



Looking Ahead to Metals and Miners

Webcast: November 28, 2022

Sprott

Featured Speakers



Paul Wong, CFA, Market Strategist, Sprott Asset Management

Paul Wong has more than 30 years of investment industry experience, specializing in investment analysis for natural resources investments. Mr. Wong first joined Sprott Asset Management in 2011. From 2012 to 2017, Mr. Wong was a senior portfolio manager responsible for the short positions of the Sprott hedge funds. Mr. Wong has experience in resource funds, asset allocation, quantitative funds and was a proprietary trader for several years. Mr. Wong earned his Bachelor of Science in Geology from the University of Toronto and is a CFA® charterholder.



John Hathaway, CFA, Senior Portfolio Manager, Sprott Asset Management; Managing Director, Sprott Inc.

John Hathaway joined Sprott Asset Management in January 2020. Mr. Hathaway is a Portfolio Manager of Sprott Hathaway Special Situations Strategy and Co-Portfolio Manager of the Sprott Gold Equity Fund. Previously, Mr. Hathaway joined Tocqueville Asset Management L.P. in 1997 where he was a Co-Portfolio Manager of the Tocqueville Gold Fund. Mr. Hathaway was also the Chairman of Tocqueville Management Corporation, the General Partner of Tocqueville. Mr. Hathaway earned a B.A. from Harvard College and an MBA from the University of Virginia and is a CFA® charterholder.



Maria Smirnova, MBA, CFA, Senior Portfolio Manager & Chief Investment Officer, Sprott Asset Management; Managing Director, Sprott Inc.

Maria joined Sprott Asset Management LP as a Research Associate in May 2005, and was appointed Associate Portfolio Manager in February 2010, Portfolio Manager in March 2014 and Senior Portfolio Manager in May 2017. Maria manages Ninepoint Silver Equities Class and Ninepoint Gold and Precious Minerals Fund. Maria has more than 20 years of experience in the financial services industry. Maria graduated with distinction from the University of Toronto with a Bachelor of Commerce degree, she received an MBA from the University of Toronto, and is CFA® charterholder.



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. 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. Mr. Ciampaglia earned a Bachelor of Arts in Economics from York University, is a CFA® charterholder and a Fellow of the Canadian Securities Institute.



Ed 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. Before joining Royce, Mr. Coyne worked with Zweig Mutual Funds and Neuberger Berman as a Regional Sales Director. Mr. Coyne earned his Bachelor of Science in Architectural Studies from the University of Missouri. He also holds a Series 7 FINRA license.

A Global Leader in Precious Metals and Real Assets Investments

Sprott

US\$21B in AUM¹

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

Exchange Listed Products	Managed Equities	Private Strategies
\$16.1B AUM²	\$2.4B AUM²	\$1.9B AUM²
Physical Bullion Funds (NYSE Arca TSX) <ul style="list-style-type: none">○ PHYS○ PSLV○ CEF○ SPPP Physical Commodity Funds (TSX) <ul style="list-style-type: none">○ U.U (\$US) U.UN (\$CA) Sprott ETFs (NYSE Arca) <ul style="list-style-type: none">○ SESG○ URNM○ SGDM○ SGDJ	Flagship U.S. Gold Equity Mutual Fund <ul style="list-style-type: none">○ SGDLX Closed-End Value Fund (NASDAQ) <ul style="list-style-type: none">○ FUND	<ul style="list-style-type: none">• Bespoke credit investments to mining and resource companies• Cohesive team of credit and financing experts

¹Sprott AUM as of September 30, 2022.

²AUM as of September 30, 2022.

In addition, there is \$0.7B non-core AUM (previously called Other). See "AUM summary" in our most recently filed Management's Discussion & Analysis.

Webcast Outline

- **Macro & Technical Overview**

Paul Wong, CFA, Market Strategist, Sprott Asset Management LP

- **Gold & Gold Mining Equities**

John Hathaway, CFA, Senior Portfolio Manager, Sprott Asset Management USA

- **Silver**

Maria Smirnova, MBA, CFA, Senior Portfolio Manager & Chief Investment Officer, Sprott Asset Management LP

- **Uranium & Energy Transition Critical Minerals**

John Ciampaglia, Chief Executive Officer, Sprott Asset Management LP

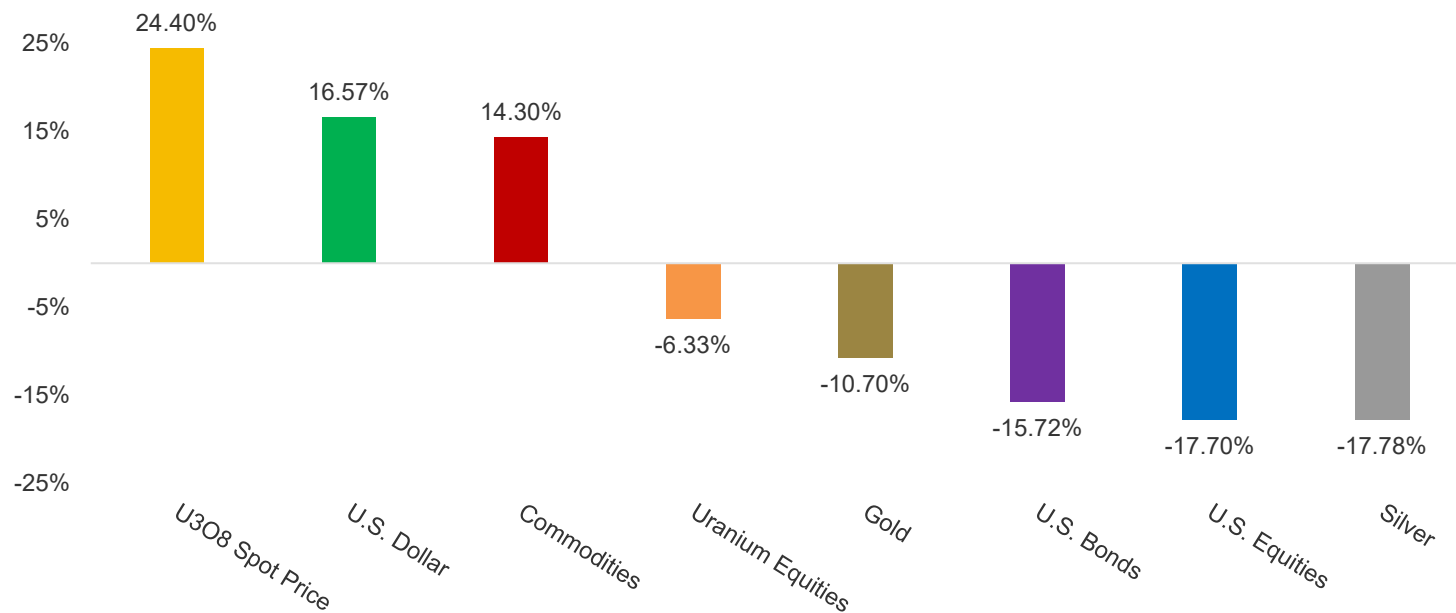
- **Q&A**

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

2022 YTD Performance Overview

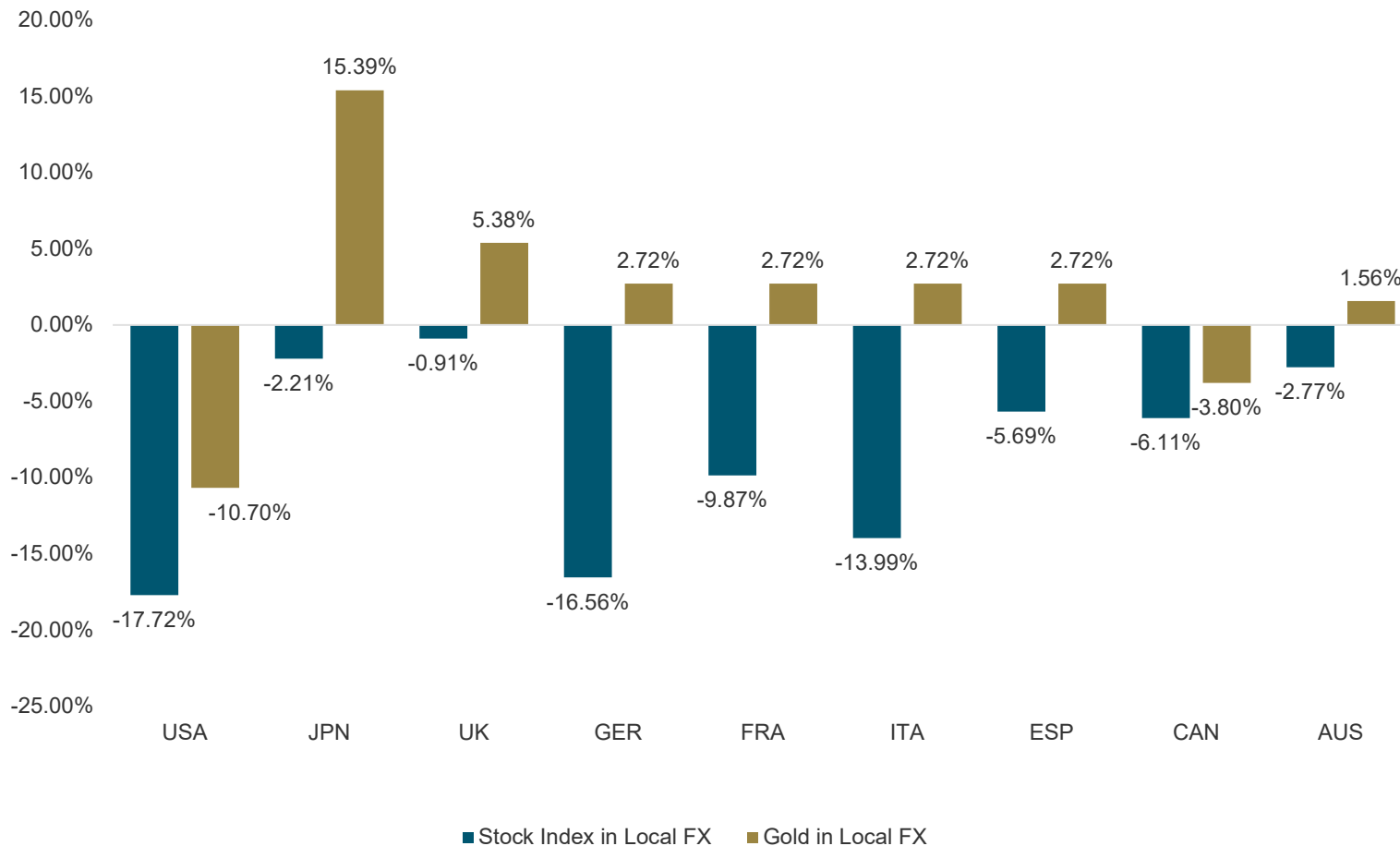
- On a relative basis, gold bullion outperformed the broader U.S. equity and bonds markets
- Uranium was a notably strong performer

Asset Class Performance Comparison YTD 2022



Source: Bloomberg and Sprott Asset Management. Data as of 10/31/2022.

Gold Performance in Local Currencies YTD



Source: Bloomberg and Sprott Asset Management. Data as of 10/31/2022.

Macro & Technical Overview

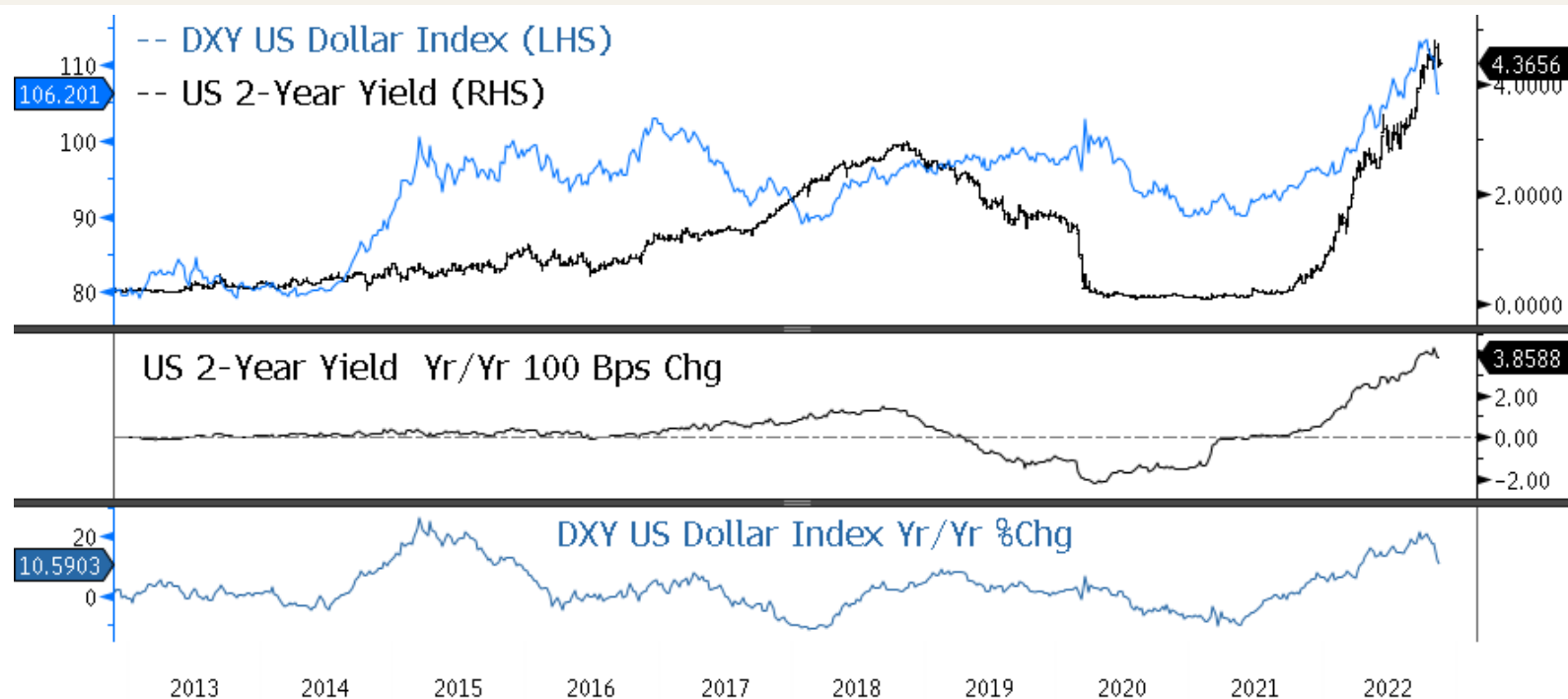
Paul Wong



2022: What Stood Out Technically

- Much higher-than-expected inflation caused Fed to lift rates at quickest pace in over 40 years
- Surge in U.S. 2-Year Treasury yields (highest YoY basis point > in 40 years caused U.S. dollar (DXY) to climb to highest level since 2015
- One-two punch of runaway higher rates and USD caused exposure reduction across the board in risk assets, causing a contraction in market depth that heightened volatility

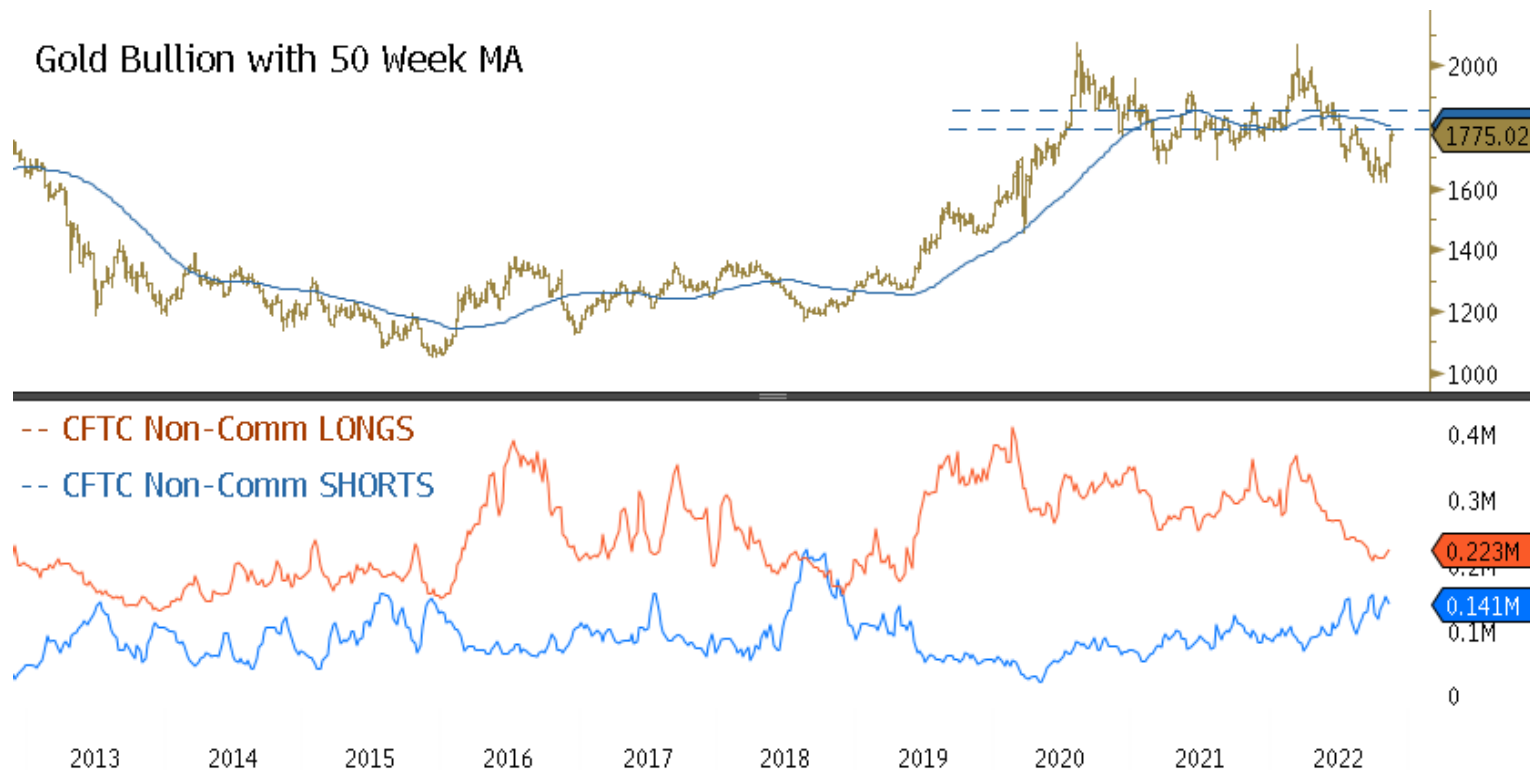
DXY U.S. Dollar Index and U.S. 2-Year Treasury Bond Yields



Source: Bloomberg and Sprott Asset Management. Data as of 11/15/2022. The U.S. dollar index (DXY) is a measure of the value of the U.S. dollar relative to a basket of foreign currencies.

Gold Remains Range Bound

- Despite the most extreme moves in yields and USD, gold remains rangebound with trading noise amplified by Commodity Trading Advisor (CTA) type flows. Over the past two years, the 50-week moving average gold price has traded within a \$60 band.



Source: Bloomberg and Sprott Asset Management. Data as of 11/16/2022. Commodity Futures Trading Commission's (CFTC) Gold Non-Commercial Net Positions weekly report reflects the difference between the total volume of long and short gold positions existing in the market and opened by non-commercial (speculative) traders.

Catalysts for Gold and Silver

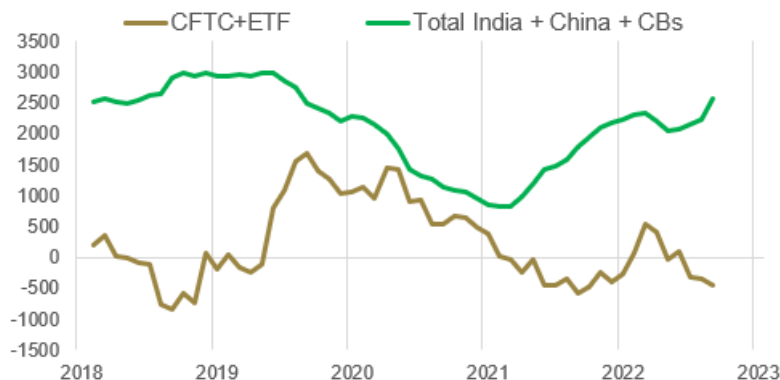
- Momentum peak rate hikes may lead to momentum peaks in yields and USD. Extended gold short positions are likely to be vulnerable to short covering squeezes (currently here).
- Left-tail events will likely be recession/financial instability linked, making gold as a safe-haven attractive, especially without the risk of massive rate hikes and a spiking USD.

Tail risk” or “left-tail risk” refers to an investment’s most extreme downside performance periods.

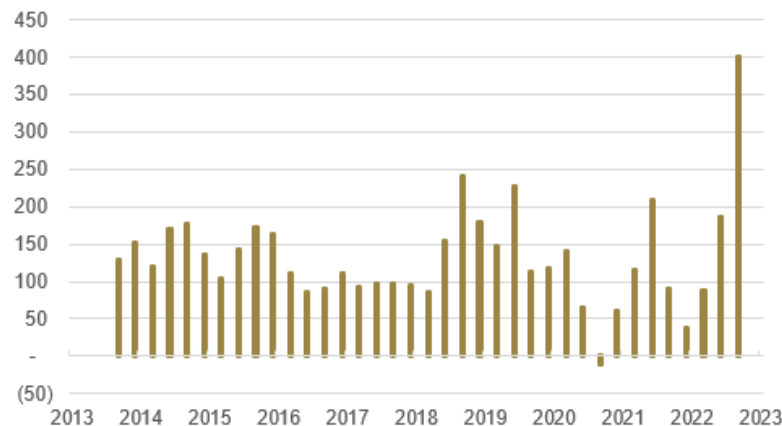
Opportunities and Pitfalls

- Gold prices have been volatile as systematic funds dominate trading flows.
- Long-term (LT) holders have been buying on weakness. Gold purchases by China, India and central banks over past 12 months have far surpassed investors' trading flows.
- Since Russia's foreign reserves were frozen/seized, central banks have accelerated their gold purchases.
- At the risk of extrapolation, a massive buyer that is price insensitive, LT strategic and national security driven has more than tripled its LT average quarterly purchase size.

Rolling 12-Month Gold Purchases MT



Central Bank Quarterly Purchases, MT



Source: Bloomberg and Sprott Asset Management. Data as of 11/16/2022. Commodity Futures Trading Commission's (CFTC) Gold Non-Commercial Net Positions weekly report reflects the difference between the total volume of long and short gold positions existing in the market and opened by non-commercial (speculative) traders.

Gold & Gold Mining Equities

John Hathaway

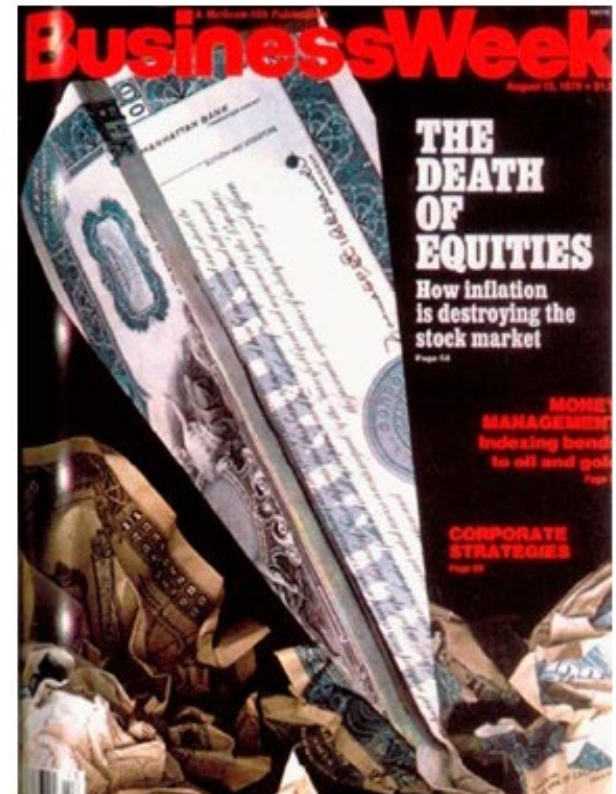


Dollar Strength is a “Mirage”

- The “strong U.S. dollar” was a significant headwind for gold in 2022
- USD strength was not inherent, only relative to other paper currencies

“Magazine covers that reflect overcrowded consensus views are the bell ringing for a trend change.”

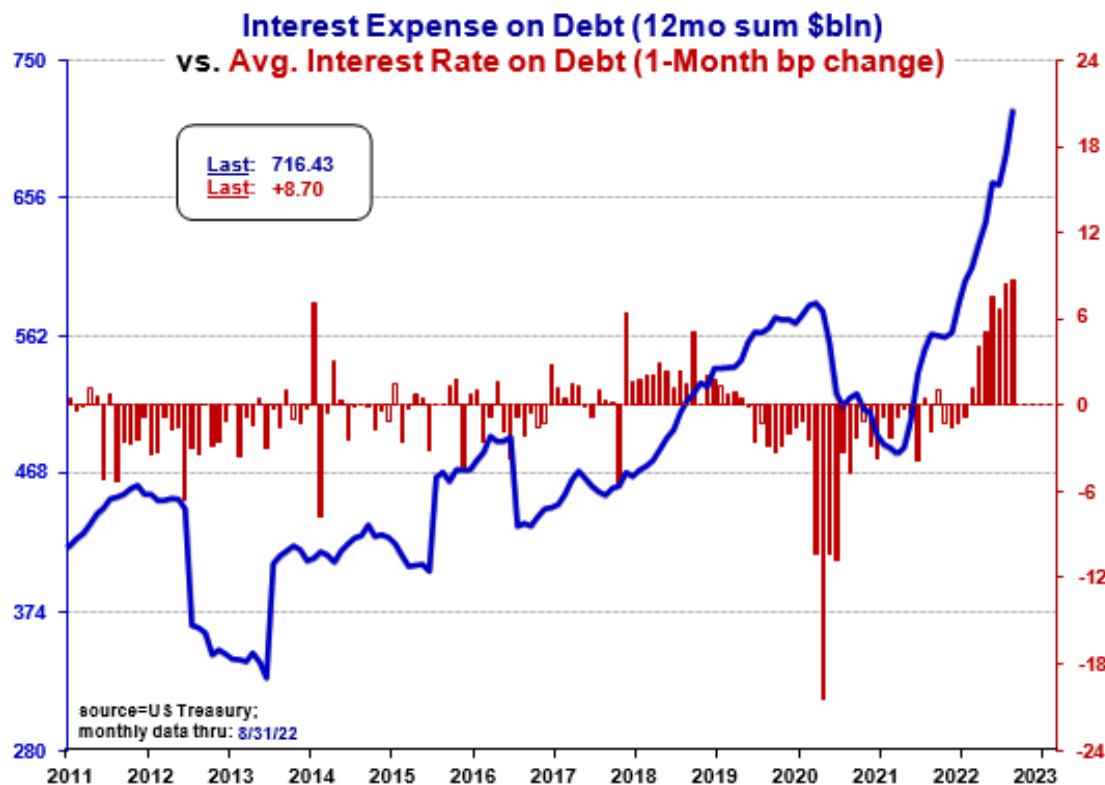
– John Hathaway



Source: Bloomberg Businessweek. “Can’t Stop Won’t Stop” cover, October 2022. “The Death of Equities” cover, August 1979.

Fed Rate Hikes' Impact on U.S. Debt

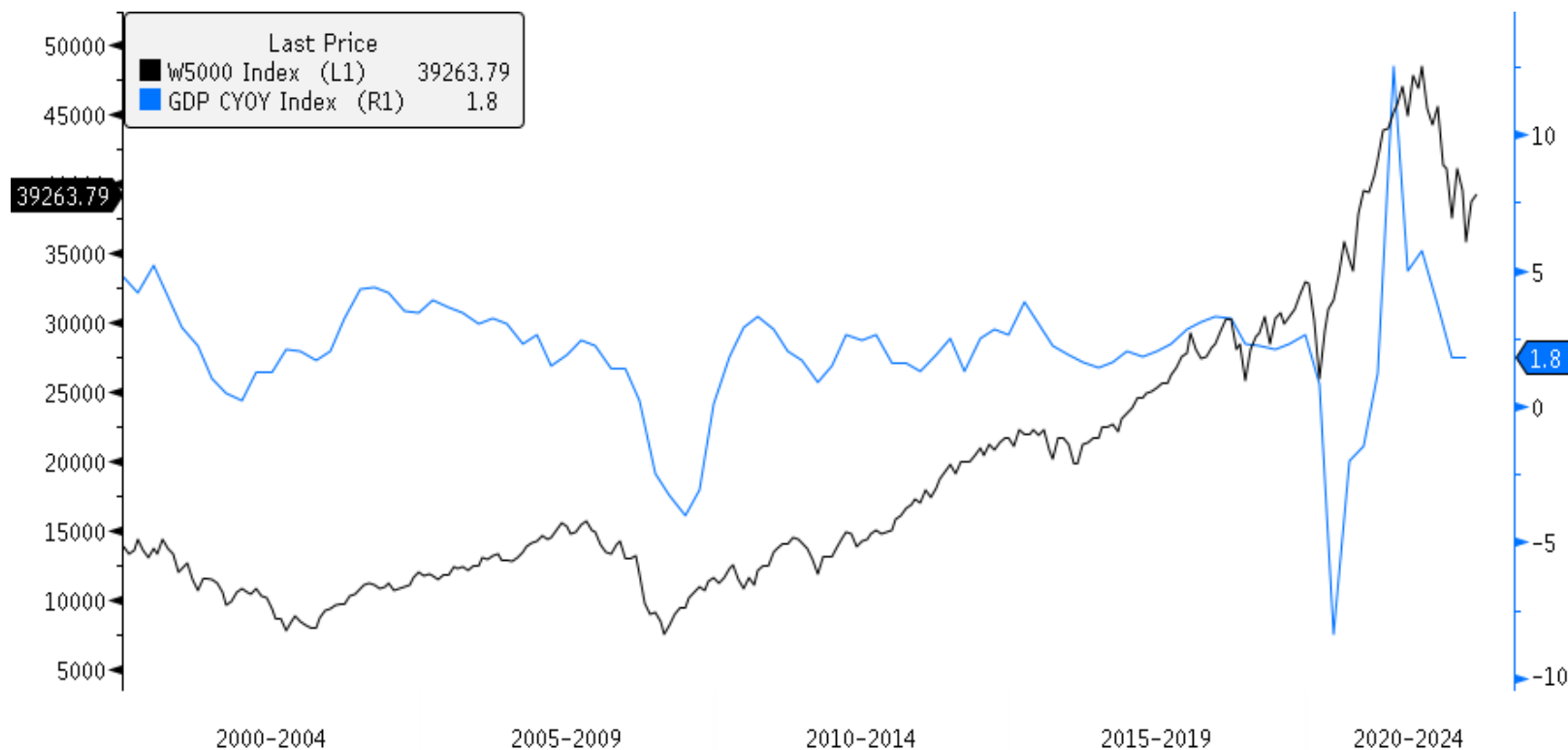
- The Fed's anti inflation jihad is causing a steep rise in interest rates on U.S. debt that is unsustainable
- Annualized, that rate of gain translates to ~\$300 billion addition to the fiscal deficit



Source: Meridian Macro Research LLC. Data as of 8/31/2022.

The General Stock Market Remains Overvalued

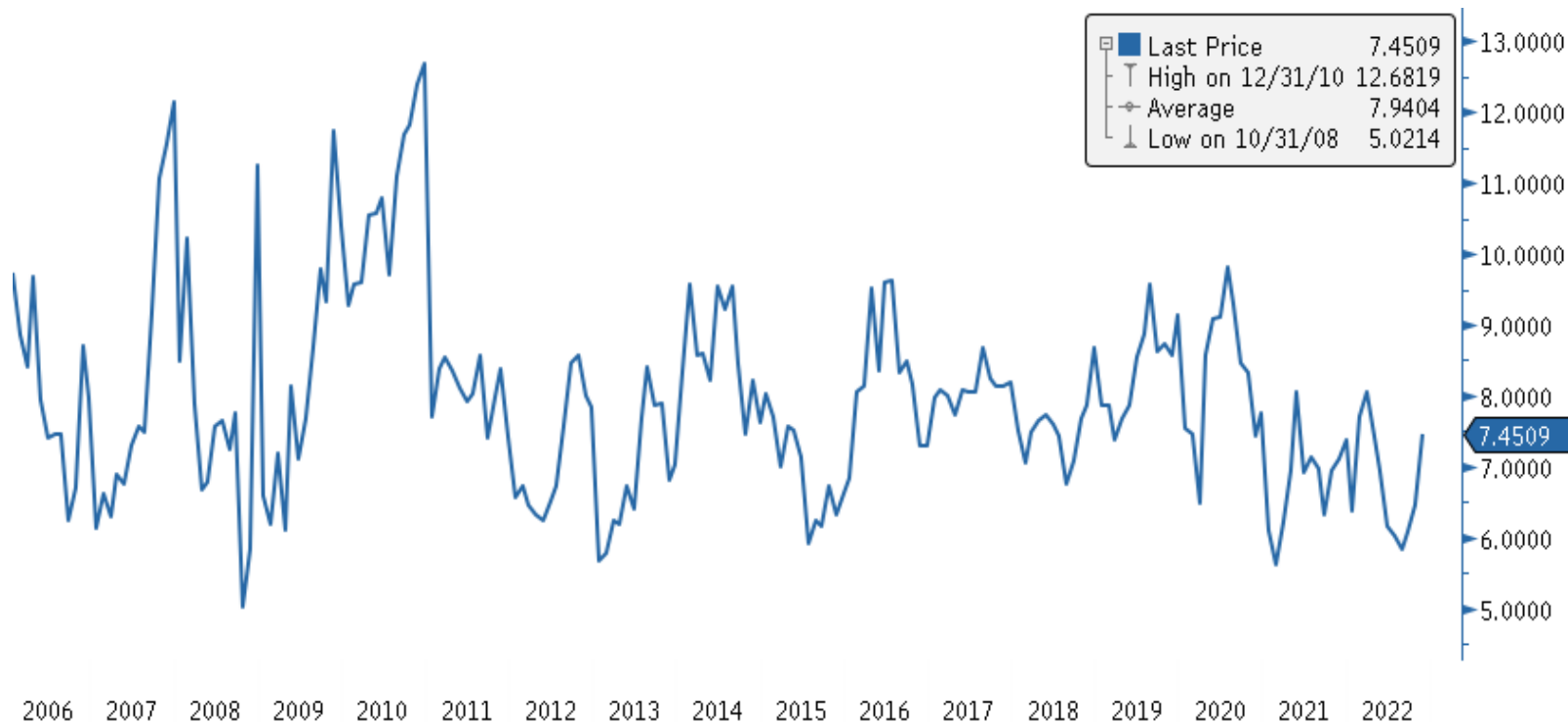
Wilshire 5000 vs. GDP (2000-2020)



Source: Bloomberg. Data as of 11/18/2022. The Wilshire 5000 Total Market Index, or more simply the Wilshire 5000, is a market-capitalization-weighted index of the market value of all American-stocks actively traded in the United States.

Gold Miner Valuations at a Trough

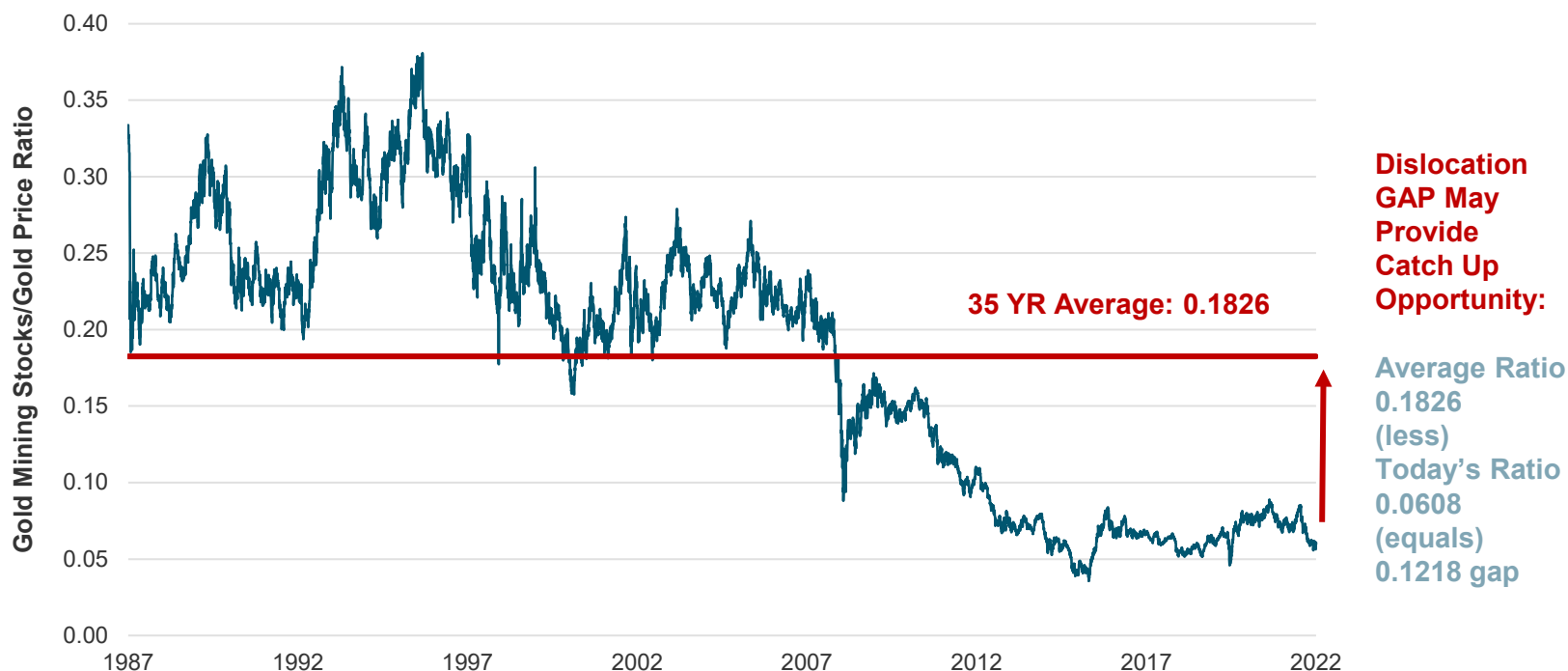
NYSE Arca Gold Miners Index (GDM) – EV to Best EBITDA



Source: Bloomberg. Data as of 11/18/2022. NYSE Arca Gold Miners Index (GDM) is a modified market capitalization weighted index comprised of publicly traded companies primarily involved in the mining of gold and silver in locations around the world. Enterprise value (EV)/EBITDA is a popular valuation multiple used to determine the fair market value of a company.

Gold Miners Offering Deep Value Versus Gold Bullion

- There has historically been 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 200% from its current level to return to the 35-year average ratio



Source: Bloomberg as of 9/30/2022 (reflects past 35 years). 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.

Silver

Maria Smirnova



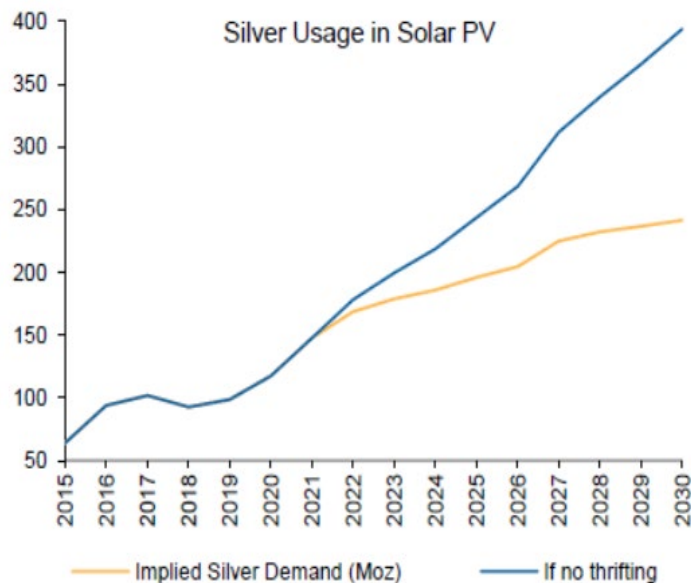
Silver: Well Suited to Green/High-Tech Applications



Source: Sprott Asset Management.

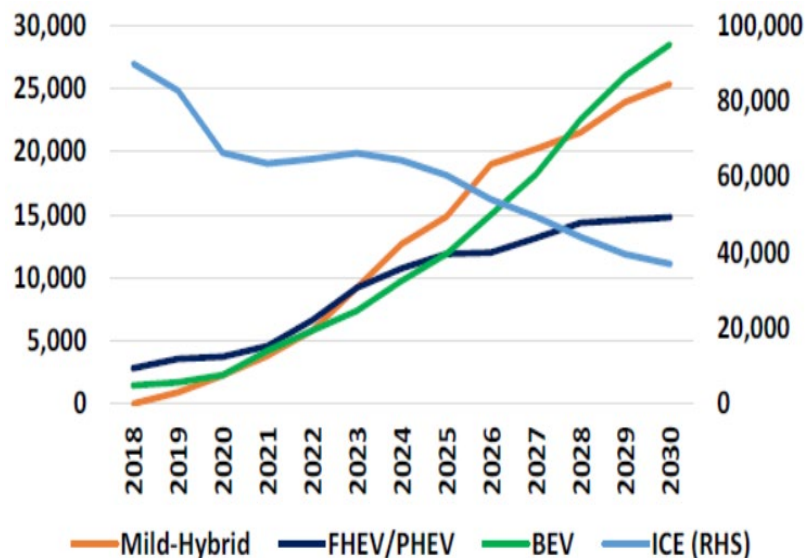
Silver is Benefiting from Decarbonization

Silver Solar Demand is Likely to Approach 250Moz but Could be Far Greater w/o Thrifting



Source: Bloomberg NEF, SI, Company Reports, Macquarie Strategy, December 2021.

Silver Demand Could Benefit from Electric Vehicle Growth

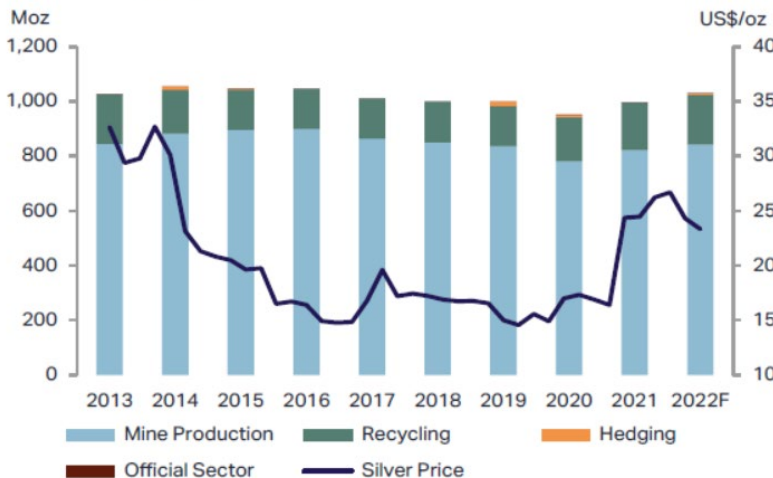


Source: IHS, IEA, BNEF, Mizuho Securities USA LLC.

Silver Physical Market is Strong

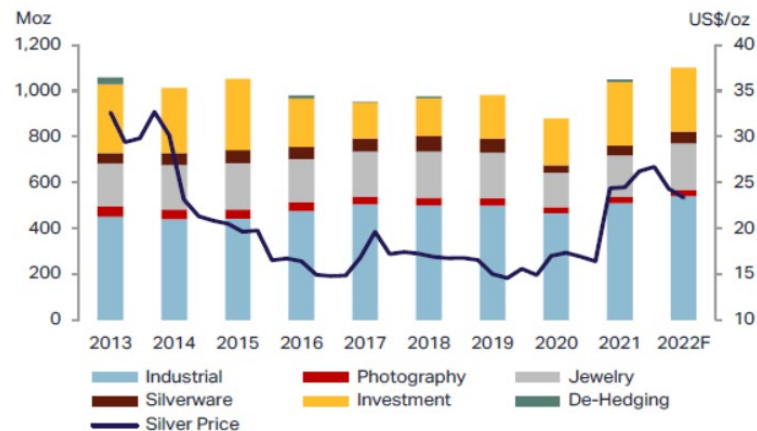
Global Supply: +2% to 1.017B oz

Global Supply Forecast



Global Demand: +16% to 1.21B oz

Global Demand Forecast

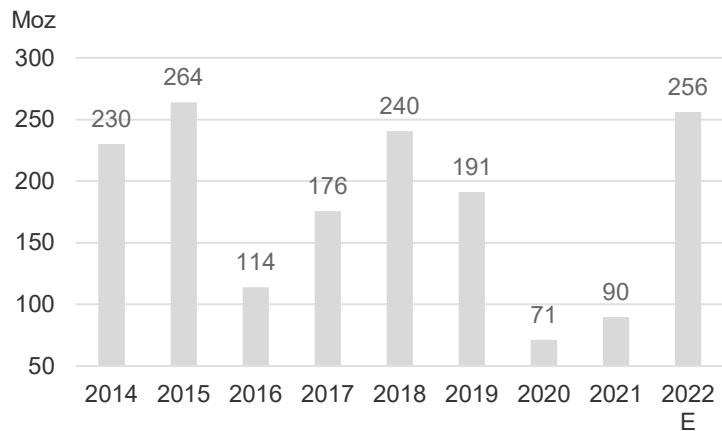


2022 generates a multi-decade high deficit of 194Moz

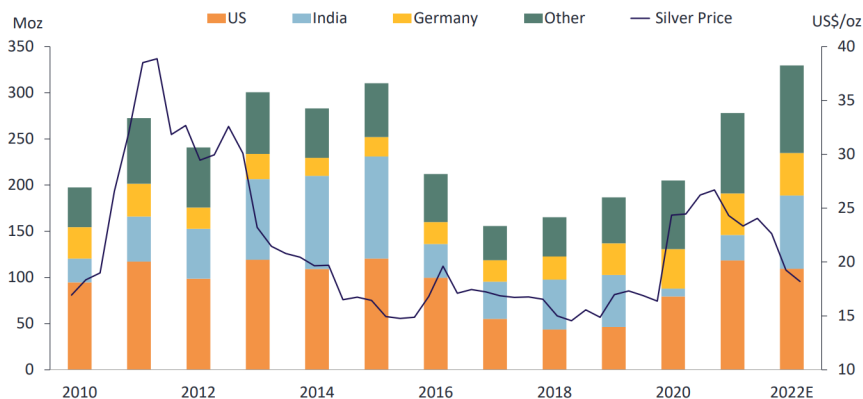
Source: The Silver Institute, Metals Focus. Data as of 9/30/2022.

Physical Demand Leading to Inventory Drawdown

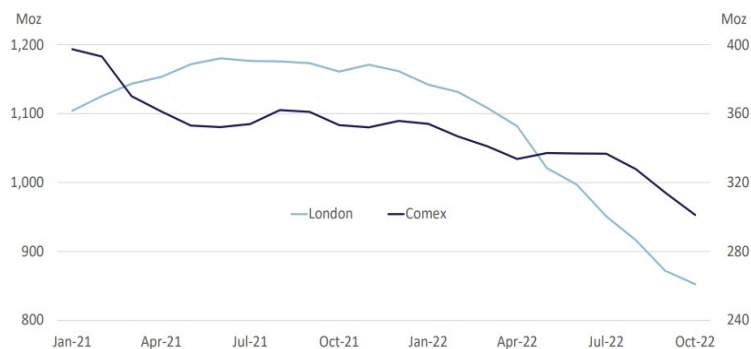
Indian Silver Imports Rebounding



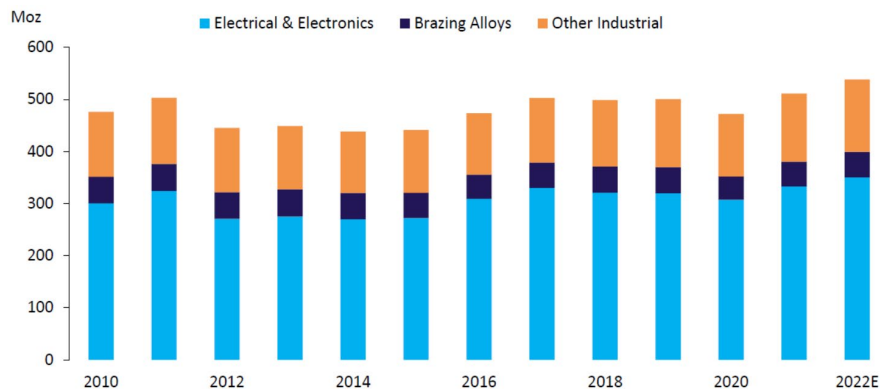
Bar and Coin Investment Jumps to a New Peak (+18% to 329M oz)



Global Exchange Stocks Falling by ~400M oz YTD to 1.3B oz



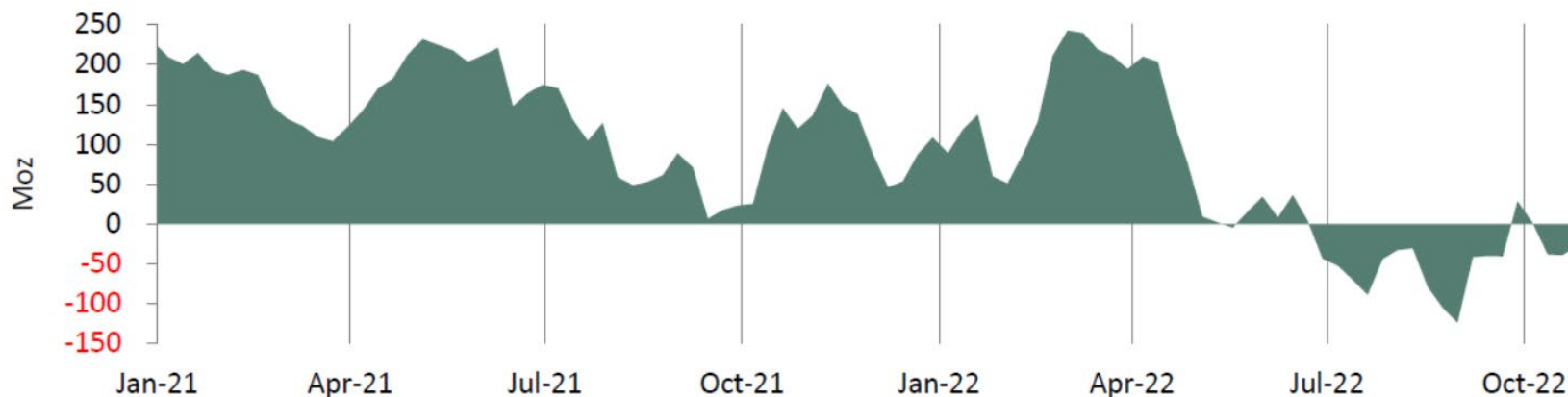
Industrial Demand Setting a New High (+5% to 539M oz)



Source: Bloomberg, The Silver Institute, Metals Focus. Data as of 9/30/2022.

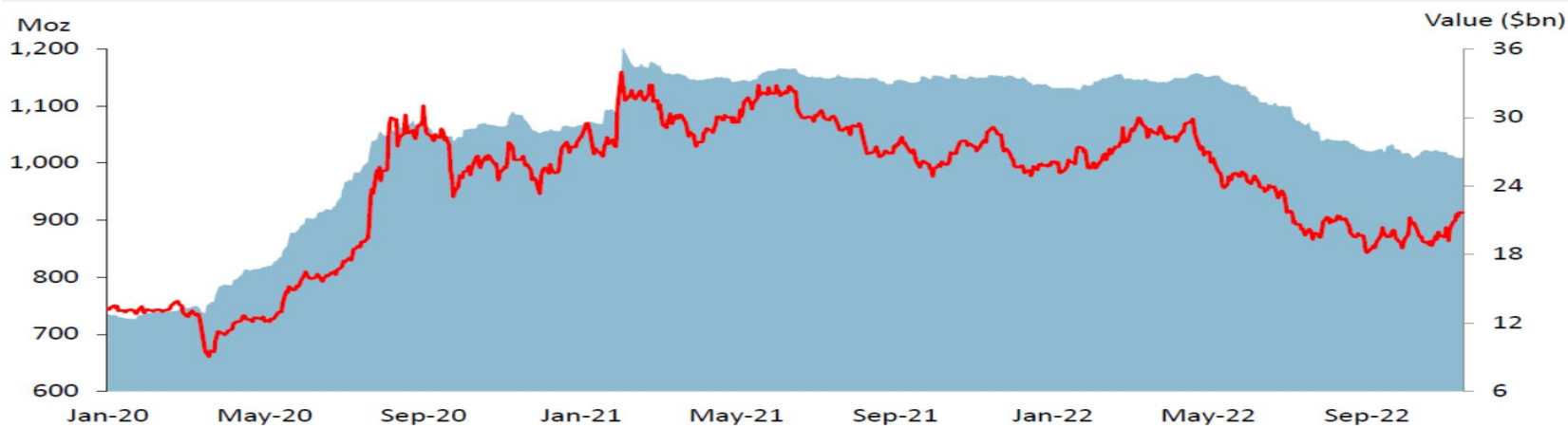
Price Weakness Due to Poor Investor Sentiment

Investor Positioning has Turned Negative



Source: Metals Focus, CFTC, net managed money positions.

ETF Silver Holdings Down YTD (~120M oz) but Remain Historically High



Source: Bloomberg, The Silver Institute, Metals Focus.

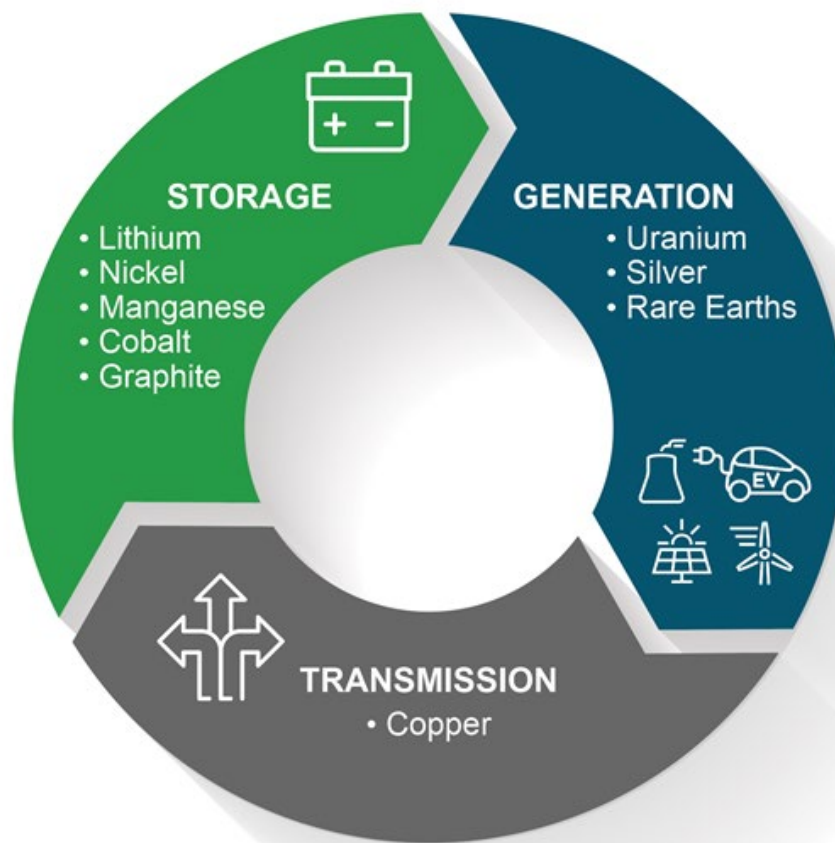
Uranium & Energy Transition Critical Minerals

John Ciampaglia



Sprott Energy Transition Critical Minerals

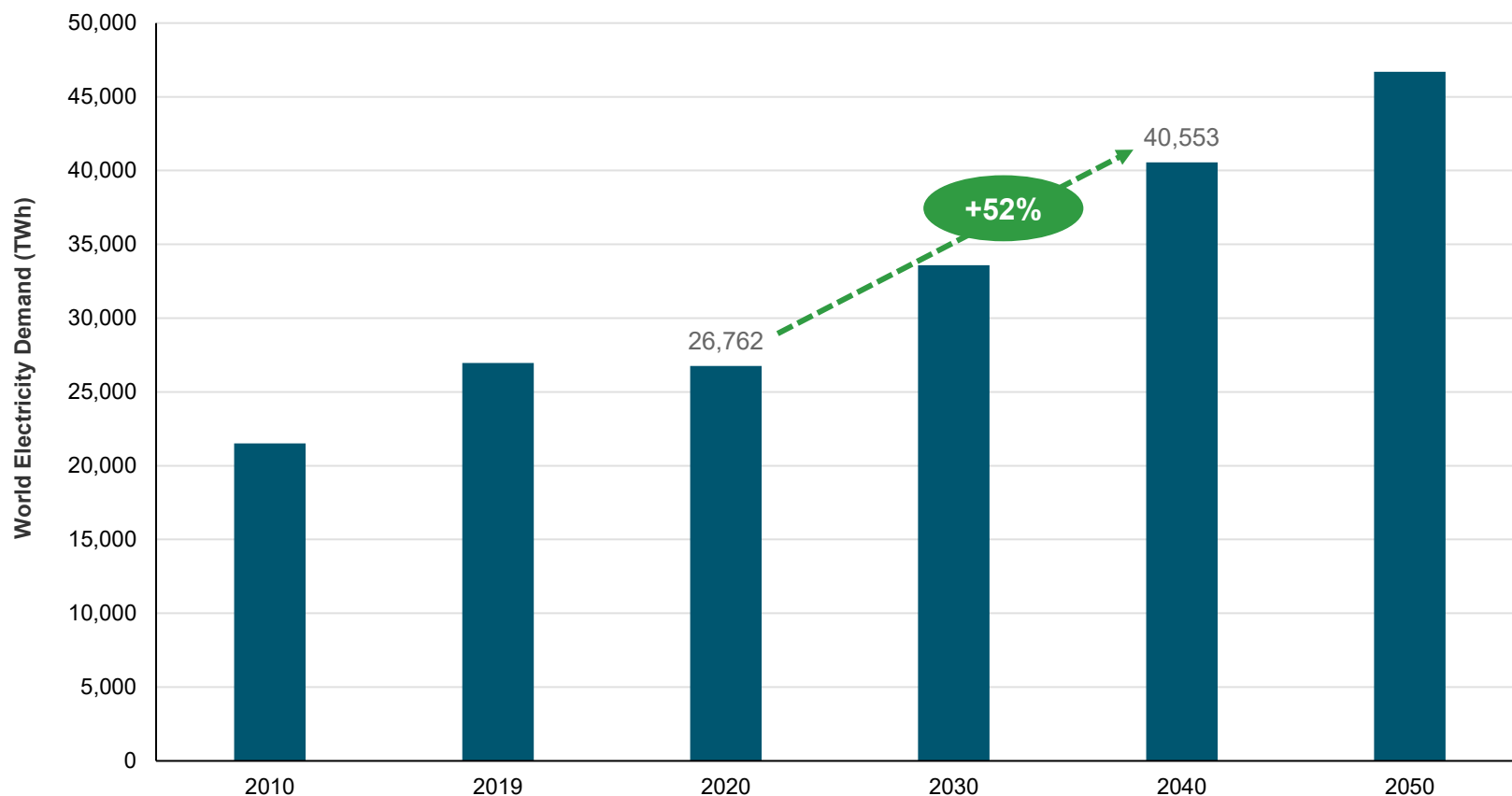
- We believe a number of minerals will be critical to the clean energy transition



Source: Sprott Asset Management.

Global Generation for Energy Estimated to Increase

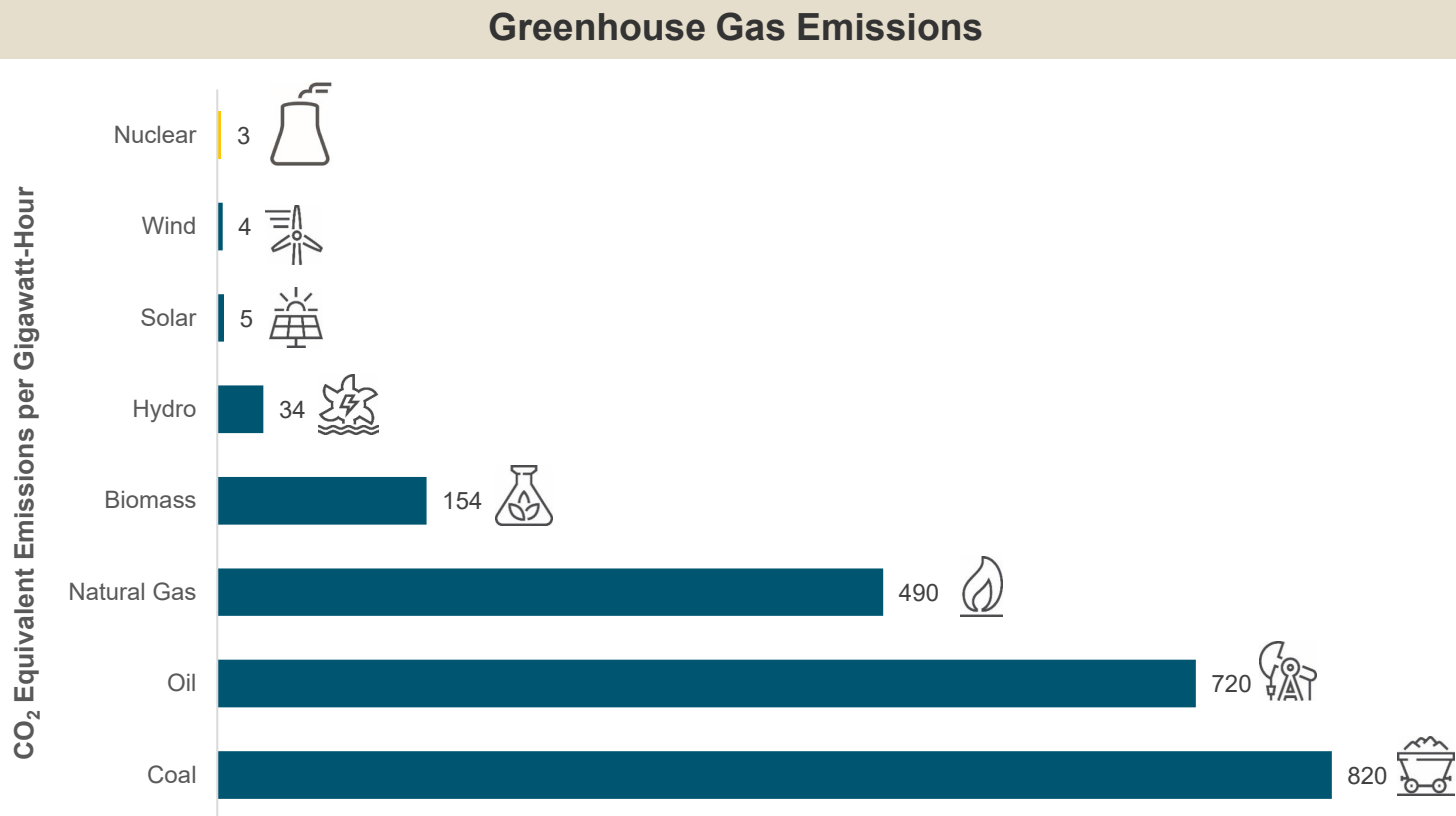
- By 2040, global electricity demand is expected to increase by 52% from 2020 levels
- Rising middle classes in the East and developing technologies in the West are driving electrification



Source: IEA World Energy Outlook 2021 Stated Policies. Included for illustrative purposes only.

Nuclear has the Lowest Full-Cycle Carbon Footprint

- Nuclear energy produces the least CO₂ equivalent emissions versus other energy forms, helping solidify its place in global decarbonization goals

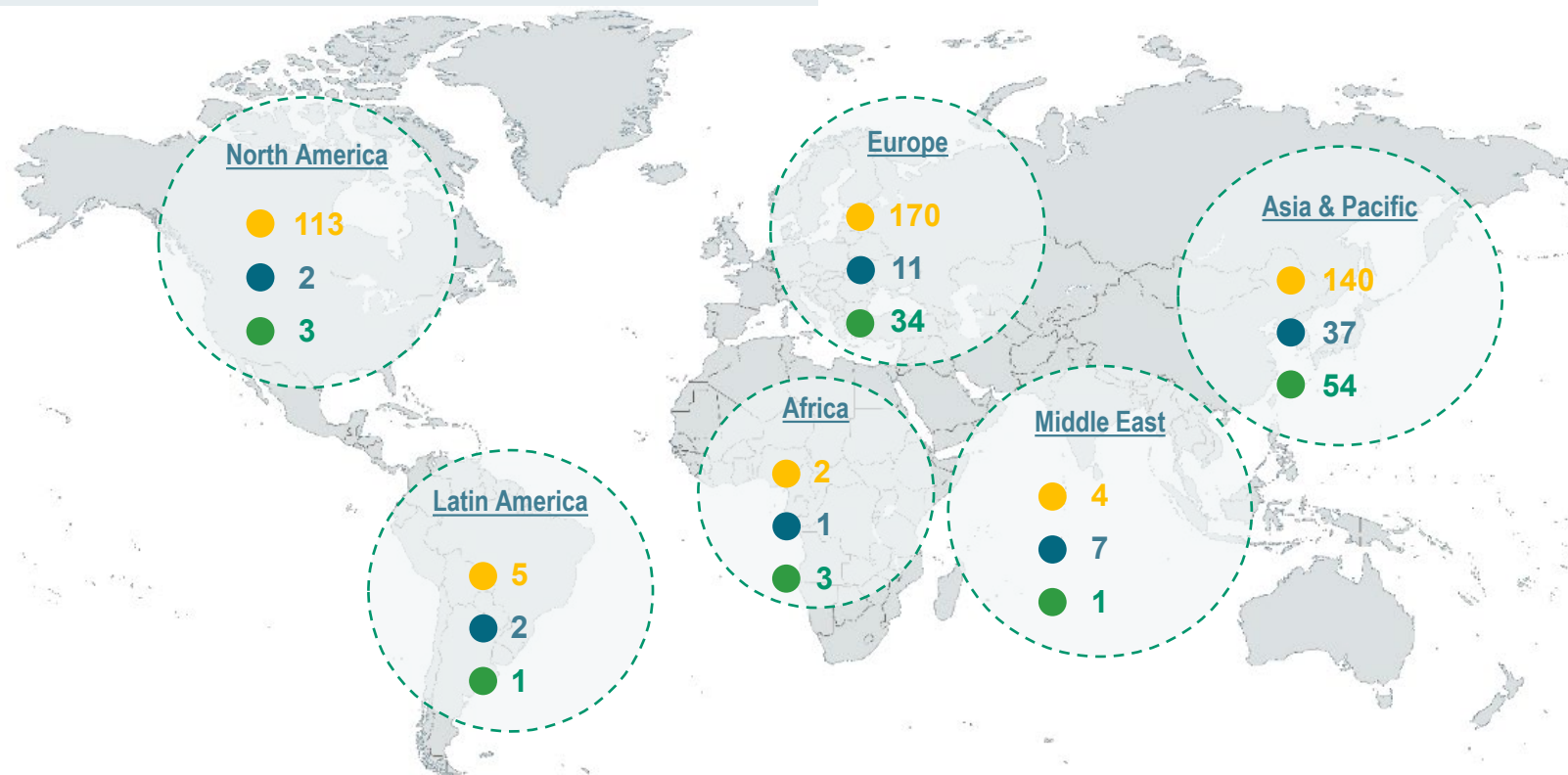


Source: <https://ourworldindata.org/nuclear-energy> as of 2021; measured in emissions of CO₂-equivalent per gigawatt-hour of electricity over the lifecycle of the power plant. Included for illustrative purposes only.

Nuclear Reactors in the World Today

- There are now 434 operational reactors globally with 60 under construction and 96 planned
- Newly constructed nuclear reactors demonstrate greater efficiency than older models

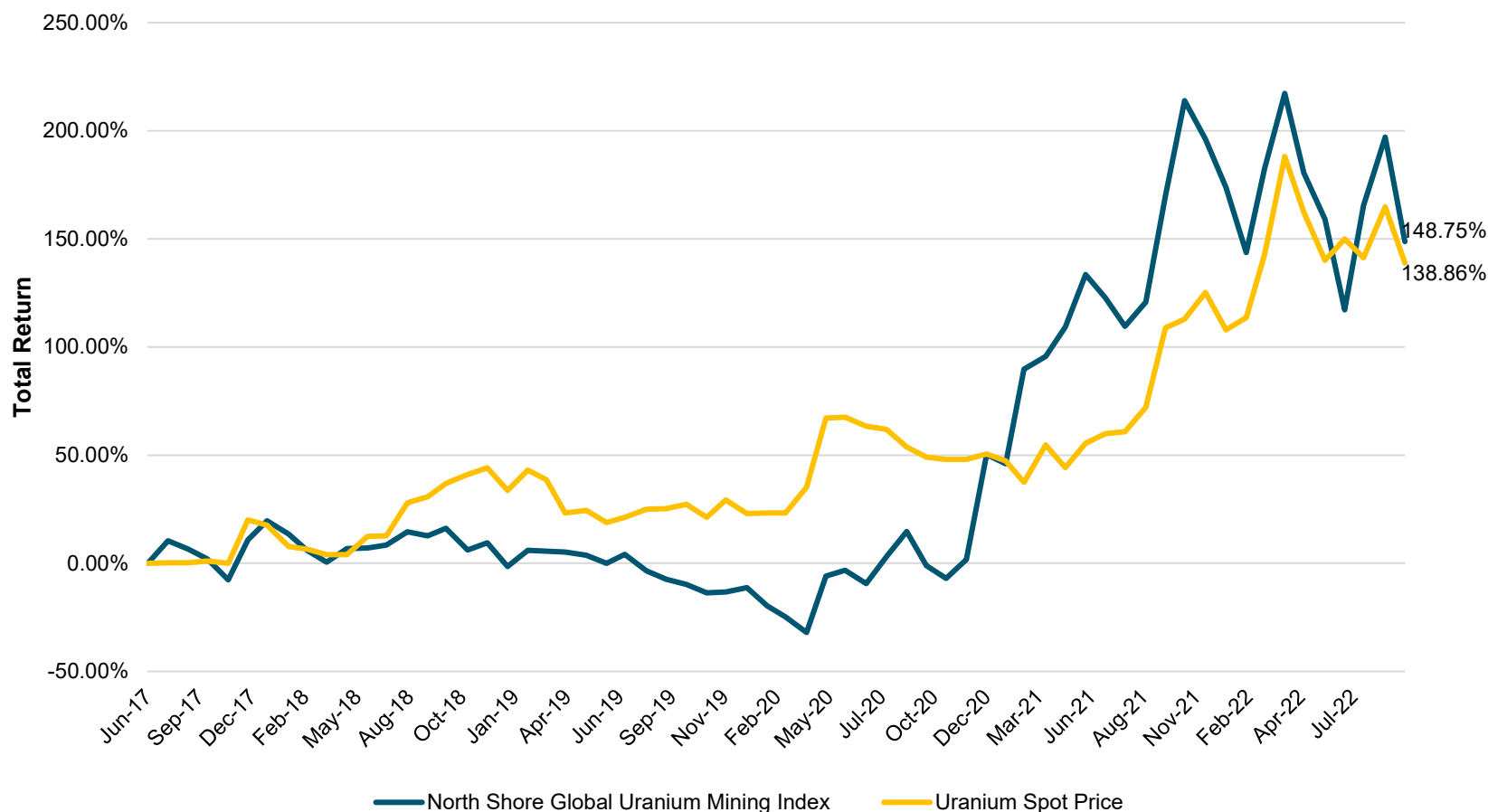
● Operational Reactors: 434
● Reactors Under Construction: 60
● Reactors Planned for Construction: 96



Source: World Nuclear Association as of September 2022. Included for illustrative purposes only.

Uranium Sector is Underpinned by Strong Fundamentals

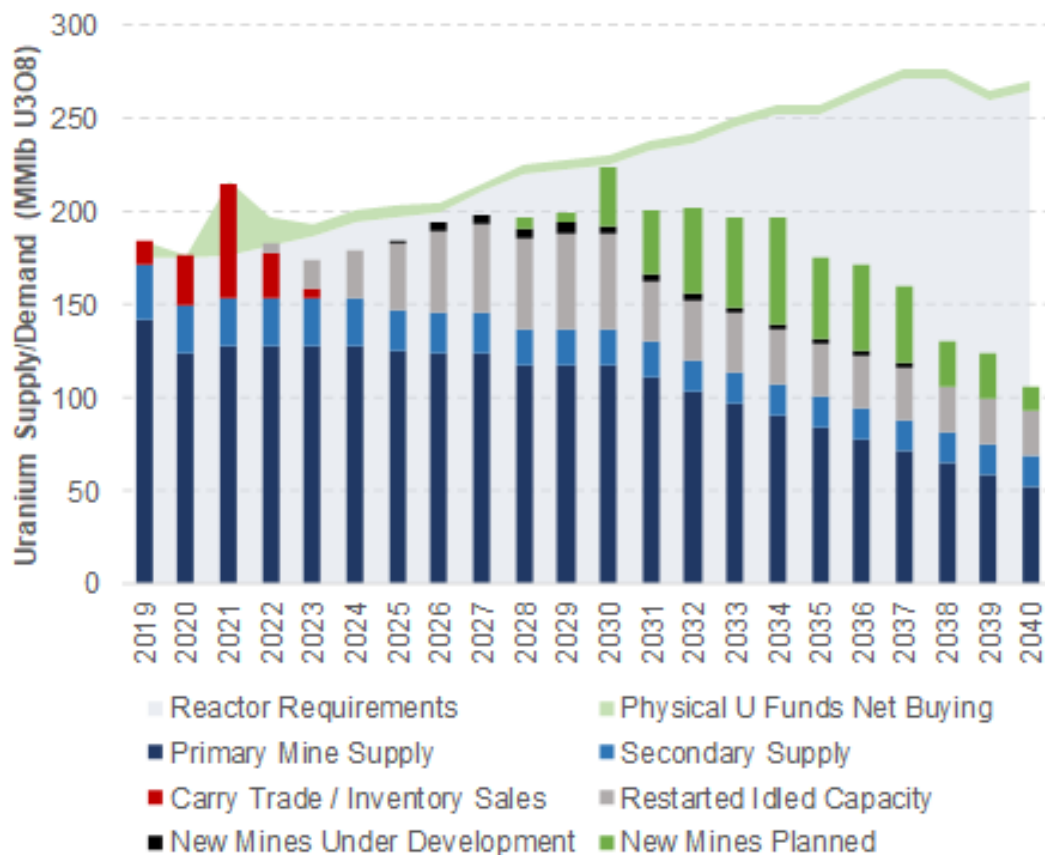
- After trading flat from 2017-2019, uranium miners and uranium spot prices have been on the move since 2019



Source: Bloomberg and TradeTech LLC. NorthShore Global Uranium Mining Index measured by URNMX Index in \$USD. Data as of 9/30/2022.

Uranium Production & Demand Imbalance Likely to Grow

- Uranium supply will be insufficient to meet growing demand even with restarts and new mines planned



Source: Forecast by Mike Kozak, Cantor Fitzgerald Uranium Analyst. October 2022.

Q&A

Ed Coyne



Sprott



Sprott Physical Gold Trust



Sprott Physical Silver Trust



Sprott Physical Gold and Silver Trust



Sprott Physical Platinum and Palladium Trust



Sprott ESG Gold ETF



Sprott Physical Uranium Trust



Sprott Gold Equity Fund



Sprott Gold Miners ETF

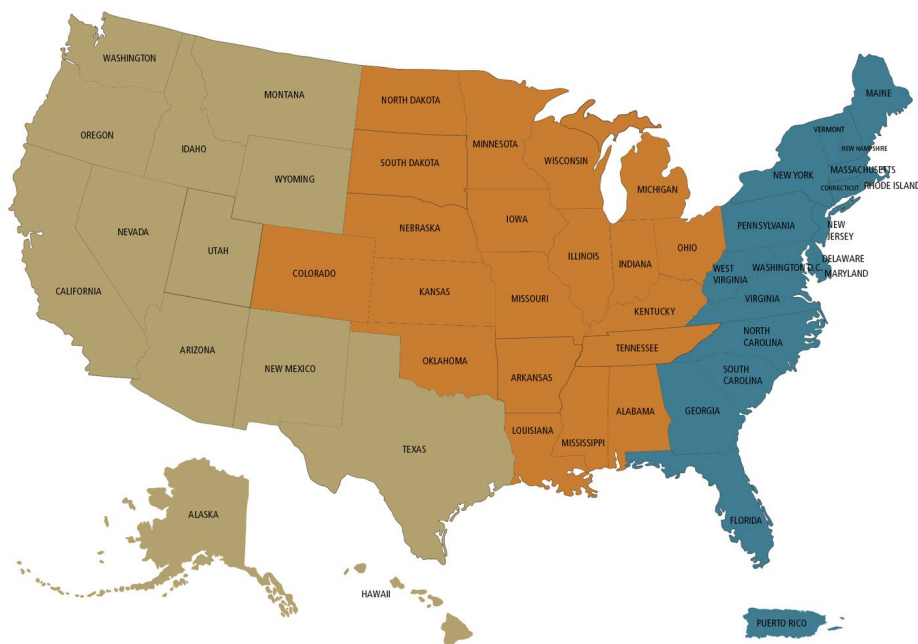


Sprott Junior Gold Miners ETF



Sprott Uranium Miners ETF

Sprott Regional and National Sales Coverage



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Sprott Physical Trusts

Sprott Asset Management LP is the investment manager to the Sprott Physical 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 [prospectuses](#). Please read the document carefully before investing. You will usually pay brokerage fees to your dealer if you purchase or sell units of the Trusts on the Toronto Stock Exchange (“TSX”) or the New York Stock Exchange (“NYSE”). If the units are purchased or sold on the TSX or the NYSE, investors may pay more than the current net asset value when buying units or shares of the Trusts and may receive less than the current net asset value when selling them. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. This communication does not constitute an offer to sell or solicitation to purchase securities of the Trusts.

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 of 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.

Important Disclosure

Sprott ETFs

This material must be preceded or accompanied by a prospectus. 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, Sprott Junior Gold Miners ETF Statutory Prospectus and Sprott Uranium Miners ETF Prospectus, which contains this and other information, or 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.

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.

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Past performance is not indicative of future results.