

Annual Report of the Independent Review Committee
of the Sprott Group of Funds

February 4th, 2020

IRC Annual Report to: Securityholders in the Sprott Group of Funds (the “Funds”) as listed at the end of this report

Dear Securityholders,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), Sprott Inc. (“Sprott” or “the Manager”) established an Independent Review Committee (the “Committee” or “IRC”) for the Prospectus Funds in April 2007. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Funds, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to Securityholders, covering the period from January 1, 2019 to December 31, 2019 (the “Reporting Period”). The Committee met five times during the Reporting Period.

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC’s prior approval, in most cases the IRC will provide a decision to the Manager as to whether or not, in the opinion of the IRC, the Manager’s proposed action provides a fair and reasonable result for the Funds. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions (“SIs”) that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager’s proposed course of action represents a fair and reasonable result for the affected Funds.

Composition of the IRC

The members of the IRC during 2019, and their principal occupations, are as follows:

<i>Name and municipality of residence</i>	<i>Principal Occupation</i>	<i>Term of Office</i>
Lawrence A. Ward, Chair, Toronto, Ontario	Consultant, retired partner of PricewaterhouseCoopers, LLP	Initially Appointed: April 20, 2007. Re-appointment Term: Two years, from January 1, 2018 (Term expired December 31, 2019)
Eamonn B.P. McConnell, Toronto, Ontario	Consultant, Managing Director, Kensington Capital	Initially Appointed: April 20, 2007. Re-appointment Term: Two years from January 1, 2019. (Retired February 11, 2019)
Kevin Drynan	Consultant, Retired Financial Services Executive	Appointed February 20, 2019 until December 31, 2021.
Michele McCarthy, Toronto, Ontario	President, McCarthy Law Professional Corp.	Appointed January 1, 2019 to December 31, 2021
Fraser Howell, Toronto, Ontario	Financial executive, broad experience managing investment funds.	Appointed January 1, 2020 to December 31, 2022

Eamonn McConnell resigned effective February 11, 2019. After discussions with the Manager, on February 20, 2019, the IRC appointed Kevin Drynan to serve until December 31, 2021.

Lawrence Ward resigned as of December 31, 2019. After discussions with the Manager, on December 20, 2019, the IRC appointed Fraser Howell to serve until December 31, 2022.

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation giving consideration to the following:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the Committee;
- industry best practices, including industry averages and surveys on IRC compensation; and,
- the complexity of the conflict issues brought to the IRC.

Members' Fees

In aggregate, the IRC members were paid \$28,500 plus applicable taxes, during the Reporting Period.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As at December 31, 2019, the IRC Members did not beneficially own, directly or indirectly:

- any interest in any of the Funds;
- any interests in the Manager; or,
- any interests in a company or person that provides services to the Manager or any Fund.

Decisions and Approvals

The IRC did not provide any decisions or approvals during the Reporting Period.

Standing Instructions Approved

The IRC has approved five SIs, as set out below which constitute a written approval or decision from the IRC that permit the Manager to proceed with the specific action(s) set out in the SI on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. In each case, the SI required the Manager to comply with its related policy and procedures and to report periodically to the IRC. On February 6, 2019, at the request of the Manager, the IRC rescinded **Standing Instruction No. 5: Related Party Issues: *Inter Fund Trades –Pooled/Hedge Funds***

Standing Instruction No. 1: Omnibus deals with a number of conflicts of interest matters including:

1. Expenses charged to the Funds policy
2. Expense allocations policy between prospectus funds
3. Expense allocations policy between prospectus and non-prospectus funds
4. Short-term trading and late trading policy
5. Trade allocations policy
6. Net asset value error correction policy
7. Other material transaction error policy
8. Best execution policy
9. Soft dollar policy
10. Favouritism policy
11. Proxy voting policy
12. Changing service providers policy
13. Employee Personal Trading Policy
14. Sub-advisors personal trading policy
15. Short term trading policy
16. Complaint handling policy
17. Service providers related to the Manager policy
18. Affiliate dealer policy

Standing Instruction No. 2: Portfolio Pricing Issues: *Fair Valuing Securities*

Standing Instruction No. 3: Related Party Issues: *Inter Fund Trades*

Standing Instruction No. 4: Related Underwritings *Fund Purchase of Securities Underwritten by the Manager*

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided written reports to the IRC describing its reliance on the SIs during the Reporting Period. The Manager relied on SIs No. 1 and 2 during the Reporting Period.

Funds served by the IRC as of December 31, 2019

Sprott Physical Gold Trust
 Sprott Physical Silver Trust
 Sprott Physical Platinum & Palladium Trust
 Sprott Physical Gold and Silver Trust.

This report is available on the Manager's website at www.sprott.com or you may request a copy, at no cost to you, by contacting the Sprott Funds at (416) 943-6707 or 1-866-299-9906 or email the Sprott Funds at invest@sprott.com. This document and other information about the Sprott Funds are available on www.sedar.com.

Yours truly,



Lawrence A. Ward, Chair

Lawrence A. Ward serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Ninepoint Partners LP;

Investment funds that are reporting issuers managed by Picton Mahoney Asset Management Inc.;

Investment funds that are reporting issuers managed by Russell Investments Canada Limited;

and,

Investment funds that are reporting issuers managed by NewGen Asset Management Limited

Appointed January 11, 2019

Investment funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;

Resigned effective September 30, 2019

Investment funds that are reporting issuers managed by Goodwood Inc.;

Retired effective December 31, 2019

Certain investment funds managed by Sprott Asset Management Inc.;

Ceased to be a member on December 31, 2019

Michele McCarthy serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Integra Capital Limited

Investment funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;

Appointed effective October 1, 2019

Investment funds that are reporting issuers managed by Sprott Asset Management Inc.;

Appointed effective January 1, 2019

Investment funds that are reporting issuers managed by Edgehill Partners LP; and

Appointed effective July 24, 2018

Investment funds that are reporting issuers managed by Picton Mahoney Asset Management Inc.;

Investment funds that are reporting issuers managed by Timbercreek Asset Management Ltd. and,

Investment funds that are reporting issuers managed by PIMCO Canada Corp.

Investment funds that are reporting issuers, managed by Alignvest Management Corporation;

Funds terminated February 18, 2019

Investment funds that are reporting issuers managed by Foresters Financial Investment Corporation of

Canada Inc.; *Ceased to be a member August 16, 2019*

Kevin Drynan serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Evolve Funds Group Inc.;

Investment funds that are reporting issuers managed by Vertex One Asset Management Inc.;

Investment funds that are reporting issuers managed by Willoughby Asset Management Inc.;

Investment funds that are reporting issuers managed by Genus Capital Management Inc.; and,

Investment funds that are reporting issuers managed by Sprott Asset Management Inc.

Appointed February 20, 2019

Eamonn McConnell serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Goodwood Inc.;

Investment funds that are reporting issuers managed by Integra Capital Limited;

Investment funds that are reporting issuers managed by Next Edge Capital Corp.;

Investment funds that are reporting issuers managed by Ninepoint Partners LP;

Investment funds that are reporting issuers managed by Edgehill Partners LP;

Investment funds that are reporting issuers managed by SmartBe Wealth Inc.;

Investment funds that are reporting issuers managed by Genus Capital Management Inc.;

Investment funds that are reporting issuers managed by Onex Credit Partners, LLC; and,

Investment funds that are reporting issuers managed by Sprott Asset Management Inc.

Ceased to be a member on February 11, 2019

Investment funds that are reporting issuers managed by Man Fund Management (Guernsey) Limited.

Ceased to be a member effective December 31, 2019

Fraser Howell serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Veritas Asset Management Inc..