



# Uranium Miners and the Clean Energy Opportunity

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Webcast: May 17, 2022

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**Sprott**

# Featured Speakers

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**Tim Rotolo**, Founder and CEO, North Shore Indices, Inc.

Tim Rotolo is the Founder and CEO of North Shore Indices, Inc., the creator of several unique indexes, including the North Shore Global Uranium Mining Index (URNMX). Tim also co-founded Sachem Cove Partners and is the founder of Lloyd Harbor Capital Management, LLC. Before founding LHCM, Tim was a Vice President at Sandalwood Securities, Inc. a \$1.25 billion fund of hedge funds focused on distressed, credit and event-driven strategies. Tim was a member of Sandalwood Securities' research team and Investment Committee. Prior to joining Sandalwood in February 2009, he worked in Merrill Lynch's Private Banking and Investment Group. Tim received his BA degree from Tufts University.



**John Ciampaglia**, Chief Executive Officer, Sprott Asset Management; Senior Managing Director, Sprott Inc.

John Ciampaglia has more than 26 years of investment industry experience and serves as Chief Executive Officer of Sprott Asset Management and as Senior Managing Director of Sprott Inc. Previously, he was the Chief Operating Officer of Sprott Asset Management and Executive Vice President of Sprott Inc. Before joining Sprott in 2010, he was a Senior Executive at Invesco Canada and held the position of Senior Vice President, Product Development, responsible for strategic initiatives and for overseeing the product development function across multiple product lines and distribution channels. Prior to joining Invesco Canada, he spent more than four years at TD Asset Management, where he held progressively senior product management and research roles. Mr. Ciampaglia earned a Bachelor of Arts in Economics from York University, is a CFA® charterholder and a Fellow of the Canadian Securities Institute.



**Edward C. Coyne**, Senior Managing Director, Global Sales, Sprott Inc.

Ed Coyne joined Sprott in January 2016 and has more than 26 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

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## **John Ciampaglia, CFA**

*Chief Executive Officer, Sprott Asset Management; Senior Managing Director, Sprott Inc.*

- Energy Transition & Security: Clear Catalysts for Nuclear Power & Uranium
- A New Uranium Bull Market is Underway



## **Tim Rotolo**

*Founder and CEO, North Shore Indices, Inc.*

- Why Invest in Uranium Miners Now?
- History of the North Shore Global Uranium Mining Index (URNMX)



## **Ed Coyne**

*Senior Managing Director, Sprott Asset Management*

- How do Uranium Miners Fit in an Investment Portfolio?
- Questions/Answers

# Global Leader in Precious Metals & Real Assets Investments

# Sprott

US\$23.7B in AUM<sup>1</sup>

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

Exchange Listed Products	Managed Equities	Lending	Brokerage & Other
<b>\$17.9B AUM</b>	<b>\$3.6B AUM</b>	<b>\$1.4B AUM</b>	<b>\$0.8B AUM</b>
Physical Bullion Trusts (NYSE Arca Listed) <ul style="list-style-type: none"> <li>➤ <b>PHYS</b></li> <li>➤ <b>SPLV</b></li> <li>➤ <b>CEF</b></li> <li>➤ <b>SPPP</b></li> </ul> Physical Commodity Trusts (TSX Listed) <ul style="list-style-type: none"> <li>➤ <b>SPUT</b></li> </ul> Gold Mining Equity ETFs (NYSE Arca Listed) <ul style="list-style-type: none"> <li>➤ <b>SGDM</b></li> <li>➤ <b>SGDJ</b></li> </ul> Uranium Mining Equity ETF (NYSE Arca Listed) <ul style="list-style-type: none"> <li>➤ <b>URNM</b></li> </ul>	<ul style="list-style-type: none"> <li>• Flagship U.S. gold equity mutual fund               <ul style="list-style-type: none"> <li>➤ <b>SGDLX</b></li> </ul> </li> <li>• Closed-End Value Strategy (NASDAQ Listed)               <ul style="list-style-type: none"> <li>➤ <b>FUND</b></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Bespoke credit investments to mining and resource companies</li> <li>• Cohesive team of credit and financing experts</li> <li>• Long dated streams and royalties</li> </ul>	<ul style="list-style-type: none"> <li>• Capital raising and advisory services to natural resource companies</li> <li>• Wealth management services for individual investors in the U.S. and Canada</li> </ul>

<sup>1</sup> Sprott Inc. AUM as of March 31, 2022.

# Sprott is a Leading Provider of Uranium Investments

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Sprott is the largest manager of uranium investments in the world\* with approximately \$4.5 billion in uranium related, energy-transition AUM, as of April 21, 2022.

**Sprott Physical Uranium Trust**  
(TSX: U.UN)  
~\$US3B



**Sprott Uranium Miners ETF**  
(NYSE: URM)  
~\$US1B



\*According to Morningstar as of April 22, 2021.

# Energy Transition & Security: Clear Catalysts for Nuclear Power & Uranium

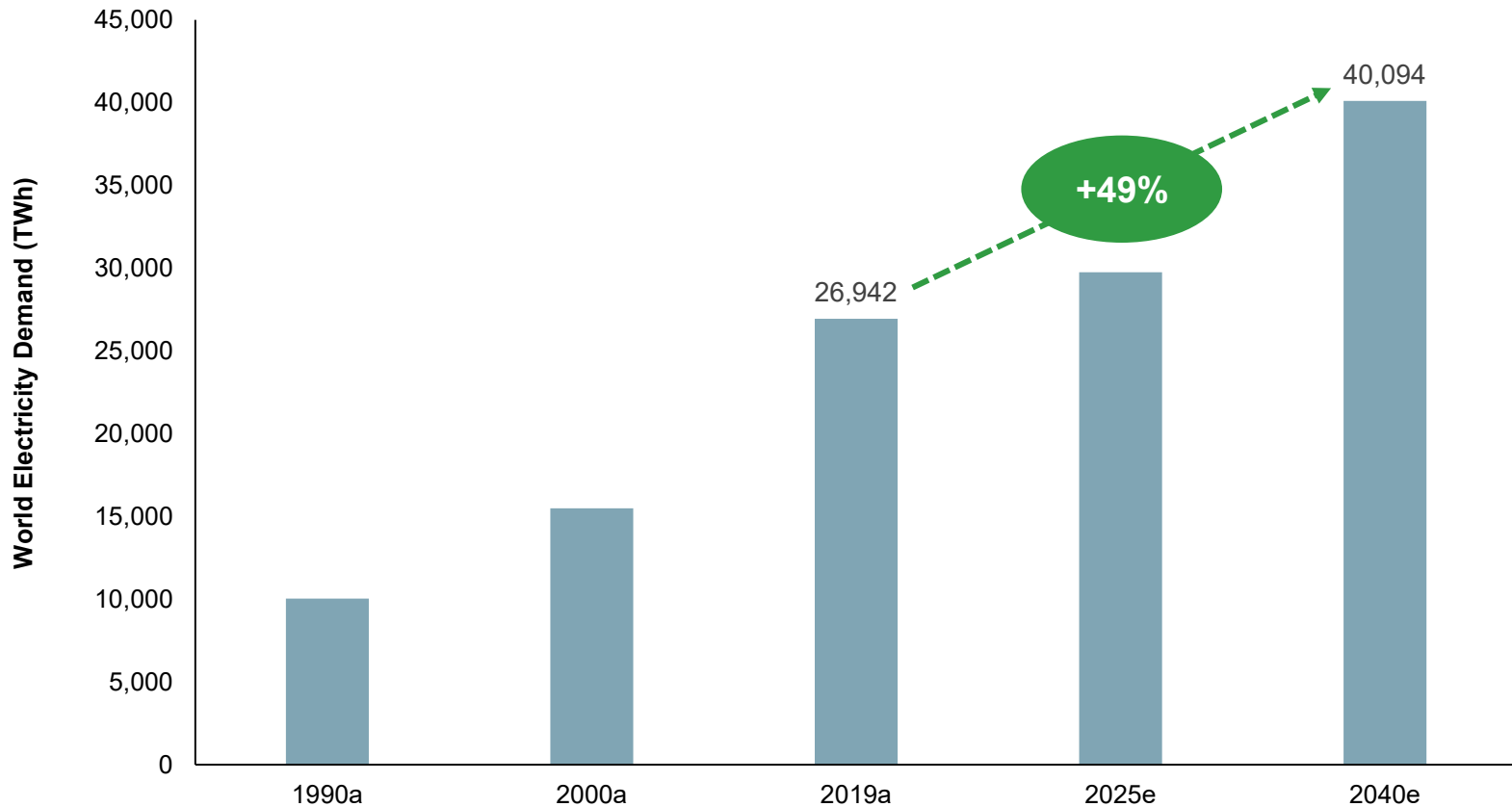
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John Ciampaglia



# Global Demand for Energy Estimated to Increase

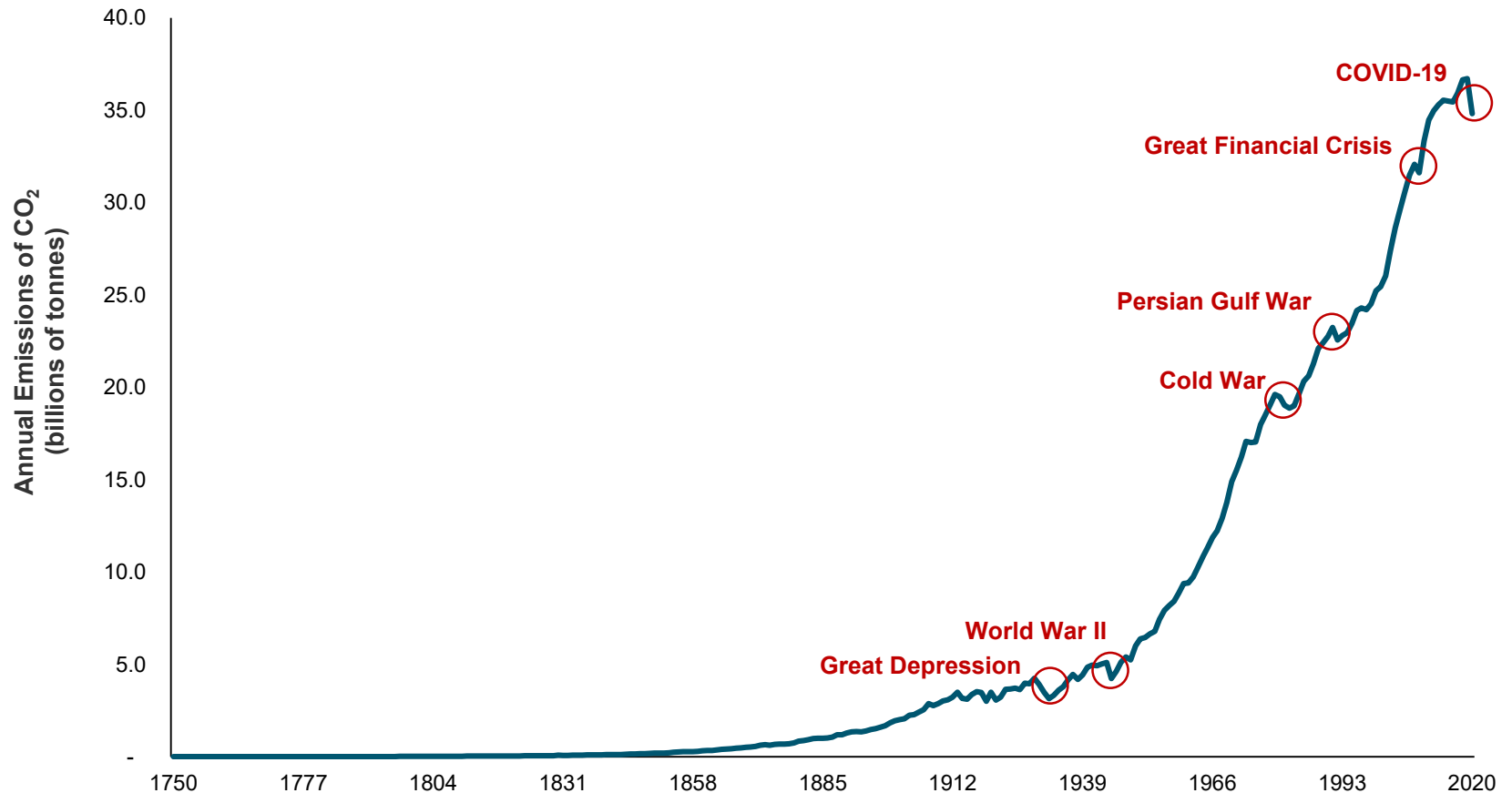
- By 2040, global electricity demand is expected to increase by 49% from 2019 levels



Source: IEA World Energy Outlook 2020 Stated Policies. Electricity demand is defined as total gross electricity generated less own use generation, plus net trade (imports less exports), less transmission and distribution losses.

# Global Annual CO<sub>2</sub> Emissions

- Carbon emissions from CO<sub>2</sub> continues to rise exponentially each calendar year
- Geopolitical/economic shocks had only minimal and temporary impacts



Source: Global Carbon Project as of 12/31/2020.



# Global Policy Initiatives Support Nuclear Energy

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- The U.S., Europe, China and Japan are recognizing nuclear's vital role as a carbon-free energy source

## United States

- Biden's infrastructure bill now in place:
  - ✓ Production tax credit to support at-risk power plants (\$6B through 2026)
  - ✓ Funding secured for \$3.5B of advanced nuclear power
  - ✓ \$8B to support hydrogen which may include nuclear power

## European Union (EU)

- EU Taxonomy near conclusion
- Netherlands earmarks EUR5B for new nuclear support by 2030
- Reactor life extensions in Czech Republic, Sweden and Finland announced
- France announces 6 new reactors and potentially 8 more of large scale capacity reactors

## China

- Planning to produce 20% of electricity from non-fossil sources by 2030
- China intends to build 150 new nuclear reactors over the next 15 years and are generally on target

## Japan

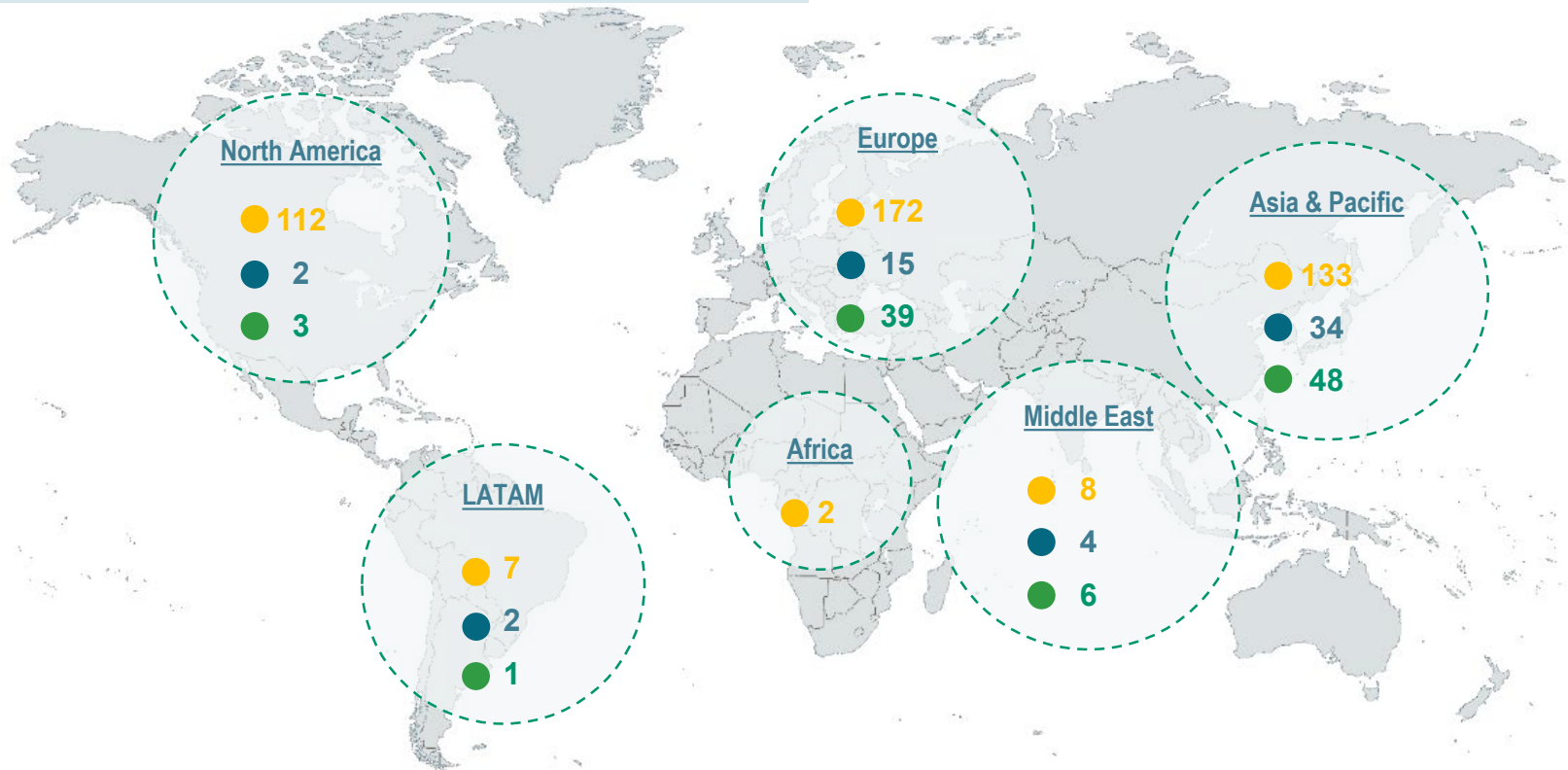
- 8 years after Fukushima disaster, gave initial approval to restart Onagawa reactor
- Plans to generate 20% of its energy from reactors by 2030

Source: World Nuclear News. "US FY2022 budget request includes record for nuclear energy" June 2, 2021. NucNet. "European Taxonomy/ Commission Announces Plans to Include Nuclear Energy" April 21, 2021. "Nuclear Makes a Comeback in Netherlands" December 15, 2021. IAEA "China highlights nuclear innovation to meet climate goals at IAEA conference" October 9, 2019. World Economic Forum "This is what nuclear power looks like 8 years after Fukushima" December 11, 2019. Whitehouse.gov "Biden-Harris Advances Cleaner Industrial Sector" February 15, 2022. Reuters. "Macron bets on nuclear in carbon-neutrality push, announces new reactors" February 10, 2022. Bloomberg. "China's Climate Goals Hinge on a \$440 Billion Nuclear Buildout" November 2, 2021.

# Nuclear Reactors in the World Today

- There are now 434 operational reactors globally with 57 under construction and 97 planned
- Newly constructed nuclear reactors demonstrate greater efficiency than older models

- Operational Reactors: 434
- Reactors Under Construction: 57
- Reactors Planned for Construction: 97



Source: World Nuclear Association as of 1/31/2022.

# Energy Security Takes Center Stage

*Belgium delays nuclear energy exit 10 years due to Ukraine war*



*U.S. working on uranium strategy, should not import from Russia -Granholm*



**REUTERS®**

*As Russia attacks Ukraine, experts weigh European 'renaissance' for nuclear energy*

**Grist**

*Government signaling u-turn in nuclear energy policy*

**The Korea Times**

*Eye-Watering Energy Prices Spark a Nuclear Power Rethink*

**Bloomberg**

*Japan ruling party pushes for nuclear energy use amid Ukraine crisis*

**The Mainichi**

**Dates of publication:**

France24: 3/18/2022

Reuters: 5/5/2022

Grist: 4/7/2022

The Korea Times: 5/11/2022

Bloomberg: 3/2/2022

The Mainichi: 3/11/2022

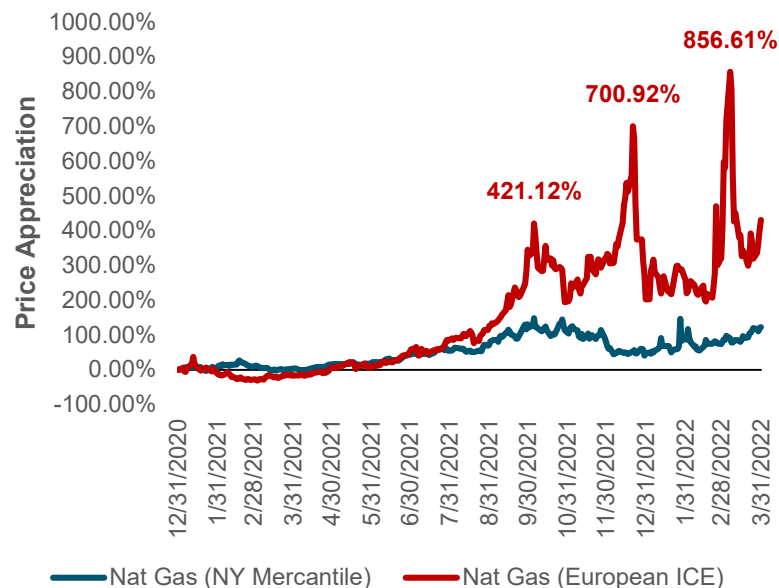
# Nuclear Power May Offer Greater Energy Security

- In the wake of Russian sanctions, the European Union (“EU”) released a 10-Point Plan on how to reduce its reliance on Russian Natural Gas, promoting nuclear energy as part of their solution
- On May 4, the EU proposed a ban on oil from Russia, its main energy supplier while urging the adoption of green tech/renewable energy sources

## Select Points from the EU’s 10 Point Plan<sup>1</sup>

- ~45% of the EU’s natural gas was imported from Russia in 2021; there will be no new gas supply contracts with Russia
- Nuclear power is already the largest source of low emissions electricity in the EU
- Restarting offline reactors may add up to 20 TWh of energy in 2022
- Continuing planned reactor closures would dent this recovery in output:
  - ✗ Four reactors are slated to be shut down in 2022 and one in 2023
- Delay of these closures could cut the EU gas demand by almost 1 billion cubic meters of natural gas per month

## Natural Gas Price Appreciation (EU vs. U.S.)



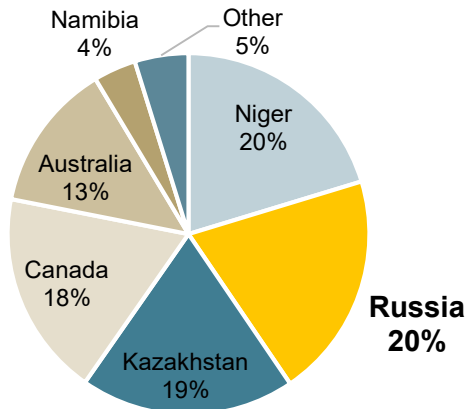
<sup>1</sup> IEA: A 10-Point Plan to Reduce the European Union’s Reliance on Russian Natural Gas. <https://iea.blob.core.windows.net/assets/1af70a5f-9059-47b4-a2dd-1b479918f3cb/A10-PointPlanToReduceTheEuropeanUnionsRelianceOnRussianNaturalGas.pdf>

Source: Bloomberg as of 3/31/2022. Nat Gas Prices (USA) refers to NG1 Comdty. Nat Gas Prices (European) refers to FN1 Comdty.

# Russia...Nuclear Fuel Supply Chain

- “Currently, the global nuclear industry relies on Russia for approximately 14% of its supply of uranium concentrates, 27% of conversion supply and 39% of enrichment capacity. “**Cameco Earnings Transcript for Q1 2022**
- The U.S. and EU import 16% and 20%, respectively, of their enriched uranium from Russia
- With the threat of sanctions and self-sanctions, Western utilities will pivot away from Russian supplies. However, there will not be sufficient capacity in North America and Europe to enable this transition.

EU Uranium Supply Sources (2020)



Estimated World Primary Conversion Capacity (2020)

Company	Country	Nameplate Capacity	Capacity Utilization	% Utilization	% of Total
Orano	France	15,000	2,600	17%	8%
CNCC	China	15,000	8,000	53%	25%
Cameco	Canada	12,500	9,000	72%	28%
<b>Rosatom</b>	<b>Russia</b>	<b>12,500</b>	<b>12,000</b>	<b>96%</b>	<b>38%</b>
ConverDyn	USA	7,000	0	0%	0%
Total		62,000	31,600	51%	100%

Source: World Nuclear Association, U.S. Energy Information Administration, World Nuclear as of 12/31/2020, latest available data.  
[CCO-transcript-2022-Q1-call.pdf](#)

# A New Uranium Bull Market is Underway

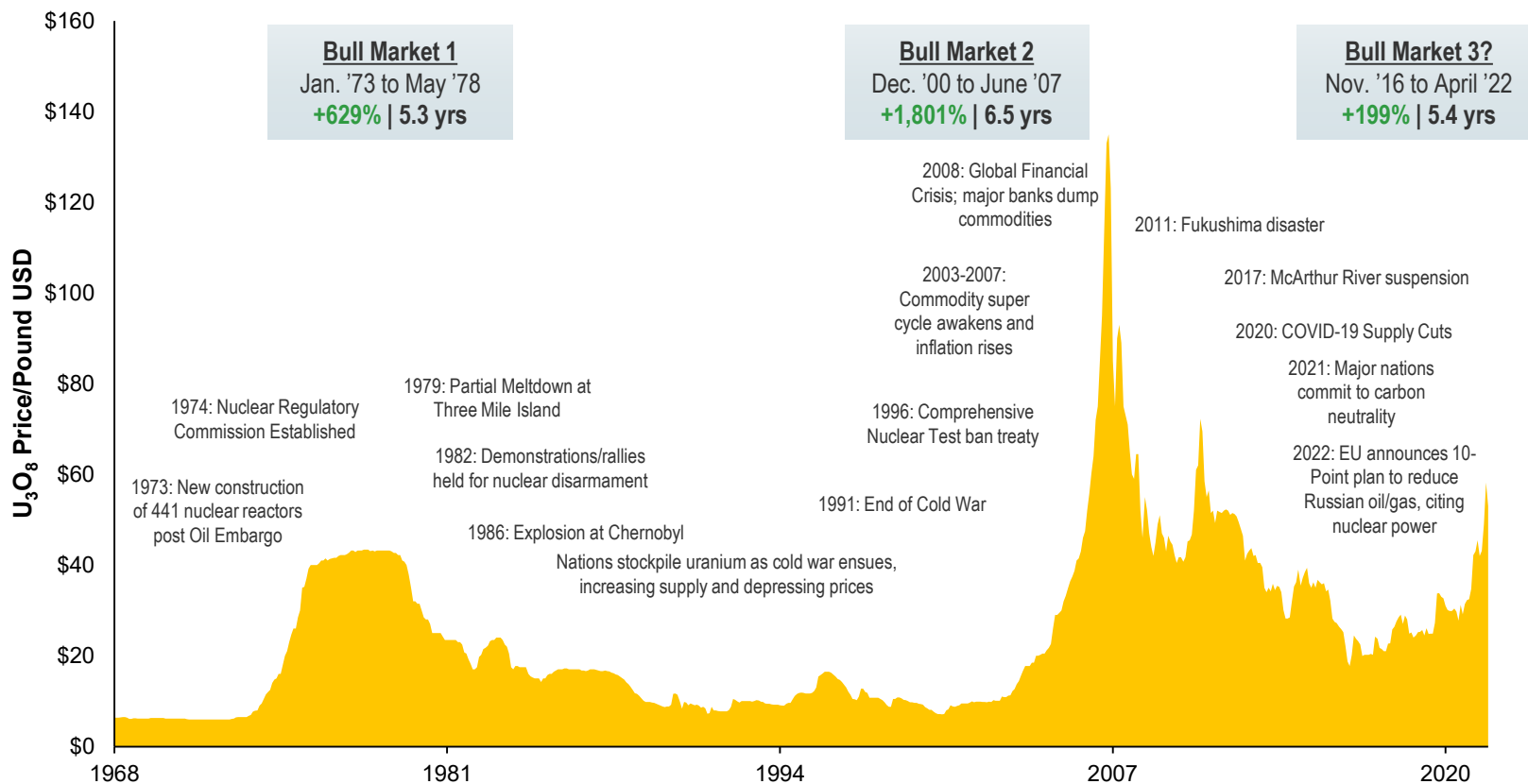
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John Ciampaglia



# New Uranium Bull Market is Underway

- Uranium is emerging out of a protracted bear market
- Growing production/demand imbalance and future utility contracting provide primary price support



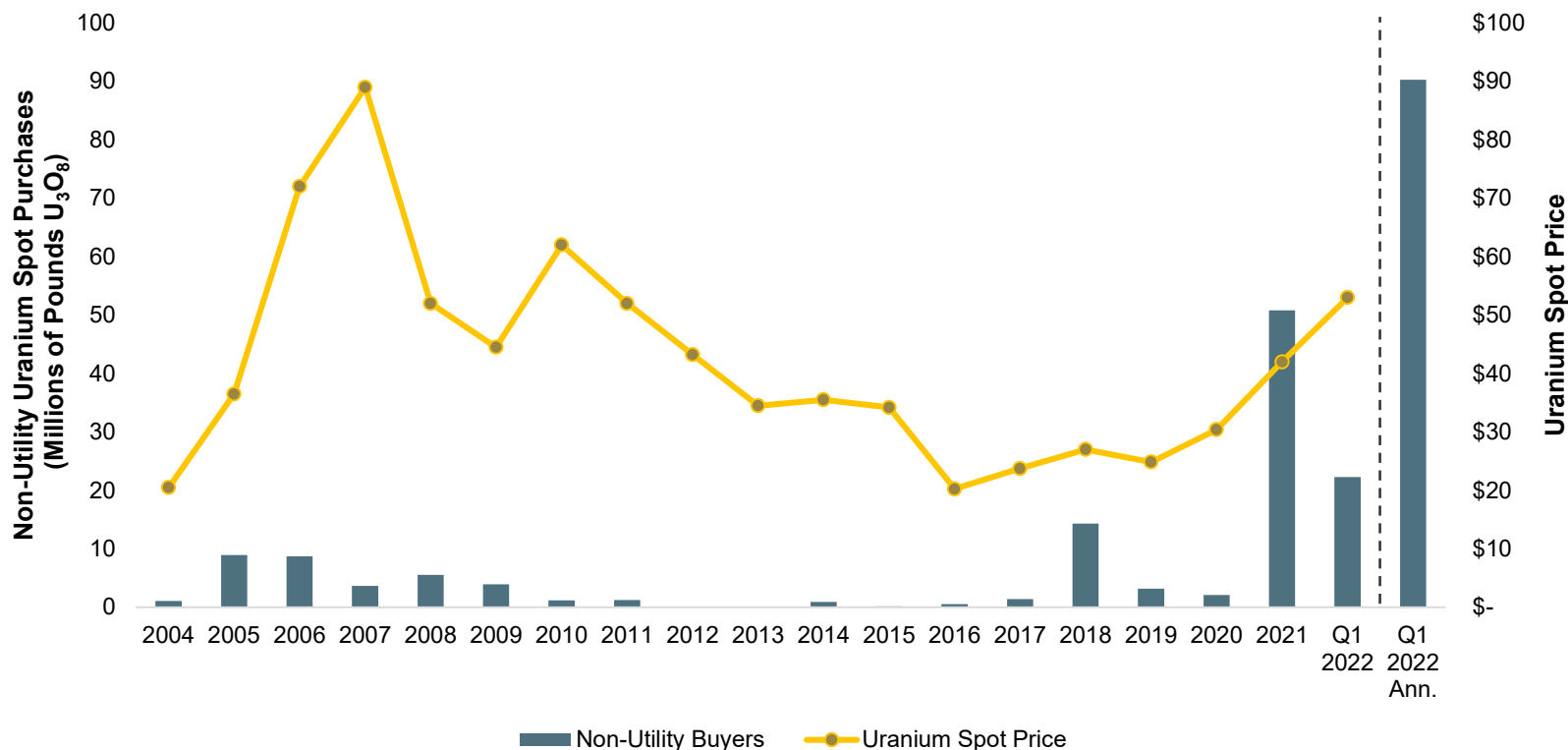
Note: A “bull market” refers to a condition of financial markets where prices are generally rising. A “bear market” refers to a condition of financial markets where prices are generally falling.

Source: TradeTech LLC. Data as of 4/30/2022.



# Uranium Buying is Accelerating

- Non-utility buying of spot uranium has historically pre-empted rising prices
- Financial investors and junior speculators had record-high spot uranium purchases in 2021 which is continuing in 2022

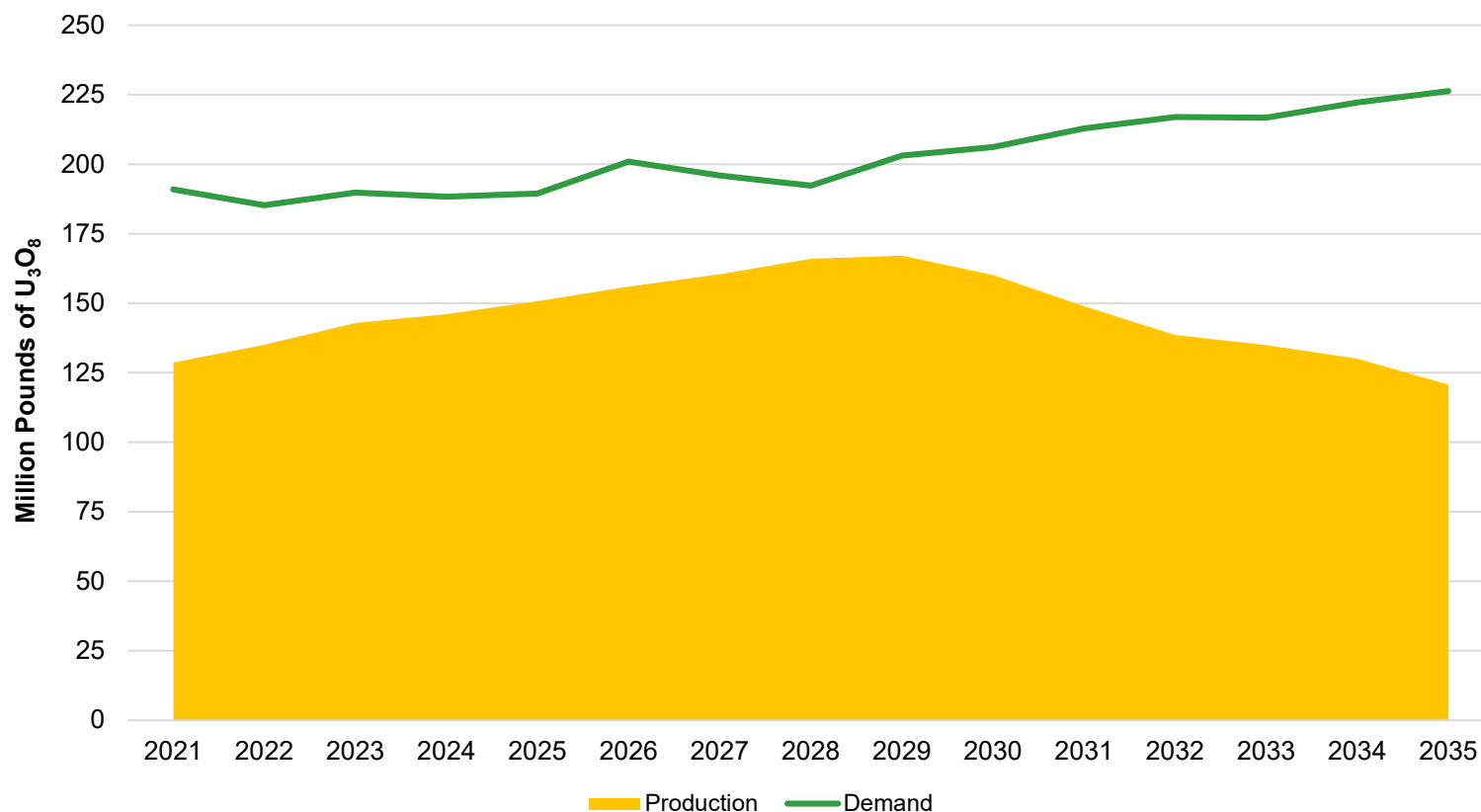


Note: Represents known purchases from Hedge Funds, Investment Funds and Junior Speculators. Data may not be wholly inclusive of all purchases due to lack of transparency. 2022 reflects annualized estimated figure based on data from UxC LLC.  
Source: TradeTech LLC and UxC LLC. Uranium Spot Price data as of 4/30/2022; Non-Utility Buyers data as of 3/31/2022.



# Uranium Production & Demand Imbalance Likely to Grow

- Uranium demand is projected to grow and outstrip waning production
- New production unlikely to come online without higher prices
- Production/demand gap is currently filled with a finite secondary supply

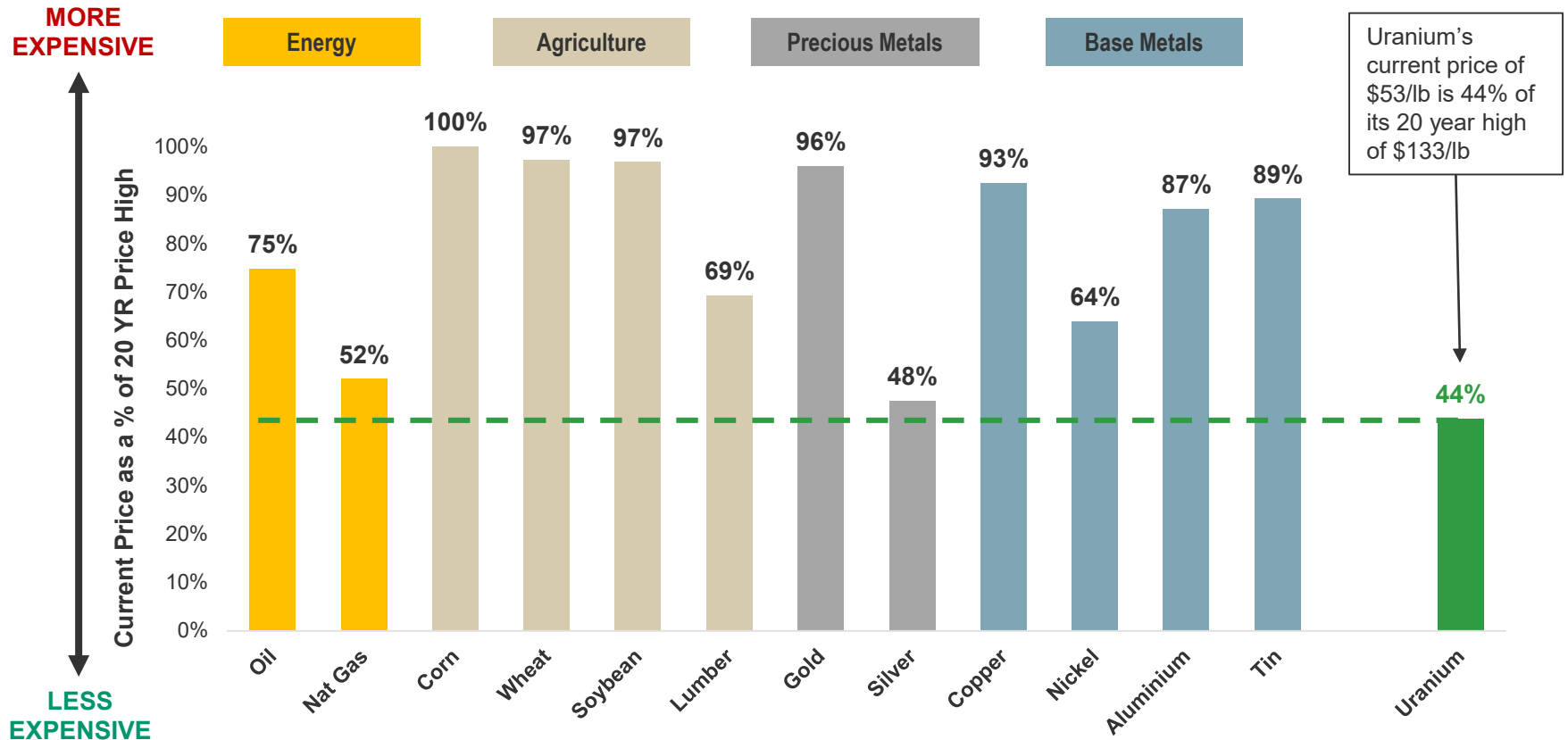


Source: UxC LLC. Data as of Q2 2021. Methodology for estimates is outlined in the International Atomic Energy Agency report "Analysis of Uranium Supply to 2050," available at [https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104\\_scr.pdf](https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104_scr.pdf).

# Uranium is Offering Relative Value versus Other Commodities

- Many commodities are trading at or near record highs, but uranium is offering relative value

## Current Price as a % of 20 YR Price Peak



Source: Bloomberg as of 4/30/2022. Figures calculated using monthly data.

# Sprott's Outlook on Uranium\*

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## Macro

- Major nations have embraced decarbonization targets that require a move away from fossil fuels (oil-gas-coal)
- Rising uranium demand and geopolitical instability are supportive of higher prices
- Russia-Ukraine conflict has heightened energy security awareness as the region accounts for ~16.5%<sup>1</sup> of world's uranium production

## Physical Uranium Market

- Decarbonization efforts support nuclear energy in taking on greater importance in the energy sector; nuclear currently generates ~10% of the world's electricity<sup>4</sup> and more than 50% of zero-carbon emissions electricity<sup>5</sup>
- Uranium prices peaked in 2007 at \$138.50/lb; the new bull market has driven prices to \$58.20/lb, a ~215% increase from the 2016 lows<sup>3</sup>
- The rising price of uranium has incentivized uranium miners to ramp up exploration and production
- Worldwide, 57 new nuclear plants are under construction and 97 are planned, but current uranium production is failing to meet demand<sup>6</sup>

\*Opinion subject change.

<sup>1</sup> Cameco and PANOW. Data as of 12/31/2020.

<sup>2</sup> International Energy Agency as of 3/3/2022.

<sup>3</sup> TradeTech LLC.

<sup>4</sup> International Atomic Energy Agency (IAEA) as of 12/31/2019.

<sup>5</sup> NEI.org as of 4/30/2020.

<sup>6</sup> World Nuclear Association as of 1/31/2022. Reuters as of 1/10/2022.

## Why Invest in Uranium Miners Now?

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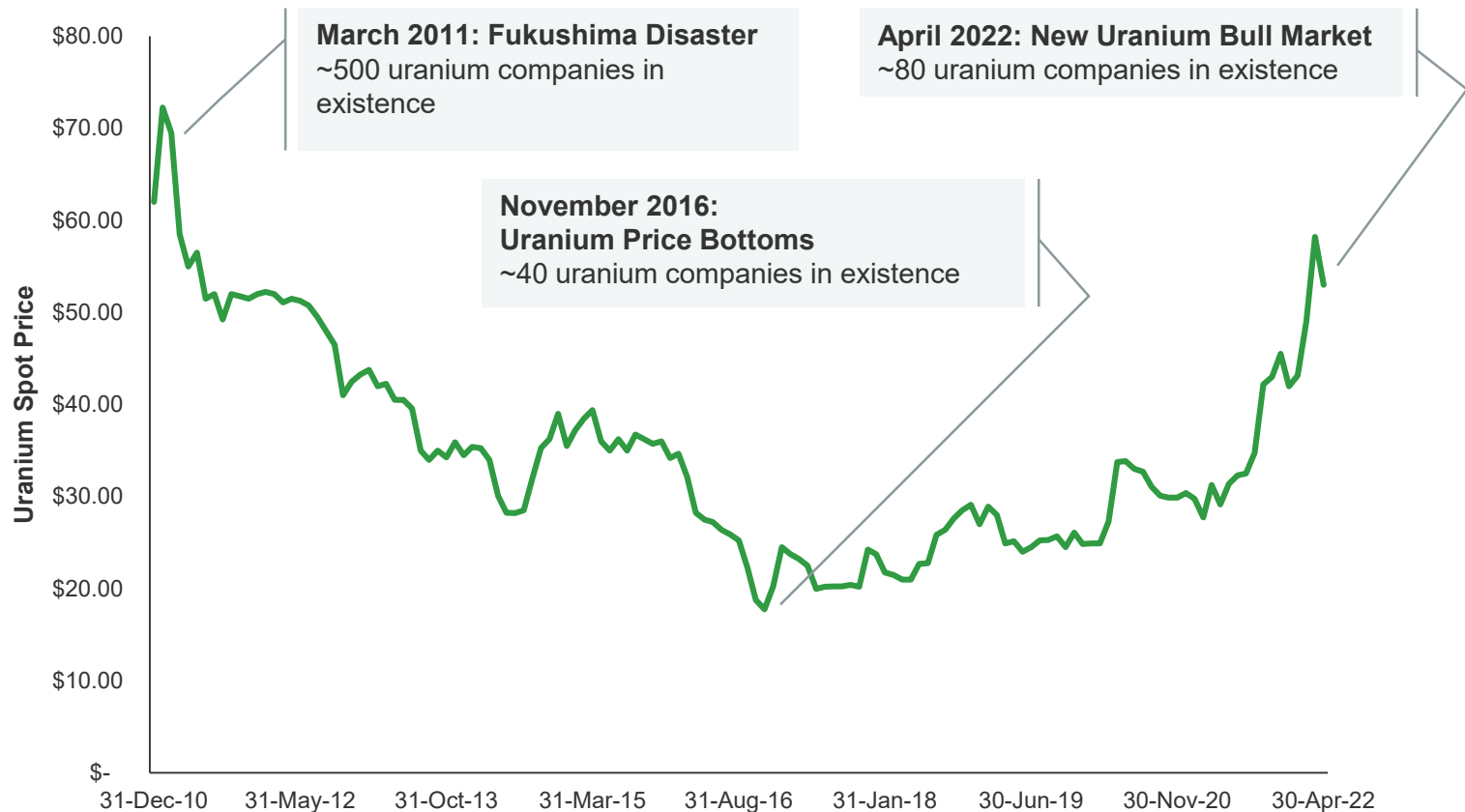
**Tim Rotolo**

Founder and CEO of North Shore Indices



# Uranium Companies are Staging a Comeback

- Since the 2011 Fukushima disaster, capital destruction occurred across uranium miners, presenting a strong deep-value opportunity
- A new uranium bull market is underway



Source: TradeTech LLC as of 4/30/2022. Sprott and North Shore Indices.

# Uranium Equities Have Outperformed During Uranium Bull Markets

- Investors may want to consider uranium miners when expressing a positive view of uranium prices

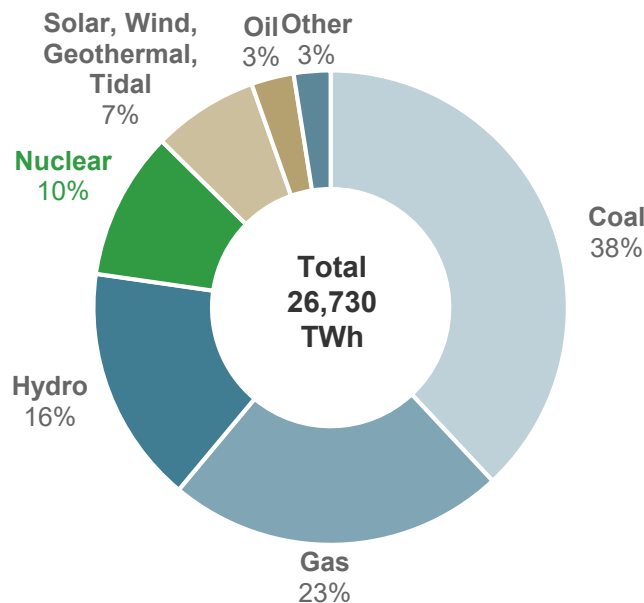


Source: Bloomberg and TradeTech LLC. Data from 1/1/2004 to 4/30/2022 reflecting longest available data. World Uranium Equities measured by URAX Index, which tracks the performance of stocks globally, which conduct business with uranium. URAX and Uranium Spot denominated in U.S. dollars. You cannot invest directly in an index. Past performance is not a guarantee of future returns.

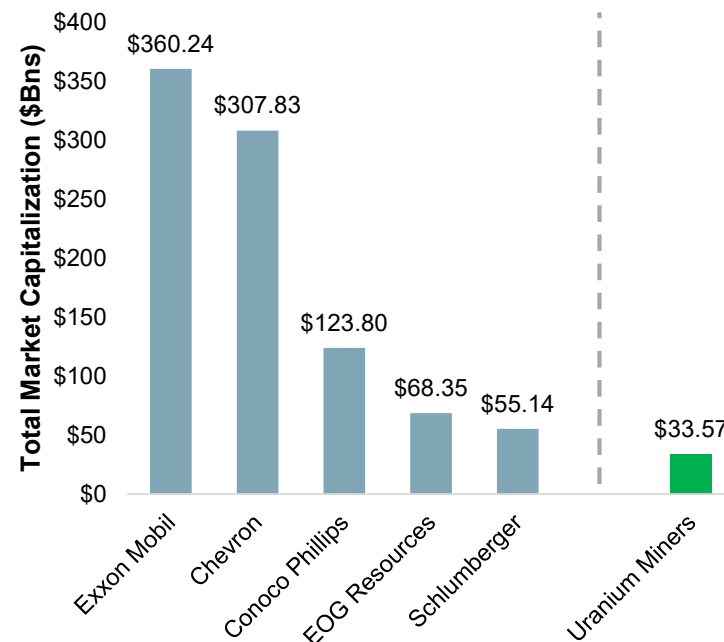
# Uranium Miners May Be Poised to Take Market Share

- Nuclear energy generates 10% of the world's electricity<sup>1</sup> and more than 50% of zero-carbon emissions electricity<sup>2</sup>
- Uranium miners are miniscule in market capitalization compared to the largest energy companies, namely oil & gas conglomerates

Global Electricity Production by Source



Largest Energy Companies<sup>3</sup> vs. Uranium Miners<sup>4</sup>



<sup>1</sup>Source: International Atomic Energy Agency (IAEA) as of 12/31/2019.

<sup>2</sup>Source: NEI.org as of 4/30/2020.

<sup>3</sup>Reflects the top five largest holdings of the SPDR Select Sector Energy ETF (NYSE: XLE) as of 4/30/2022.

<sup>4</sup>Reflects the sum of the market cap of selected holdings from the following: 1) North Shore Sprott Uranium Miners Index; 2) the eligibility list of the Solactive Global Nuclear & Components Index; 3) Uranium companies screened through Bloomberg and Factset. Selected companies are those identified to have a substantial portion of their business model related to the mining of uranium. Source: Factset as of 4/30/2022.

# The North Shore Global Uranium Mining Index (URNMX)\*

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The North Shore Global Uranium Mining Index (URNMX) was established in 2019. The Index was the underlying Index for the North Shore Global Uranium Miners ETF (URNM), which is now the **Sprott Uranium Miners ETF (URNM)**.

*When we looked at what was in the marketplace from an Index perspective, there was a big disconnect between where the opportunity existed and what was available and represented in those indexes. Tim Rotolo*



**Sprott Uranium Miners ETF**



# URNMX Index Methodology

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**URNMX follows a published, rules-based methodology:**

## Holdings Criteria

- Must have a company level market capitalization of at least \$40 million and must maintain a minimum market capitalization of \$25 million
- Company has a significant part of its business operations related to the uranium industry (in particular uranium mining, exploration for uranium, physical uranium investments and technologies related to the uranium industry)
- Company is listed on a stock exchange or regulated market

## Index Composition & Weightings

- An aggregate weight of 82.5% is assigned to uranium miners, explorers, developers and producers and an aggregate weight of 17.5% is assigned to entities that hold physical uranium, uranium royalties or other non-mining assets
- The constituents within each of these buckets are then weighted by their market capitalization
- A maximum weighting of 15% and a minimum weighting of 0.30% is applied
- No more than five issuers will have a weight greater than 4.70% and the aggregate weight of all the components with a weight greater than 5% is capped at 50%

## Index Rebalancing

- The Index is adjusted semi-annually after the close of business on the last trading day of March and September each year

*\*Please refer to the Sprott Uranium Miners ETF's prospectus for full details on index methodology.*

# URNMX Index Composition

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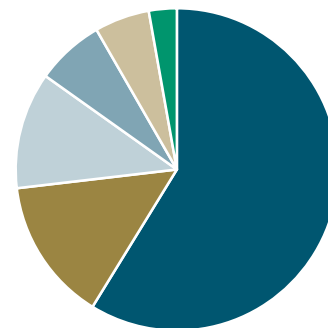
## Portfolio Characteristics

(As of 3/31/2022)

- Number of holdings: 38
- Market cap (millions): \$36,428
- Largest market capitalization (millions): \$11,619
- Smallest market capitalization (millions): \$36
- **Market Capitalization Breakdown**
  - Large (>\$10B): 18.21%
  - Medium (\$2-\$10B): 19.32%
  - Small (<\$2B): 52.14%
  - Not Classified: 10.32%
- **Industry Weighting**
  - Uranium & Related Equities: 84.84%<sup>1</sup>
  - Physical Uranium: 15.16%<sup>2</sup>

## Country Domicile Breakdown

(As of 3/31/2022)



- Canada — 58.77%
- Kazakhstan — 14.37%
- Australia — 11.70%
- United States — 6.85%
- United Kingdom — 5.51%
- Hong Kong — 2.80%

<sup>1</sup> Reflects equities classified by the Bloomberg Industry Classification System (BICS) as uranium; solid waste collection & treatment; nickel, lead & zinc; base metals; mineral & precious stone mining; metals, ore wholesalers & traders.

<sup>2</sup> Includes holdings focused on the physical ownership of uranium: Sprott Physical Uranium Trust (U-U CN) and Yellow Cake PLC (YCA LN).

# Portfolio Allocation & Questions/Answers

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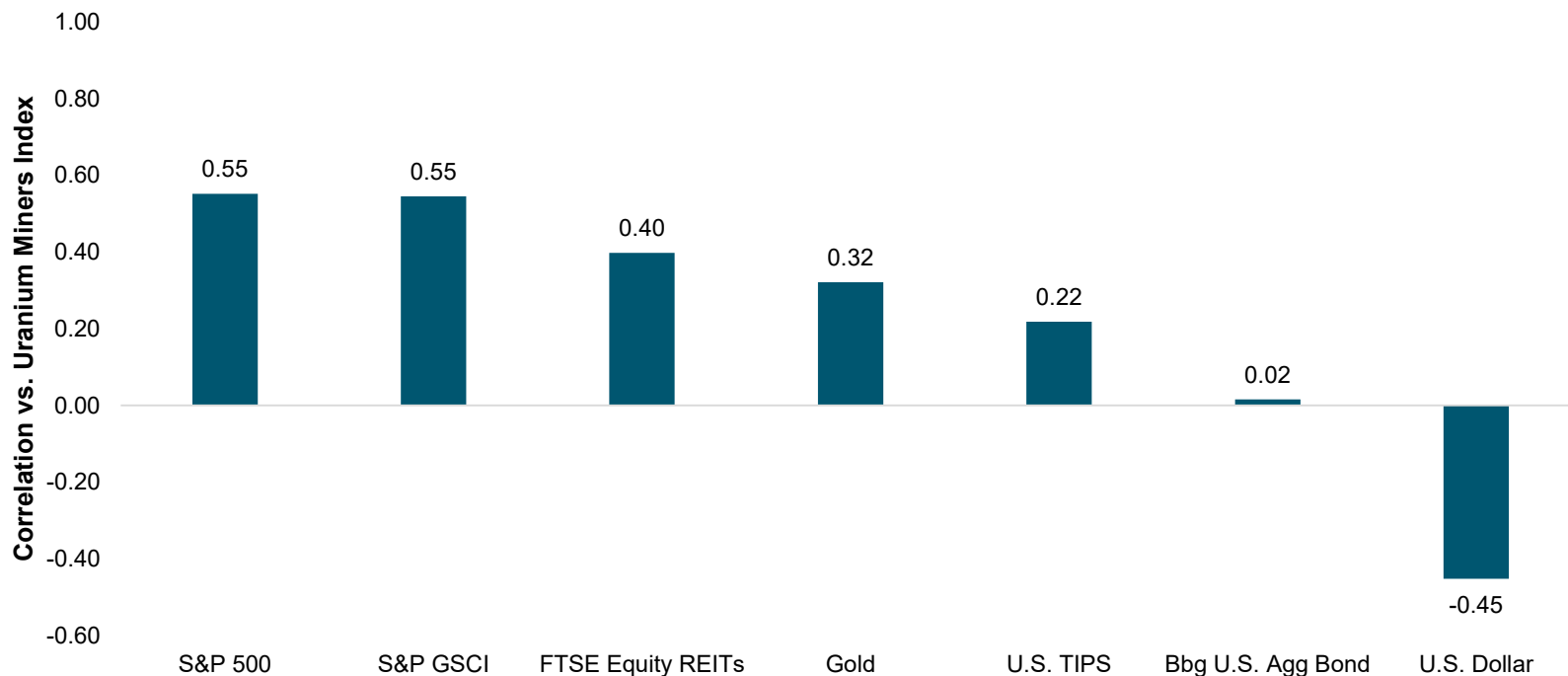
Ed Coyne



# Uranium Miners Have Low/Moderate Correlation

- Uranium miners have exhibited a low/moderate correlation to major asset classes, posing potential diversification benefits

**Correlation versus World Uranium Equity Index**



Uranium Equity Index reflects The World Uranium Total Return Index (URAX Index); S&P GSCI reflects the S&P GSCI Index (SPGSCI Index); S&P 500 reflects the S&P 500 Index (SPX Index); Bbg U.S. Agg Bond reflects the Bloomberg Barclays U.S. Aggregate Bond Index (LBUSTRUU Index); FTSE Equity REITs reflects the FTSE NAREIT Equity Index (FNRE Index); Gold reflects the Gold Spot Price (GOLDS Comdty); U.S. TIPS reflects the Bloomberg Barclays U.S. Treasury Inflation-Notes Index (LBUTTRUU Index); U.S. Dollar reflects the U.S. Dollar Spot Index (DXY Currency).

Source: Bloomberg. Monthly data from 1/31/2004 to 3/31/2022. You cannot invest directly in an index. Past performance is not a guarantee of future returns. Diversification does not eliminate the risk of experiencing investment losses.

# How Do Uranium Miners Fit into an Investment Portfolio?

- Depending on the investor type and the investment portfolio mandate, uranium miners can fit into several asset class categories



- Commodities
- Small- to Mid-Cap
- Energy
- Alternatives
- ESG Oriented
- Thematic
- Technology

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# Sprott



Sprott Physical  
Gold and Silver Trust



Sprott Physical  
Gold Trust



Sprott Physical  
Silver Trust



Sprott Physical Platinum  
and Palladium Trust



Sprott Physical  
Uranium Trust



Sprott Uranium Miners ETF



Sprott Gold Equity Fund



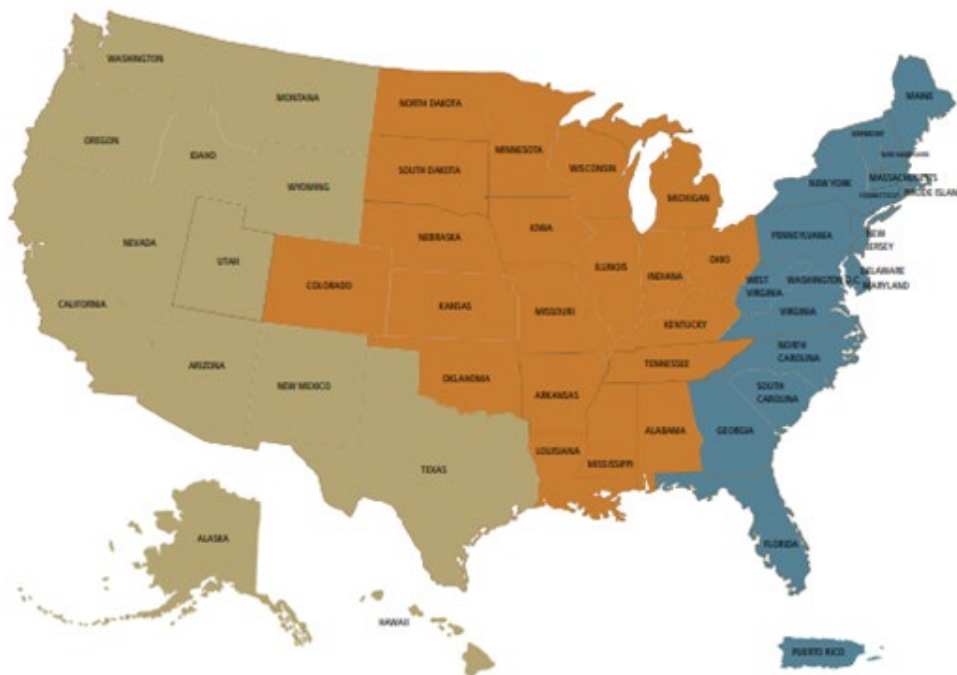
Sprott Gold Miners ETF



Sprott Junior Gold Miners ETF

# Regional and National Sales Coverage

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## Ed Coyne

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## Public Funds

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## Key Accounts

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## Private Funds

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## Q&A/Contact Information

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# Important Disclosure

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## Sprott Uranium Miners ETF

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a Sprott Uranium Miners ETF Statutory Prospectus, which contains this and other information, visit <https://www.sprottets.com/urnm-sprott-uranium-miners-etf>, contact your financial professional or call 1.888.622.1813. Read the Prospectus carefully before investing.**

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.

The Fund's investments will be concentrated in the uranium 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 uranium industry. Also, uranium companies may be significantly subject to the effects of competitive pressures in the uranium business and the price of uranium. The price of uranium may be affected by changes in inflation rates, interest rates, monetary policy, economic conditions and political stability. The price of uranium may fluctuate substantially over short periods of time, therefore the Fund's share price may be more volatile than other types of investments. In addition, they may also be significantly affected by import controls, worldwide competition, liability for environmental damage, depletion of resources, mandated expenditures for safety and pollution control devices, political and economic conditions in uranium producing and consuming countries, and uranium production levels and costs of production. Demand for nuclear energy may face considerable risk as a result of, among other risks, incidents and accidents, breaches of security, ill-intentioned acts of terrorism, air crashes, natural disasters, equipment malfunctions or mishandling in storage, handling, transportation, treatment or conditioning of substances and nuclear materials.

**Shares are not individually redeemable. Investors buy and sell shares of the Sprott Uranium 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.**

Funds that emphasize investments in small/mid-capitalization companies will generally experience greater price volatility. Funds investing in foreign and emerging markets will also generally experience greater price volatility. 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.

A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses, affect the Fund's performance.

Sector weightings are determined using the Bloomberg Industry Classification Standard ("BICS").

ALPS Distributors, Inc. is the Distributor for the Sprott Uranium Miners ETF and is a registered broker-dealer and FINRA Member.

**Past performance is not indicative of future results.**

# Important Disclosure

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## Sprott Gold Mining ETFs

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. [Click here](#) to obtain a Sprott Gold Miners ETF Statutory [Prospectus](#) and Sprott Junior Gold Miners ETF Statutory [Prospectus](#), which contains this and other information, contact your financial professional or call 888.622.1813. Click here to obtain a Sprott Uranium Miners ETF [Prospectus](#), which contains this and other information, contact your financial professional or call 888.622.1813. Read each [Prospectus](#) carefully before investing.

The Funds are not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Funds are 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.

Shares are not individually redeemable. Investors buy and sell shares of the Sprott Gold Miners ETF, Sprott Junior Gold Miners ETF and Sprott Uranium 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.

All data is in U.S. dollars unless otherwise noted. Funds that emphasize investments in small/mid cap companies will generally experience greater price volatility. 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. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses, affect the Fund's performance.

ALPS Distributors, Inc. is a registered broker-dealer and FINRA Member.

## Sprott Physical Bullion Trusts

The Sprott Physical Bullion Trusts are generally exposed to multiple risks that have been both identified and described in the [Prospectus](#). Please refer to the [Prospectus](#) for a description of these risks. This material must be preceded or accompanied by a [prospectus](#). For an additional copy of the prospectus please visit <https://sprott.com/investment-strategies/physical-bullion-trusts/>.

Sprott Asset Management LP is the investment manager to the [Sprott Physical Bullion Trusts](#) (the "Trusts"). Important information about the Trusts, including the investment objectives and strategies, purchase options, applicable management fees, and expenses, is contained in the [prospectus](#). Please read the document carefully before investing. Investment funds are not guaranteed, their values change frequently. This communication does not constitute an offer to sell or solicitation to purchase securities of the Trusts.

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# Important Disclosure

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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 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.

## **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.

## **Sprott Focus Trust**

Sprott Focus Trust, Inc. (the "Fund") is a closed-end investment company whose shares of common stock trade on the Nasdaq Select Market. Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares of closed-end funds are sold on the open market through a stock exchange. For additional information, contact your financial advisor or call 1.203.656.2430. Investment policies, management fees and other matters of interest to prospective investors may be found in the Fund's prospectus and shareholder reports.

The Fund is a closed-end registered investment company whose shares of common stock may trade at a discount to their net asset value. Shares of the Fund's common stock are also subject to the market risks of investing in the underlying portfolio securities held by the Fund.