



A Paradigm Shift is Underway

Outlook on Precious Metals

Webcast: Tuesday, December 7, 2021

V17 12/07/2021

Sprott

Featured Speakers



Whitney George, Chief Investment Officer, Sprott Asset Management

Whitney George serves as President of Sprott Inc., Chief Investment Officer of Sprott Asset Management LP and Chairman of Sprott U.S. Holdings, Inc. He is also a Senior Portfolio Manager at Sprott Asset Management USA. Mr. George joined Sprott in 2015 and previously spent 23 years in senior roles at Royce & Associates LLC ("Royce") in New York. He was Co-Chief Investment Officer of Royce from 2009 to 2013 and played a key role in the firm's growth and evolution into a leading U.S. small-cap manager with peak assets of more than US\$40 billion. At Sprott, Mr. George is also portfolio manager of Sprott Focus Trust (FUND), a closed-end equity investment fund that seeks to provide long-term growth of capital through a focused portfolio of value stocks of companies across all market capitalizations. Prior to joining Royce, Mr. George held positions with Dominick & Dominick, Inc., WR Lazard & Laidlaw, Inc., Laidlaw, Adams & Peck and Oppenheimer & Co. Inc. Whitney holds a bachelor's degree from Trinity College.



Maria Smirnova, MBA, CFA, Senior Portfolio Manager, Sprott Asset Management

Maria Smirnova has more than 20 years of investment experience. She first joined Sprott Asset Management LP in 2005 as a research associate supporting the metals and mining team. She currently serves as Lead Portfolio Manager of Ninepoint Silver Equities Class and Co-Portfolio Manager of Ninepoint Gold and Precious Minerals Fund. Prior to joining Sprott, Maria served as a Product Development Analyst at Fidelity Investments. Ms. Smirnova holds a Master of Business Administration degree from the Rotman School of Management, University of Toronto, and a Bachelor of Commerce degree from the University of Toronto. She has been a CFA® charterholder since 2002.



Ed Coyne, Senior Managing Director, Global Sales, Sprott Inc.

Ed Coyne joined Sprott in January 2016 and has more than 25 years of investment management and sales experience. Previously, he 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, Mr. Coyne worked with Zweig Mutual Funds and Neuberger Berman as a Regional Sales Director. He began his career at Reich & Tang, a provider of deposit, liquidity and cash management solutions for banks, broker-dealers, investment advisors, institutional investors and public entities. Mr. Coyne worked in the firm's key account sales division servicing institutional clients.

Mr. Coyne earned his Bachelor of Science in Architectural Studies from the University of Missouri. He also holds a Series 7 license, administered by Financial Industry Regulatory Authority (FINRA).

Webcast Outline

Whitney George

- Post-COVID, we are in the midst of some major paradigm shifts
- What is this paradigm shift?
- The macroeconomics of these paradigm shifts

Maria Smirnova

- Outlook on Precious Metals
 - Precious Metals: Bullion & Equities

Ed Coyne

- Implementing precious metals in portfolios
- Q&A



A Global Leader in Precious Metals and Real Assets Investments

Sprott

US\$19.0B in AUM¹

Sprott (SII) is publicly listed on the NYSE and TSX

Exchange Listed Products	Managed Equities	Lending	Brokerage
~\$13.8B AUM	~\$2.4B AUM	~\$1.4B AUM	
<ul style="list-style-type: none">Physical Bullion Trusts (NYSE Arca Listed)Physical Commodity Trusts (TSX Listed)Gold Mining Equity ETFs (NYSE Arca Listed)	<ul style="list-style-type: none">Flagship U.S. gold equity mutual fundClosed-End Value Strategy (NASDAQ Listed)	<ul style="list-style-type: none">Bespoke credit investments to mining and resource companiesCohesive team of credit and financing expertsLong dated streams and royalties	<ul style="list-style-type: none">Capital raising and advisory services to natural resource companiesWealth management services for individual investors in the U.S. and Canada

¹ Sprott AUM as of September 30, 2021. Includes other assets of \$1.4B.

The Paradigm Shift

**Whitney George, Chief Investment Officer, Sprott
Asset Management**



What is a Paradigm Shift?

“Identify the paradigm you’re in, examine if and how it is unsustainable, and visualize how the paradigm shift will transpire when that which is unsustainable stops.”

– Ray Dalio, Bridgewater Associates, July 2019

- “In paradigm shifts, most people get caught overextended doing something overly popular and get really hurt. On the other hand, if you’re astute enough to understand these shifts, you can navigate them well or at least protect yourself against them.”
- “The 2008-09 financial crisis, which was the last major paradigm shift, was one such period. It happened because debt growth rates were unsustainable in the same way they were when the 1929-32 paradigm shift happened...”
- “History has taught us that there are always paradigms and paradigm shifts and that understanding and positioning oneself for them is essential for one’s well-being as an investor and beyond.”

Source: Paradigm Shifts by Ray Dalio, <https://www.economicprinciples.org/downloads/Paradigm-Shifts.pdf>.

Identifying Some of the Current Paradigm Shifts

1. Globalization in Reverse

- Trade wars and COVID have reversed many trends
- Changing Sino-U.S. dynamics may drive the U.S. to re-onshore manufacturing after decades of underinvestment

2. The True Cost of Tackling Climate Change

- Policy makers may be underestimating the true cost of decarbonization — setting goals is the easy part
- Energy prices are up and growing ESG investment demand may drive prices even higher

3. The Fed is Trapped

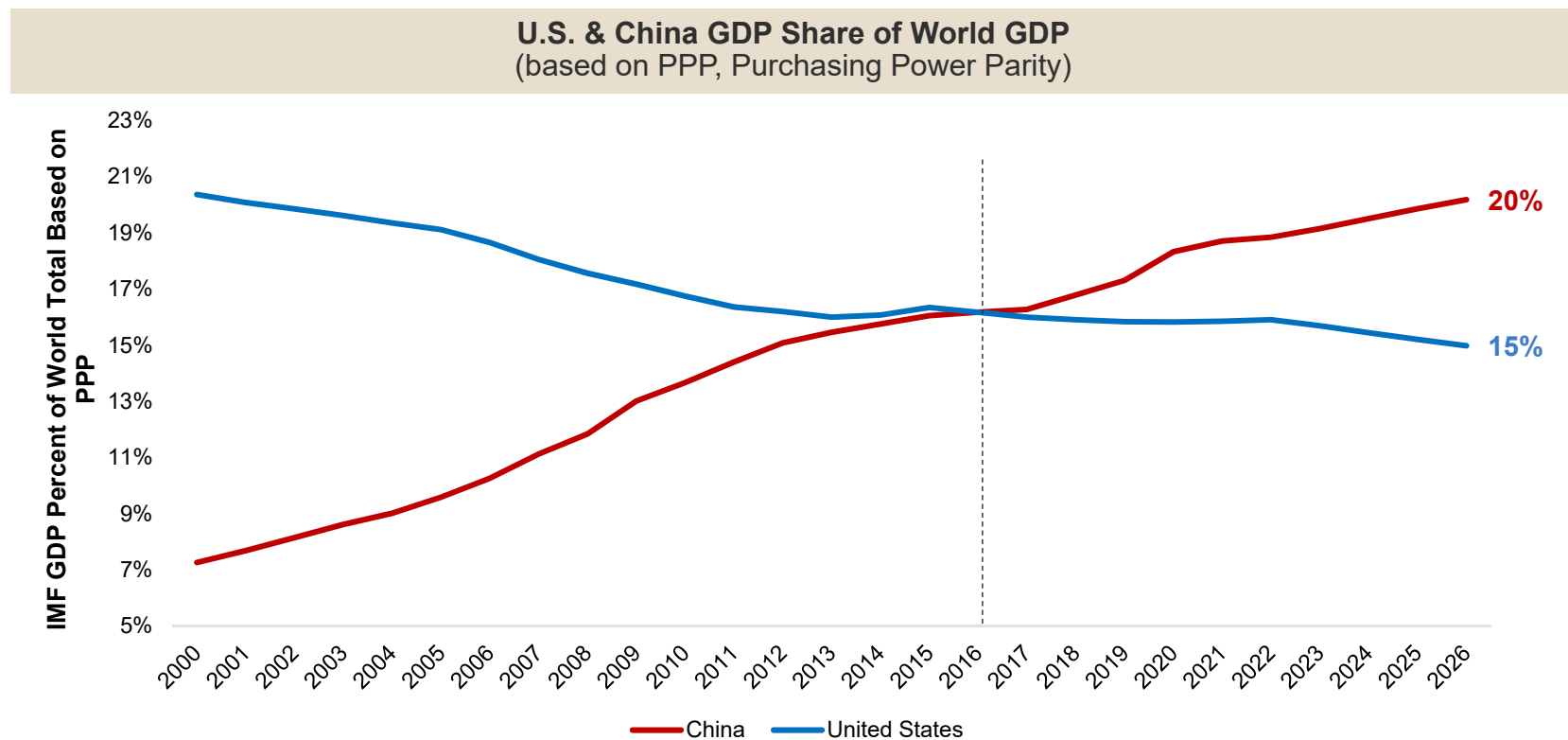
- The Fed has no choice but to keep rates low to drive higher U.S. tax receipts
- The Fed is shifting to the left, given open board seats and broadening mandates

4. Moving Toward the Political Center

- Green shoots of political moderation forming

China is Evolving from U.S. “Workshop” to True Global Competitor

- China is slated to represent 20% of global GDP by 2026 and is now a dominant competitor with the U.S. and other G7 nations
- Rising middle class in China present their own consumption demands leaving the U.S. with potential shortages



Source: Bloomberg. Chinese GDP Percent of Total World GDP measured by IGPPCHN Index. United States GDP Percent of Total World GDP measured by IGPPUSA Index.

China's Water Shortage & Global Inflation

- China has been the “locomotive of the world economy for two decades,” it accounts for 20% of the world’s population but only 7% of the world’s freshwater resources
- China’s acute water shortages are impacting power generation and slowing industrial production; having a profound impact on global supply chains

China's Power Rationing



Critical question:

“What happens if China goes from having been a disinflationary force in the global economy for the past 25 years to becoming an inflationary force that un-anchors medium-to-long-term inflation expectations in coming months and quarters?”

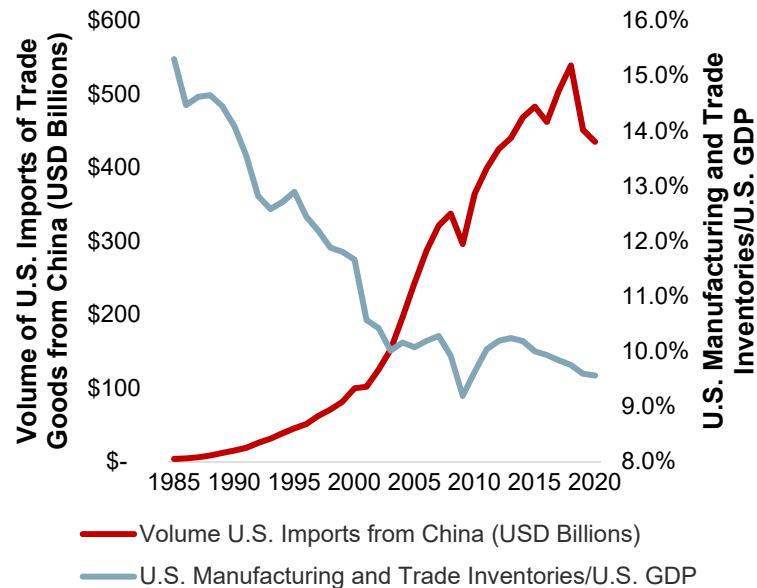
~ Luke Gromen, FFTT

Sources: Fabio Massimo Parenti, International Economic Policu at China Foreign Affairs University, Beijing. Source: USC Annenberg USC US-China Institute. *Running Out of Water*, Luke Gromen, FFTT,LLC; The Lantau Group.

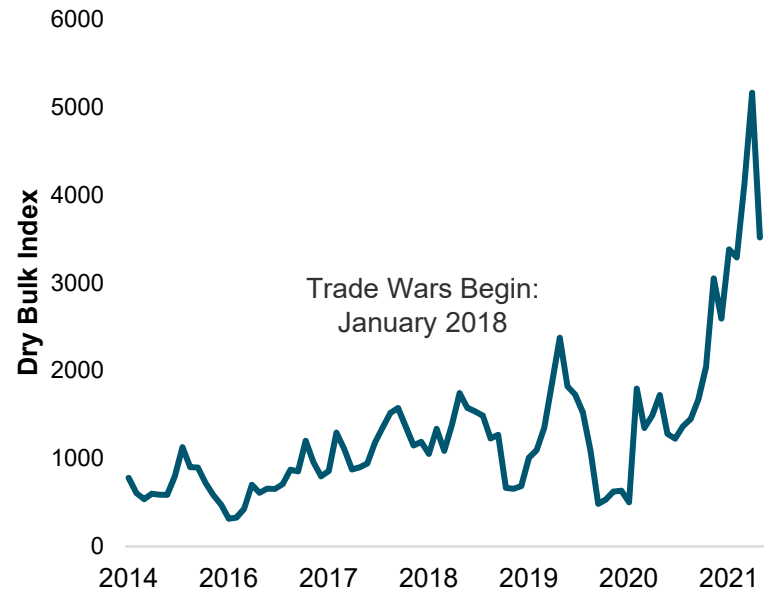
More U.S. Manufacturing Will be Essential and Expensive

- For decades, U.S. manufacturing inventories have declined as imports from China have risen dramatically — Chinese imports starting to falter since trade wars and COVID
- Just-in-time inventory may not be possible given rising shipping costs and long lead times

Volume of U.S. Imports from China vs. U.S. Manufacturing Inventories/U.S. GDP



Baltic Dry Index
(Average Price Paid for the Transport of Dry Bulk)

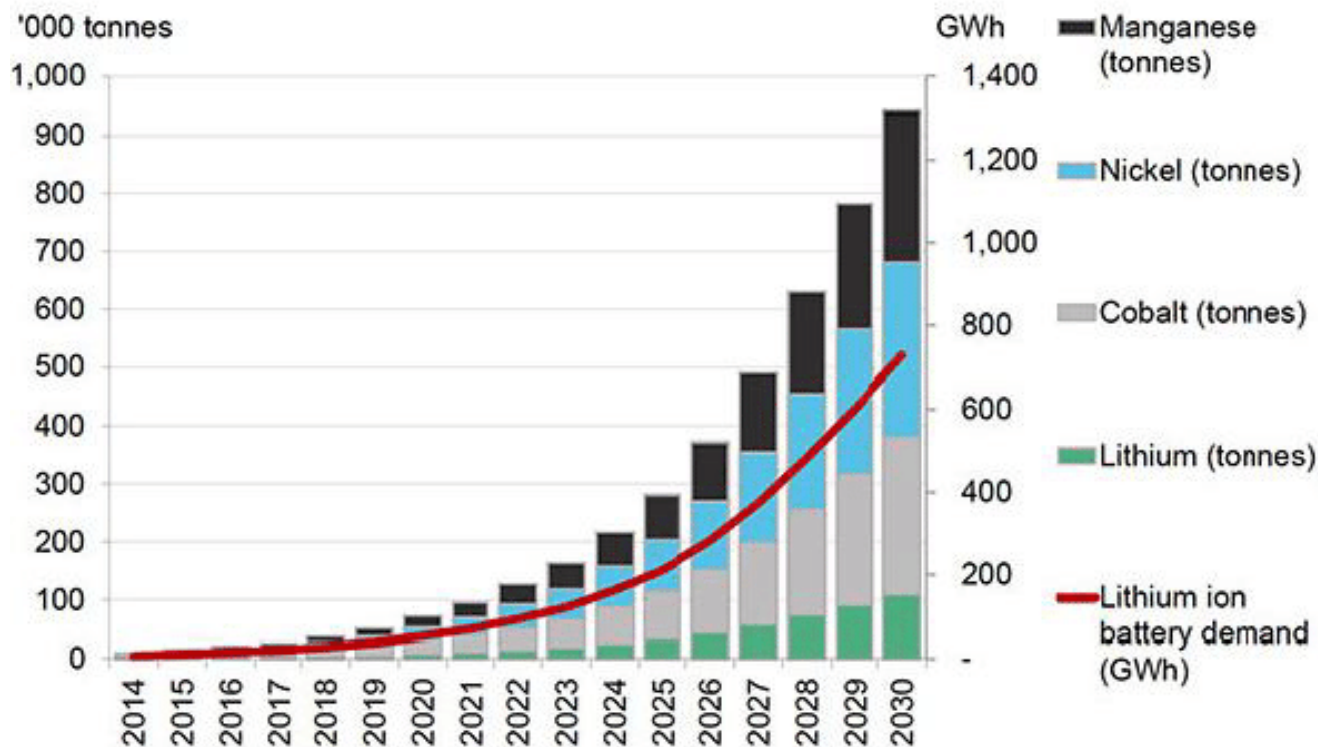


Source: Bloomberg and Statista. U.S. Manufacturing and Trade Inventories measured by MTIB Index. U.S. GDP reflects nominal GDP measured by GDP CUR\$ Index. Baltic Dry Index measured by BDIY Index measures the average price paid for the transportation of Dry Bulk based on forward agreed upon contracts.

Decarbonization Will be Expensive

- The U.S., Canada, UK, EU, France and Japan have set 2050 decarbonization target dates
- EVs are made with 6-7 times more minerals than ICE vehicles

Global Lithium-Ion and Materials Demand Forecast from EV Sales (2014-2030e)

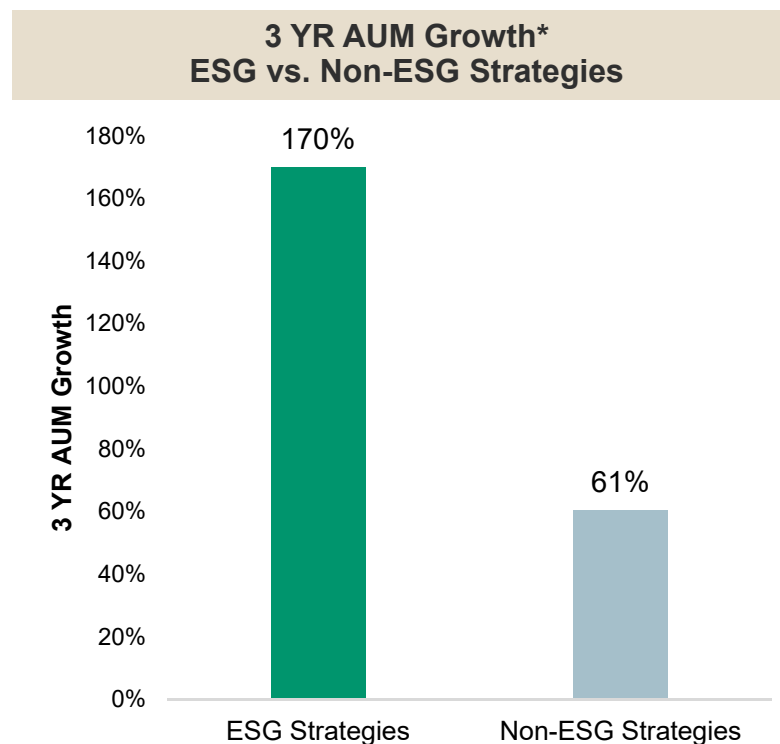


Source: IEA, Evolution of energy prices, 2020-2021, IEA, Paris <https://www.iea.org/data-and-statistics/charts/evolution-of-energy-prices-2020-2021>.

We are Just Waking Up to Higher Energy Costs

- Markets are waking up to rising energy costs and ESG demand will add cost pressure
- AUM growth in ESG strategies has been ~3x that of non-ESG strategies* over the past three years

YTD Price Gains of Select Energy Commodities	
Energy Prices	YTD Chg.
UK Natural Gas	322.54%
Natural Gas	79.87%
U ₃ O ₈ Uranium	49.67%
Gasoil	42.54%
Gasoline	40.59%
Heating Oil	39.80%
Crude Oil	36.40%
Brent Oil	36.24%



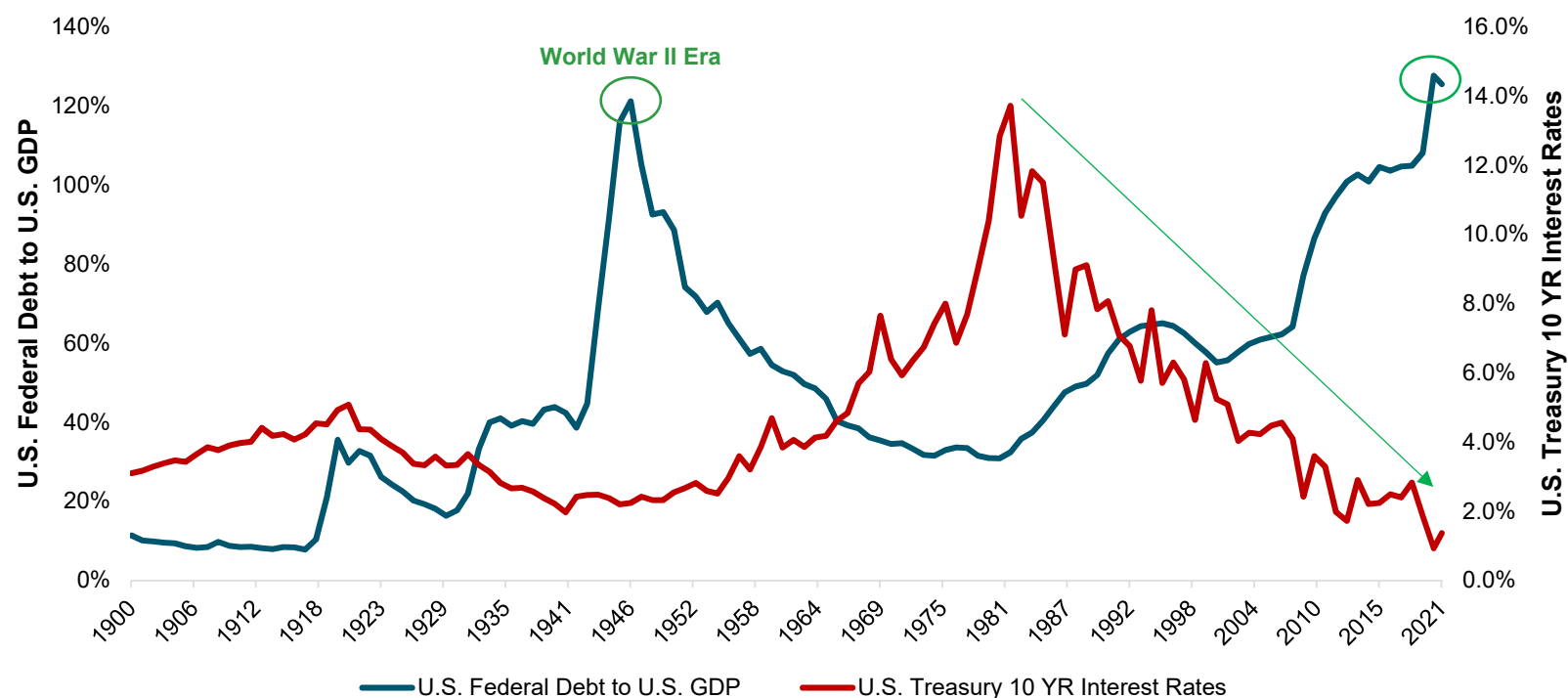
*Reflects combined ETFs and Mutual Funds within the U.S. Equity and Taxable Fixed Income categories.

Source: AUM data from Morningstar Direct as of 10/31/2021. Bloomberg as of 11/30/2021. Indices measured by: Crude Oil (CL1 COMDTY); Brent Oil (CO1 COMDTY); Gasoil (GS1 COMDTY); Gasoline (XB1 COMDTY); Heating Oil (HO1 COMDTY); Natural Gas (NG1 COMDTY); UK Natural Gas (FN1 COMDTY); U₃O₈ Uranium data from TradeTech LLC.

The Fed is Trapped

- A new paradigm may usher in higher inflation and nominal growth to help monetize debts
- The past economic cycle was met with low inflation and low nominal growth — cheap debt drove financial asset inflation and lack of physical investment

U.S. Federal Debt to U.S. GDP vs. U.S. Treasury 10 YR Interest Rates (1900-2021)

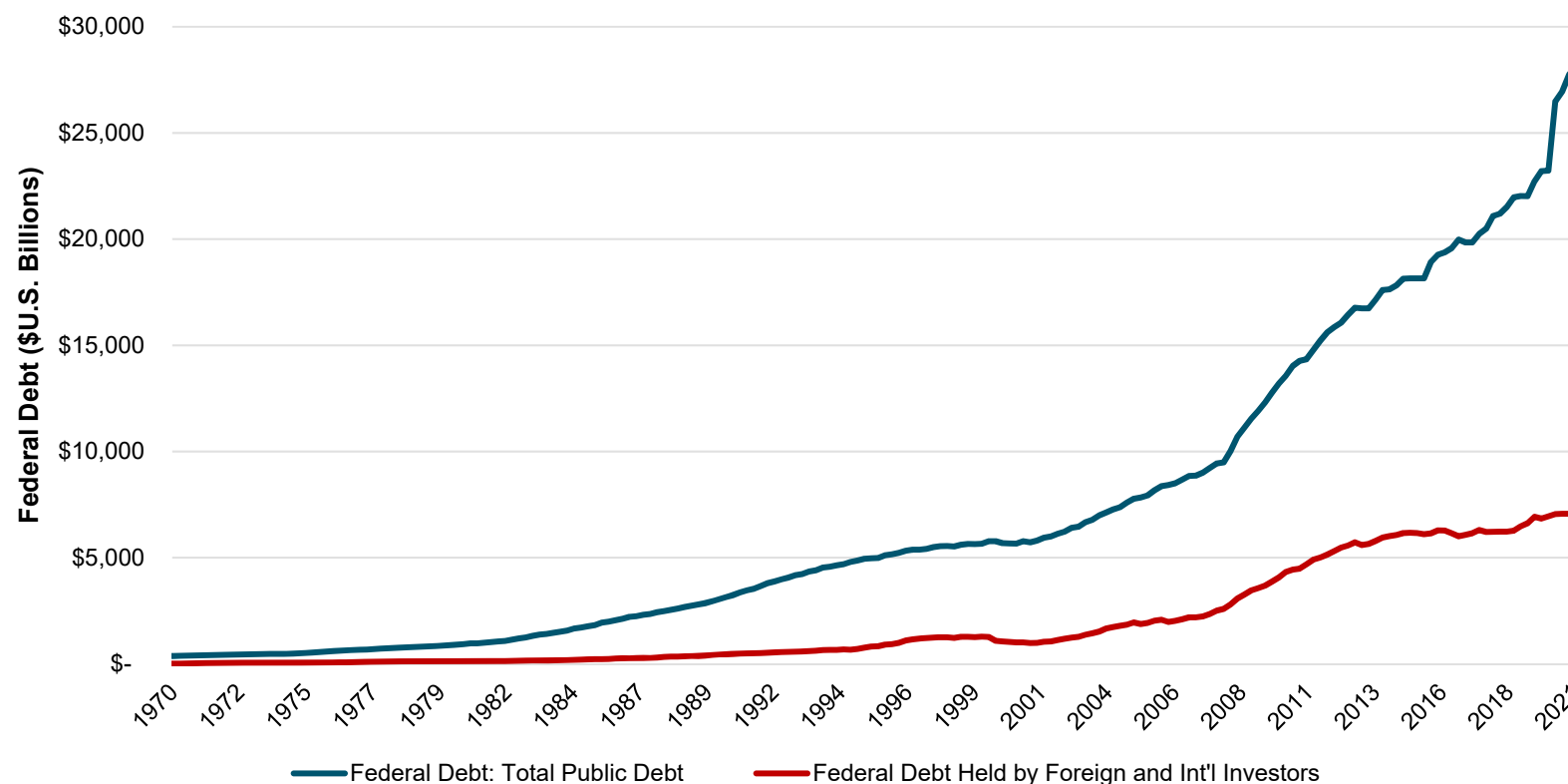


Source: LongTermTrends as of 9/30/2021.

Not Enough International Buyers of U.S. Debt

- The U.S. Treasury is issuing debt faster than demand is growing from international investors
- The Federal Reserve will need to continue being the dominant buyer of U.S. government debt

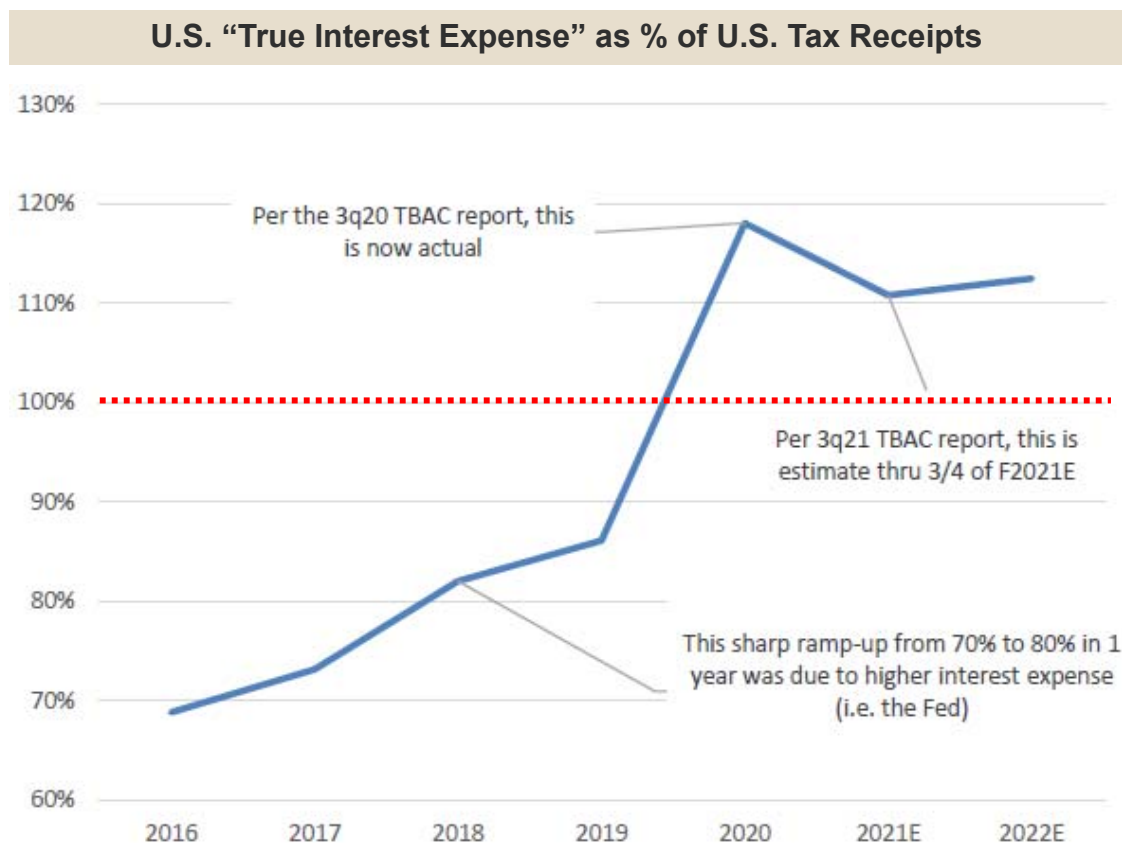
U.S. Federal Debt vs. Federal Debt Held by Int'l Investors (1970-2021)



Source: Fred Economic Data as of 4/30/2021. Federal Debt: Total Public Debt measured by GFDEBTN; Federal Debt Held by Foreign and Int'l Investors measured by FDHBFIN.

Promises We Made But Can't Keep

- Luke Gromen, FFTT, LLC: “40 years of experience are working against global investors, causing them to focus on U.S. inflation while ignoring the U.S. fiscal situation, at exactly the wrong time — they should be focusing on the U.S. fiscal situation while ignoring inflation.”



U.S. “True Interest Expense” (Treasury Spending + Entitlement Pay-Go’s) is still above U.S. Federal Tax receipts, despite an **“Everything Bubble”**

[Treasury Spending + Entitlement Pay-Go] Base Case; Sources: US Treasury, Fed, FFTT LLC.

What's the Way Out?

- Policy makers will attempt to grow out of high debts and deficits no matter how much money needs printing—fiscal austerity is not an option given debt levels
- Policy makers have no choice but to punish bond holders with negative real yields until debt levels subside

Economic Metrics – Average by Decade

Decade	Nominal YoY GDP Growth	U.S. YoY CPI	Real GDP Growth	UST 10 YR Yield	Real UST 10 YR Yield
9/30/2021	9.7%	5.4%	4.3%	1.4%	-4.0%
2020s*	2.9%	2.6%	0.3%	1.1%	-1.5%
2010s	4.0%	1.8%	2.2%	2.4%	0.6%
2000s	4.2%	2.6%	1.6%	4.4%	1.8%
1990s	5.5%	3.0%	2.5%	6.6%	3.6%
1980s	8.0%	5.5%	2.5%	10.6%	5.1%
1970s	10.0%	7.2%	2.8%	7.5%	0.3%
1960s	6.9%	2.4%	4.6%	4.7%	2.3%
1950s	6.8%	2.1%	4.7%	3.0%	1.0%
1940s	12.1%	5.6%	6.5%	2.3%	-3.3%
Average	6.7%	3.6%	3.1%	4.7%	1.1%

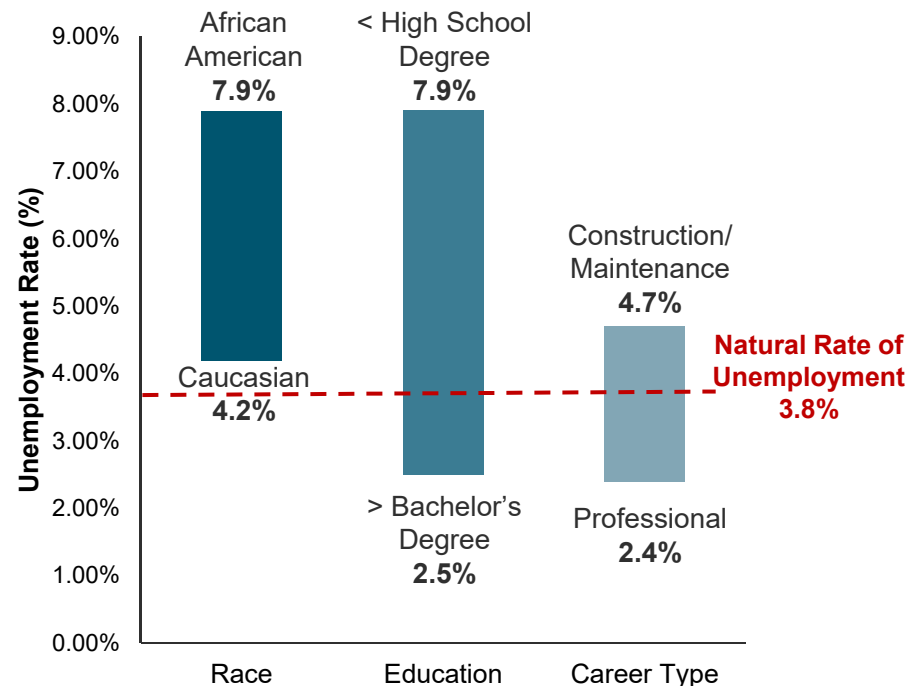
*Reflects impartial decade.

Source: Bloomberg as of 9/30/2021. Nominal YoY GDP Growth measured by GDP CURY Index. U.S. YoY CPI measured by CPI YOY Index, UST 10 YR Yield measured by USGG10YR Index. Real GDP Growth measured by nominal YoY GDP Growth less YoY CPI. Real UST 10 YR Yield measured by U.S. 10 YR Treasury Yields less U.S. YoY CPI. Nominal GDP data prior to the 1950s measured by Fortunny.

If That Was Not Enough

- A broader and more inclusive full employment target may encourage continued monetary accommodation
- Will the Fed follow in the steps of the ECB and consider broader mandates such as climate change?

Unemployment Rate by Race, Education and Career



Signs of Fed and ECB Broadening Mandates



"I think you see [...] on our part a heightened focus on economic disparities, including racial economic disparities."

-Jerome Powell, Sept. 2020



"The centrality of achieving full employment for all Americans is pressing. [...] Groups that faced the greatest challenges often make important labor market gains late in the expansion."

-Lael Brainard, Feb. 2021



"Unless we take action on climate change, future generations will be roasted, toasted, fried and grilled."

-Christine Lagarde, Oct. 2013

Source: Bloomberg as of 9/30/2021. Unemployment rates reflect U-3 Unemployment rates. The natural rate of unemployment is the estimated unemployment rate that would exist in a growing and healthy economy; it includes only frictional and structural unemployment, and not cyclical unemployment.

Fed Majority to Shift Democrat in an Election Year

- Biden has multiple Fed seats to fill, likely leading to more progressive monetary policies

#	Name	Current Breakdown	Potential Breakdown	Details
1	Jerome Powell	Republican	Republican	Re-nomination confirmed
2	Richard Clarida	Republican	Democrat	Board membership expires in January; reputation questionable post trading scandal
3	Michelle Bowman	Republican	Republican	Trump appointee; term up in 2034
4	Lael Brainard	Democrat	Democrat	Obama appointee; term up in 2026
5	Randal Quarles	Republican	Democrat	To resign year-end 2021
6	Christopher Waller	Republican	Republican	Took office in December; term up in 2030
7	Vacant	Open	Democrat	N/A
Republican		5	3	
Democrat		1	4	
Open		1	0	

Source: U.S. Federal Reserve. Bloomberg.

Green Shoots of Political Moderation are Forming

- Germany's recent election results suggest centrist parties are gaining traction
- Center-left Social Democratic Party (SPD) won 25.7% of the vote in September election, displacing Chancellor Angela Merkel's long-governing center-right Christian Union Bloc (CSU/CDU)



Source: Bloomberg.

Outlook on Precious Metals

**Maria Smirnova, MBA, CFA, Senior Portfolio
Manager, Sprott Asset Management**



Sprott Investment Outlook

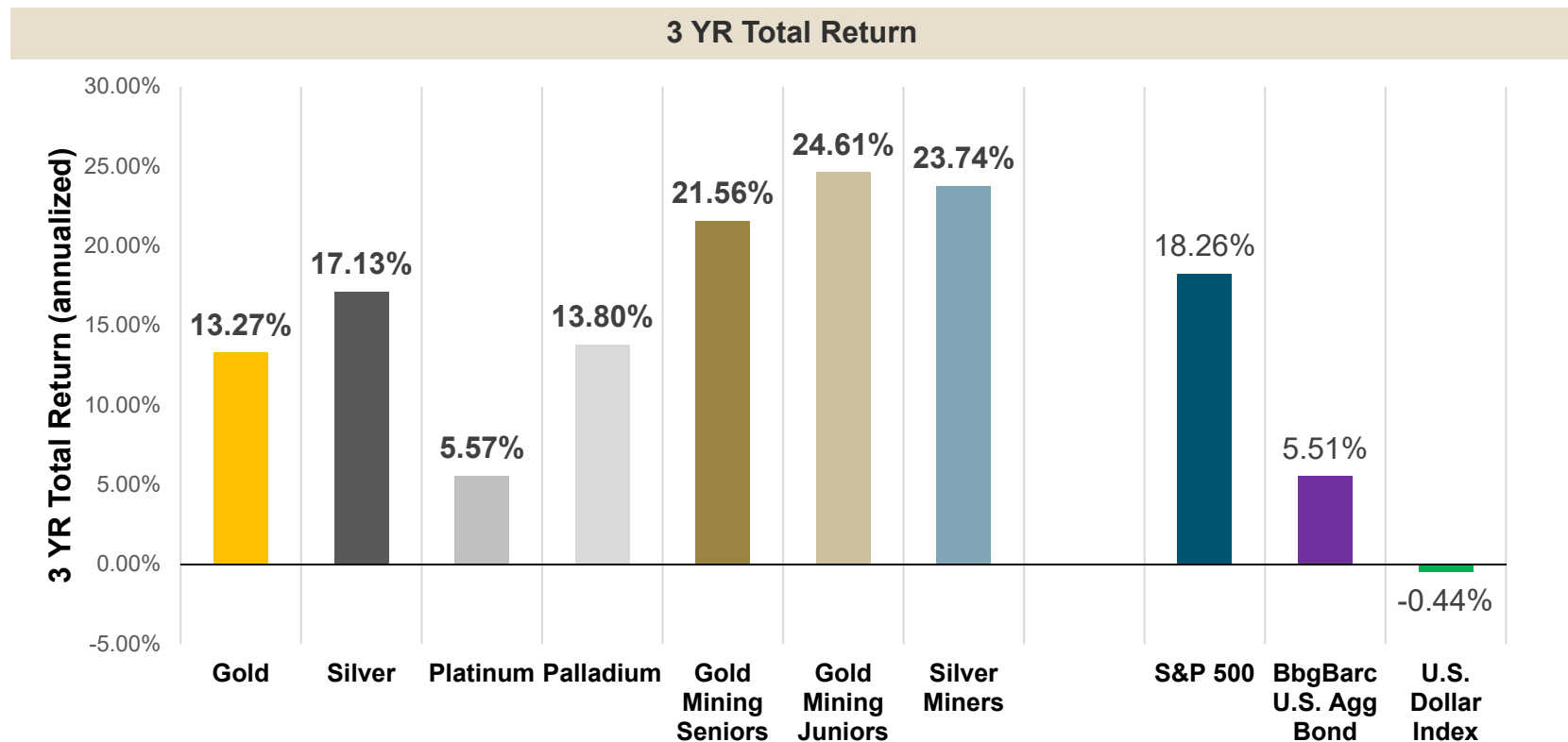
Precious Metals: Bullion and Equities

- Precious metals performed well as central banks started easing in 2019 and through economic weakness in 2020
- Gold remains a long-term outperformer among traditional asset classes
- Real yields are at all-time lows and may be driven lower by greater money printing and inflation — gold stands to benefit
- Demand for silver is likely to increase alongside the green economy
- Gold miners are cheap relative to bullion (juniors are even cheaper) and with strong yields and fundamentals

Outlook is subject to change without notice.

Precious Metals and Miners Performed Admirably Over Near-Term

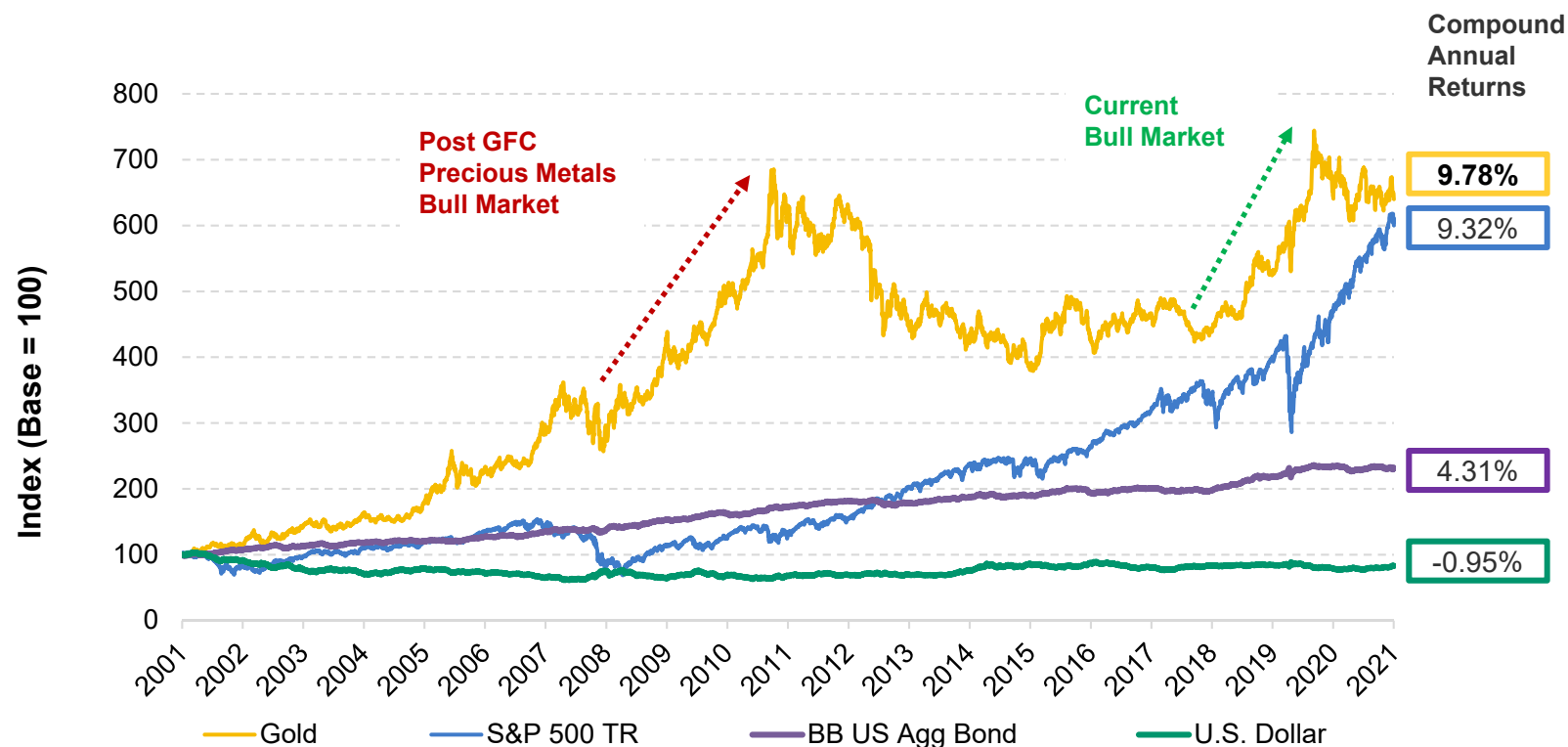
- Precious metals performed well as central banks started easing in 2019 and through economic weakness in 2020
- Over the 3 year period, Gold and Silver Miners have outpaced the S&P 500



Source: Bloomberg. Period from 11/30/2018 to 11/30/2021. "Gold" refers to GOLDS Comdty. "Silver" refers to XAG Curncy. "Platinum" reflects XPT Curncy. "Palladium" reflects XPD Curncy. "Gold Mining Stocks" refers to the Sprott Gold Miners ETF (SGDM). "Gold Mining Juniors" refers to the Sprott Junior Gold Miners ETF (SGDJ). "Silver Miners" refers to the MSCI ACWI Select Silver Miners Index (M1WDSSMI Index). S&P 500 measured by SPX Index. "BbgBarc U.S. Agg Bond" measured by LBUSTRUU Index. "U.S. Dollar Index" measured by DXY Index. You cannot invest directly in an index. Past performance is no guarantee of future results.

Gold Leading the Pack Over the Long-Term

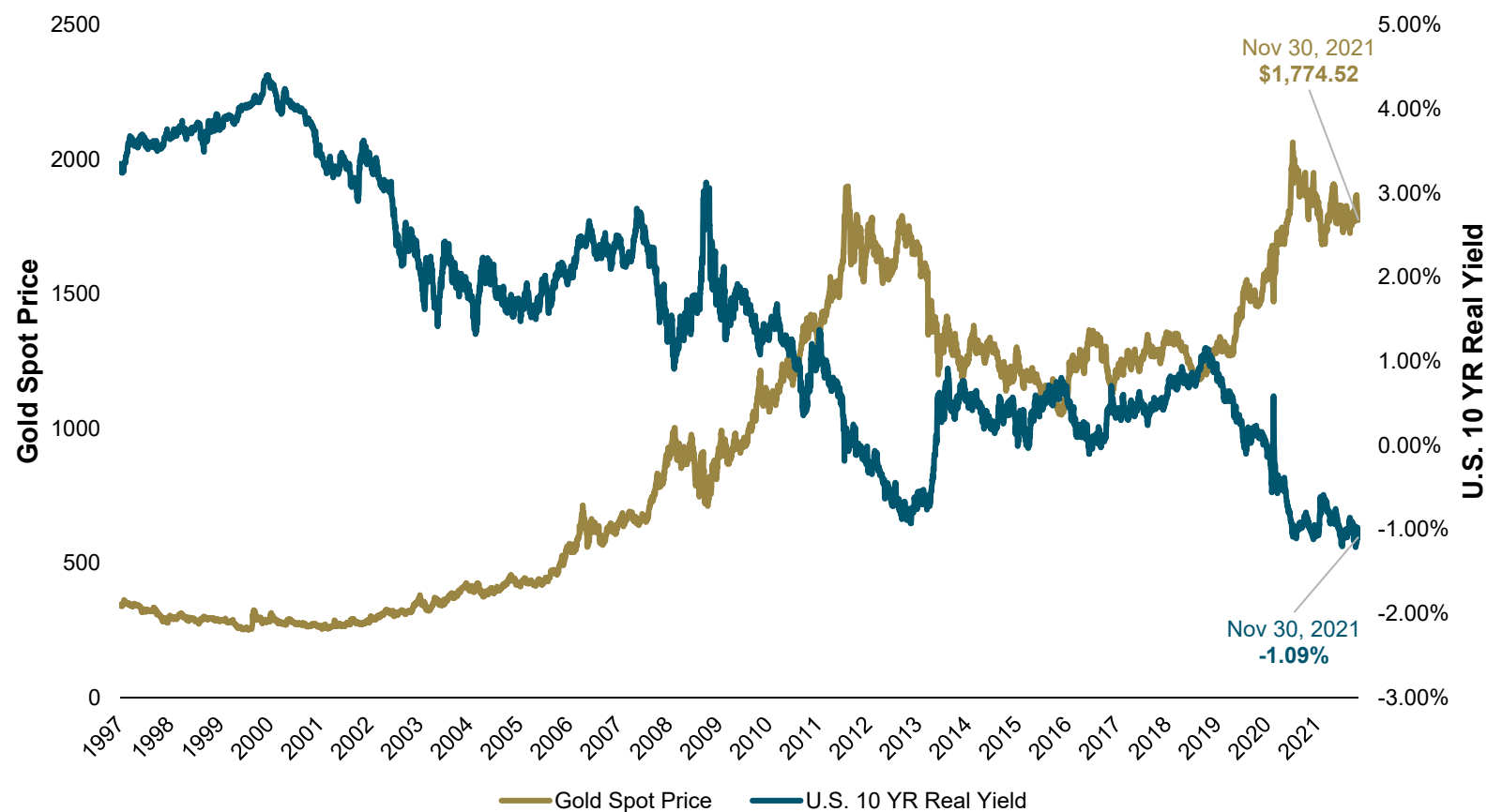
Gold vs. Stocks, Bonds and USD
Returns for Past 20 Years (11/30/2001 to 11/30/2021)



Source: Bloomberg. Period from 11/30/2001-11/30/2021. Gold is measured by GOLDS Comdty Spot Price; S&P 500 TR is measured by the SPX; US Agg Bond Index is measured by the Bloomberg Barclays US Agg Total Return Value Unhedged USD (LBUSTRUU Index); and the U.S. Dollar is measured by DXY Currency. You cannot invest directly in an index. Past performance is no guarantee of future results.

Gold Performs When Real Yields are Low

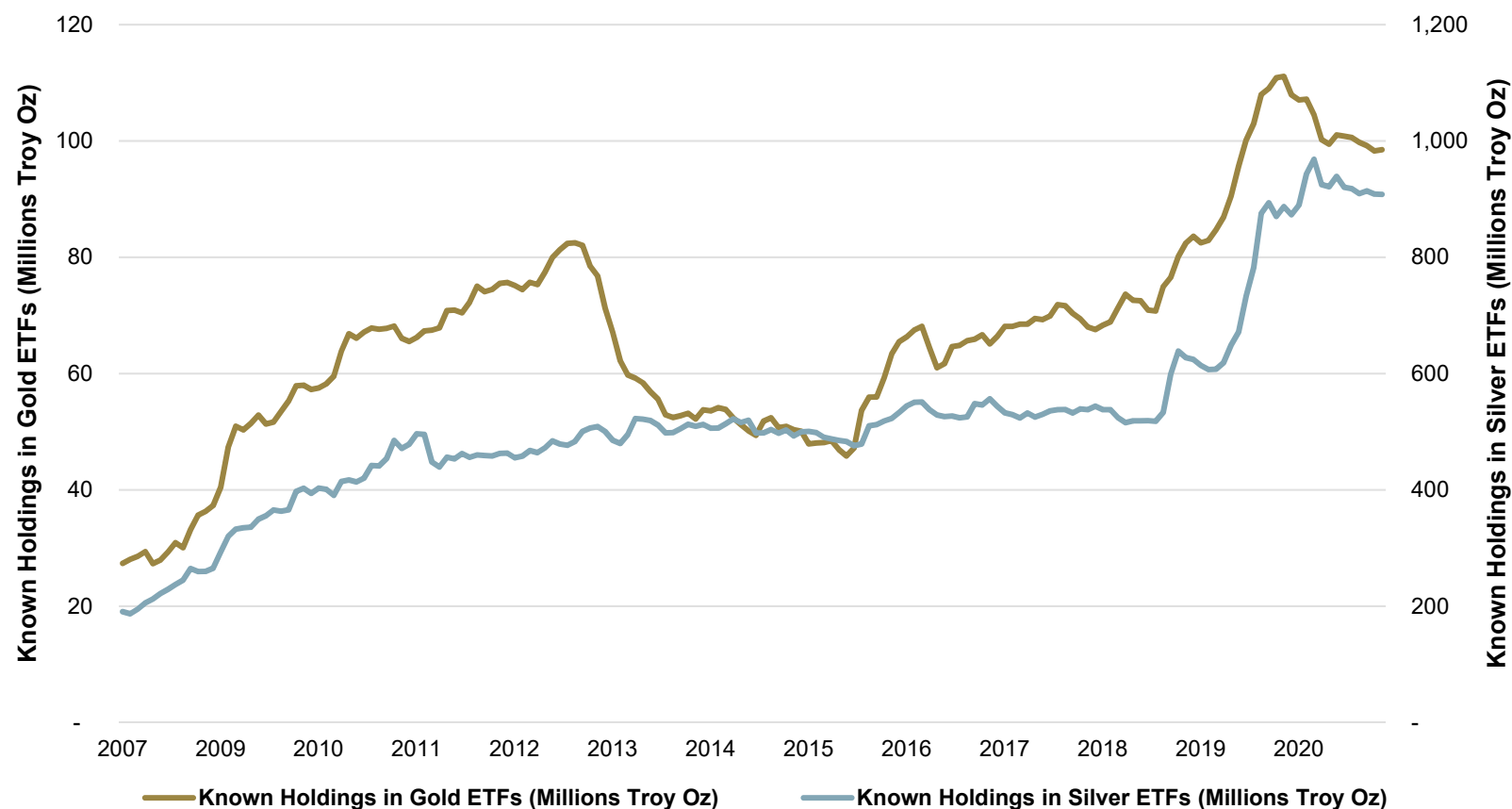
- Gold returns have been strongest as real yields are low and falling
- Today's policy makers may ensure that real yields stay low/negative



Source: Bloomberg as of 11/30/2021. U.S. 10 YR Real Yield Gold is measured by U.S. 10 YR TIPS Yield (USGGT10YR INDEX). GOLDS Comdty Spot Price. You cannot invest directly in an index. Past performance is not indicative of future results.

Investors are Betting on Gold & Silver

- Physical holdings in gold and silver continue to trend higher over the long-term in ETFs

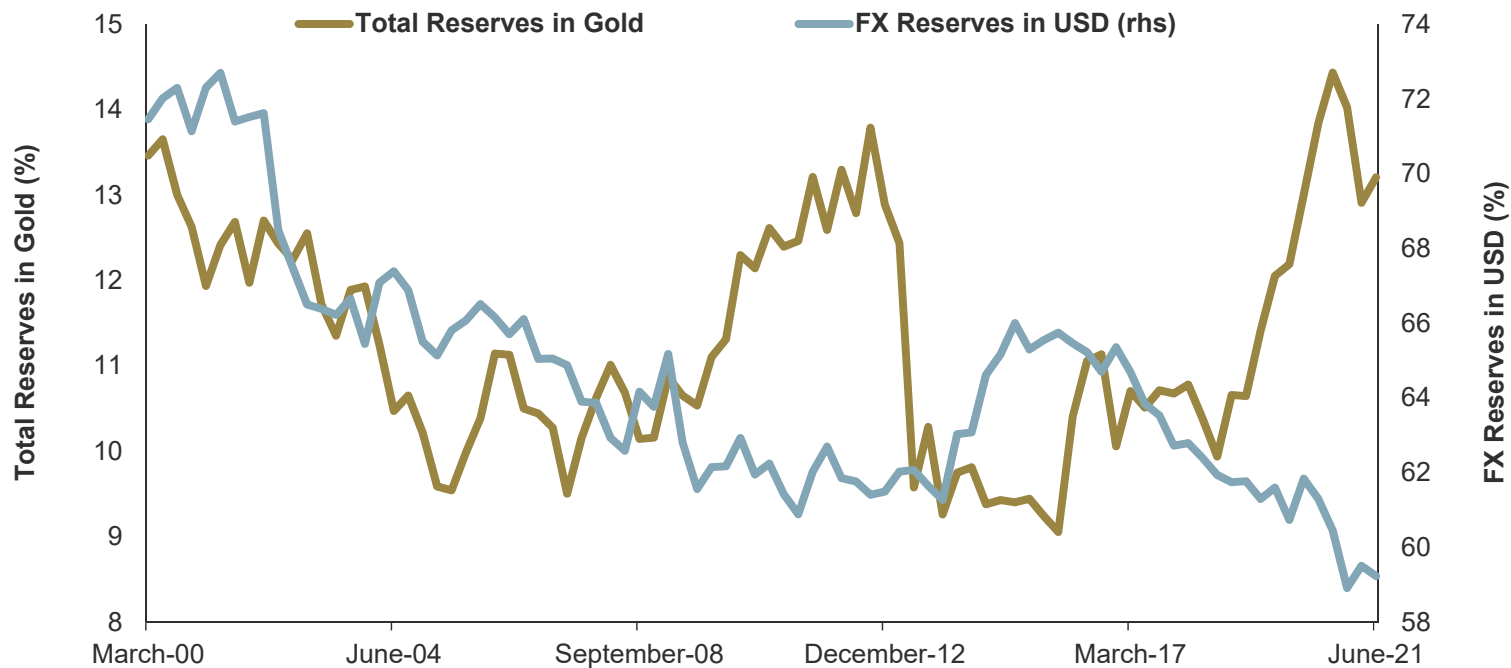


Source: Bloomberg as of 11/30/2021. Known Holdings in Gold ETFs measured by ETFGTOTL Index. Known Holdings in Silver ETFs measured by ETSITOTL Index.

Central Bankers are Betting on Gold

- Central Banks have been increasing reserves in gold while U.S. dollar holdings are diminishing

Central Bank Reserves in Gold and U.S. Dollar

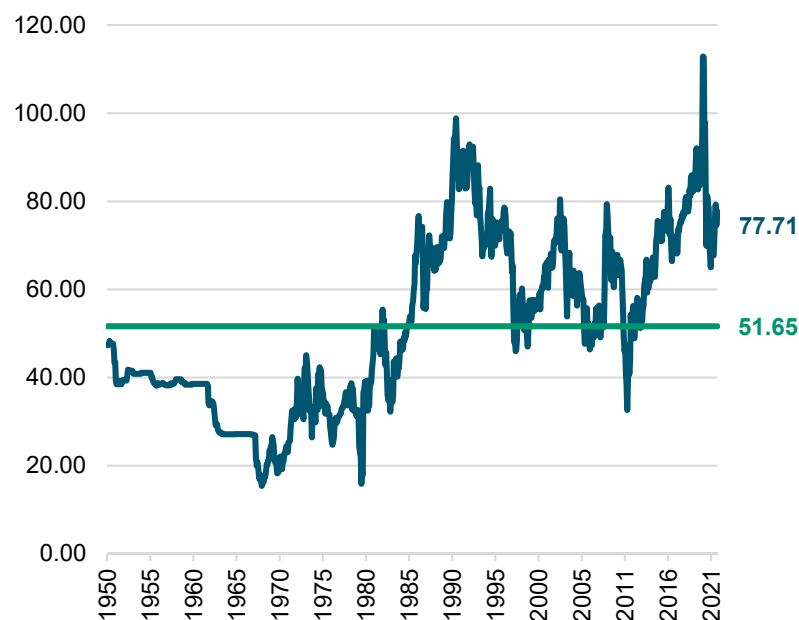


Source: Bloomberg, IMF, TDS Commodity Strategy, data as of 6/30/2021.

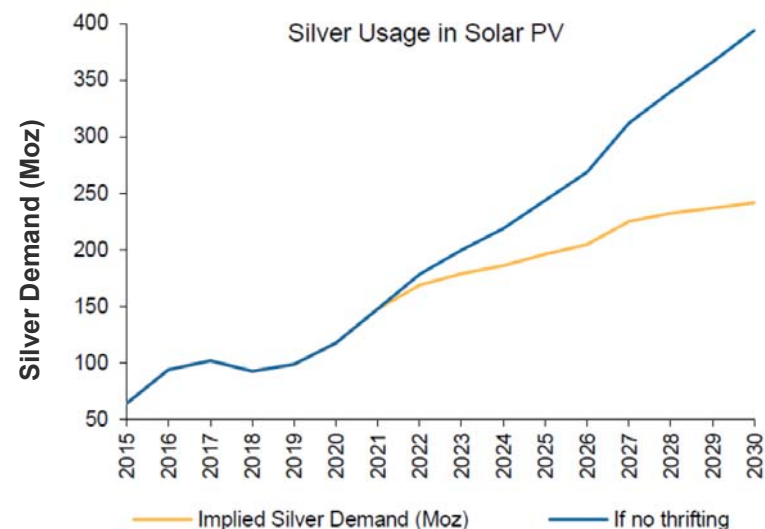
Silver Sentiment is Improving/Essential For Decarbonization

- Silver looks cheap relative to gold and sentiment is improving
- Silver demand should approach 250Moz but could be far greater without thrifting

Gold to Silver Ratio



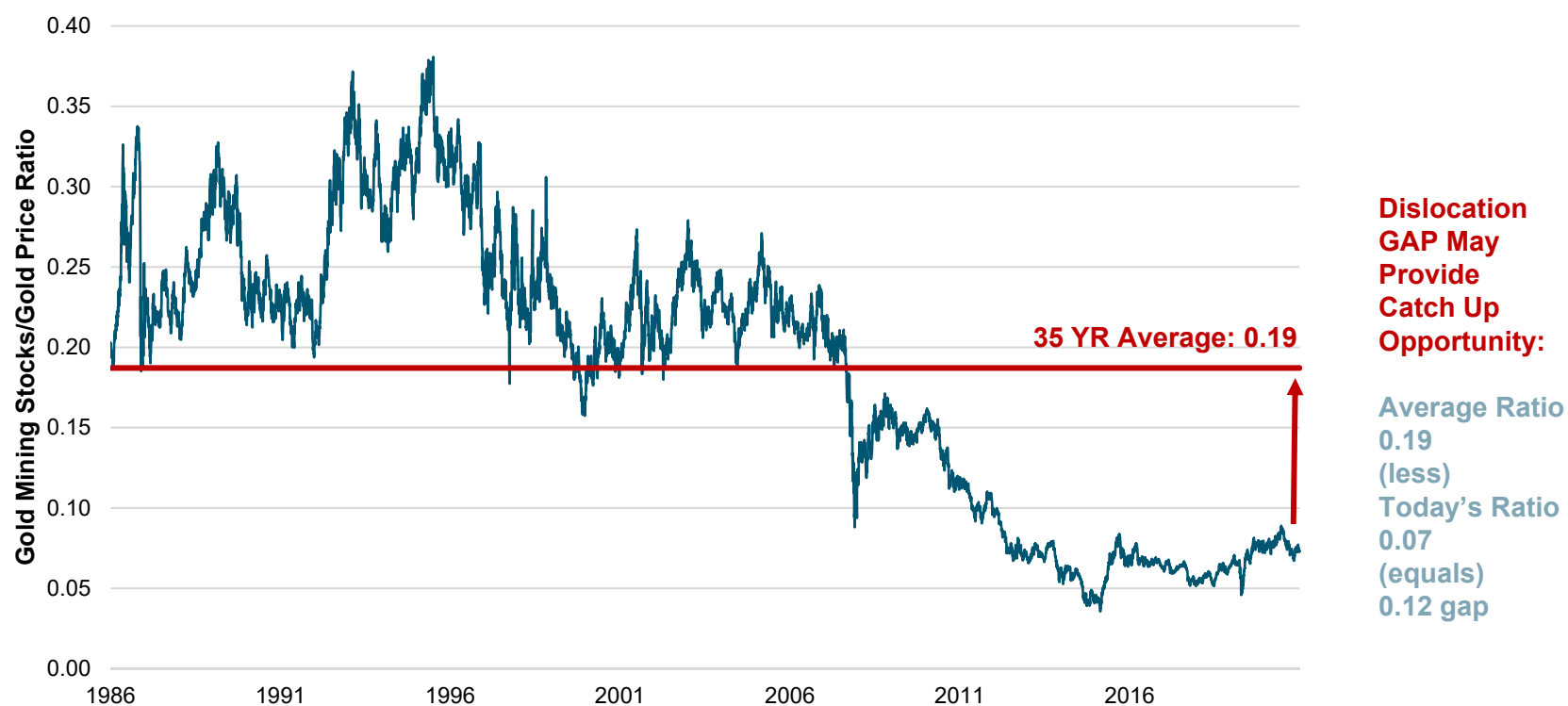
Silver Usage in Solar PV



Source: Bloomberg. Data as of 11/30/2020. Gold measured by GOLDS Comdty. Silver measured by XAG Curncy. Bloomberg NEF, SI, Company Reports, Macquarie Strategy, Dec 2021

Gold Miners Offering Deep Value versus Gold Bullion

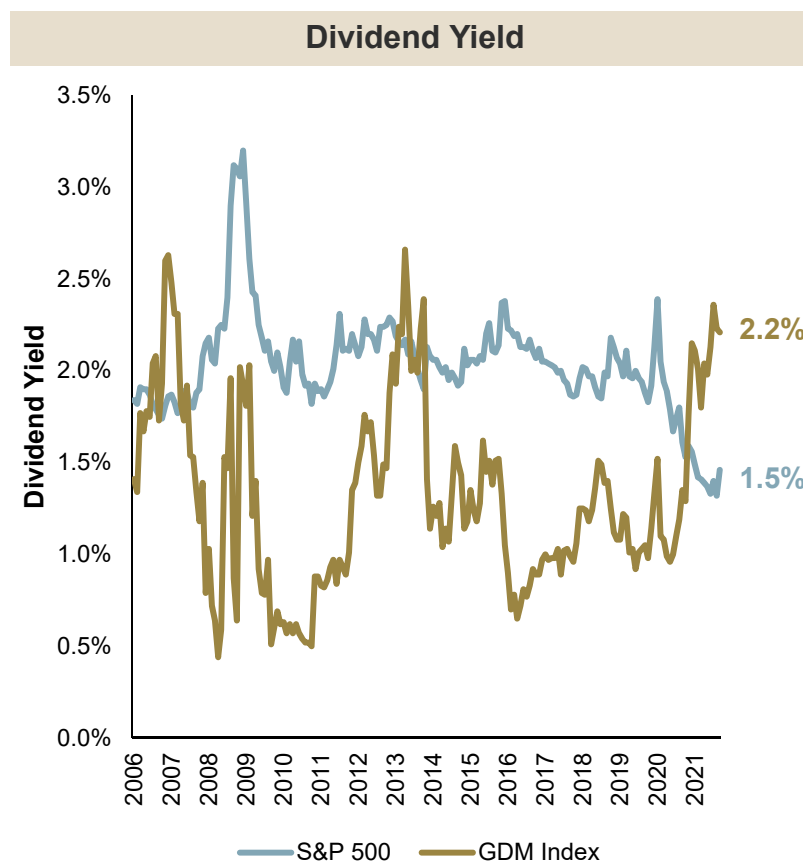
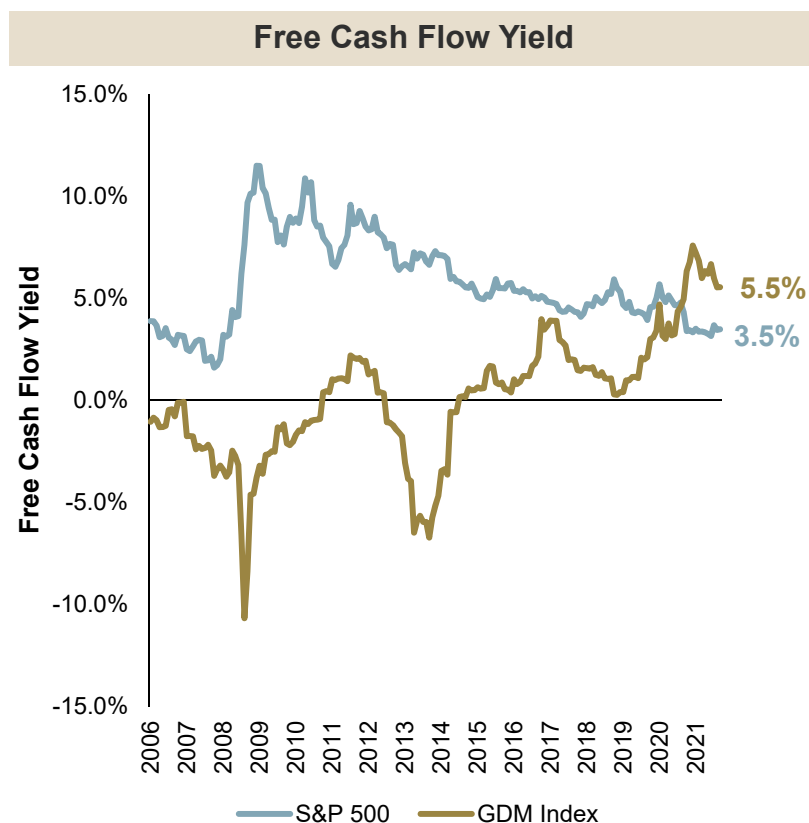
- There is a strong correlation between the price of gold and gold mining stocks, although they are not always in sync
- Gold mining equities are now near a 35-year low vs. gold. The ratio of miners to gold would need to increase 155% from its current level to return to the 35-year average ratio



Source: Bloomberg as of 11/30/2021. Gold is measured by the GOLDS Comdty Spot Price and gold equities by the Philadelphia (PHLX) Stock Exchange Gold and Silver Sector Index (XAU). The Philadelphia (PHLX) Stock Exchange Gold and Silver Index (XAU) is used versus the Philadelphia (PHLX) Stock Exchange Gold and Silver Sector Total Return Index (XXAU) for its longer historical track record. You cannot invest directly in an index. Past performance is no guarantee of future results.

Gold Miners Offering Attractive Yields

- For the first time in several years, gold miners are offering higher free cash flow and dividend yields than the S&P 500



Source: Bloomberg as of 11/30/2021. Gold Miners (GDM) represents the NYSE Arca Gold Miners Index (GDM INDEX). S&P 500 is measured by the SPX Index. You cannot invest directly in an index. Past performance is no guarantee of future results.

Portfolio Considerations



Bonds are “Dead” as a Diversifier

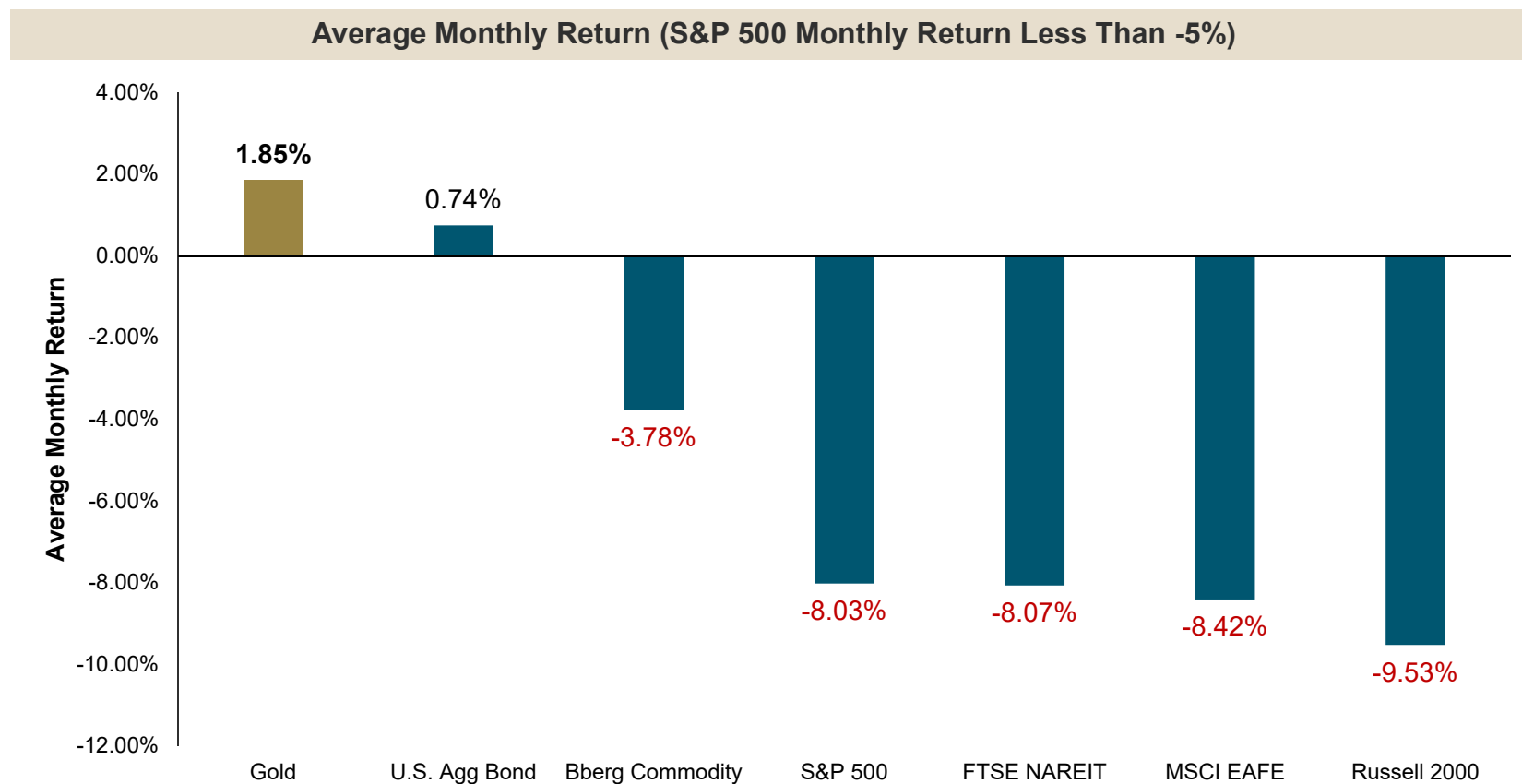


“Bonds are at a dead end as a portfolio diversifier for 60/40 portfolios...at 0% interest rates they offer minimal upside combined with substantial downside risk.”

– John Hathaway, Managing Director, Senior Portfolio Manager

Gold Offers Portfolio Protection

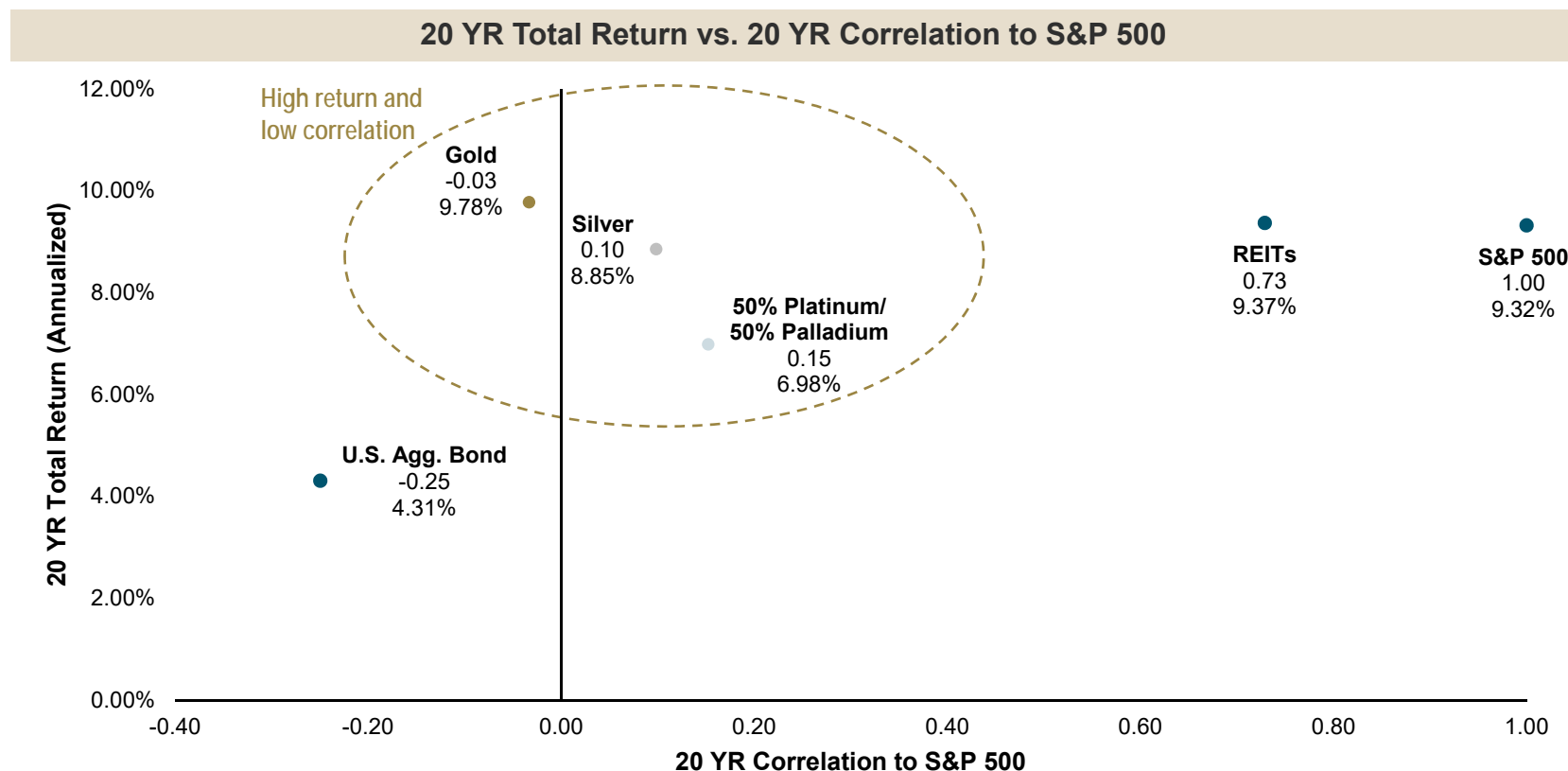
- Gold's average monthly return has been +1.85% when stocks have been negative -5% or more, besting other asset classes



Source: Bloomberg as of 11/30/2021 (reflects the past 20 years). Gold measured by GOLDS COMDTY Index, Bberg Commodity measured by BCOM TR Index, S&P 500 measured by SPX Index, Russell 2000 measured by RTY Index, MSCI EAFE measured by MXEA Index, U.S. Agg Bond measured by LBUSTRUU Index and FTSE NAREIT measured by FNER Index.

Precious Metals Have Offered High Portfolio Utility

- Precious metals have offered similar returns to stocks and real estate over the past 20 years but with high diversification

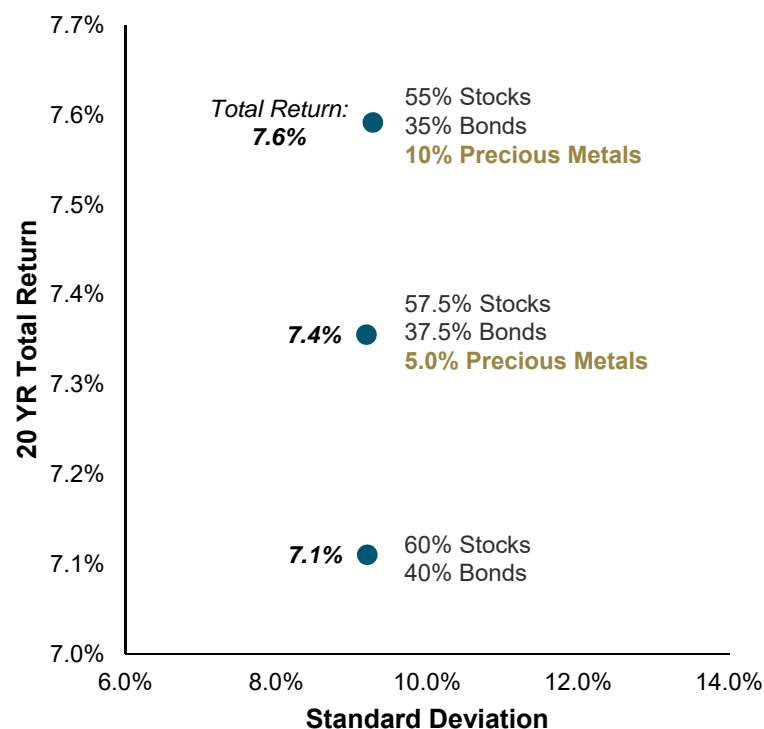


Source: Bloomberg. Data as of 11/30/2021. Measurement period reflects past 20 years; portfolios rebalanced monthly. S&P 500 refers to SPX Index; "U.S. Agg. Bond" refers to LBUSTRUU Index, reflective of the Bloomberg Barclays U.S. Aggregate Bond Index; "Gold" refers to GOLDS Comdty. "Silver" refers to XAG Curncy. "Platinum" reflects XPT Curncy. "Palladium" reflects XPD Curncy. 50% Platinum/50% Palladium portfolio rebalanced monthly. You cannot invest directly in an index. Past performance is no guarantee of future results.

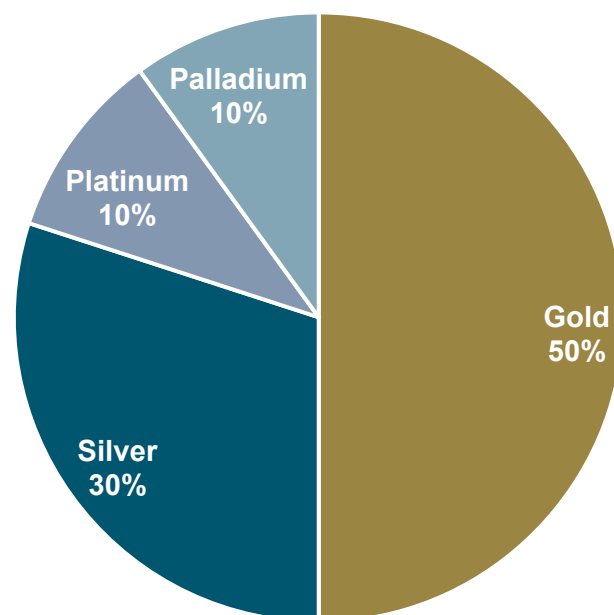
Consider Adding Precious Metals to Your Portfolio

- Adding precious metals has historically added return without sacrificing risk
- We suggest that adding between 5% and 10% to a diversified portfolio may increase returns

Risk vs. Total Return (Past 20 Years)



Hypothetical Precious Metals Allocation



Source: Bloomberg. Data as of 11/30/2021. Measurement period reflects past 20 years; portfolios rebalanced monthly. "Stocks" refers to MXWO Index reflective of the MSCI World Index; "Bonds" refers to LBUSTRUU Index, reflective of the Bloomberg Barclays U.S. Aggregate Bond Index; "Gold" refers to GOLDS Comdty. "Silver" refers to XAG Curncy. "Platinum" reflects XPT Curncy. "Palladium" reflects XPD Curncy. You cannot invest directly in an index. Past performance is no guarantee of future results.

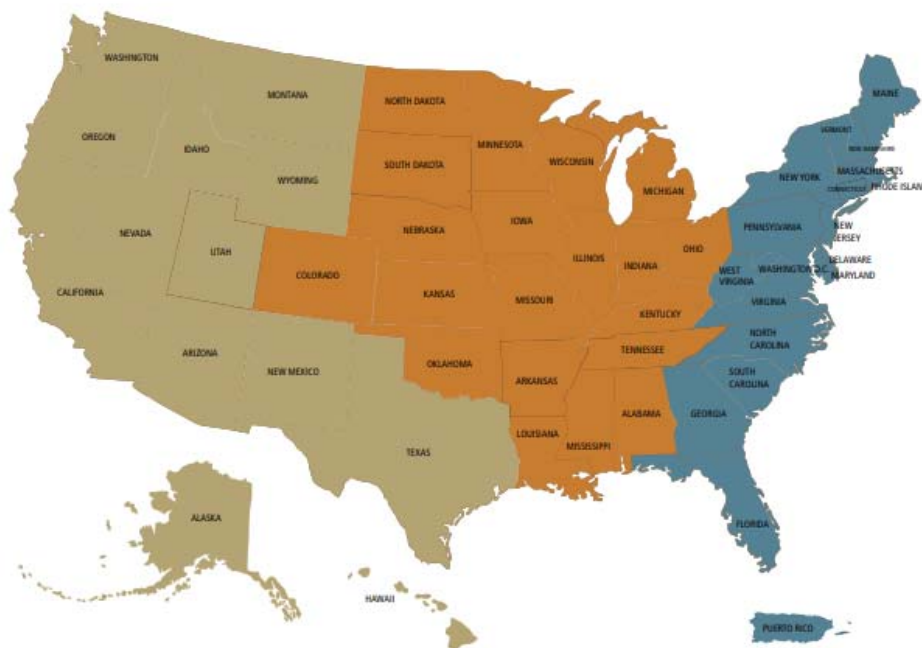
Sprott's Commodity and Real Asset Investment Strategies

A Range of Investment Options

Physical Trusts	Active Gold Equities with Physical Gold	Passive Gold Equities
<ul style="list-style-type: none"> • Sprott Physical Gold Trust * (NYSE Arca: PHYS) • Sprott Physical Gold and Silver Trust* (NYSE Arca: CEF) • Sprott Physical Silver Trust* (NYSE Arca: PSLV) • Sprott Physical Platinum and Palladium Trust* (NYSE Arca: SPPP) • Sprott Physical Uranium Trust* (TSX: U.U, U.UN) 	<ul style="list-style-type: none"> • Sprott Gold Equity Fund (SGDLX) <ul style="list-style-type: none"> • Invests in gold stocks across the market-cap spectrum • Up to 20% in physical gold to reduce volatility 	<ul style="list-style-type: none"> • Sprott Gold Miners ETF (NYSE Arca: SGDM) <ul style="list-style-type: none"> • Invests in primarily large- and mid-cap gold companies • Sprott Junior Gold Miners ETF (NYSE Arca: SGDJ) <ul style="list-style-type: none"> • Invests in primarily small-cap gold companies

See following page for disclosures regarding these investment products. *Must be preceded or accompanied by a prospectus. Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the prospectuses which should be considered carefully before investing. You can obtain prospectuses by calling 888.622.1813.

Sprott Regional and National Sales Coverage



Ed Coyne

Senior Managing Director, Global Sales
646.599.0859 | ecoyne@sprottusa.com

Public Funds

- **Matt Harrison** (Western Region)
Senior Investment Consultant
416.945.3313 | mmharrison@sprott.com
- **Julia Hathaway** (Central Region)
Senior Investment Consultant
212.784.6849 | jchathaway@sprottusa.com
- **Sergio Lujan** (Eastern Region & Canada)
Senior Investment Consultant
416.945.6223 | slujan@sprott.com

Key Accounts

John H. Kinnane, CIMA®
Director, National Accounts
401.787.7525 | jkinnane@sprottusa.com

Private Funds

Chris von Strasser (Global)
Director of Institutional Sales
415.857.4090 | cstrasser@sprottusa.com

Q&A/Contact Information



Sprott

Ed Coyne

Senior Managing Director, Global Sales
Sprott Inc.

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

ecoyne@sprottusa.com

888.622.1813
invest@sprott.com

Visit sprott.com

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Sprott Gold Equity Fund

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the [fund prospectus](#) which should be considered carefully before investing. [Click here](#) to obtain the prospectus or call 888.622.1813.

Sprott Gold Equity Fund invests in gold and other precious metals, which involves additional and special risks, such as the possibility for substantial price fluctuations over a short period of time; the market for gold/precious metals is relatively limited; the sources of gold/precious metals are concentrated in countries that have the potential for instability; and the market for gold/precious metals is unregulated. The Fund may also invest in foreign securities, which are subject to special risks including: differences in accounting methods; the value of foreign currencies may decline relative to the U.S. dollar; a foreign government may expropriate the Fund’s assets; and political, social or economic instability in a foreign country in which the Fund invests may cause the value of the Fund’s investments to decline. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund.

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 sprottets.com or call 888.622.1813. 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.

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Sprott Inc. | Royal Bank Plaza, South Tower | 200 Bay Street, Suite 2600 | Toronto, Ontario M5J 2J1, Canada | Telephone: 888.622.1813