Gold’s Time to Shine

Webcast February 13, 2019

Sprott

Featured Speakers

Ed Coyne, Executive Vice President, National Sales – Sprott Asset Management

Ed Coyne joined Sprott in January 2016 and has more than 25 years of investment management and sales experience. Previously, Ed was a Principal and Investment Specialist for 18 years at Royce & Associates, a small-cap value manager located in New York City and the investment adviser to The Royce Funds. Before joining Royce, Ed worked with Zweig Mutual Funds and Neuberger Berman as a Regional Sales Director. Ed earned his Bachelor of Science in Architectural Studies from the University of Missouri. Ed also holds a Series 7 license, administered by Financial Industry Regulatory Authority (FINRA).

John Hathaway CFA, Senior Portfolio Manager – Tocqueville Asset Management

John Hathaway is a Senior Portfolio Manager at Tocqueville Asset Management L.P. Mr. Hathaway joined Tocqueville in 1997 where he is a co-portfolio manager of the Tocqueville Gold Fund as well as other investment vehicles in the Tocqueville Gold Equity Strategy. He is also the portfolio manager of private funds. Prior to joining Tocqueville, Mr. Hathaway co-founded and managed Hudson Capital Advisors followed by seven years with Oak Hall Advisors as the Chief Investment Officer in 1986. In 1976, he joined the investment advisory firm David J. Greene and Company, where he became a Partner. Mr. Hathaway began his career in 1970 as an Equity Analyst with Spencer Trask & Co. Mr. Hathaway earned a B.A. from Harvard College and an M.B.A. from the University of Virginia. Mr. Hathaway is also the Chairman of Tocqueville Management Corporation, the General Partner of Tocqueville. He also holds the CFA designation.

Webcast Overview

Sprott Inc. (TSX: SII & OTC: SPOXF)

- A global asset manager with US $7.8B AUM specializing in precious metals and real assets strategies for over 35 years
- A full suite of solutions from physical ownership of gold, silver, platinum and palladium to active mining equities and debt

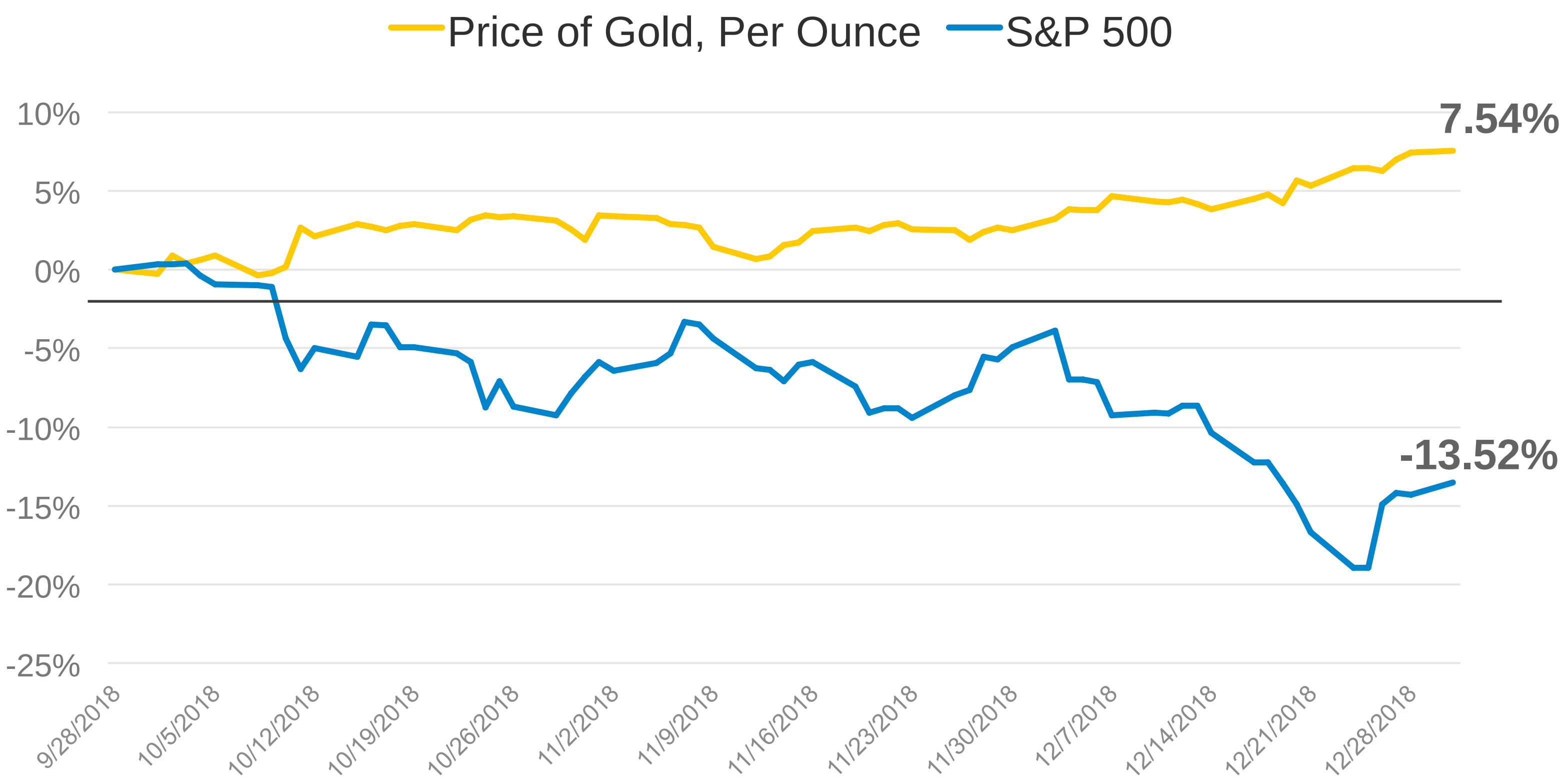
Gold as a Core Allocation

- An evergreen asset in both periods of stress *and* prosperity

Gold Equities as a Tactical Allocation

- An opportunistic allocation in times of favorable precious metals market conditions

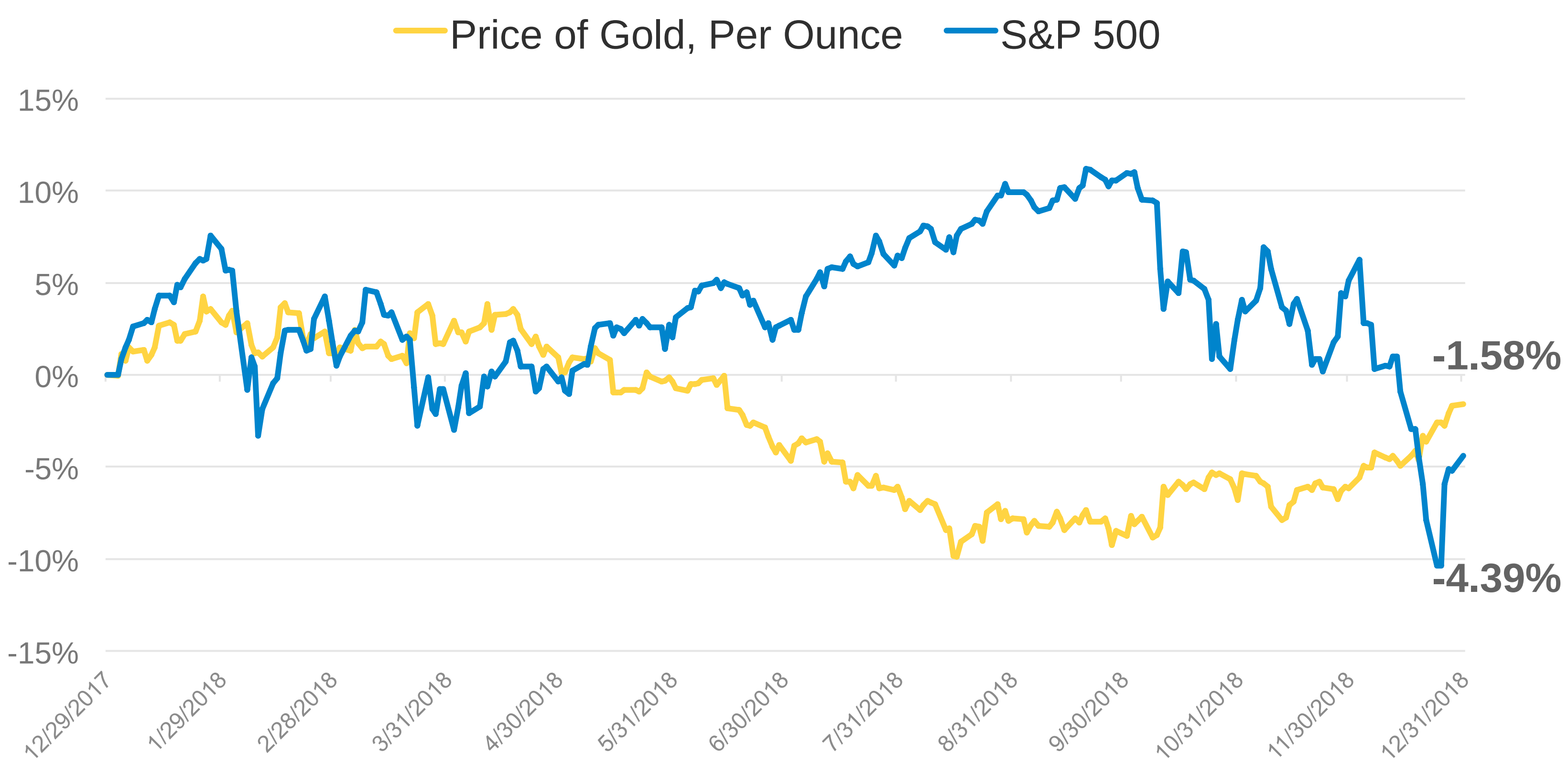
Gold Beat the S&P 500 in Q4 2018



Time Period: Sept. 28, 2018 - Dec. 31, 2018

Source: Bloomberg. Past performance is no guarantee of future results.

Gold Beat the S&P 500 for the Year



Time Period: Dec. 29, 2017 - Dec. 31, 2018

Source: Bloomberg. Past performance is no guarantee of future results.

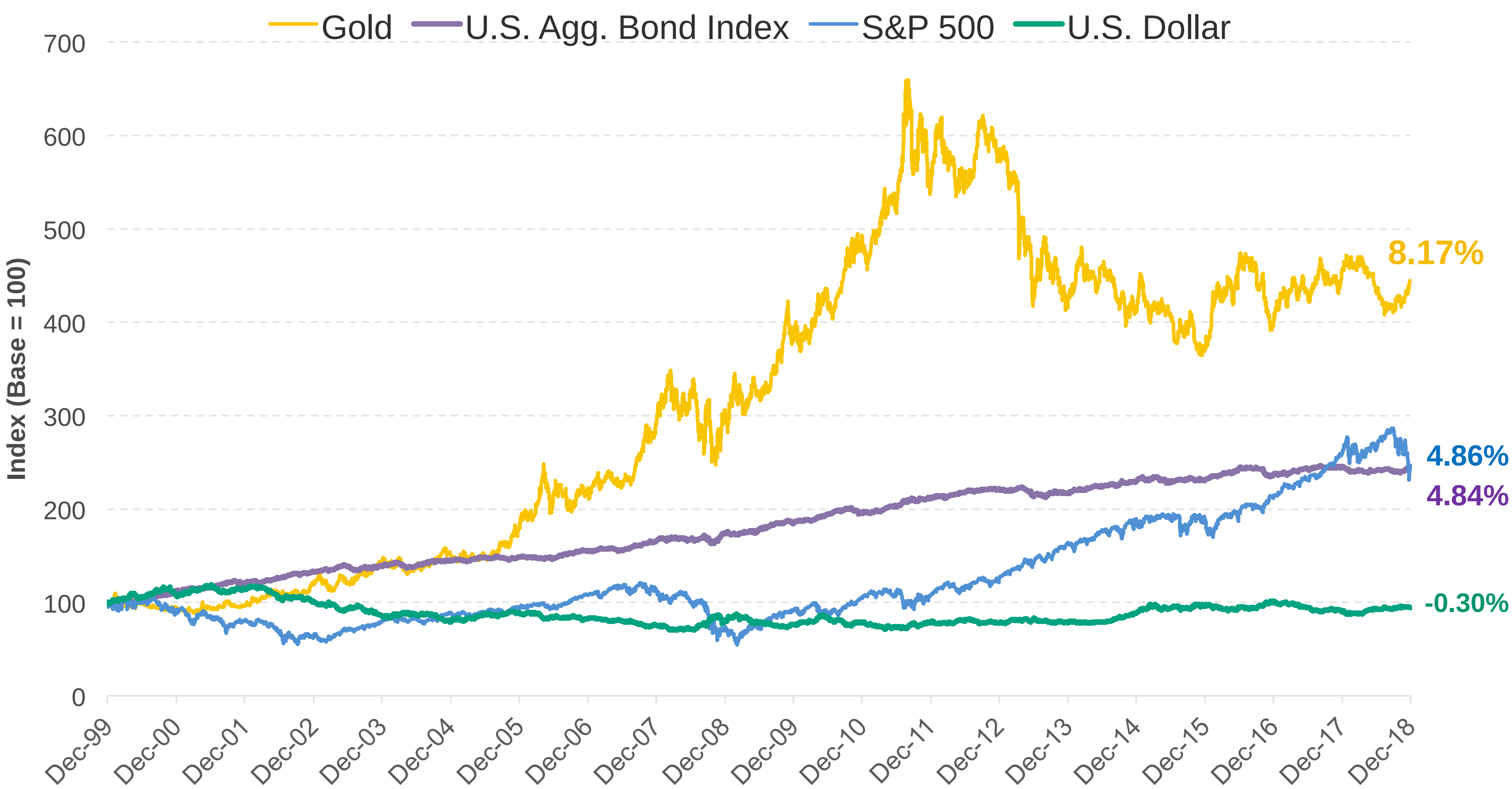
Gold Outperforms Equities in Crises

Crises Period	Start	End	S&P 500 Index	U.S. Treasuries	Gold
1987 Crash	8/25/87	10/19/87	-33.2%	-2.6%	5.0%
Iraq Invades Kuwait	7/17/90	10/12/90	-17.6%	0.8%	7.6%
Asia Crisis	10/7/97	10/28/97	-6.2%	0.0%	-4.6%
Russia/Long-Term Capital Management Crisis	7/20/98	10/8/98	-18.7%	5.3%	1.2%
September 11, 2001	9/10/01	10/11/02	-22.3%	11.2%	16.6%
Global Financial Crisis	10/11/07	3/6/09	-54.5%	15.8%	25.6%
2010 Euro Zone Crisis and Flash Crash	4/20/10	7/1/10	-14.5%	4.5%	5.1%
U.S. Sovereign Debt Downgrade	7/25/11	8/9/11	-12.3%	3.6%	7.8%
Taper Tantrum	5/22/13	6/24/13	-4.8%	-2.0%	-6.4%
China Worries	8/18/15	2/11/16	-11.8%	3.5%	11.5%
Fed Rate Increases & U.S.-China Trade War	9/20/18	12/24/18	-17.9%	2.5%	5.1%
Average			**-19.4%**	**3.9%**	**6.8%**

Source: Bloomberg.

Gold: Two Decades of Performance

Gold's average annual total return of 8.17% beats equities, bonds and the U.S. dollar.



Source: Bloomberg. For the 20-year period, 12/31/1999 to 12/31/2018. Past performance is no guarantee of future results.

The Case for Higher Gold Prices

Macro

1. U.S. China trade tensions and slowing global growth are potentially disruptive to financial asset valuations
2. U.S. fiscal deficit is beginning a steep rise
3. High chance CBs will "chicken out" from any pretense of monetary tightening
4. Historically high financial asset valuations
5. Central banks bought more gold last year than anytime since 1971

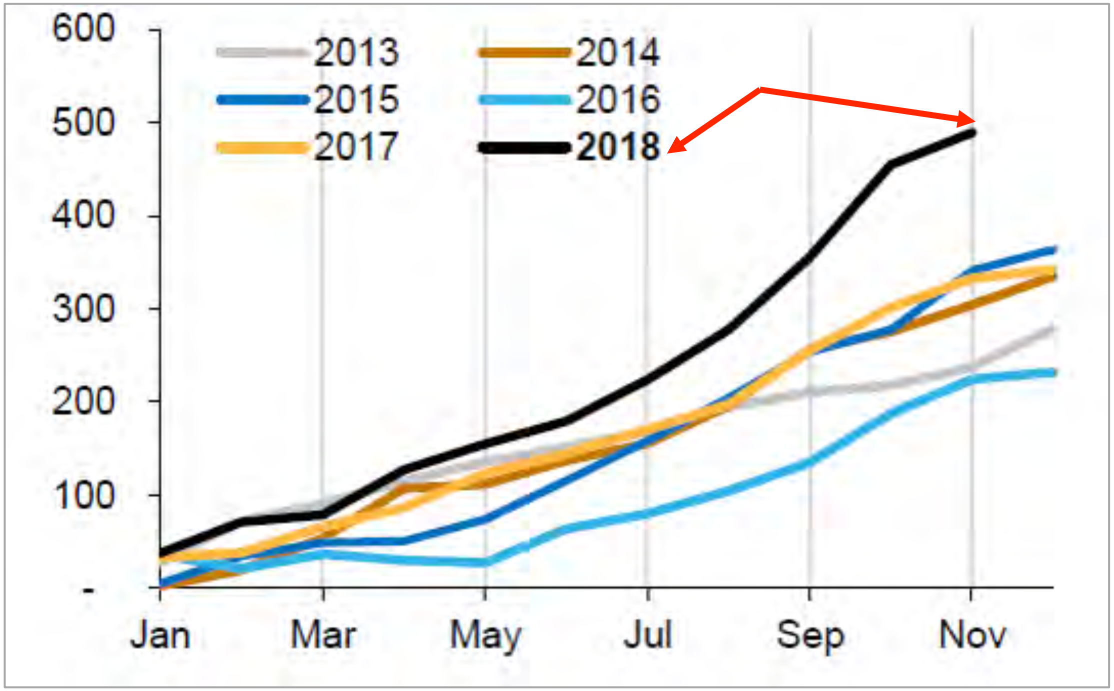
Micro

7. Inventory of above ground gold supply in Western vaults is depleting
8. Major mining companies are beginning to run out of reserves
9. Steady secular increase in demand factors, particularly Asia

Market

10. Investment exposure to gold matches 20-year low
11. Mining equities are severely undervalued relative to spot gold and the S&P 500
12. Predictable M&A boom in gold mining sector

Central Bank Net Cumulative Purchases



Source: Macrobond, Macquarie Strategy, January 2019.

- Central banks bought more bullion last year than any time since 1971, when the U.S. ended the gold standard
- Governments added 652 tons of gold to their coffers in 2018, a 74% YOY increase according to the World Gold Council
- Global gold demand rose 4% in 2018 to 4,345 tons

Why Gold Equities?

- **Mining companies are "episodically" undervalued**
  - Since the cycle peak in April 2011, gold mining companies have declined more than 78%[1]
  - In similar periods, mining stocks rebounded and significantly outperformed the broad market and other sectors (see next slide)

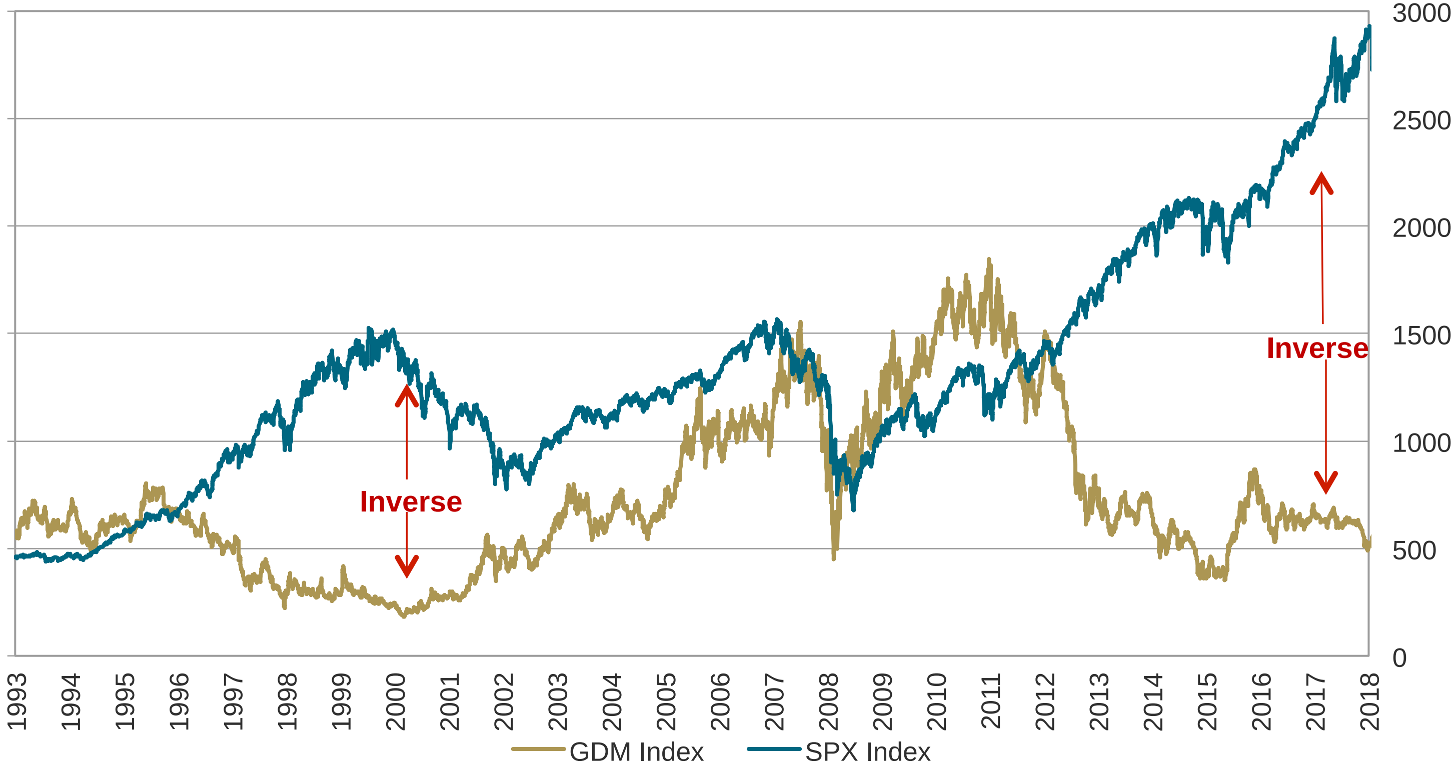
- **Favorable supply/demand factors for gold stocks**
  - Gold sector running out of global reserves
  - Cheaper to buy than develop reserves
  - Merger boom accelerating in next several years

[1] As measured by the 78.79% decline in the VanEck Vectors Junior Gold Miners ETF (GDXJ) for the period from 4/8/2011 through 12/31/18; VanEck Vectors Gold Miners ETF (GDX) declined 65.21% during the same period.

Gold Equities Dislocation from S&P 500

Since the inception of the GDM Index in 1993, there have been two pronounced periods of inverse correlation between the S&P 500 Index and the GDM (1996-2002 and 2011-Present). In each period the S&P 500 assumed "elevated" valuations while gold mining stocks were discarded. In March of 2000, when faith in U.S. financial assets was finally reevaluated/challenged, the S&P 500 fell 52% and gold stocks tripled.

GDM Index versus S&P 500 Index[1] (9/17/1993-12/31/18)

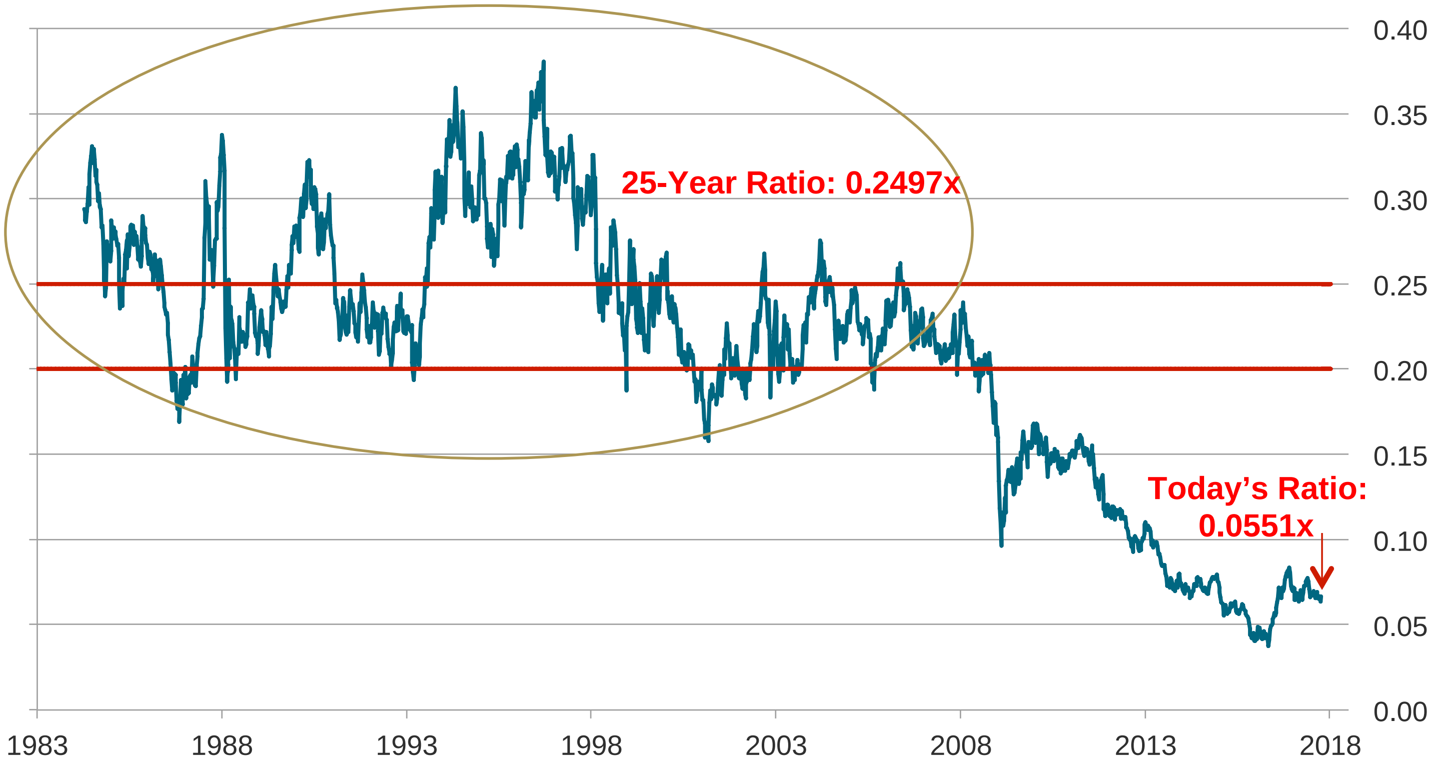


Source: Bloomberg.
[1]The NYSE® Arca Gold Miners™ Index (GDM) is a rules-based index designed to measure the performance of highly capitalized companies in the Gold Mining industry; the inception of the Index is 9/17/93. The Standard and Poor's 500 Index (SPX) is a capitalization-weighted index of 500 stocks.

Gold Equities are Undervalued Relative to Bullion

Since 2008, the relative valuation of gold equities to gold bullion has fallen 75% from the prior 25-year average. The ratio of the XAU Index to spot gold averaged 0.2497x for a quarter century through 2008. As of 12/31, the ratio was 0.0551x.

Ratio of XAU Index to Spot Gold (12/23/83-12/31/18)



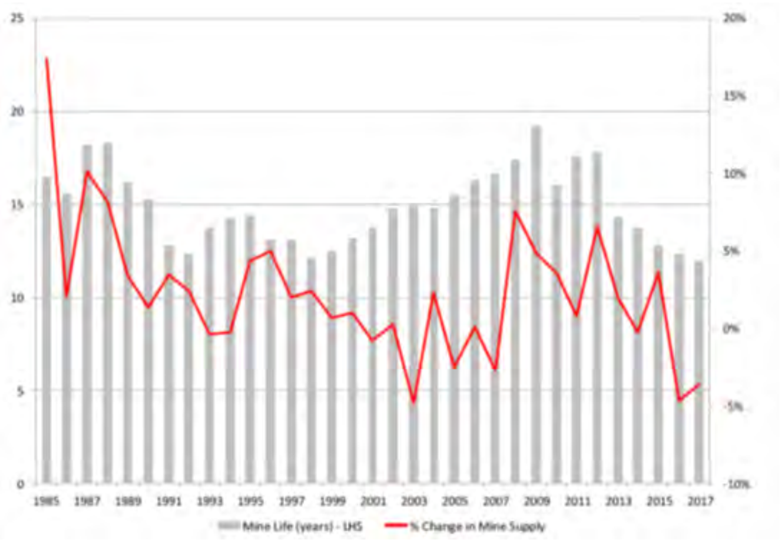
Source: Bloomberg. 12/23/83 represents the inception of the XAU.

Market: Gold Supply Continues to Decline

Declining gold supply can drive gold prices higher and support M&A.

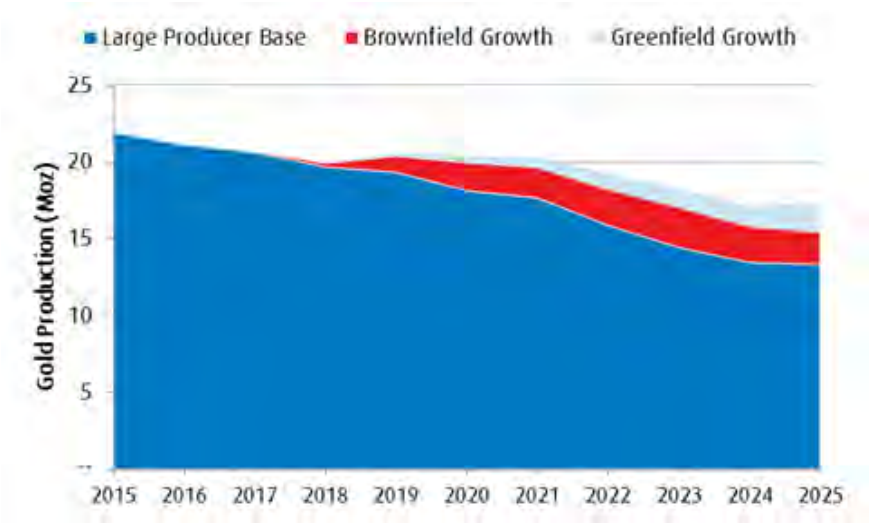
- Mine lives in the gold sector are at the lowest in more than 30 years
- Major gold discoveries have declined significantly

Average Mine Life versus Change in Supply
1985-2017



Source: Scotiabank.

Gold Production
2015-2025e

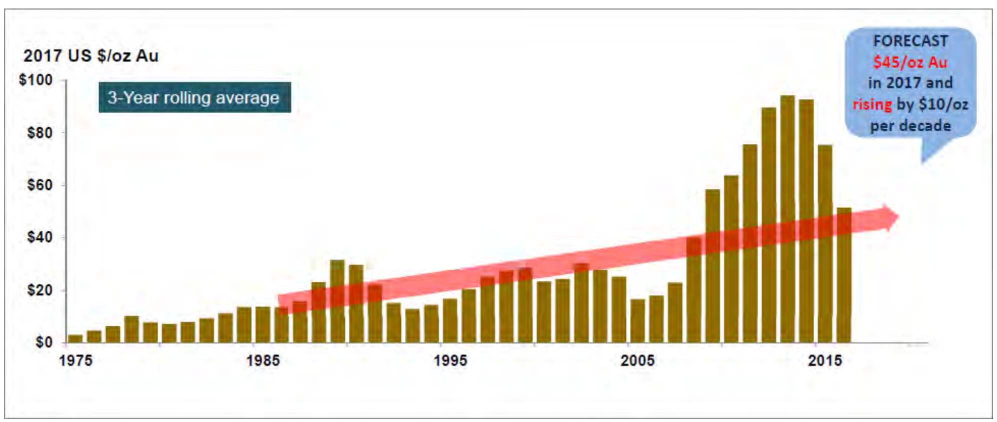


Source: BMO Capital Markets.

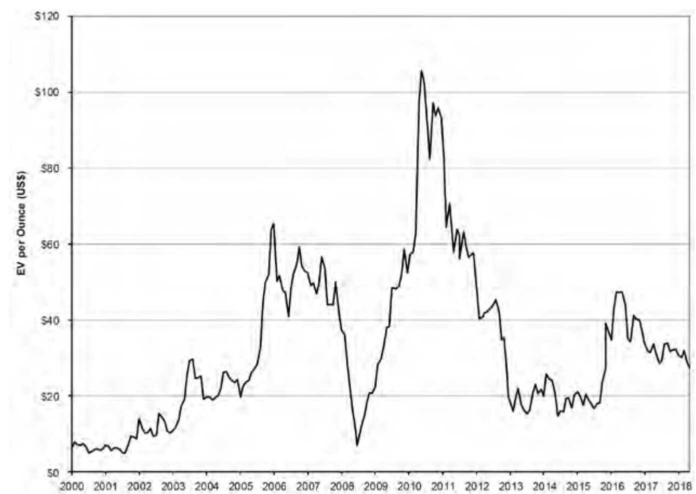
Market: Cost per Ounce Buy vs. "Build"

- There is a 35% discount for buying ounces in the market (M&A) compared to discovering new ounces
- Buying reserves eliminates the time and uncertainty associated with exploration
- This unusual opportunity is unlikely to exist in a stronger market for mining shares

Unit Discovery Cost: Gold
World (1975-2016)

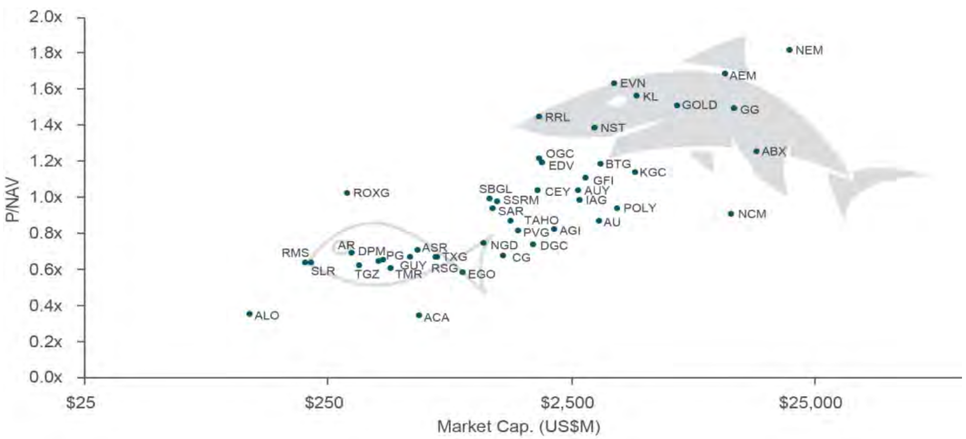


Enterprise Value per Ounce of Resource: North American Gold Developers



Source: MinEx Consulting, Scotiabank as of 9/30/18.

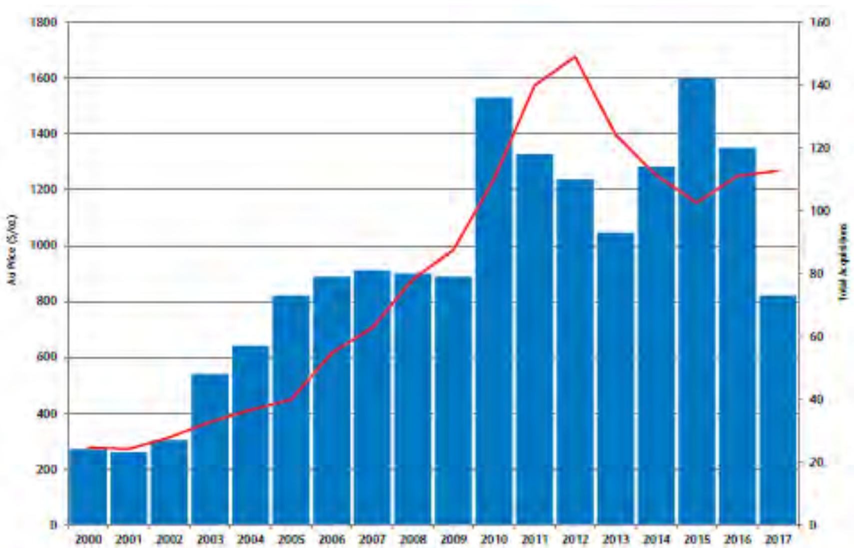
Market Consolidation in the Gold Industry



- Smaller gold mining companies are trading at a material discount to larger companies.

Source: RBC Capital Markets.
As of 07/23/18.

Number of M&A Deals vs. Spot Gold Price (2000-2017)



- Since 2000, there have been a total of 1,492 acquisitions in the precious metals industry.

Source: BMO Capital Markets
Metals & Mining Report 12/17/2018.

2019 Outlook

John Hathaway
CFA, Senior Portfolio Manager
Tocqueville Asset Management

TOCQUEVILLE

- Fed appears to have caved in on monetary tightening
- Should lead to U.S. dollar weakness
- Debt to GDP ratio has reached “banana republic” proportions
- Ratio will worsen significantly over next two years if economy slows
- Inflation risk is not priced into financial markets

Sprott Physical Bullion Trusts

Sprott Gold Miners ETFs

NYSE Arca: SGDM

- Exposure to large- to mid-capitalization gold companies
- Index utilizes factors to select and weight stocks
- Index is reconstituted quarterly

NYSE Arca: SGDJ

- Exposure to small- to mid-capitalization gold companies
- Index utilizes factors to select and weight stocks
- Index is reconstituted semi-annually

Q&A/Contact Information

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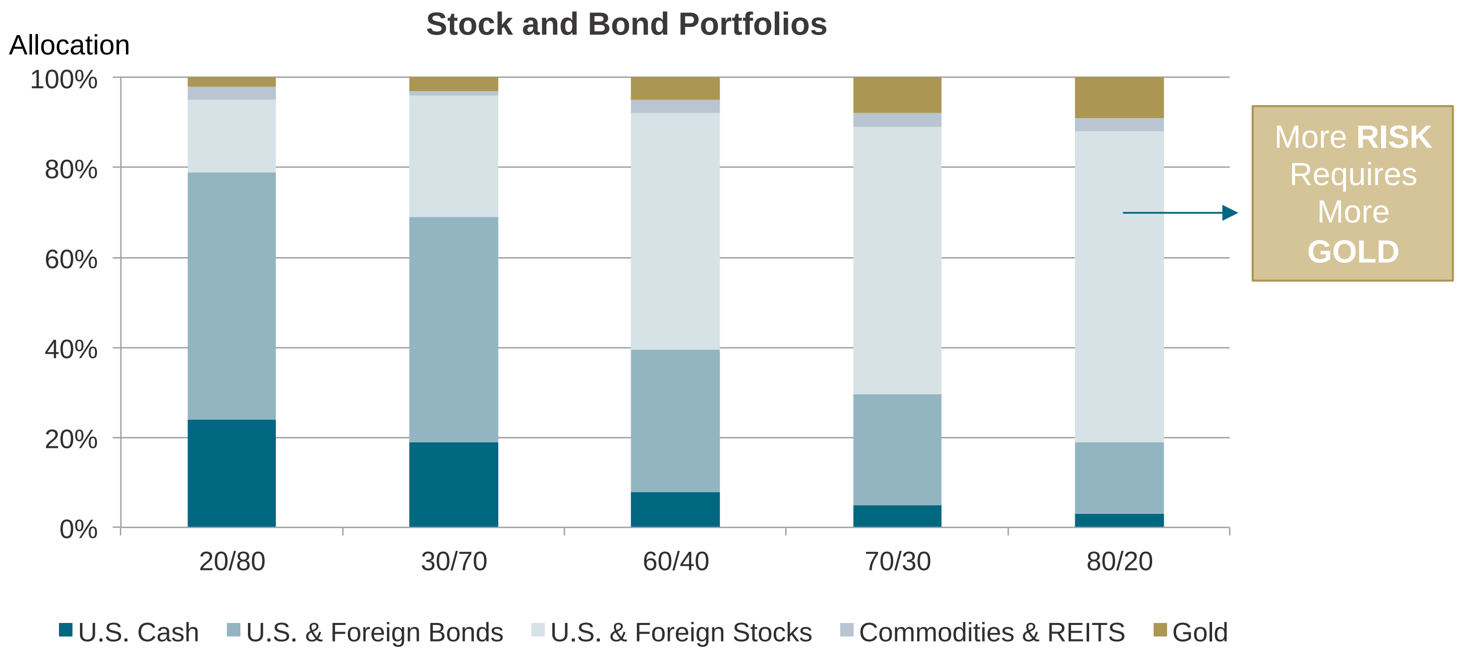
Please submit your questions using the Q&A box.

Gold Optimizes Risk Adjusted Returns

Optimal Gold Weightings in Basic Stock/Bond Portfolios at Five Risk Tolerance Levels*



Scenario %	20/80	30/70	60/40	70/30	80/20
U.S. Cash	24%	19%	8%	5%	3%
U.S. & Foreign Bonds	55%	50%	32%	25%	16%
U.S. & Foreign Stocks	16%	27%	53%	60%	69%
Commodities & REITS	3%	1%	3%	3%	3%
Gold	**2%**	**3%**	**5%**	**8%**	**9%**

*Based on Michaud & Michaud RE Optimization; World Gold Council. Please see page 16 for a detailed explanation of how these allocations are derived.

Important Disclosure

Slide 22: Gold Optimizes Risk Adjusted Returns: These figures cite the considered work of Richard and Robert Michaud (New Frontier Advisors) in developing their “resampled efficiency optimization” approach to portfolio allocation. The figures do not reflect the results of a specific time period. Rather, the essence of resampled efficiency (RE) optimization is to establish a portfolio allocation most likely to maximize returns for every unit of undertaken portfolio risk (the “information ratio”) amid any combination of future financial and market conditions. The figures show the RE optimization outcomes for five different portfolios of traditional assets, each with unique risk tolerance assumptions. For example, the most conservative portfolio mandates a 20% weighting in stocks (and other assets) versus an 80% weighting for cash and bonds. RE optimization suggests a gold allocation between 2% and 9% will maximize risk-adjusted returns across the spectrum of risk tolerances shown. Broadly speaking, the higher the risk in the portfolio, whether in terms of volatility, illiquidity or concentration, the larger will be the modeled gold allocation to offset that risk.

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The risks associated with investing in a Trust depend on the securities and assets in which the Trust invests, based upon the Trust’s particular objectives. There is no assurance that any Trust will achieve its investment objective, and its net asset value, yield and investment return will fluctuate from time to time with market conditions. There is no guarantee that the full amount of your original investment in a Trust will be returned to you. The Trusts are not insured by any government deposit insurer. Please read a Trust’s prospectus before investing. The information contained herein does not constitute an offer or solicitation to anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The information provided is general in nature and is provided with the understanding that it may not be relied upon as, nor considered to be, the rendering or tax, legal, accounting or professional advice. Readers should consult with their own accountants and/or lawyers for advice on the specific circumstances before taking any action.

Important Disclosure

Sprott ETFs

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a Statutory Prospectus, which contains this and other information please contact your financial professional, visit http://www.sprottetfs.com/documents/ or call 855.215.1425. Read the Statutory Prospectus carefully before investing. Sprott Gold Miners ETF and Sprott Junior Gold Miners ETF shares are not individually redeemable. Investors buy and sell shares of the Sprott Gold Miners ETF on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 50,000 shares. The Fund is not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Fund is considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund.

Micro-cap stocks involve substantially greater risks of loss and price fluctuations because their earnings and revenues tend to be less predictable. These companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources and may lack management depth. The Fund will be concentrated in the gold and silver mining industry. As a result, the Fund will be sensitive to changes in, and its performance will depend to a greater extent on, the overall condition of the gold and silver mining industry. Also, gold and silver mining companies are highly dependent on the price of gold and silver bullion. These prices may fluctuate substantially over short periods of time so the Fund's Share price may be more volatile than other types of investments.

Funds that emphasize investments in small/mid cap companies will generally experience greater price volatility. Funds investing in foreign and emerging markets will also generally experience greater price volatility. There are risks involved with investing in ETFs including the loss of money. Diversification does not eliminate the risk of experiencing investment losses. ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day. ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the Sprott Gold Miners ETF and the Sprott Junior Gold Miners ETF. The underlying index for the Sprott Gold Miners ETF is rebalanced on a quarterly basis and a higher portfolio turnover will cause the Fund to incur additional transaction costs. The underlying index for the Sprott Junior Gold Miners ETF is rebalanced on a semi-annual basis and a higher turnover will cause the Fund to incur additional transaction costs. The US Dollar Index (DXY) is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies.

Generally, natural resources investments are more volatile on a daily basis and have higher headline risk than other sectors as they tend to be more sensitive to economic data, political and regulatory events as well as underlying commodity prices. Natural resource investments are influenced by the price of underlying commodities like oil, gas, metals, coal, etc.; several of which trade on various exchanges and have price fluctuations based on short-term dynamics partly driven by demand/supply and also by investment flows. Natural resource investments tend to react more sensitively to global events and economic data than other sectors, whether it is a natural disaster like an earthquake, political upheaval in the Middle East or release of employment data in the U.S. Past performance is no guarantee of future returns. Sprott Asset Management USA Inc., affiliates, family, friends, employees, associates, and others may hold positions in the securities it recommends to clients, and may sell the same at any time.