



INVESTMENT COMMITTEE TEAM

Eric Angeli (Investment Committee Chair)
Portfolio Manager

Jason Stevens, CFA
Portfolio Manager

Sam Broom
Investment Executive

Mishka vom Dorp
Investment Executive

INVESTMENT OBJECTIVES

Deliver long-term capital growth primarily through the participation in attractively priced private placement opportunities, which would otherwise not be available to investors on an individual basis. Through years of dedicated operations in the natural resources space Sprott has established itself as the preeminent global alternative asset manager. Sprott is already a leading provider of private placements for natural resource companies, including at the specialized junior end of the market. The RED LP will look to leverage our competitive advantage in evaluating early stage companies engaged in exploration and development of mineral resources. We seek to undertake transactions on favorable terms in well-structured and competently managed companies that have potential to become profitable future mines.

Resource Exploration and Development Private Placement Limited Partnership

Resource Exploration and Development Private Placement Limited Partnership (the "Fund") is an open-ended limited partnership offering that distills Sprott's global research efforts and private placement origination capabilities into a single investment vehicle.

PARTNERSHIP DETAILS

Investment Manager	Sprott Asset Management USA, Inc.
Portfolio Manager	Carlsbad Investment Committee
Investment Mandates	Primarily focused on private placement offerings in the natural resource space
Fund Structure	Open-Ended
Formal Launch Date	October 15, 2021
Additional Closings	Biannually (December 31 and June 30)
Target Fund Size	>\$100m
Redemptions	12 month lockup; thereafter quarterly with total redemptions per quarter limited to 25% of fund NAV
Investors	Limited Partnership is available to 99 Qualified Clients* Qualified Partnership is available to 2000 Qualified Participants**
Minimum Investment	\$250,000
Management Fee	\$250k to \$499k - 1.50% \$500k to \$999k - 1.25% +\$1m - 1.00%
Performance Fee	20% of net returns, includes a high water mark
Reporting	Annual audited financial statements available within 120 days after end of year Monthly capital account statements and semi-annual unaudited statements Interim and annual tax estimates (unaudited) Quarterly portfolio updates from Portfolio Manager

* Qualified Clients must be able to submit verification of \$2.2m of investible assets or \$1.1m in advisory assets managed by Sprott Asset Management USA, Inc.

** Qualified Participants must be able to submit verification of +\$5m of investible assets.

INVESTMENT COMMITTEE PROCESS

The fund is managed by the Sprott Asset Management USA (SAM USA) Investment Committee (the "IC") consisting of industry professionals and four senior investment advisors with varying areas of expertise.

Sprott's technical team is constantly reviewing companies and projects for potential investment, the vast majority of which are unlikely to pass the strict standards we require to greenlight an investment. The IC has access to the entire network of internal subject matter experts and research capabilities contained within the greater Sprott organization. We consider geological quality, potential upside returns relative to downside risks, corporate structures, management's track record and experience as well as overall market conditions when making investment decisions.

The team meets daily to discuss any important news and developments, both sector wide and at a company level that may present investment opportunities. The IC engages often and directly with management teams across the sector and undertakes detailed due diligence site visits whenever possible.

Once a suitable investment has been identified, the team can pursue a potential financing directly with the company in question, as part of a syndicate or, if appropriate, acquire a position through on market purchases. All investment opportunities involve a detailed technical consideration and every decision is put to a vote in which a majority of the IC must be in favor prior to transacting.

Resource Exploration and Development Private Placement Limited Partnership



“The mines of tomorrow begin with discoveries today”

Sprott

www.sprottusa.com

Risks relating to the Natural Resources Sector: Volatility of commodity pricing, precious metals related securities, cyclicalities of natural resource markets, environmental matters, technical risks of the project, catastrophe risk at the mine site as well as construction risks, further pandemic related risks.

Risks relating to Foreign Markets: Non-U.S. investments, undeveloped infrastructure, lack of adequate financial disclosures by an issuer, emerging markets risks as well as emerging currency risks.

Risks relating to the Partnership's Investments: investments primarily in private investment in public entity vehicles (PIPE transactions), no assurance of investment return, highly competitive market for investment opportunities, reliance on management team of project and issuer, illiquid and long term investments, unspecified investments of the partnership, due diligence risks, uncertainty of estimates and financial projections, legal and regulatory risks.

Please see the Private Placement Memorandum dated September 2021 and beginning on page 20 for a more in depth discussion of the various risk factors presented by participating in this investment product.

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. Low priced securities can be very risky and may result in the loss of part or all of your investment. Because of significant volatility, large dealer spreads and very limited market liquidity, typically you will not be able to sell a low priced security immediately back to the dealer at the same price it sold the stock to you. In some cases, the stock may fall quickly in value. Investing in foreign markets may entail greater risks than those normally associated with domestic markets, such as political, currency, economic and market risks. You should carefully consider whether trading in low priced and international securities is suitable for you in light of your circumstances and financial resources. Past performance is no guarantee of future returns. Sprott Global, entities that it controls, family, friends, employees, associates, and others may hold positions in the securities it recommends to clients, and may sell the same at any time.

Please refer to the Amended and Restated Limited Partnership Agreement and the Private Placement Memorandum for a full discussion of the investment, risks and opportunity. The intended use of this material is for information purposes only and is not intended to be an offer or solicitation for the sale of any financial product or service or a recommendation or determination that any investment strategy is suitable for a specific investor. Investors should seek financial advice regarding the suitability of any investment strategy based on the objectives of the investor, financial situation, investment horizon, and their particular needs. This information is not intended to provide financial, tax, legal, accounting or other professional advice since such advice always requires consideration of individual circumstances. The investments discussed herein are not insured by the FDIC or any other governmental agency, are subject to risks, including a possible loss of the principal amount invested.

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.

©Registered trademark of Sprott Inc. 2024

Sprott Global Resource Investments Ltd. Member SIPC/FINRA | 1910 Palomar Point Way, Suite 200, Carlsbad, CA 92008 | Toll Free: 800.477.7853 | sprottusa.com