP that, in connection with a distribution of securities of that issuer, may lead a reasonable prospective purchaser to question if the issuer and SCP are independent of each other.

Anti-Money Laundering

Canada's anti-money laundering regulations require us to verify your identity before we can execute any transactions on your behalf, other than opening your account and accepting deposits of funds or securities. The methods of identity verification are prescribed in the regulations of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).

Investment Risks

What are the general risks of investing?

You should be comfortable about where your money is invested. This requires you to think about and understand your own risk tolerance and the risk level of your investments. It is important that you understand that your investment is not guaranteed. Therefore, the greatest risk to you as an investor is that you could lose all or part of your investment. Unlike bank accounts or guaranteed investment certificates, stocks, bonds, money market securities and funds are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer.

Accounts hold different kinds of investments depending on their investment objectives. The value of investments in any account will fluctuate on a daily basis, reflecting changes in interest rates, economic conditions and markets as well as company news. Therefore, the value of any portfolio's securities may go up or down. This means that the value of

your investment when you sell it may be more or less than when you bought it.

The following is a list of general risks which may affect your account. We have listed those risks at the top, which are most likely to impact SCP clients. The regulators require that we list all types of investment risk, even those which are not relevant to how we manage your account. The risks that are specific to your account's investment objective, strategy, and restrictions may be outlined in the Investment Application. Please do not hesitate to contact your Investment Advisor should you wish to review the specific risks which relate to you.

Risk-return trade off

Risk and return are closely related. This means that to obtain a higher return, you may have to accept a higher level of risk. A higher risk portfolio is generally less stable and fluctuates more. The more a portfolio's return fluctuates, the more risk is associated with the portfolio. It is therefore important to understand what we mean by "fluctuation": within a given period of time, a security may fluctuate, that is, it may suffer losses and realize gains. High-risk investments generally offer higher long-term returns than safer ones. Since they fluctuate more, high risk investments may post more negative short-term returns, compared to lower-risk investments.

Risks relating to concentration

If an account invests a large proportion of its assets in securities issued by one issuer, in a single asset class or in a single sector, it will have risk relating to concentration. When an account is not diversified, it could experience greater volatility and will be strongly affected by changes in the market value of these securities.

Risks relating to credit

An account can lose money if the issuer of a bond or other fixed income security cannot pay interest or repay principal when it comes due. This risk is higher if the fixed income security has a low credit rating or no rating at all. Fixed income securities with a low credit rating usually offer a higher yield than securities with a high credit rating but they also have the potential for substantial loss. These are known as "high yield securities".

Risks relating to companies listed on stock markets

The value of an account will increase or decrease with the market value of the securities in it. If an account holds stocks, the value of its securities will fluctuate with the market value of the stocks it holds. The market value of a stock will fluctuate according to the performance of the company that issued

the stock, economic conditions, interest rates, stock market tendencies and other factors. Historically, equity securities are more volatile than fixed income securities. Securities of small market capitalization companies can be more volatile than securities of large market capitalization companies.

Risks relating to interest rate fluctuations

Investments are affected by interest rate fluctuations. A drop in interest rates may reduce the return of money market securities. An increase in interest rates may reduce the return of accounts holding debt or fixed income securities.

Risks relating to currency

Whenever an account buys assets in a currency other than the base currency (for Canadians this is generally Canadian dollars), there are risks relating to exchange rates. As the currency changes in value against the other currencies, the value of the portfolio securities purchased in those other currencies will fluctuate.

Some client accounts denominate the value of their securities in Canadian dollars, but invest in different currencies. The value of their securities will fluctuate as foreign currencies change value in relation to the Canadian dollar. Some client accounts denominate the value of their securities in both U.S. and Canadian dollars. The value of their securities denominated in Canadian dollars will fluctuate in relation to the U.S. dollar.

Risks relating to fund on fund

When an account invests some or all of its assets in securities of a pooled or mutual fund (an “underlying fund”), the underlying fund may have to dispose of its investments at unfavourable prices to meet the redemption requests of the portfolio. This could have a harmful effect on the performance of the underlying fund that faces a large redemption. Furthermore, the performance of the portfolio is directly linked to the performance of the underlying fund and is therefore subject to the risks of the underlying fund in proportion to the amount of its investment in the underlying fund.

Risk relating to liquidity

Liquidity refers to the speed and ease with which an asset may be sold and converted into cash. Most of the securities held by an account may be sold easily at a fair price and thus represent investments which are relatively liquid. However, an account may invest in securities which are not liquid, i.e., which may not be sold quickly or easily. Some securities may not be liquid because of legal restrictions, the nature of the investment or certain characteristics of the security. The lack

of purchasers interested in a given security or market could also explain why a security may be less liquid. The difficulty of selling illiquid securities may result in a loss or a reduced return for an account.

Risks relating to foreign investments

Accounts that invest in foreign countries may face increased risk because the standards of accounting, auditing and financial reporting in these countries are not as stringent as in Canada and the U.S. These countries may receive less complete information the securities they buy.

A change of government or a change in the economy can affect foreign markets. Governments may impose exchange controls or devalue currencies. This would restrict the ability of a portfolio manager to withdraw investments. Some foreign stock markets are less liquid and more volatile than the North American markets. If a market has lower trading volumes, it can restrict the portfolio manager’s ability to buy or sell securities. This increases the risk for an account that only invests in foreign securities.

Risks relating to small companies

Small companies can be riskier investments than larger companies. For one thing, they are often newer and may not have a track record, extensive financial resources or a well-established market. This risk is especially true for private companies or companies that have recently become publicly traded. They generally do not have as many shares trading in the market, so it could be difficult to buy or sell small companies’ stock when it needs to. All of this means their share prices can change significantly in a short period of time.

Risks relating to specialization

Some clients prefer to mandate to invest in a particular industry or geographic area. When an account specializes in this way, it can be more volatile. Specialization lets the portfolio manager focus on specific areas of the economy, which will affect the performance of the portfolio depending upon changes in the sector and the companies in the sector. Events or developments affecting that sector or part of the world may have a greater effect on the portfolio than it had been more diversified.

Risks of using borrowed money (leveraging) to finance the purchase of a security

Using borrowed money to finance the purchase of securities involves greater risk than a purchase using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines.

Securities may be purchased using available cash, or a combination of cash and borrowed money. If cash is used to pay for the security in full, the percentage gain or loss will equal the percentage increase or decrease in value of the security. The purchase of a security using borrowed money magnifies the gain or loss on the cash invested. This effect is called leveraging. For example, if \$100,000 of securities are purchased and paid for with \$25,000 from available cash and \$75,000 from borrowings, and the value of the securities declines by 10% to \$90,000, your equity interest (the difference between the value of the securities and the amount borrowed) has declined by 40% i.e. from \$25,000 to \$15,000.

It is apparent that leveraging magnifies gains or losses. It is important that an investor proposing a leveraged purchase of securities be aware that a leveraged purchase involves greater risk than a purchase using cash resources only. To what extent a leveraged purchase involves undue risk is a determination to be made on an individual case basis by each purchaser and will vary depending on the circumstances of the purchaser and the security purchased. It is also important that the investor be aware of the terms of a loan secured by securities. The lender may require that the amount outstanding on the loan not fall below an agreed percentage of the market value of the securities. Should this occur, the borrower must pay down the loan or sell some of the securities so as to return the loan to the agreed percentage relationship. In our example above, the lender may require that the loan not exceed 75% of the market value of the securities. On a decline of value of the securities to \$90,000 the borrower must reduce the loan to \$67,500 (75% of \$90,000). If the borrower does not have cash available, the borrower must sell securities to provide money to reduce the loan.

Money is, of course, also required to pay interest on the loan. Under these circumstances, investors who leverage their investment are advised to have adequate financial resources available both to pay interest and also to reduce the loan if the borrowing arrangements require such a payment.

Risks relating to securities lending transactions

Clients and funds may, for a fixed period of time, lend securities of their portfolio in exchange for collateral. To limit the risks, the client will negotiate with its custodian the following:

A value of assets given as collateral, minimum level percentage coverage of the loaned securities and the type of collateral provided to the client. The risk associated with securities lending transactions is mainly the borrower's inability to pay the necessary consideration to maintain the collateral at the determined percentage. The client's account could sustain a loss if the borrower is unable to return the loaned securities

by the end of the agreed upon period and the market value of the securities loaned increases before the account buys back the securities. In this case, the collateral will no longer be sufficient to purchase the same securities on the market. Consequently, the client or fund will have to use the money in the account to buy back the securities and will sustain a loss. This risk can be minimized by selecting borrowing parties with solid credentials, which have undergone a stringent credit evaluation.

Risks relating to derivatives

Derivatives are investment instruments such as futures and options. Usually, derivatives grant the right or require the holder to buy or sell a specific asset during a certain period of time. There are several types of derivatives, each based on an underlying asset sold in a market or on a market index. A stock option is a derivative in which the underlying asset is the security of a major corporation. There are also derivatives based on currencies, commodities and market indexes.

In the industry, portfolio managers seek to improve the rate of return of portfolios by using derivatives and accepting a lower, more predictable rate of return through hedging transactions, rather than a higher but less predictable potential rate of return. This is called hedging. Derivatives may not be used for speculation. Derivatives may also be used to reduce the risk of currency fluctuations, stock market volatility and interest rate fluctuations. However, there is no guarantee that using derivatives will prevent losses if the value of the underlying investments falls. In some cases, derivatives may be used instead of direct investments. This reduces transactions costs and can improve liquidity and increase the flexibility of an account.

Derivatives may also be used for non-hedging purposes. Derivatives can help increase the speed and flexibility with which trades may be executed, but there is no guarantee that using derivatives will result in positive returns. Accounts that use derivatives also face a credit risk. The following are examples of risk relating to the use of derivatives:

- The use of derivatives to reduce risk associated with foreign markets, currencies or specific stocks, called hedging, is not always effective. There may be an imperfect correlation between changes in the market value of the investment being hedged and the hedging derivative.
- There is no assurance that portfolio managers will be able to sell the derivatives to protect a portfolio. An over-the counter market may not exist or may not be liquid. Derivatives traded in foreign markets may be less liquid and therefore have more risk than derivatives traded in North American markets.
- There may be a credit risk associated with those who trade in derivatives. The account or fund may not be able to

complete settlement because the other party cannot honour the terms of the contract.

- There may be credit risk from dealers who trade in derivatives, such as a dealer going bankrupt.
- A securities exchange could impose daily limits on trading of derivatives, making it difficult to complete an option or futures contract.
- If an account or fund is unable to close out its position on options and futures contract, this can affect its ability to hedge against losses.
- The price of derivatives based on a stock index or futures contracts could be distorted if trading in some or all of the stocks that make up the index is interrupted.
- If trading in stock index options or futures contracts is restricted by a stock exchange, the account or fund could experience substantial losses.

Specific Risks Pertaining to Investing in Mutual Funds, Hedge Funds and Specialty Products

The offering documents for each of the mutual funds, hedge funds and/or speciality products managed by SAM detail the risk factors associated with such investments. These risks factors are described in those offering documents are incorporated by reference in this Relationship Disclosure Document.

Privacy Policy

The privacy of our investors is very important to us. This Privacy Policy sets out the information practices for Sprott Inc. group members, including what types of personal and business information is collected, how the information is used, and with whom the information is shared. We are committed to protecting your privacy and maintaining the confidentiality of your information. This Privacy Policy may be updated from time to time without notice.

The Sprott Group complies with the requirements of Part 1 and Schedule 1 of the Personal Information Protection and Electronic Documents Act (Canada) ("PIPEDA") and all applicable provincial personal information laws. Below is an overview of the privacy principles set out in Schedule 1 of PIPEDA.

Definitions you need to know

We, our and **us** mean, as applicable, any Sprott Inc. group member or the collective Sprott Group.

Sprott Group means, collectively, Sprott Inc. and all of its affiliates and subsidiaries including Sprott Asset Management LP, Sprott Capital Partners LP and Sprott Consulting LP as well as any program or joint venture any of these parties participates in.

Service means any brokerage or financial product or service offered by us.

You and **your** means each person, whether an individual, corporation or trust, who has made application to us for or signed an application in respect of any Service offered by us, including any co-applicants, guarantors or personal or corporate representatives such as directors.

SROs refers to self-regulatory organizations, including the Investment Industry Regulatory Organization of Canada (IIROC), the Mutual Fund Dealers Association of Canada, the exchanges and other regulated marketplaces and the Canadian Investor Protection Fund.

What personal information do we collect?

The term "personal information" refers to any information that specifically identifies you, including information such as your home address, telephone numbers, social insurance number ("SIN"), birth date, assets and/or income information, employment history and credit history. We will be collecting personal information from you that includes the following:

- Your full name, address, occupation and date of birth, which is required by law;
- Identification, such as a valid driver's license or passport;
- Your social insurance number for income tax reporting purposes, as required by law;

- Your financial information including annual income, assets and liabilities, and banking information;
- Your employment history and credit history;
- Information about third parties such as your spouse if you are applying for certain Services, where this information is required by law.

For legal entities such as businesses, partnerships, trusts, estates or investment clubs, we may collect the information referred to above from each authorized person, partner, trustee, executor and club member, as appropriate.

How do we collect your information?

We collect your personal or business information directly from you or through your financial advisor and/or dealer in order to provide you with Services, to meet legal and regulatory requirements and for any other purposes to which you consent. Your information may be collected from a variety of sources, including:

- Subscription forms, applications, questionnaires or other forms that you submit to us or agreements and contracts that you enter into with us;
- Your transactions with us;
- Meetings and telephone conversations with you;
- E-mail communications with us; and
- Our websites.

We may monitor or record any telephone call we have with you. The content of the call may also be retained. We may inform you prior to proceeding with the call of this possibility. This is to establish a record of the information you provide, to ensure that your instructions are followed properly and to ensure customer service levels are maintained.

How do we use your information?

We collect and use your personal or business information in order to give you the best possible service and for the purposes set out in your agreement(s) with us, such as:

- To establish your identity and verify the accuracy of your information;
- To confirm your corporate status;
- To understand your needs;
- To determine the suitability of our Services for you;
- To determine your eligibility for our Services;
- To set up, administer and offer Services that meet your needs, including fulfilling any reporting or audit requirements;

- To provide you with ongoing Service, including executing your transactions;
- To provide you and/or your financial advisor and/or dealer with confirmations, tax receipts, proxy mailings, financial statements and other reports;
- To meet our legal and regulatory requirements;
- To manage and assess our risks; and
- To protect us from error and to prevent or detect fraud or criminal activity.

We collect, use and disclose your SIN, social security number or other government-issued personal or business identification number for income tax reporting purposes, as required by law. In addition, we may ask you for your SIN to confirm your identity. This allows us to keep your personal information separate from that of other customers, particularly those with similar names, and helps maintain the integrity and accuracy of your personal information. You may refuse to consent to its use or disclosure for purposes other than as required by law.

How do we obtain your consent?

We rely on your actions as indications of your consent to our collection, use and disclosure of your personal information. For example, by signing a subscription form or an application form, voluntarily providing your information to us directly or through your financial advisor or dealer and continuing to do business with us, you are consenting to the collection, use and disclosure of your personal information for the purposes identified in this Privacy Policy. Sprott Group will not, as a condition of the supply of Services, require you to consent to the collection, use or disclosure of your personal information beyond that which is required to fulfill these purposes.

Who do we share your information with?

We may share your personal or business information within the Sprott Group for the purposes set out above. We do not provide directly all the services related to your relationship with us. As such, we may transfer your personal information, when necessary, to our third party service providers and to our agents in connection with the Services, however, please note that these third party service providers and agents will not share this information with others. Such information is only used for the purposes identified above. We may use third party service providers or agents such as:

- Your financial advisor or dealer;
- Other financial service providers such as investment dealers, custodians, prime brokers, banks and others used to finance or facilitate transactions or operations on your behalf;

- Registrar and transfer agents, portfolio managers, brokerage firms and similar service providers; and
- Other service providers such as accounting, legal or tax preparation services.

Our service providers and our agents process or handle your information on our behalf and assist us with various services such as printing, imaging, document storage and shredding, mail distribution and marketing. Some of these third parties may be located outside of Canada. As a result, your information may be accessible to regulatory authorities in accordance with the laws of these jurisdictions. When information is provided to our service providers and to our agents, we will require them to protect the information in a manner that is consistent with Sprott Group privacy policies and practices.

We may also be required by law to disclose information to government regulatory authorities. For example, we may be required to report your income to taxation authorities. We may also be required to disclose your personal and business information to SROs. SROs collect, maintain, and use such information for regulatory purposes, including trading surveillance, audits, investigations, maintenance of regulatory databases and enforcement proceedings. SROs may, in turn, disclose such information when reporting to securities regulators or when sharing information with other SROs and law enforcement agencies.

We do not sell, lease, barter or otherwise deal with your personal information with third parties. Sprott Group may be involved in the sale, transfer or reorganization of some or all of its business at some time in the future. As part of that sale, transfer or reorganization, we may disclose your personal and business information to the acquiring organization, however, we will require the acquiring organization to agree to protect the privacy of your personal and business information in a manner that is consistent with this Privacy Policy.

How do we use your information for marketing purposes?

We may share your personal or business information within the Sprott Group for the purpose of marketing products and services that we believe may be of interest to you. This would only be done with your consent. We may ask you for your contact information, such as your telephone number, residential address, e-mail or other electronic address, and keep and use this information as well as disclose it to other members of the Sprott Group so that we or any of these companies may contact you directly through these channels for the purpose of marketing including telemarketing. Your consent to this is not a condition of doing business with us and you may withdraw it at any time (see below).

How do you withdraw your consent?

Subject to legal, regulatory and contractual requirements, you may refuse to consent to our collection, use or disclosure of your personal or business information, or you may withdraw your consent to our further collection, use or disclosure of your information at any time in the future by giving us reasonable notice. Depending on the circumstances, however, withdrawal of your consent may impact on our ability to provide you, or continue to provide you, with some Services or information that may be of value to you. We will inform you of the implications of your withdrawal of consent for the continued promises of service to you. We will act on your instructions as quickly as possible but there may be certain uses of your information that we may not be able to stop immediately.

You can tell us at any time to stop using information about you to promote our Services or the products and services of third parties we select, or to stop sharing your information with other members of the Sprott Group. If you wish to withdraw consent as outlined in this Privacy Policy, you may do so at any time by contacting us by mail at Sprott Capital Partners LP, Suite 2600, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario M5J 2J1 Attention: Chief Privacy Officer or by e-mail at compliance@sprott.com.

How do we safeguard personal information?

We carefully safeguard your personal information and, to that end, restrict access to personal information about you to those employees and other persons who need to know the information to enable us to provide Services to you. Our employees are responsible for ensuring the confidentiality of all personal information they may access. Annually, each of our employees are required to sign a code of conduct, which contains policies on the protection of personal information.

How do you update your information?

As we make decisions based on the information we have, we encourage you to help us keep our information accurate and complete. Contact us at any time in writing at Sprott Capital Partners LP, Suite 2600, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario M5J 2J1 Attention: Chief Privacy Officer if you wish to update the information we have about you.

How can you access your information?

You may request access to the personal information we hold about you at any time to review its content and accuracy and to have it amended as appropriate. To request access to such information please contact us in writing at Sprott Capital Partners LP, Suite 2600, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario M5J 2J1 Attention: Chief Privacy Officer.

We will respond to your written access request promptly. We may be unable to provide you with access to all or some of the information we hold about you. We will provide you with an explanation in the event that we are unable to fulfill your access request.

Who do you contact if you have any questions or concerns?

If you have any questions about our privacy policies and practices and how they relate to you, please contact our Chief Privacy Officer by telephone at 855.943.8099, by e-mail at compliance@sprott.com or by mail to Sprott Capital Partners LP, Suite 2600, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario M5J 2J1 Attention: Chief Privacy Officer.

If you are still not satisfied, you can contact The Office of the Privacy Commissioner of Canada. Complaints to the Office of the Privacy Commissioner must be submitted in writing to 112 Kent Street, Place de Ville, Tower B, 3rd Floor, Ottawa, Ontario K1A 1H3 Attention: The Privacy Commissioner of Canada.

Other information.

We may amend this Privacy Policy from time to time to take into consideration changes in legislation or other issues that may arise. We will post the revised Privacy Policy on our public websites including at www.sprottinc.com. We may also send it to you by mail.

Misuse of confidential and insider information

The misuse of confidential information or misuse of any insider information not generally disclosed, for personal gain or for the benefit of anyone else, is prohibited and grounds for serious sanction.

Notice of Sprott Capital Partners LP's Business Continuity Plans

At SCP, we recognize that our clients rely on our systems and services. SCP is prepared for the unexpected – from minor disruptions to major outages. Our clients can be assured that SCP has in place extensive plans to safeguard and protect assets and account information in the event of a business disruption.

Sprott Capital Partners LP's Continuity Planning Guidelines

Sprott Capital Partners LP has developed plans that enable recovery from disaster scenarios that includes (but are not limited to) the following: power outages, major water leaks, fire, severe weather, evacuation, intentional acts, data corruption, and facilities failures. Our Business Continuity Plans have been designed to manage business interruptions of various lengths and scope, so that SCP can recover necessary critical functions in a timely fashion. In order to maintain the security of these plans, SCP does not provide the specific details in this notice, however, you should be aware that the corporate disaster recovery planning included the following:

- Identification of all mission critical systems and system backup and recovery for such systems
- A review of financial and operational risks
- Re-route calls to another office if our telephone system were to become unavailable for any reason
- Alternate communications between SCP and its clients
- Employee safety strategies and communications
- Systems and telecommunications accessibility
- Alternate physical site location and preparedness

In event of an outage, clients should experience minimal downtime in their ability to contact SCP. There are pre-established, tested processes for re-routing of our critical hotline numbers.

Below is SCP's critical contact information:

Sprott Capital Partners LP

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1
Telephone: 416.943.8099
Toll Free: 855.943.8099
Facsimile: 416.977.9555
Email: SCPinvest@sprott.com

Notification to Clients – Procedures for notifying clients have been established for SCP associates to follow in the event of an outage. Notification will include information regarding length of outage, instructions for contacting SCP, and support information (e.g. where to send faxes, issues pertaining to data transmissions, communications). Please note that SCP's Continuity Plans are reviewed as necessary, and at least annually, to ensure they account for technology, business and regulatory changes, operations, structure or location. The plans

are subject to change, and material changes will be reflected in an updated "Notice of Business Continuity Plans" You may obtain a current written copy of this notice by contacting a SCP representative.

While no contingency plan can eliminate all risk of service interruption or temporarily impeded account access, we continually assess and update our plans to mitigate all reasonable risk.

This disclosure is subject to modification.

Complaints

If you have any complaints about your account, please direct them to our compliance department. If your complaint concerns an administrative matter such as failure to receive a confirmation, statement or other document you were expecting, or an error in a transaction, please contact us by telephone at 416.943.8099, or toll free at 855.943.8099.

If your complaint is about your investments or the handling of your account, please make your complaint in writing. It will be helpful to have as much detail as possible about the complaint. If you feel unable to explain the complaint in writing or determine what information is relevant, please call our compliance department at 416.943.8099, or toll free at 855.943.8099 who will assist you in doing so.

SCP will provide you with a copy of the IIROC brochure entitled An Investor's Guide to Making a Complaint and we will attempt to resolve your complaint immediately. If we cannot do so within five business days of receipt, we will write to you advising you of how the complaint is being dealt with, who to contact if you require further information and when you may expect a response. The investigation of your complaint will normally be handled internally, although SCP may seek outside assistance, if needed, to properly investigate your complaint or because of a conflict of interest.

Under normal circumstances, you will receive a written response as soon as possible and in all cases no more than 90 days after your complaint is received. If the investigation of your complaint is complex and lengthy so that more than 90 days is required, we will inform you and let you know when to expect our response.

Sprott | Capital
Partners

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
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