

**NOTICE OF SPECIAL MEETINGS OF INVESTORS OF**

**SPROTT TACTICAL BALANCED CLASS\***  
**(the “Terminating Corporate Class Fund”)**

**SPROTT REAL ASSET CLASS\***  
**(the “Continuing Corporate Class Fund” and together with the Terminating Corporate Class Fund, collectively, the “Corporate Class Funds”)**

**SPROTT TIMBER FUND**  
**SPROTT GLOBAL AGRICULTURE FUND**  
**SPROTT TACTICAL BALANCED FUND**  
**(the “Terminating Trust Funds”)**

**SPROTT GLOBAL REIT & PROPERTY EQUITY FUND**  
**(the “Continuing Trust Fund”, and together with the Terminating Trust Funds, the “Trust Funds” and together with the Corporate Class Funds, the “Funds”)**

**\*each a class of securities of Sprott Corporate Class Inc.**

**NOTICE IS HEREBY GIVEN** that special meetings (individually, the “**Meeting**” and collectively, the “**Meetings**”) of securityholders of the Funds will be held consecutively at 15 minute intervals on Friday, December 16, 2016 at the offices of Borden Ladner Gervais LLP, Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto, Ontario. The Meetings will commence at 9:30 a.m. and will be held as follows:

Sprott Timber Fund	9:30 a.m.
Sprott Global Agriculture Fund	9:45 a.m.
Sprott Global REIT & Property Equity Fund	10:00 a.m.
Sprott Tactical Balanced Fund	10:15 a.m.
Sprott Tactical Balanced Class	10:30 a.m.
Sprott Real Asset Class	10:45 a.m.

If the Meetings are adjourned, this notice shall constitute notice of the adjourned meetings, which will be held consecutively at 15 minute intervals commencing at 9:30 a.m. (Toronto time), as described above, on Friday, December 23, 2016 at the offices of Borden Ladner Gervais LLP, Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto, Ontario.

The purpose of the Meetings is to consider and, if advisable, pass resolutions to approve the following:

1. for **Sprott Timber Fund** and **Sprott Global REIT & Property Equity Fund**, the merger of Sprott Timber Fund into Sprott Global REIT & Property Equity Fund, and the matters related thereto described in the resolution attached to the accompanying Management Information Circular;

2. for **Sprott Global Agriculture Fund** and **Sprott Global REIT & Property Equity Fund**, the merger of Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund, and the matters related thereto described in the resolution attached to the accompanying Management Information Circular;
3. for **Sprott Tactical Balanced Fund** only, the merger of Sprott Tactical Balanced Fund into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to the accompanying Management Information Circular;
4. for **Sprott Tactical Balanced Class** only, the merger of Sprott Tactical Balanced Class into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to the accompanying Management Information Circular;
5. for **Sprott Real Asset Class** only, an amendment to the articles of Sprott Corporate Class Inc. providing an exchange of securities of Sprott Tactical Balanced Class for securities of Sprott Real Asset Class to effect the merger of Sprott Tactical Balanced Class into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to the accompanying Management Information Circular; and
6. to transact such further or other business as may properly come before the Meetings or any adjournment(s) thereof.

A complete description of the matters to be considered at the Meetings has been provided in the accompanying Management Information Circular. A copy of the text of the proposed resolutions authorizing the above changes is set out in Schedule "A" of the accompanying Management Information Circular.

Only securityholders of record of the Funds as of the close of business on November 4, 2016 will be entitled to vote at the Meetings. Securityholders who are entitled to vote but are unable to attend the Meetings in person may vote by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French) or may vote online at [www.proxyvote.com](http://www.proxyvote.com), but must do so in advance of the date of the Meetings. Alternatively, securityholders may complete, date, sign and return, in the envelope provided for that purpose, the enclosed proxy form. To be effective, the proxy form must be deposited with Broadridge Investor Communications Solutions, P.O. Box 2800, Station LCD, Malton, Mississauga, Ontario L5T 2T7 or be faxed to 905-507-7793 (English) or 514-281-8911 (French), in each case so as to arrive at least 24 hours (excluding Saturdays, Sundays and public holidays) before the start of the Meetings or any adjourned, postponed or continued meeting. Proxies may also be deposited with the Chair of the Meetings by the start of the Meetings at the latest.

**Sprott Asset Management LP, as the manager of the Funds (the “Manager”), recommends that securityholders of the Funds vote FOR the mergers.**

As required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, the Manager presented the terms of the mergers to the Independent Review Committee (“**IRC**”) for its review. The IRC gave the Manager a positive decision regarding the proposed mergers advising that, after reasonable inquiry, the IRC was of the opinion that the mergers, if implemented, will achieve a fair and reasonable result for each of the Funds.

DATED at Toronto, Ontario, the 14<sup>th</sup> day of November, 2016.

**Sprott Asset Management LP, the manager  
of the Funds, by its general partner, Sprott  
Asset Management GP Inc.**

By: (signed) “Kirstin McTaggart”

Name: Kirstin McTaggart

Title: Chief Compliance Officer

**Sprott Corporate Class Inc., in respect of the  
Corporate Class Funds**

(signed) “Johann Lau”

Name: Johann Lau

Title: Chief Financial Officer

**MANAGEMENT INFORMATION CIRCULAR FOR  
THE SPECIAL MEETINGS OF INVESTORS OF**

**SPROTT TACTICAL BALANCED CLASS\*  
(the “Terminating Corporate Class Fund”)**

**SPROTT REAL ASSET CLASS\*  
(the “Continuing Corporate Class Fund” and together with the Terminating Corporate  
Class Fund, collectively, the “Corporate Class Funds”)**

**SPROTT TIMBER FUND  
SPROTT GLOBAL AGRICULTURE FUND  
SPROTT TACTICAL BALANCED FUND  
(the “Terminating Trust Funds”)**

**SPROTT GLOBAL REIT & PROPERTY EQUITY FUND  
(the “Continuing Trust Fund”, and together with the Terminating Trust Funds, the “Trust  
Funds” and together with the Corporate Class Funds, the “Funds”)**

**\*each a class of securities of Sprott Corporate Class Inc.**

November 14, 2016

**SOLICITATION OF PROXIES**

This Management Information Circular is furnished to securityholders of the Funds by Sprott Asset Management LP, in its capacity as manager of the Funds (the “**Manager**”) and on behalf of the board of directors of Sprott Corporate Class Inc. (the “**Corporation**”), in respect of the Corporate Class Funds **in connection with the solicitation of proxies on behalf of management of the Funds** to be used at the special meetings (individually, the “**Meeting**” and collectively, the “**Meetings**”) of the securityholders of the Funds.

The Meetings will be held consecutively at 15 minute intervals (Toronto time) on Friday, December 16, 2016 at the offices of Borden Ladner Gervais LLP, Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto, Ontario. The Meetings will commence at 9:30 a.m. and will be held as follows:

Sprott Timber Fund	9:30 a.m.
Sprott Global Agriculture Fund	9:45 a.m.
Sprott Global REIT & Property Equity Fund	10:00 a.m.
Sprott Tactical Balanced Fund	10:15 a.m.
Sprott Tactical Balanced Class	10:30 a.m.
Sprott Real Asset Class	10:45 a.m.

The Meetings are being held to consider a proposal to merge Sprott Timber Fund and Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund and Sprott Tactical Balanced Fund and Sprott Tactical Balanced Class into Sprott Real Asset Class (each, a “**merger**” and collectively, the “**mergers**”) on or about December 30, 2016 and to transact such other business as may properly come before the Meetings.

The quorum required for the Trust Funds at the Meetings is at least two securityholders present in person or represented by proxy, holding not less than 10% of the outstanding securities of the Trust Funds. The quorum required for the Corporate Class Funds at the Meetings is at least two persons present in person, each being a securityholder entitled to vote thereat, or a duly appointed representative or proxyholder for an absent securityholder so entitled. If quorum for a Meeting is not present in respect of a Fund, then the Meeting in respect of that Fund will be adjourned. Any adjourned meeting(s) will be held on Friday, December 23, 2016 commencing at 9:30 a.m. (Toronto time) at the offices of Borden Ladner Gervais LLP, Bay Adelaide Centre, East Tower, 22 Adelaide Street West, Toronto, Ontario and, if two or more Meetings are adjourned, such adjourned meetings will be held consecutively at 15 minute intervals in the same order as the Meetings, as applicable.

At any adjourned meeting, the quorum required for the Funds shall be those securityholders of the Funds present in person or represented by proxy at the adjourned meeting.

In respect of the Meetings, it is anticipated that proxies will be primarily solicited by mail. However, directors, officers or employees of the Manager may solicit proxies by mail or personally. The cost of solicitation of proxies for the Meetings will be borne by the Manager.

Except as otherwise stated, the information contained in this Management Information Circular is given as of October 31, 2016.

### **PURPOSE OF THE MEETINGS**

The Meetings of the Funds are being called to consider the following special business:

1. for **Sprott Timber Fund** and **Sprott Global REIT & Property Equity Fund**, the merger of Sprott Timber Fund into Sprott Global REIT & Property Equity Fund, and the matters related thereto described in the resolution attached to this Management Information Circular;
2. for **Sprott Global Agriculture Fund** and **Sprott Global REIT & Property Equity Fund**, the merger of Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund, and the matters related thereto described in the resolution attached to this Management Information Circular;
3. for **Sprott Tactical Balanced Fund** only, the merger of Sprott Tactical Balanced Fund into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to this Management Information Circular;

4. for **Sprott Tactical Balanced Class** only, the merger of Sprott Tactical Balanced Class into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to this Management Information Circular;
5. for **Sprott Real Asset Class** only, an amendment to the articles of Sprott Corporate Class Inc. providing an exchange of securities of Sprott Tactical Balanced Class for securities of Sprott Real Asset Class to effect the merger of Sprott Tactical Balanced Class into Sprott Real Asset Class, and the matters related thereto described in the resolution attached to this Management Information Circular; and
6. to transact such further or other business as may properly come before the Meetings or any adjournment(s) thereof.

The text of each resolution is set out in Schedule “A” to this Management Information Circular.

Sprott Timber Fund, Sprott Global Agriculture Fund, Sprott Tactical Balanced Fund and Sprott Tactical Balanced Class are each referred to as a “**Terminating Fund**” and collectively as “**Terminating Funds**”. Sprott Global REIT & Property Equity Fund and Sprott Real Asset Class are each referred to as a “**Continuing Fund**” and collectively, as “**Continuing Funds**”.

#### **BENEFITS OF THE PROPOSED FUND MERGERS**

The Manager believes the mergers will be beneficial to securityholders of each of the Funds for the following reasons:

- (a) the mergers will eliminate the administrative and regulatory costs of operating each Terminating Fund and Continuing Fund as separate funds;
- (b) following the mergers, each Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired;
- (c) each Continuing Fund, as a result of its greater size, may benefit from its larger profile in the marketplace;
- (d) investors of Sprott Tactical Balanced Fund and Sprott Tactical Balanced Class will receive securities of a Continuing Fund that have a management fee that is the same as the management fee charged in respect of the securities of the Terminating Fund that they currently hold; and
- (e) investors of Sprott Timber Fund and Sprott Global Agriculture Fund will receive securities of a Continuing Fund that have a management fee that is lower than the management fee charged in respect of the securities of the Terminating Fund that they currently hold.

**Each of the proposed mergers is subject to investor and regulatory approval.**

The merger of Sprott Tactical Balanced Fund into Sprott Real Asset Class (the “**Taxable Merger**”) will be effected on a taxable basis because a “qualifying exchange” (which would be

tax-deferred) under the *Income Tax Act* (Canada) (the “**Tax Act**”), or other complete tax-deferred alternative, is not available for a merger of a trust into a corporation in these circumstances. As a consequence of the merger and subject to market impacts, the Terminating Fund is not expected to realize a net capital gain.

The mergers of each of Sprott Timber Fund and Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund and Sprott Tactical Balanced Class into Sprott Real Asset Class (the “**Tax-Deferred Mergers**”) will be effected as a qualifying exchange under the Tax Act, and an exchange of shares of the Corporation to which section 86(1) of the Tax Act applies, respectively. Sprott Timber Fund and Sprott Global Agriculture Fund will realize significant capital gains as a result of the liquidation of portfolio securities prior to the mergers.

The historical rates of return for each of the Terminating Funds and the Continuing Funds are available in the management report of fund performance for the applicable Fund. The tax consequences of the mergers are summarized below. You should read both the section on “Canadian Federal Income Tax Considerations” and the section that provides a detailed description of the merger that affects your Terminating Fund.

Should securityholders of the Funds approve the mergers, it is proposed that the mergers will occur on or about December 30, 2016, or on such later date as may be determined by the Manager, subject to obtaining any requisite regulatory approval. The Manager may, in its discretion, postpone implementing the approved merger until a later date (which shall be no later than March 31, 2017) where it considers such postponement to be appropriate. The Manager may also cancel the approved merger, at any time, where the Manager considers such cancellation to be in the best interests of securityholders of the Funds.

No sales charges, redemption fees or other fees or commissions will be payable by securityholders of the Terminating Funds in connection with the mergers. All costs and expenses associated with the mergers will be borne by the Manager. **Where applicable, the Manager will waive any redemption fees payable by an investor in connection with the redemption of securities of the Terminating Funds purchased under the low load option. The existing deferred sales charge schedule applicable to securities of a Terminating Fund purchased under the low load option will be carried over to the securities of the relevant Continuing Fund.**

**The Manager recommends that securityholders of the Funds vote FOR the mergers.**

The Independent Review Committee (“**IRC**”) of each of the Funds has reviewed the potential conflict of interest matters related to each of the proposed mergers and has provided the Manager with a positive decision having determined that the proposed mergers, if implemented, achieve a fair and reasonable result for each of the Funds.

## PROCEDURE FOR THE PROPOSED FUND MERGERS

### *Procedure for the merger of a Trust Fund into a Corporate Class Fund and of a Trust Fund into another Trust Fund*

- (a) Prior to effecting the merger, each Terminating Trust Fund will liquidate securities in its portfolio, including any securities that do not meet the investment objectives and investment strategies of the applicable Continuing Fund. As a result, some of the Terminating Trust Funds may temporarily hold cash or money market instruments and may not be fully invested in accordance with their investment objectives for a brief period of time prior to the merger being effected.
- (b) The value of each Terminating Trust Fund's portfolio and other assets will be determined at the close of business on the effective date of each applicable merger in accordance with the constating documents of the applicable Terminating Trust Fund.
- (c) The Continuing Trust Fund or the Corporation (in the case of the Continuing Corporate Class Fund), as applicable, will acquire the investment portfolio and other assets of the applicable Terminating Trust Fund in exchange for securities of the Continuing Fund.
- (d) The Continuing Trust Fund and the Corporation will not assume any liabilities of the applicable Terminating Trust Fund and the Terminating Trust Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the applicable merger.
- (e) The Terminating Trust Funds will distribute a sufficient amount of their net income and net realized capital gains, if any, to securityholders to ensure that they will not be subject to tax for their current tax year.
- (f) The securities of each Continuing Fund received by the applicable Terminating Trust Fund will have an aggregate net asset value ("NAV") equal to the value of the portfolio assets and other assets that the Continuing Fund is acquiring from the Terminating Trust Fund, and the securities of the Continuing Fund will be issued at the applicable series NAV per security as of the close of business on the effective date of the applicable merger.
- (g) Immediately thereafter, securities of each Continuing Fund received by the applicable Terminating Trust Fund will be distributed to securityholders of the Terminating Trust Fund in exchange for their securities in the Terminating Trust Fund on a dollar for dollar basis, as applicable.
- (h) As soon as reasonably possible following each merger, and in any case within 60 days following the effective date of the merger, the applicable Terminating Trust Fund will be wound up.



***Procedure for the merger of the Terminating Corporate Class Fund into the Continuing Corporate Class Fund***

- (a) Prior to effecting the merger, the Corporation will liquidate securities in the portfolio underlying the Terminating Corporate Class Fund, including any securities that do not meet the investment objective and investment strategies of the Continuing Corporate Class Fund. As a result, the portfolio of the Terminating Corporate Class Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objective for a brief period of time prior to the merger being effected.
- (b) The value of the Terminating Corporate Class Fund's portfolio and other assets will be determined at the close of business on the effective date of the merger in accordance with the constating documents of the Terminating Corporate Class Fund.
- (c) The Corporation may pay ordinary dividends or capital gains dividends to securityholders of the Terminating Corporate Class Fund and/or the Continuing Corporate Class Fund, as determined by the Manager at the time of the merger.
- (d) The portfolio of assets attributable to the Terminating Corporate Class Fund will be included in the portfolio of assets attributable to the Continuing Corporate Class Fund.
- (e) The articles of the Corporation will be amended so that all of the issued and outstanding securities of the Terminating Corporate Class Fund will be exchanged for securities of the Continuing Corporate Class Fund on a dollar-for-dollar basis, so that securityholders of the Terminating Corporate Class Fund become securityholders of the Continuing Corporate Class Fund and then the securities of the Terminating Corporate Class Fund will be cancelled.

**SUSPENSION OF REDEMPTION RIGHTS AND PURCHASES**

Should a proposed merger be approved, the securityholders of the relevant Terminating Fund will continue to have the right to redeem or switch securities of the Terminating Fund with the consequent income tax implications, if any. See the section entitled "Canadian Federal Income Tax Consequences" below. However, the right of securityholders to redeem or switch securities of a Terminating Fund will cease as of the close of business on the business day immediately preceding the effective date of the applicable merger. Securityholders of each Terminating Fund will subsequently be able to redeem or switch out of the securities of the applicable Continuing Fund that they acquire upon the merger. Securities of a Continuing Fund acquired by securityholders upon the merger are subject to the same redemption charges, if any, to which their securities of the applicable Terminating Fund were subject prior to the merger.

Pre-authorized chequing plans that were established with respect to a Terminating Fund will be closed as of the close of business on the business day preceding the effective date of the applicable merger, and re-established with respect to the applicable Continuing Fund immediately following the merger, unless securityholders who are affected by a merger advise the Manager otherwise. Securityholders may change any pre-authorized chequing plan at any

time, and securityholders of a Terminating Fund who wish to establish a pre-authorized chequing plan in respect of their holdings in a Continuing Fund may do so after the merger.

### **ELIGIBILITY FOR REGISTERED PLANS**

Securities of each of the Funds are, and are expected to continue to be at all material times, qualified investments under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (collectively, “**registered plans**”).

### **CANADIAN FEDERAL INCOME TAX CONSEQUENCES**

This is a general summary of the Canadian federal income tax considerations relevant to a securityholder of each Terminating Fund who, for the purposes of the Tax Act, is an individual (other than a trust), is resident in Canada, and holds securities of a Terminating Fund as capital property. It is not intended to be legal advice and it is not exhaustive of all possible tax considerations. Securityholders are advised to consult their own tax advisors about their specific circumstances.

If you redeem securities of a Terminating Fund before the date of the merger, you will realize a capital gain (or capital loss) to the extent that the proceeds of this redemption exceed (or are exceeded by) the aggregate of your adjusted cost base of the securities and any costs of redemption. Unless you hold your securities in a registered plan, one-half of any such capital gain must be included in computing your income and one-half of any such capital loss may be deducted against taxable capital gains, subject to, and in accordance with, the detailed provisions of the Tax Act.

#### **Taxable Merger**

On the date of the merger of Sprott Tactical Balanced Fund into Sprott Real Asset Class, Sprott Tactical Balanced Fund, the Terminating Fund involved in the merger, will realize all accrued capital gains and losses on its assets as a result of the transfer of those assets to the Corporation. It is expected that the Terminating Fund will have sufficient realized losses and loss carryforwards such that it will not realize any net income or net realized capital gains as a result of the transfer or as a result of the liquidation of portfolio securities prior to the merger. Any unused losses and loss carryforwards of the Terminating Fund will expire and will not be available for use by the Corporation.

Immediately after the transfer of assets to the Corporation, the Terminating Fund will distribute to securityholders a sufficient amount of its net income and net realized capital gains for the taxation year in which the merger occurs to ensure that the Terminating Fund will not be subject to tax for that year. You will receive a statement for tax purposes identifying your share of the Terminating Fund’s income and capital gains, if any, for the 2016 taxation year and the taxable portion of such income and capital gains must be included in your income.

The cost to the Terminating Fund of the securities of the Continuing Fund received in the course of the merger will be equal to the fair market value of the Terminating Fund’s assets transferred

to the Corporation. The distribution by the Terminating Fund of securities of the Continuing Fund to securityholders in exchange for securities of the Terminating Fund should not result in a capital gain or loss to the Terminating Fund, provided that such distribution occurs immediately after the transfer of the assets to the Corporation.

Upon the distribution by the Terminating Fund of securities of the Continuing Fund in exchange for securities of the Terminating Fund, securityholders will have a disposition of their securities of the Terminating Fund for proceeds of disposition equal to the fair market value of the securities of the Continuing Fund received. As a result, securityholders will realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition exceed (or are exceeded by) the adjusted cost base of the securityholder's securities of the Terminating Fund and any reasonable costs of disposition. One-half of any such capital gain must be included in computing a securityholder's income and one-half of any such capital loss may be deducted against taxable capital gains subject to, and in accordance with, the detailed provisions of the Tax Act. A securityholder will acquire the securities of the Continuing Fund received on the merger at a cost equal to the fair market value of such securities at the time of the merger. This cost will likely be different from the adjusted cost base of the securities of the Terminating Fund that were exchanged. In determining the adjusted cost base of the securities of the Continuing Fund, the cost of the new securities of the Continuing Fund must be averaged with the adjusted cost base of any other identical securities of the Continuing Fund already held by the securityholder.

## **Tax-Deferred Mergers**

### *Trust Fund Mergers*

Prior to the date of the mergers of Sprott Timber Fund and Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund, Sprott Timber Fund and Sprott Global Agriculture Fund, the Terminating Funds involved in the mergers, will liquidate portfolio securities, including any securities do not meet the investment objectives of the Continuing Fund; and it is possible that either or both Terminating Funds may liquidate their entire portfolio of securities. As a result, the Terminating Funds will realize capital gains and capital losses. Based on current market values, (i) if the entire portfolio of Sprott Timber Fund were liquidated, it is estimated that a net capital gain equal to \$3.41 per Series A security would be realized, and (ii) if the entire portfolio of Sprott Global Agriculture Fund were liquidated, it is estimated that a net capital gain equal to \$1.14 per Series A security would be realized. The actual amount of gains and losses realized by a Terminating Fund may be different from the current expectation due to changes in the value of securities held by a Terminating Fund between the date of this Management Information Circular and the date of the merger. On the date of the mergers, each Terminating Fund will realize any remaining accrued capital losses and, to the extent it elects, any remaining accrued capital gains, as a result of the sale of its assets to the Continuing Fund. Each Terminating Fund intends to elect to realize capital gains only to the extent that capital losses and loss carryforwards are available to offset such capital gains.

On the date of the mergers, each Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains to its securityholders to ensure that it will not be subject to tax for its current taxation year, which is deemed to end on the date of the merger. The amount

of net realized capital gains will include any capital gains or capital losses realized on the liquidation of securities described above, as well as any previously realized capital gains or capital losses. The actual amount of distributions paid by a Terminating Fund may be different from the current expectation due to changes in the value of securities held by a Terminating Fund between the date of this Management Information Circular and the date of the merger. Unless securities are held in a registered plan, if you are a securityholder of a Terminating Fund you will receive a statement for tax purposes identifying your share of the Terminating Fund's income, if any, for such taxation year. Any income reported thereon must be included in your income for 2016.

The disposition of securities of a Terminating Fund in exchange for securities of the Continuing Fund will not result in a capital gain or loss to the Terminating Fund or to securityholders of the Terminating Fund. The aggregate cost for tax purposes of the securities of the Continuing Fund received by a securityholder of a Terminating Fund will be equal to the securityholder's aggregate adjusted cost base of the securities of the Terminating Fund immediately prior to the exchange. In determining the adjusted cost base of the securityholder's securities of the Continuing Fund, the cost of the new securities of the Continuing Fund will be averaged with the adjusted cost base of any other identical securities of the Continuing Fund already held by the securityholder.

#### *Corporate Class Merger*

On or prior to the date of the merger of Sprott Tactical Balanced Class into Sprott Real Asset Class, the Corporation will liquidate securities in the portfolio of the Terminating Fund, including any securities that do not meet the investment objectives of the Continuing Fund. As a result, the Corporation will realize capital gains and capital losses. Based on current market values, the Corporation is expected to realize a nominal amount of net capital gains as a result of the liquidation of securities in the portfolio of the Terminating Fund. The actual amount of gains and losses realized may be different from the current expectation due to changes in the value of securities between the date of this Management Information Circular and the date of the merger. The transfer of the assets in the portfolio of the Terminating Fund to the portfolio of the Continuing Fund will not result in a disposition of those assets or in a capital gain or loss to the Corporation.

The Corporation may pay ordinary dividends or capital gains dividends to securityholders of the Terminating Fund or the Continuing Fund. Based on current market values, the Manager expects that the Terminating Fund will pay a capital gains dividend as a result of the liquidation of securities before the merger. The actual amount of dividends paid by the Terminating Fund and the Continuing Fund may be different from the current expectation due to changes in the value of securities held by a Terminating Fund between the date of this Management Information Circular and the date of the merger. Unless securities are held in a registered plan, if you are a securityholder of the Terminating Fund or the Continuing Fund you will receive a statement for tax purposes identifying the amount of any such dividends paid to you, and those amounts must be included in computing your income for 2016.

Securityholders in the Terminating Fund will have their securities exchanged for securities of the Continuing Fund. A securityholder of a Terminating Fund will not realize a capital gain or loss

as a result of this exchange and Terminating Fund securityholders will receive securities of the Continuing Fund with a cost equal to the aggregate adjusted cost base of the securities that were exchanged. In determining the adjusted cost base of the securityholder's securities of the Continuing Fund, the cost of the new securities of the Continuing Fund will be averaged with the adjusted cost base of any other identical securities of the Continuing Fund held by the securityholder prior to the exchange.

Please refer to the relevant portions of the Simplified Prospectus for descriptions of the income tax consequences of acquiring, holding and disposing of securities of the Continuing Fund.

### **General**

Each of the Trust Funds is an open end mutual fund trust within the meaning of the Tax Act. Each of the Corporate Class Funds is a class of a mutual fund corporation within the meaning of the Tax Act. As a result of the mergers, investors will hold securities of the Continuing Trust Fund, which is a mutual fund trust within the meaning of the Tax Act, and/or the Continuing Corporate Class Fund, which is a class of a mutual fund corporation within the meaning of the Tax Act. Please refer to the simplified prospectus relating to the Continuing Funds, which is available from the Manager at no charge upon request, for a description of the income tax consequences of acquiring, holding and disposing of securities of the applicable Continuing Fund.

### **REQUIRED SECURITYHOLDER APPROVAL**

The merger of Sprott Timber Fund into Sprott Global REIT & Property Equity Fund will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of each of Sprott Timber Fund and Sprott Global REIT & Property Equity Fund cast at the Meetings.

The merger of Sprott Global Agriculture Fund into Sprott Global REIT & Property Equity Fund will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of each of Sprott Global Agriculture Fund and Sprott Global REIT & Property Equity Fund cast at the Meetings.

The merger of Sprott Tactical Balanced Fund into Sprott Real Asset Class will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of Sprott Tactical Balanced Fund cast at the Meeting.

The merger of Sprott Tactical Balanced Class into Sprott Real Asset Class will not be effective unless approved by a majority of the votes (i.e. more than 50%) of the outstanding securities of Sprott Tactical Balanced Class cast at the Meeting and a special two-thirds majority (i.e. 66 $\frac{2}{3}$ %) of the outstanding securities of Sprott Real Asset Class cast at the Meeting.

Securityholders of the Corporate Class Funds are entitled to one vote for each whole security held by such securityholder and no votes for fractions of a security. Securityholders of the Trust Funds are entitled to one vote for each one full dollar of value of all securities owned by such securityholder as based on the applicable series NAV per security at the close of business on the record date for voting.

Holders of securities of record at the close of business on November 4, 2016 will be entitled to vote at the Meetings, except to the extent that such securities are redeemed prior to the Meetings or that a transferee of securities after that date complies with the required procedures in order to qualify to vote the transferred securities. If your securities were transferred to you from another holder after November 4, 2016 (this would occur only in unusual circumstances, such as death of a holder), you should contact the Manager to determine the documentation necessary to transfer the securities on the Manager's records. You will only be able to vote the transferred securities after the transfer has been recorded on the Manager's records.

No merger is contingent on any other merger, and one may proceed even if another is not approved.

To give effect to the foregoing, securityholders of the Funds are requested to approve the resolutions that are set out in Schedule "A" to this Management Information Circular.

### **ADDITIONAL INFORMATION**

Additional information regarding the Funds is contained in the simplified prospectuses, annual information forms, fund facts, interim and annual management reports of fund performance and annual audited and interim unaudited financial statements for the Funds. A copy of the most recently filed fund facts documents relating to each Continuing Fund are being mailed with this Management Information Circular to securityholders of the corresponding Terminating Funds.

Securityholders of the Funds can obtain a copy of the simplified prospectus, annual information form, fund facts and the most recently filed interim and annual financial statements and management reports of fund performance of each of the Funds by contacting their dealer or by telephone toll free at 1-866-299-9906 or via internet at [www.sprott.com](http://www.sprott.com) or by accessing the SEDAR website at [www.sedar.com](http://www.sedar.com).

### **MERGER OF SPROTT TIMBER FUND INTO SPROTT GLOBAL REIT & PROPERTY EQUITY FUND**

#### ***General***

The Manager is seeking approval from securityholders of Sprott Timber Fund, the Terminating Fund, and Sprott Global REIT & Property Equity Fund, the Continuing Fund, for the merger of the Terminating Fund into the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed merger as its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives. Securityholders of the Continuing Fund are entitled to vote on the proposed merger because the Terminating Fund has more assets under management than the Continuing Fund, and, accordingly, the merger is considered a material change for the Continuing Fund.

If approved, the merger will become effective on or about Friday, December 30, 2016. The Manager will have the discretion to postpone implementation of the merger until a later date (which shall be no later than March 31, 2017) or to not proceed with the merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their

investors. Following the merger, the Terminating Fund will be wound up. The proposed merger of these Funds is also subject to regulatory approval.

As discussed in greater detail below, the investment objectives and strategies of the Terminating Fund are different from the investment objectives and strategies of the Continuing Fund. In exchange for their current securities, securityholders of each series of the Terminating Fund, other than Series L, will receive securities of the equivalent series of the Continuing Fund and securityholders of Series L securities of the Terminating Fund will receive Series A securities of the Continuing Fund.

By approving this merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the merger. See “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see “Comparison of Fund Size, Management Fee and Expenses” below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see “Canadian Federal Income Tax Consequences” above for details regarding the tax consequences of the merger for Canadian resident individuals.

### ***Benefits of the Merger***

As discussed above under “Benefits of the Proposed Fund Mergers” on page 6, there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that the merger will eliminate multiple fund offerings, thereby reducing the administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate funds. Additionally, following the merger, the Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired, and the Continuing Fund may benefit from its larger profile in the marketplace. Finally, investors of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is lower than the management fee charged in respect of the securities of the Terminating Fund that they currently hold.

### **Recommendation**

**The Manager recommends that securityholders of the Funds vote FOR the merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed merger and has provided the Manager with a positive decision having determined that the proposed merger, if implemented, achieves a fair and reasonable result for each of the Funds.

### ***Investment Objectives and Strategies***

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

Fund	Investment Objectives	Investment Strategies
<p>Sprott Timber Fund (the Terminating Fund)</p>	<p>The investment objective of the Terminating Fund is to provide capital appreciation by investing primarily in a diversified portfolio of the shares of companies operating in the financing, plantation and management of forests and wooded regions and/or the processing, production and distribution of timber and other services and products directly derived from wood.</p>	<p>The sub-advisor of the Terminating Fund invests in shares of companies operating in the financing, plantation and management of forests and wooded regions and/or the processing, production and distribution of timber and other services and products directly derived from wood. The sub-advisor may invest across all geographical sectors. The sub-advisor will diversify across developed and developing timber markets. The sub-advisor will diversify across softwoods, hardwoods and different age classes. The sub-advisor may invest in private placements or other illiquid equity or debt securities as permitted by securities regulations. The Fund may use derivatives. The Fund may also choose to engage in short selling. The Fund may hold all or a portion of its assets in cash or money market securities while seeking investment opportunities or for defensive purposes. The Fund does not have any geographical restrictions on its investments. The Fund has received regulatory relief to invest in leveraged and commodity exchange-traded funds (“ETFs”).</p>
<p>Sprott Global REIT &amp; Property Equity Fund (the Continuing Fund)</p>	<p>The investment objective of the Continuing Fund is to provide stable monthly cash distributions and long-term total return through capital appreciation by providing exposure to the global real estate securities market. The Fund invests primarily in real estate investment trusts (“REITs”), equity-based securities of companies in the global real estate sectors (residential and commercial) and structured products that hold real estate related investments.</p>	<p>The portfolio manager of the Continuing Fund invests primarily in common stock, preferred stock and other equity securities issued by real estate companies in order to gain exposure to securities of rental companies. The portfolio manager may invest across all geographical sectors and capitalizations. The portfolio manager may invest up to 20% of its assets at the time of investment in emerging markets. The portfolio manager may invest in convertible debentures, trust units, fixed-income securities issued by real estate-related companies, governments or other sovereign credits. The portfolio manager may</p>



		invest in structured products that hold real estate securities. The Fund may use derivatives. The Fund may also choose to engage in short selling. The Fund may hold all or a portion of its assets in cash or money market securities while seeking investment opportunities or for defensive purposes. The Fund does not have any geographical restrictions on its investments. The Fund has received regulatory relief to invest in leveraged and commodity ETFs.
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As a result of the fact that the Terminating Fund invests primarily in shares of companies operating in the financing, plantation and management of forests and wooded regions and/or the processing, production and distribution of timber, while the Continuing Fund invests primarily in REITs, equity-based securities of companies in the global real estate sectors and structured products that hold real estate related investments, the Manager believes a reasonable person would consider the investment objectives of these Funds to be not substantially similar.

***Comparison of Fund Size, Management Fee and Expenses***

The following table sets out the combined assets under management, management fees for each series and the management expense ratio (“**MER**”) for each series for each of the Terminating Fund and the Continuing Fund:

<b>Fund</b>	<b>Assets under Management (\$ Millions) as at October 31, 2016</b>	<b>Series</b>	<b>Management Fee per Annum</b>	<b>MER<sup>1</sup></b>
Sprott Timber Fund (the Terminating Fund)	\$13,418,665.51	A	2.25%	3.35%
		L	2.50%	3.59%
		F	1.25%	2.24%
		I	N/A <sup>2</sup>	0.87%
Sprott Global REIT & Property Equity Fund (the Continuing Fund)	\$4,805,224.60	A	2.00%	2.22%
		F	1.00%	1.14%
		I	N/A <sup>2</sup>	0.00%

1 MER of relevant series is provided after waivers or absorptions as at June 30, 2016.

2 The management fee for Series I securities of each Fund is negotiated by each Series I investor and paid directly by the investor to the Manager.

In addition to the management fee, each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, member fees of the IRC, costs and fees in connection with the operation of the IRC (including the costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisors engaged by the IRC), safekeeping, trustee and custodial fees, interest expenses, operating and administrative costs (including overhead expenses of the Manager that are related to daily fund operating functions such as employee salaries, rent and utilities), investor servicing costs and costs of financial and other reports to investors, as well as prospectuses and fund facts documents. Operating expenses and other costs of each Fund are subject to applicable taxes such as HST.

As a result of the merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is lower than the management fee charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would not consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## **MERGER OF SPROTT GLOBAL AGRICULTURE FUND INTO SPROTT GLOBAL REIT & PROPERTY EQUITY FUND**

### ***General***

The Manager is seeking approval from securityholders of Sprout Global Agriculture Fund, the Terminating Fund, and Sprout Global REIT & Property Equity Fund, the Continuing Fund, for the merger of the Terminating Fund into the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed merger as its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives. Securityholders of the Continuing Fund are entitled to vote on the proposed merger because the Terminating Fund has more assets under management than the Continuing Fund, and, accordingly, the merger is considered a material change for the Continuing Fund.

If approved, the merger will become effective on or about Friday, December 30, 2016. The Manager will have the discretion to postpone implementation of the merger until a later date (which shall be no later than March 31, 2017) or to not proceed with the merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors. Following the merger, the Terminating Fund will be wound up. The proposed merger of these Funds is also subject to regulatory approval.

As discussed in greater detail below, the investment objectives and strategies of the Terminating Fund are different from the investment objectives and strategies of the Continuing Fund. In exchange for their current securities, securityholders of each series of the Terminating Fund, other than Series L, will receive securities of the equivalent series of the Continuing Fund, and securityholders of Series L securities of the Terminating Fund will receive Series A securities of the Continuing Fund.

By approving this merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the merger. See “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see “Comparison of Fund Size, Management Fee and Expenses” below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see “Canadian Federal Income Tax Consequences” above for details regarding the tax consequences of the merger for Canadian resident individuals.

***Benefits of the Merger***

As discussed above under “Benefits of the Proposed Fund Mergers” on page 6, there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that the merger will eliminate multiple fund offerings, thereby reducing the administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate funds. Additionally, following the merger, the Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired, and the Continuing Fund may benefit from its larger profile in the marketplace. Finally, investors of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is lower than the management fee charged in respect of the securities of the Terminating Fund that they currently hold.

<p><b>Recommendation</b></p> <p><b>The Manager recommends that securityholders of the Funds vote FOR the merger.</b></p> <p>The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed merger and has provided the Manager with a positive decision having determined that the proposed merger, if implemented, achieves a fair and reasonable result for each of the Funds.</p>
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***Investment Objectives and Strategies***

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

Fund	Investment Objectives	Investment Strategies
Sprott Global Agriculture Fund (the Terminating Fund)	The investment objective of the Terminating Fund is to provide capital appreciation by investing primarily in a diversified portfolio of the shares of companies operating in the agribusiness sector including, but not limited to, global companies involved in the production, processing, transporting, trading and marketing of	The sub-advisor of the Terminating Fund invests in shares of companies operating agribusiness companies that at the time of investment derive at least 50% of their gross income or net profits, directly or indirectly, from the production, processing and distribution of agricultural products, packaged foods and meats, as well as

	<p>soft commodities such as grains, meat, fish, and forestry products, as well as those that supply products and services (including seeds, fertilizers, crop nutrients, agricultural equipment and water) to the agricultural industry.</p>	<p>the business operators and suppliers of equipment and materials. Agribusiness companies also include agriculture-related companies organized as REITs and master limited partnerships. The sub-advisor may invest across all geographical sectors. The sub-advisor will diversify across developed and emerging markets. The sub-advisor may invest in private placements or other illiquid equity or debt securities. The Fund may use derivatives. The Fund may also choose to engage in short selling. The Fund may hold all or a portion of its assets in cash or money market securities while seeking investment opportunities or for defensive purposes. The Fund does not have any geographical restrictions on its investments. The Fund has received regulatory relief to invest in leveraged and commodity ETFs.</p>
<p>Sprott Global REIT &amp; Property Equity Fund (the Continuing Fund)</p>	<p>The investment objective of the Continuing Fund is to provide stable monthly cash distributions and long-term total return through capital appreciation by providing exposure to the global real estate securities market. The Fund invests primarily in REITs, equity-based securities of companies in the global real estate sectors (residential and commercial) and structured products that hold real estate related investments.</p>	<p>The portfolio manager of the Continuing Fund invests primarily in common stock, preferred stock and other equity securities issued by real estate companies in order to gain exposure to securities of rental companies. The portfolio manager may invest across all geographical sectors and capitalizations. The portfolio manager may invest up to 20% of its assets at the time of investment in emerging markets. The portfolio manager may invest in convertible debentures, trust units, fixed-income securities issued by real estate-related companies, governments or other sovereign credits. The portfolio manager may invest in structured products that hold real estate securities. The Fund may use derivatives. The Fund may also choose to engage in short selling. The Fund may hold all or a portion of its assets in cash or money market securities while seeking investment opportunities or for defensive purposes. The Fund does not have any</p>

		geographical restrictions on its investments. The Fund has received regulatory relief to invest in leveraged and commodity ETFs.
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As a result of the fact that the Terminating Fund invests primarily in shares of companies operating agribusiness companies, while the Continuing Fund invests primarily in REITs, equity-based securities of companies in the global real estate sectors and structured products that hold real estate related investments, the Manager believes a reasonable person would consider the investment objectives of these Funds to be not substantially similar.

***Comparison of Fund Size, Management Fee and Expenses***

The following table sets out the combined assets under management, management fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

<b>Fund</b>	<b>Assets under Management (\$ Millions) as at October 31, 2016</b>	<b>Series</b>	<b>Management Fee per Annum</b>	<b>MER<sup>1</sup></b>
Sprott Global Agriculture Fund (the Terminating Fund)	\$4,923,738.31	A	2.25%	2.41%
		L	2.50%	2.65%
		F	1.25%	1.43%
		I	N/A <sup>2</sup>	0.05%
Sprott Global REIT & Property Equity Fund (the Continuing Fund)	\$4,805,224.60	A	2.00%	2.22%
		F	1.00%	1.14%
		I	N/A <sup>2</sup>	0.00%

1 MER of relevant series is provided after waivers or absorptions as at June 30, 2016.

2 The management fee for Series I securities of each Fund is negotiated by each Series I investor and paid directly by the investor to the Manager.

In addition to the management fee, each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, member fees of the IRC, costs and fees in connection with the operation of the IRC (including the costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisors engaged by the IRC), safekeeping, trustee and custodial fees, interest expenses, operating and administrative costs (including overhead expenses of the Manager that are related to daily fund operating functions such as employee salaries, rent and utilities), investor servicing costs and costs of financial and other reports to investors, as well as prospectuses and fund facts documents. Operating expenses and other costs of each Fund are subject to applicable taxes such as HST.

As a result of the merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is lower than the management fee charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would not consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## **MERGER OF SPROTT TACTICAL BALANCED FUND INTO SPROTT REAL ASSET CLASS**

### ***General***

The Manager is seeking approval from securityholders of Sprott Tactical Balanced Fund, the Terminating Fund, for the merger of the Terminating Fund into Sprott Real Asset Class, the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed merger as: (i) its assets are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives; and (ii) the merger will be effected on a taxable basis.

If approved, the merger will become effective on or about Friday, December 30, 2016. The Manager will have the discretion to postpone implementation of the merger until a later date (which shall be no later than March 31, 2017) or to not proceed with the merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors. Following the merger, the Terminating Fund will be wound up. The proposed merger of these Funds is also subject to regulatory approval.

As discussed in greater detail below, the investment objectives and strategies of the Terminating Fund are different from the investment objectives and strategies of the Continuing Fund. In exchange for their current securities, securityholders of each of the Terminating Fund, other than Series T, Series FT and Series D, will receive securities of the equivalent series of the Continuing Fund, securityholders of Series T and Series D securities of the Terminating Fund will receive Series A securities of the Continuing Fund and securityholders of Series FT securities of the Terminating Fund will receive Series F securities of the Continuing Fund.

By approving this merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the merger. See "Investment Objectives and Strategies" below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see "Comparison of Fund Size, Management Fee and Expenses" below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see "Canadian Federal Income Tax Consequences" above for details regarding the tax consequences of the merger for Canadian resident individuals.

### ***Benefits of the Merger***

As discussed above under "Benefits of the Proposed Fund Mergers" on page 6, there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that the merger will eliminate multiple fund offerings, thereby reducing the administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund

as separate funds. Additionally, following the merger, the Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired, and the Continuing Fund may benefit from its larger profile in the marketplace. Finally, investors of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as the management fee charged in respect of the securities of the Terminating Fund that they currently hold.

**Recommendation**

**The Manager recommends that securityholders of the Funds vote FOR the merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed merger and has provided the Manager with a positive decision having determined that the proposed merger, if implemented, achieves a fair and reasonable result for each of the Funds.

***Investment Objectives and Strategies***

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

Fund	Investment Objectives	Investment Strategies
Sprott Tactical Balanced Fund (the Terminating Fund)	The investment objective of the Terminating Fund is to seek to provide a total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates. The Fund may also invest in gold bullion, ETFs and equity and/or fixed income securities.	The Terminating Fund employs a flexible and opportunistic investment approach that has the potential to perform well in a variety of market environments. The Fund seeks total return over the long-term. Total return includes capital gains, interest and dividends. The portfolio manager allocates the Fund's assets among equity funds (40%-60%), fixed-income funds (25%-45%), gold bullion funds (0%-10%) and tactical investments (0%-20%). Such ranges are designed to allow the portfolio manager to vary the weighting of the Fund's portfolio within the asset classes to provide the portfolio manager with the flexibility to meet the investment objective as it considers appropriate in a variety of market environments. The portfolio manager may, in its sole discretion, change the permitted ranges and/or add or remove one or more underlying asset classes in order to meet the Fund's investment objective. The

		<p>Fund may also choose to invest in short-term debt securities or cash, engage in securities lending, engage in short selling, use derivative instruments, and invest in leveraged and commodity ETFs and other ETFs. The Fund does not have any geographical restrictions on its investments.</p>
<p>Sprott Real Asset Class (the Continuing Fund)</p>	<p>The investment objective of the Continuing Fund is to seek to provide total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates in various real asset sectors of the global economy. The Fund may also invest directly in equity securities and/or ETFs operating in, or providing exposure to, the real asset sector.</p>	<p>The Continuing Fund seeks total return, including income and capital appreciation, over the long term. The portfolio manager allocates the Fund's assets among the following real asset sectors according to the following approximate ranges: infrastructure (20%-50%), timber (10%-30%), agriculture (10%-30%) and direct investments (10%-30%). Such ranges are designed to allow the portfolio manager to vary the weighting of the Fund's portfolio within the real asset sector to meet the investment objective as it considers appropriate in a variety of market environments. The percentages listed above are approximate due to continuous market fluctuations and administrative efficiencies. As a result, the actual percentages invested in the real asset sectors on any given day may not exactly conform to the percentages set forth above. Rebalancing will be done at the discretion of the portfolio manager. The portfolio manager may, in its sole discretion, change the permitted ranges and/or add or remove one or more real asset sectors in order to meet the Fund's investment objective. The Fund may also use specified derivatives, hold cash and/or overweight cash equivalents and fixed-income securities, invest in short-term debt securities or cash, engage in short-selling and invest in leveraged and commodity ETFs. The Fund does not have any geographical restrictions on its investments.</p>



		Effective on or about December 30, 2016, the allocation of the assets of the Continuing Fund will change to the following sectors and ranges: infrastructure (0-35%), energy (0-35%), gold and precious minerals (0-35%) and real estate (0-35%).
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As a result of the fact that the Terminating Fund invests primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates and allocates its assets among equity funds, fixed-income funds, gold bullion funds and tactical investments while the Continuing Fund investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates and allocates its assets among infrastructure, timber, agriculture and direct investments and as at December 30, 2016, will allocate its assets among infrastructure, energy, gold and precious minerals and real estate, the Manager believes a reasonable person would consider the investment objectives of these Funds to be not substantially similar.

***Comparison of Fund Size, Management Fee and Expenses***

The following table sets out the combined assets under management, management fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

<b>Fund</b>	<b>Assets under Management (\$ Millions) as at October 31, 2016</b>	<b>Series</b>	<b>Management Fee per Annum</b>	<b>MER<sup>2</sup></b>
Sprott Tactical Balanced Fund (the Terminating Fund)	\$5,484,185.59	A	2.25%	2.68%
		T	2.25%	2.69%
		F	1.25%	1.56%
		FT	1.25%	N/A <sup>4</sup>
		I	N/A <sup>3</sup>	N/A <sup>4</sup>
		D	2.25%	2.76%
Sprott Real Asset Class <sup>1</sup> (the Continuing Fund)	\$14,767,294.48	A	2.25%	3.69%
		F	1.25%	2.52%
		I	N/A <sup>3</sup>	N/A <sup>4</sup>

1 A class of the Corporation.

2 MER of relevant series is provided after waivers or absorptions as at June 30, 2016.

3 The management fee for Series I securities of each Fund is negotiated by each Series I investor and paid directly by the investor to the Manager.

4 MER is not available since no securities of this series have been distributed.

In addition to the management fee, each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, fees payable to the independent directors and the independent trustees of the common shareholder of the Corporation, member fees of the IRC, costs and fees in connection with the operation of the IRC (including the costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisors engaged by the IRC), safekeeping, trustee and custodial fees, interest expenses, operating and administrative costs (including overhead expenses of the Manager that are related to daily fund operating functions such as employee salaries, rent and utilities), investor servicing costs and costs of financial and other reports to investors, as well as prospectuses and fund facts documents. Operating expenses and other costs of each Fund are subject to applicable taxes such as HST.

As a result of the merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as the management fee charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

### **MERGER OF SPROTT TACTICAL BALANCED CLASS INTO SPROTT REAL ASSET CLASS**

#### ***General***

The Manager is seeking approval from securityholders of Sprott Tactical Balanced Class, the Terminating Fund, and Sprott Real Asset Class, the Continuing Fund, for the merger of the Terminating Fund into the Continuing Fund. Securityholders of the Terminating Fund are entitled to vote on the proposed merger as the assets of the Terminating Fund are being transferred to another investment fund, the Continuing Fund, which may not be considered to have "substantially similar" investment objectives. Securityholders of the Continuing Fund are entitled to vote on the proposed merger because the *Business Corporations Act* (Ontario) (the "OBCA") requires those securityholders to approve an exchange of the securities of another class into the securities of the Continuing Fund, which is necessary to effect the merger.

If approved, the merger will become effective on or about Friday, December 30, 2016. The Manager will have the discretion to postpone implementation of the merger until a later date (which shall be no later than March 31, 2017) or to not proceed with the merger if it is considered in the best interests of the Terminating Fund or the Continuing Fund or their investors. Following the merger, the Terminating Fund will be wound up. The proposed merger of these Funds is also subject to regulatory approval.

As discussed in greater detail below, the investment objectives and strategies of the Terminating Fund are different from the investment objectives and strategies of the Continuing Fund. In exchange for their current securities, securityholders of each series of the Terminating Fund, other than Series T and Series FT, will receive securities of the equivalent series of the Continuing Fund, securityholders of Series T securities of the Terminating Fund will receive

Series A securities of the Continuing Fund and securityholders of Series FT securities of the Terminating Fund will receive Series F securities of the Continuing Fund.

By approving this merger, securityholders of the Terminating Fund accept the investment objectives of the Continuing Fund, the fee structure of the Continuing Fund, and the tax consequences of the merger. See “Investment Objectives and Strategies” below for a comparison of the investment objectives of the Terminating Fund and the Continuing Fund, see “Comparison of Fund Size, Management Fee and Expenses” below for a discussion of the fees and expenses of the Terminating Fund and the Continuing Fund and see “Canadian Federal Income Tax Consequences” above for details regarding the tax consequences of the merger for Canadian resident individuals.

### ***Benefits of the Merger***

As discussed above under “Benefits of the Proposed Fund Mergers” on page 6, there are a number of benefits to securityholders of both the Terminating Fund and the Continuing Fund, including that the merger will eliminate multiple fund offerings, thereby reducing the administrative and regulatory costs of operating the Terminating Fund and the Continuing Fund as separate funds. Additionally, following the merger, the Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired, and the Continuing Fund may benefit from its larger profile in the marketplace. Finally, investors of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as the management fee charged in respect of the securities of the Terminating Fund that they currently hold.

### **Recommendation**

**The Manager recommends that securityholders of the Funds vote FOR the merger.**

The IRC of each of the Funds has reviewed the potential conflict of interest matters related to the proposed merger and has provided the Manager with a positive decision having determined that the proposed merger, if implemented, achieves a fair and reasonable result for each of the Funds.

### ***Dissent Rights***

As the merger is an exchange of all of the securities of the Terminating Fund for the securities of the Continuing Fund, securityholders of the Continuing Fund may exercise their right to dissent to the merger if it is approved, as provided by the OBCA. There are certain steps you must take to exercise this right, including provide written notice of your objection to the merger to the Manager at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario M5J 2J1 at or before the date of the Meetings. Securityholders should consult with their legal advisor, keeping in mind that they may receive the fair market value of their securities (less any applicable redemption fees) by simply submitting a redemption request to the Manager prior to the effective date of the mergers.

***Investment Objectives and Strategies***

The investment objectives and primary investment strategies of the Terminating Fund and the Continuing Fund are as follows:

<b>Fund</b>	<b>Investment Objectives</b>	<b>Investment Strategies</b>
<p>Sprott Tactical Balanced Class (the Terminating Fund)</p>	<p>The investment objective of the Terminating Fund is to seek to provide a total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates. The Fund may also invest in gold bullion, ETFs and equity and/or fixed income securities.</p>	<p>The Terminating Fund employs a flexible and opportunistic investment approach that has the potential to perform well in a variety of market environments. The Fund seeks total return over the long-term. Total return includes capital gains, interest and dividends. The portfolio manager allocates the Fund’s assets among equity funds (40%-60%), fixed-income funds (25%-45%), gold bullion funds (0%-10%) and tactical investments (0%-20%). Such ranges are designed to allow the portfolio manager to vary the weighting of the Fund’s portfolio within the asset classes to provide the portfolio manager with the flexibility to meet the investment objective as it considers appropriate in a variety of market environments. The portfolio manager may, in its sole discretion, change the permitted ranges and/or add or remove one or more underlying asset classes in order to meet the Fund’s investment objective. The Fund may also choose to invest in short-term debt securities or cash, engage in securities lending, engage in short selling, use derivative instruments, and invest in leveraged and commodity ETFs and other ETFs. The Fund does not have any geographical restrictions on its investments.</p>
<p>Sprott Real Asset Class (the Continuing Fund)</p>	<p>The investment objective of the Continuing Fund is to seek to provide total return over the long term by investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates in various real asset sectors of the global economy. The Fund may also</p>	<p>The Continuing Fund seeks total return, including income and capital appreciation, over the long term. The portfolio manager allocates the Fund’s assets among the following real asset sectors according to the following approximate ranges: infrastructure (20%-50%), timber (10%-30%),</p>

	<p>invest directly in equity securities and/or ETFs operating in, or providing exposure to, the real asset sector.</p>	<p>agriculture (10%-30%) and direct investments (10%-30%). Such ranges are designed to allow the portfolio manager to vary the weighting of the Fund's portfolio within the real asset sector to meet the investment objective as it considers appropriate in a variety of market environments. The percentages listed above are approximate due to continuous market fluctuations and administrative efficiencies. As a result, the actual percentages invested in the real asset sectors on any given day may not exactly conform to the percentages set forth above. Rebalancing will be done at the discretion of the portfolio manager. The portfolio manager may, in its sole discretion, change the permitted ranges and/or add or remove one or more real asset sectors in order to meet the Fund's investment objective. The Fund may also use specified derivatives, hold cash and/or overweight cash equivalents and fixed-income securities, invest in short-term debt securities or cash, engage in short-selling and invest in leveraged and commodity ETFs. The Fund does not have any geographical restrictions on its investments.</p> <p>Effective on or about December 30, 2016, the allocation of the assets of the Continuing Fund will change to the following sectors and ranges: infrastructure (0-35%), energy (0-35%), gold and precious minerals (0-35%) and real estate (0-35%).</p>
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As a result of the fact that the Terminating Fund invests primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates and allocates its assets among equity funds, fixed-income funds, gold bullion funds and tactical investments while the Continuing Fund investing primarily in a portfolio of mutual funds that are managed by the Manager, its associates or its affiliates and allocates its assets among infrastructure, timber, agriculture and direct investments and as at December 30, 2016, will allocate its assets among infrastructure, energy, gold and precious minerals and real estate, the Manager believes a

reasonable person would consider the investment objectives of these Funds to be not substantially similar.

***Comparison of Fund Size, Management Fee and Expenses***

The following table sets out the combined assets under management, management fees for each series and the MER for each series for each of the Terminating Fund and the Continuing Fund:

<b>Fund</b>	<b>Assets under Management (\$ Millions) as at October 31, 2016</b>	<b>Series</b>	<b>Management Fee per Annum</b>	<b>MER<sup>2</sup></b>
Sprott Tactical Balanced Class <sup>1</sup> (the Terminating Fund)	\$2,198,935.21	A	2.25%	2.70%
		T	2.25%	2.76%
		F	1.25%	1.52%
		FT	1.25%	N/A <sup>4</sup>
		I	N/A <sup>3</sup>	N/A <sup>4</sup>
Sprott Real Asset Class <sup>1</sup> (the Continuing Fund)	\$14,767,294.48	A	2.25%	3.69%
		F	1.25%	2.52%
		I	N/A <sup>3</sup>	N/A <sup>4</sup>

1 A class of the Corporation.

2 MER of relevant series is provided after waivers or absorptions as at June 30, 2016.

3 The management fee for Series I securities of each Fund is negotiated by each Series I investor and paid directly by the investor to the Manager.

4 MER is not available since no securities of this series have been distributed.

In addition to the management fee, each Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees (if applicable), taxes, audit and legal fees, fees payable to the independent directors and the independent trustees of the common shareholder of the Corporation, member fees of the IRC, costs and fees in connection with the operation of the IRC (including the costs of holding meetings, insurance premiums for the IRC, and fees and expenses of any advisors engaged by the IRC), safekeeping, trustee and custodial fees, interest expenses, operating and administrative costs (including overhead expenses of the Manager that are related to daily fund operating functions such as employee salaries, rent and utilities), investor servicing costs and costs of financial and other reports to investors, as well as prospectuses and fund facts documents. Operating expenses and other costs of each Fund are subject to applicable taxes such as HST.

As a result of the merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is the same as the management fee charged in respect of their securities of the Terminating Fund. It is the Manager's opinion that a reasonable person would consider the fee structures of the Terminating Fund and the Continuing Fund to be substantially similar.

## APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the proxy form accompanying this Management Information Circular is an officer and/or director of the general partner of the Manager. **A securityholder has the right to appoint a person (who need not be a securityholder) other than the person specified in such proxy form to attend and act for such securityholder and on behalf of such securityholder at the Meetings.** Such right may be exercised by striking out the names of the persons specified in the proxy form, inserting the name of the person to be appointed in the blank space so provided, signing the proxy form and returning it in the reply envelope.

A securityholder who executes and returns the proxy form may revoke it: (i) by depositing an instrument of revocation in writing executed by him or her or by his or her attorney authorized in writing, or if the securityholder is a corporation, under the corporate seal or under the hand of an officer or attorney so authorized, at the registered office of the Manager, at any time up to and including the last business day preceding the Meetings, or any adjournment thereof; or (ii) by depositing such instrument in writing with the Secretary of the Meetings on the day of such meeting or any adjournment thereof; or (iii) by completing and signing a proxy bearing a later date and depositing it as described above; or (iv) in any other manner permitted by law. In order to be voted, proxies must be deposited with Broadridge Investor Communications Solutions, P.O. Box 2800, Station LCD, Malton, Mississauga, Ontario L5T 2T7 or be faxed to 905-507-7793 (English) or 514-281-8911 (French), in each case so as to arrive at least 24 hours (excluding Saturdays, Sundays and public holidays) before the start of the Meetings or any adjourned, postponed or continued meeting. In addition, proxies may be deposited with the Chair of the Meetings by the start of the Meetings at the latest.

## VOTING OF PROXIES

The persons named in the enclosed form of proxy will vote the securities for which they are appointed proxy in accordance with the instructions of the securityholder as indicated on the proxy.

Except as indicated below, where no direction is given by a securityholder submitting a proxy, the persons named in the enclosed proxy form will vote the securities in favour of each of the matters set out therein. If no date is inserted on a signed proxy, the proxy will be deemed to have been dated on the date prior to the date of the Meetings.

The enclosed proxy form confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Special Meetings of Investors and with respect to other matters which may properly come before the Meetings in respect of which the proxy is granted or any adjournment of the Meetings. As of the date hereof, the Manager knows of no such amendments, variations or other matters to come before the Meetings.

## RECORD DATES

November 4, 2016 is the record date for the determination of beneficial ownership of securityholders entitled to receive notice of and to vote at the Meetings on December 16, 2016, or any adjournment of the Meetings.

**VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The following table represents the issued and outstanding securities of each series of the Funds as at October 31, 2016:

	<b>Number of Securities Issued and Outstanding</b>
<b>Sprott Timber Fund</b>	
Series A	221,815.531
Series F	204,937.444
Series L	119,553.468
Series I	379,137.852
<b>Sprott Global Agriculture Fund</b>	
Series A	112,180.203
Series F	32,609.366
Series L	12,916.938
Series I	247,050.687
<b>Sprott Tactical Balanced Fund</b>	
Series A	316,587.568
Series F	29,263.434
Series T	41,143.838
Series FT	Nil.
Series I	Nil.
Series D	Nil.
<b>Sprott Tactical Balanced Class</b>	
Series A	190,172.694
Series F	1,353.137
Series T	8,050.279
Series FT	Nil.
Series I	Nil.
<b>Sprott Global REIT &amp; Property Equity Fund</b>	
Series A	29,926.141
Series F	75,522.893
Series I	351,552.377
<b>Sprott Real Asset Class</b>	
Series A	989,269.529
Series F	496,706.624
Series I	Nil.

As of October 31, 2016, to the knowledge of the Manager, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to the securities of any series of a Fund entitled to be voted at the Meetings except as follows:

<b>Investor Name</b>	<b>Fund</b>	<b>Series</b>	<b>Type of ownership</b>	<b>Number of securities</b>	<b>% of series of outstanding securities</b>
Zafir Holdings Inc.	Sprott Timber Fund	A	Beneficially and of record	22,814.355	10.12%



<b>Investor Name</b>	<b>Fund</b>	<b>Series</b>	<b>Type of ownership</b>	<b>Number of securities</b>	<b>% of series of outstanding securities</b>
Individual Investor A*	Sprott Timber Fund	F	Beneficially and of record	21,829.768	10.62%
Sprott Real Asset Class	Sprott Timber Fund	I	Beneficially and of record	365,970.547	96.28%
Individual Investor B*	Sprott Global Agriculture Fund	F	Beneficially and of record	18,939.034	58.08%
Sprott Real Asset Class	Sprott Global Agriculture Fund	I	Beneficially and of record	247,050.687	100.00%
Individual Investor C*	Sprott Global Agriculture Fund	L	Beneficially and of record	2,337.936	18.10%
Individual Investor D*	Sprott Global Agriculture Fund	L	Beneficially and of record	2,947.447	22.82%
Individual Investor E*	Sprott Global Agriculture Fund	L	Beneficially and of record	2,753.660	21.32%
Individual Investor F*	Sprott Global Agriculture Fund	L	Beneficially and of record	2,254.253	17.45%
Individual Investor G*	Sprott Tactical Balanced Fund	F	Beneficially and of record	3,703.035	12.65%
Individual Investor H*	Sprott Tactical Balanced Fund	F	Beneficially and of record	2,932.783	10.02%
Individual Investor I*	Sprott Tactical Balanced Fund	F	Beneficially and of record	5,756.248	19.66%
Individual Investor J*	Sprott Tactical Balanced Fund	T	Beneficially and of record	5,542.741	13.47%
Individual Investor K*	Sprott Tactical Balanced Fund	T	Beneficially and of record	5,686.825	13.82%
Individual Investor L*	Sprott Tactical Balanced Fund	T	Beneficially and of record	7,578.777	18.42%
Individual Investor M*	Sprott Tactical Balanced Fund	T	Beneficially and of record	4,193.277	10.19%
Individual Investor N*	Sprott Tactical Balanced Class	A	Beneficially and of record	24,102.197	12.67%
Individual Investor O*	Sprott Tactical Balanced Class	A	Beneficially and of record	60,293.699	31.70%
Individual Investor P*	Sprott Tactical Balanced Class	A	Beneficially and of record	19,490.341	10.25%
Individual Investor Q*	Sprott Tactical Balanced Class	A	Beneficially and of record	20,225.992	10.64%
Individual Investor R*	Sprott Tactical Balanced Class	F	Beneficially and of record	1,353.137	100.00%
Individual Investor S*	Sprott Tactical Balanced Class	T	Beneficially and of record	5,702.785	70.73%
Individual Investor T*	Sprott Tactical Balanced Class	T	Beneficially and of record	2,359.881	29.27%
3090-1797 Quebec Inc.	Sprott Global REIT & Property Equity Fund	A	Beneficially and of record	2,689.173	11.17%

Investor Name	Fund	Series	Type of ownership	Number of securities	% of series of outstanding securities
Sprott Asset Management LP	Sprott Global REIT & Property Equity Fund	A	Beneficially and of record	15,666.608	65.10%
Individual Investor U*	Sprott Global REIT & Property Equity Fund	A	Beneficially and of record	3,094.941	12.86%
Individual Investor V*	Sprott Global REIT & Property Equity Fund	F	Beneficially and of record	19,281.945	25.96%
Individual Investor W*	Sprott Global REIT & Property Equity Fund	F	Beneficially and of record	18,206.882	24.51%
Sprott Real Asset Class	Sprott Global REIT & Property Equity Fund	I	Beneficially and of record	352,596.562	100.00%
Individual Investor X*	Sprott Real Asset Class	F	Beneficially and of record	79,299.193	15.92%

\*To protect the privacy of these individual investors, the Manager has omitted the name of the securityholders, who are individuals. This information is available on request by contacting the Manager.

Securities of the Funds that are held by an affiliate of the Manager or by other mutual funds managed by the Manager or its affiliates, will not be voted at the Meetings. The Manager will vote any securities of the Funds held by it in favour of the resolutions.

The quorum required for the Trust Funds at the Meetings is at least two securityholders present in person or represented by proxy, holding not less than 10% of the outstanding securities of the Trust Funds. The quorum required for the Corporate Class Funds at the Meetings is at least two persons present in person, each being a securityholder entitled to vote thereat, or a duly appointed representative or proxyholder for an absent securityholder so entitled. If a quorum is not present at the time appointed for the Meetings or within a reasonable time thereafter, as the chairman may determine, the chairman may adjourn the Meetings to a fixed time and place but may not transact any other business. At any adjourned meeting, the quorum required for the Funds shall be those securityholders of the Funds present in person or represented by proxy at the adjourned meeting.

### **INTEREST OF INSIDERS IN THE PROPOSED CHANGES**

The Manager currently provides management services to the Trust Funds pursuant to a trust agreement dated September 9, 1997, as amended and restated on October 1, 2001 and February 13, 2004, and as further amended on November 1, 2007, January 16, 2009, December 23, 2013, March 31, 2014 and June 2, 2014, and together with amended and restated Schedules “A” and “B,” each dated June 29, 2015. The Manager may resign as the manager of the Trust Funds by giving 90 days’ prior written notice to RBC Investor Services Trust, the trustee of the Funds, and to the securityholders of these Funds.

The Manager provides management services to the Corporate Class Funds pursuant to the Master Management Agreement (the “**Management Agreement**”) between the Manager and the Corporation, dated September 23, 2011, as amended on September 5, 2013, June 30, 2014 and June 29, 2015. The Manager may terminate the Management Agreement on 90 days’ prior written notice to the Corporation.

The management fees (excluding HST) paid by the Funds to the Manager during the year ended December 31, 2015 and during the period from January 1, 2016 to October 31, 2016 were as follows:

	<b>Management Fees Paid During the Year Ended December 31, 2015</b>	<b>Management Fees Paid During the Period January 1, 2016 to October 31, 2016</b>
<b>Sprott Timber Fund</b>	\$346,260.00	\$162,135.46
<b>Sprott Global Agriculture Fund</b>	\$67,136.00	\$39,577.53
<b>Sprott Tactical Balanced Fund</b>	\$265,108.00	\$118,209.03
<b>Sprott Tactical Balanced Class</b>	\$73,970.00	\$48,490.74
<b>Sprott Global REIT &amp; Property Equity Fund</b>	\$1,970.00	\$7,799.16
<b>Sprott Real Asset Class</b>	\$504,243.00	\$257,893.14

The names, places of residence and present positions held by the directors and officers of the Manager and/or of Sprott Asset Management GP Inc., the general partner of the Manager (the “GP”), who thus are considered insiders of the Funds, are listed below.

<b>Name and Municipality of Residence</b>	<b>Position with Sprott Asset Management GP Inc. and/or the Manager</b>
John Wilson Toronto, Ontario	Chief Executive Officer, Co-Chief Investment Officer and Senior Portfolio Manager of the Manager, and Chief Executive Officer and Director of the GP
James Robert Fox Toronto, Ontario	President and Director of the Manager and President of the GP
Kirstin Heath McTaggart Mississauga, Ontario	Chief Compliance Officer of the Manager and Director of the GP
Kevin Hibbert North York, Ontario	Director of the GP

The names, places of residence and present positions held by the directors and officers of the Corporation, who thus are considered insiders of the Corporate Class Funds, are listed below.

<b>Name and Municipality of Residence</b>	<b>Position with Sprott Corporate Class Inc.</b>
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<b>Name and Municipality of Residence</b>	<b>Position with Sprott Corporate Class Inc.</b>
James Robert Fox Toronto, Ontario	Chief Executive Officer
Kirstin Heath McTaggart Mississauga, Ontario	Secretary
Stuart J. Freeman Thornhill, Ontario	Director
Laurie Davis Toronto, Ontario	Director
Johann Lau Unionville, Ontario	Director, Chief Financial Officer
Kevin Hibbert North York, Ontario	Director

Other than ownership of securities of the Terminating Funds, none of the above individuals was indebted to or had any transaction arrangement with the Terminating Funds during the last fiscal year of the Funds. Sprott Asset Management GP Inc. is a wholly-owned subsidiary of Sprott Inc. As at October 31, 2016, Eric S. Sprott owned 61,598,078 securities, representing 24.8% of the issued and outstanding voting securities of Sprott Inc.

Each independent director of the Corporation is paid, as compensation for his or her services, \$20,000 per annum by all the Sprott mutual funds that are classes of the Corporation. For the financial year ended December 31, 2015, the aggregate amount of fees and expenses paid to the independent directors of the Corporation was \$40,000.

Other than the purchase, sale and ownership of securities of the Funds and the compensation described above, none of these individuals received any form of compensation from the Funds, and none of them was indebted to or had any transaction or arrangement with the Funds during the last completed financial year of the Funds. The GP is a wholly-owned subsidiary of Sprott Inc.

### **RECOMMENDATION REGARDING THE MERGER**

For the reasons set out above, the Manager strongly recommends that securityholders of the Funds vote FOR the proposed special resolutions.

**CERTIFICATE**

The contents of this Management Information Circular and its distribution have been approved by the board of directors of Sprott Asset Management GP Inc., the general partner of Sprott Asset Management LP, as the manager of the Funds, and by the board of directors of Sprott Corporate Class Inc., in respect of the Corporate Class Funds.

DATED at Toronto, Ontario, this 14<sup>th</sup> day of November, 2016.

**Sprott Asset Management LP, the manager  
of the Funds, by its general partner, Sprott  
Asset Management GP Inc.**

By: (signed) "Kirstin McTaggart"

Name: Kirstin McTaggart

Title: Chief Compliance Officer

**Sprott Corporate Class Inc., in respect of the  
Corporate Class Funds**

(signed) "Johann Lau"

Name: Johann Lau

Title: Chief Financial Officer

**SCHEDULE “A”  
FUND MERGER RESOLUTIONS**

**RESOLUTION TO MERGE SPROTT TIMBER FUND INTO SPROTT GLOBAL REIT  
& PROPERTY EQUITY FUND**

*(for securityholders of Sprott Timber Fund and Sprott Global REIT & Property Equity Fund)*

**WHEREAS** it is in the best interests of Sprott Timber Fund (the “**Terminating Fund**”) and Sprott Global REIT & Property Equity Fund (the “**Continuing Fund**”) and their securityholders to merge the Terminating Fund into the Continuing Fund and to wind up the Terminating Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. The merger of the Terminating Fund into the Continuing Fund as described in the management information circular dated November 14, 2016, including the investment of a portion of the Terminating Fund’s portfolio assets in cash or in securities that meet the investment objectives of the Continuing Fund immediately prior to the merger, be and the same is hereby authorized and approved;
2. Each of Sprott Asset Management LP, as the manager (the “**Manager**”) of the Terminating Fund and the Continuing Fund, and RBC Investor Services Trust, as the trustee of the Terminating Fund and the Continuing Fund (the “**Trustee**”), be and is hereby authorized, as applicable, to:
  - (a) on, or shortly before, the date of the merger, cause the Terminating Fund to distribute its net income and net realized capital gains for its current tax year, if any, to the extent necessary to eliminate the Terminating Fund’s liability for tax;
  - (b) sell the net assets of the Terminating Fund to the Continuing Fund in exchange for securities of the applicable series of the Continuing Fund;
  - (c) distribute the securities of the Continuing Fund received by the Terminating Fund to securityholders of the Terminating Fund in exchange for all of these securityholders’ existing securities of the Terminating Fund on a dollar-for-dollar basis;
  - (d) wind up the Terminating Fund as soon as reasonably possible following the merger; and
  - (e) amend the trust agreement of the Terminating Fund to the extent necessary to give effect to the foregoing;
3. All amendments to any agreements to which the Terminating Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;

4. Any one officer or director of Sprott Asset Management GP Inc., as the general partner of the Manager, and any one officer or director of the Trustee be and are hereby authorized and directed, on behalf of the Manager, the Terminating Fund or the Trustee, as the case may be, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
5. The Manager shall have the discretion to postpone implementing the merger until a later date (which shall be no later than March 31, 2017) if it considers such postponement to be advantageous to either the Terminating Fund, the Continuing Fund or both, for tax or other reasons; and
6. The Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the securityholders of the Terminating Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Fund and its securityholders not to proceed.

**RESOLUTION TO MERGE SPROTT GLOBAL AGRICULTURE FUND INTO  
SPROTT GLOBAL REIT & PROPERTY EQUITY FUND**

*(for securityholders of Sprott Global Agriculture Fund and Sprott Global REIT & Property  
Equity Fund)*

**WHEREAS** it is in the best interests of Sprott Global Agriculture Fund (the “**Terminating Fund**”) and Sprott Global REIT & Property Equity Fund (the “**Continuing Fund**”) and their securityholders to merge the Terminating Fund into the Continuing Fund and to wind up the Terminating Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. The merger of the Terminating Fund into the Continuing Fund as described in the management information circular dated November 14, 2016, including the investment of a portion of the Terminating Fund’s portfolio assets in cash or in securities that meet the investment objectives of the Continuing Fund immediately prior to the merger, be and the same is hereby authorized and approved;
2. Each of Sprott Asset Management LP, as the manager (the “**Manager**”) of the Terminating Fund and the Continuing Fund, and RBC Investor Services Trust, as the trustee of the Terminating Fund and the Continuing Fund (the “**Trustee**”), be and is hereby authorized, as applicable, to:
  - (a) on, or shortly before, the date of the merger, cause the Terminating Fund to distribute its net income and net realized capital gains for its current tax year, if any, to the extent necessary to eliminate the Terminating Fund’s liability for tax;
  - (b) sell the net assets of the Terminating Fund to the Continuing Fund in exchange for securities of the applicable series of the Continuing Fund;
  - (c) distribute the securities of the Continuing Fund received by the Terminating Fund to securityholders of the Terminating Fund in exchange for all of these securityholders’ existing securities of the Terminating Fund on a dollar-for-dollar basis;
  - (d) wind up the Terminating Fund as soon as reasonably possible following the merger; and
  - (e) amend the trust agreement of the Terminating Fund to the extent necessary to give effect to the foregoing;
3. All amendments to any agreements to which the Terminating Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. Any one officer or director of Sprott Asset Management GP Inc., as the general partner of the Manager, and any one officer or director of the Trustee be and are hereby authorized



and directed, on behalf of the Manager, the Terminating Fund or the Trustee, as the case may be, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;

5. The Manager shall have the discretion to postpone implementing the merger until a later date (which shall be no later than March 31, 2017) if it considers such postponement to be advantageous to either the Terminating Fund, the Continuing Fund or both, for tax or other reasons; and
6. The Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the securityholders of the Terminating Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Fund and its securityholders not to proceed.

**RESOLUTION TO MERGE SPROTT TACTICAL BALANCED FUND INTO SPROTT  
REAL ASSET CLASS**

*(for securityholders of Sprott Tactical Balanced Fund only)*

**WHEREAS** it is in the best interests of Sprott Tactical Balanced Fund (the “**Terminating Fund**”) and Sprott Real Asset Class (the “**Continuing Fund**”) and their securityholders to merge the Terminating Fund into the Continuing Fund and to wind up the Terminating Fund as hereinafter provided;

**BE IT RESOLVED THAT:**

1. The merger of the Terminating Fund into the Continuing Fund as described in the management information circular dated November 14, 2016, including the investment of a portion of the Terminating Fund’s portfolio assets in cash or in securities that meet the investment objectives of the Continuing Fund immediately prior to the merger, be and the same is hereby authorized and approved;
2. Each of Sprott Asset Management LP, as the manager (the “**Manager**”) of the Terminating Fund, and RBC Investor Services Trust, as the trustee of the Terminating Fund (the “**Trustee**”), be and is hereby authorized, as applicable, to:
  - (a) on, or shortly before, the date of the merger, cause the Terminating Fund to distribute its net income and net realized capital gains for its current tax year, if any, to the extent necessary to eliminate the Terminating Fund’s liability for tax;
  - (b) sell the net assets of the Terminating Fund to the Continuing Fund in exchange for securities of the applicable series of the Continuing Fund;
  - (c) distribute the securities of the Continuing Fund received by the Terminating Fund to securityholders of the Terminating Fund in exchange for all of these securityholders’ existing securities of the Terminating Fund on a dollar-for-dollar and class-by-series basis;
  - (d) wind up the Terminating Fund as soon as reasonably possible following the merger; and
  - (e) amend the trust agreement of the Terminating Fund to the extent necessary to give effect to the foregoing;
3. All amendments to any agreements to which the Terminating Fund is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. Any one officer or director of Sprott Asset Management GP Inc., as the general partner of the Manager, and any one officer or director of the Trustee be and are hereby authorized and directed, on behalf of the Manager, the Terminating Fund or the Trustee, as the case

may be, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;

5. The Manager shall have the discretion to postpone implementing the merger until a later date (which shall be no later than March 31, 2017) if it considers such postponement to be advantageous to either the Terminating Fund, the Continuing Fund or both, for tax or other reasons; and
6. The Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the securityholders of the Terminating Fund at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Fund and its securityholders not to proceed.

## **RESOLUTION TO MERGE SPROTT TACTICAL BALANCED CLASS INTO SPROTT REAL ASSET CLASS**

*(for securityholders of Sprott Tactical Balanced Class and Sprott Real Asset Class)*

**WHEREAS** it is in the best interests of Sprott Tactical Balanced Class (the “**Terminating Fund**”) and Sprott Real Asset Class (the “**Continuing Fund**”) and their securityholders to merge the Terminating Fund into the Continuing Fund and to wind up the Terminating Fund as hereinafter provided;

### **BE IT RESOLVED THAT:**

1. The merger of the Terminating Fund into the Continuing Fund, as described in the management information circular dated November 14, 2016, including the investment of the Terminating Fund’s portfolio assets in cash or in securities that meet the investment objectives of the Continuing Fund immediately prior to the merger, be and the same is hereby authorized and approved;
2. Sprott Corporate Class Inc. (the “**Corporation**”) be and is hereby authorized to:
  - (a) attribute the portfolio assets of the Terminating Fund to the portfolio of the Continuing Fund;
  - (b) amend its articles to provide for the exchange of all of the issued and outstanding securities of the Terminating Fund for securities of the Continuing Fund on a dollar-for-dollar basis;
  - (c) exchange the securities of the Terminating Fund for securities of the Continuing Fund on a dollar-for-dollar basis; and
  - (d) cancel the Terminating Fund class of securities;
3. All amendments to any agreements to which the Corporation is a party that are required to give effect to the matters approved in this resolution be and are hereby authorized and approved;
4. Any one officer or director of Sprott Asset Management LP, as manager (the “**Manager**”) of the Terminating Fund and the Continuing Fund, be and is hereby authorized and directed, on behalf of the Terminating Fund and Continuing Fund, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;
5. Any one officer or director of the Corporation be and are hereby authorized and directed, on behalf of the Corporation, the Terminating Fund or the Continuing Fund, as the case may be, to execute and deliver all such documents and do all such other acts and things as may be necessary or desirable for the implementation of this resolution;

6. The Manager shall have the discretion to postpone implementing the merger until a later date (which shall be no later than March 31, 2017) if it considers such postponement to be advantageous to either the Terminating Fund, the Continuing Fund or both, for tax or other reasons; and
7. The Manager be and is hereby authorized to revoke this resolution for any reason whatsoever in its sole and absolute discretion, without further approval of the investors of the Terminating Fund or Continuing Fund, at any time prior to the implementation of the changes described above if it is considered to be in the best interests of the Terminating Fund or Continuing Fund and their shareholders not to proceed.