Sprott Resource Alpha Separately Managed Account

Q2 2025 Quarterly Commentary

INVESTMENT TEAM

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STRATEGY OBJECTIVE

The primary objective is to deliver a risk-adjusted return through long-term capital appreciation for investors. The investment team aims to establish equity holdings in companies exploring, developing or producing commodities with a focus on companies that have consistently delivered, or are expected to deliver, the highest quartile operating margins in their respective industries.

Performance Summary

As we head into the second half of 2025, the upward trending volatility which characterized the first half of the year continues amid a backdrop of shifting geopolitical events, several of which hold potential to be of significant historical importance.

From ongoing tariff uncertainty that continues to disrupt the very underpinnings of global economic trade, to the tacit acknowledgement from U.S. Treasury Secretary Bessent that they've all but abandoned efforts to reign in out-of-control government spending in favor of "running it hot," there are plenty of macro developments that suggest precious metals and other hard assets may be just getting underway. Investors continue to seek out places which have historically retained their purchasing power during periods of extreme uncertainty and/or fiat currency debasement.

Outside of precious metals, industrial commodities and energy were mixed with coal and iron ore trending lower but both copper and oil regaining ground lost in the first quarter. The Sprott Resource Alpha Separately Managed Account (the "Strategy") has much more exposure to the latter two asset classes, which is evident in the performance numbers below. We welcome the growing awareness among traditional investors on the benefits of having an allocation to commodities as a portfolio diversifier.

Total Returns* (%)

As of 6/30/2025	1 MO	YTD	Q2 2025	Q1 2025	1 YR	3 YR	Cumulative Since Inception (February 26, 2021)
Sprott Resource Alpha Separately Managed Account (Net)[1]	1.51	39.62	11.02	25.77	39.66	27.08	91.82
Sprott Resource Alpha Separately Managed Account (Gross)[1]	1.62	40.49	11.39	26.13	41.57	28.91	104.30
Blended Benchmark[2]	4.16	30.98	10.27	18.78	25.36	15.27	55.31

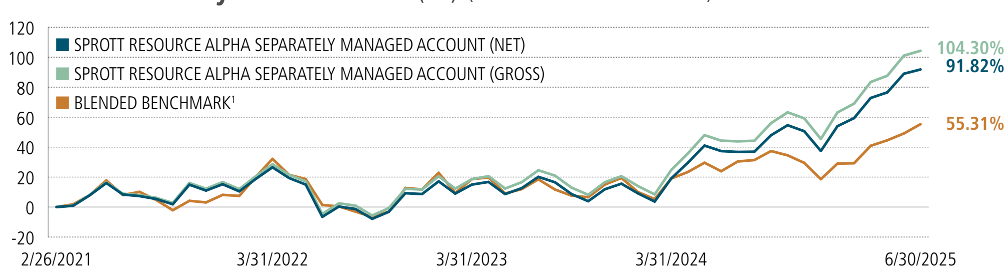
Past performance is not indicative of future returns. Please see important information on page 5. The performance results do not reflect trading in any client's account but reflect solely a composite of all open accounts for the prior 12 months. The Sprott Asset Management USA, Inc. performance team created an actual composite of all open accounts for the above performance reported. As your adviser, we are responsible for the trading of the separately managed account program.

* Returns less than one year are not annualized.

[1] Net strategy performance takes into account all fees and expenses.

[2] The benchmark is a composite of the following underlying benchmarks at equal weights and rebalanced quarterly; Morningstar Global Upstream Natural Resources Total Return Index (MUNRT), NYSE Arca Gold Miners Index (GDMNTR), and the S&P/TSX Global Mining Total Return Index (TXGMAR). The S&P/TSX Global Mining Total Return Index is a Canadian dollar denominated index that is converted to USD via Bloomberg.

Cumulative Daily Performance (%) (2/26/2021 – 6/30/2025)



Portfolio Composition[3]

The Strategy was fully invested throughout most of the quarter, with only modest turnover of positions and ended the quarter with just under a 3% weighting in cash as we awaited lower prices on a purchase of a new position which didn't fill until after June 30th.

During the quarter we prudently harvested initial tranche of profit on one holding which had moved substantially higher (MP Materials Corp., which still retains a major weighting) while exiting several investments for a variety of company-specific reasons (Bellevue Gold Limited, Evolution Mining Limited, CES Energy Solutions Corp. and Faraday Copper Corp.). In addition, we added to an existing royalty company (Altius Minerals Corporation) and a gold developer (Robex Resources Inc.) while establishing an initial position in only one new company (Rio2 Limited).

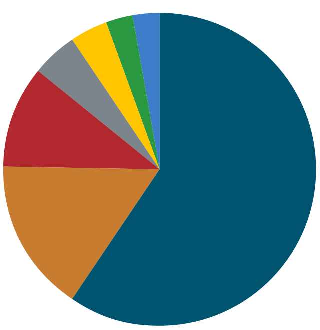
The allocation to Altius Minerals was increased due to their royalty over the Silicon/Merlin gold discovery in Nevada, which the Portfolio Manager sees as hidden value amid Altius' larger portfolio of other non-precious metal royalty assets. While the additional allocation to Robex had to do with the "so far so good" progress report on the construction of their new flagship gold mine in West Africa, which is due to commence production by the end of 2025.

This investment highlights a common theme that the Portfolio Manager looks for: *good* assets in the hands of *great* management teams can quickly build shareholder value. In addition to Robex Resources, we see similar potential in the Rio2 management team. With a track record of building mines, Rio2 is well underway with their (fully funded) construction of the flagship Fenix Gold project in Chile.

At the end of June, the current portfolio makeup included a 75% allocation to North American equities, 17% to Australian-listed companies, 5% invested in European equities and nearly 3% in cash.

Commodity Sector Breakdown

The specific breakdown of commodities to which the portfolio is exposed is as follows:



Precious Metals	59.69%
Copper (moly)	15.78%
Bulks (Ti, coal/iron ore/lithium/potash)	10.46%
Oil & Gas	4.65%
Uranium	3.87%
Cash	2.81%
Nickel & PGM	2.74%

Data as of 6/30/2025.

[3] Portfolio holdings were selected for inclusion using objective, non-performance-based criteria as they represent all additions and deletions from the Strategy during the quarter. The holdings discussed may not be representative of future investments and there is no guarantee they were or will be profitable.

Q2 2025 Performance Contributors[4]

K92 Mining Inc. (TSX: KNT)

Our position in K92 Mining Inc. contributed +1.24% to the overall portfolio. During the quarter, the company continued to advance its transformation into a mid-tier gold producer by commissioning its Stage 3 Expansion process plant at the Kainantu Gold Mine in Papua New Guinea. Stockpiled ore supplemented the mine's production ahead of the plant's ramp-up. K92 Mining expects annual production of 160,000 to 185,000 gold equivalent ounces for 2025. Underground development and mining operations are progressing as planned, with high-grade stopes from the Kora and Judd deposits contributing to strong head grades. Alongside the staged ramp-up, the company continues drilling activities at Kora South, Judd South and other regional targets to support resource growth.

At the end of Q1, the company reported a net cash position of $123 million, providing ample liquidity for ongoing expansion and exploration efforts. The Stage 3 Expansion should significantly lower all-in sustaining costs in the latter half of the year. With 70% of the capital for Stage 3 and 4 already committed or spent, and the largest infrastructure packages secured under fixed-price contracts, K92 appears on track to deliver strong cash flows at current gold prices.

Ero Copper Corp. (NYSE: ERO)

Following a challenging 2024 which saw both management changes and delays to their organic copper production growth ambitions, Ero Copper Corp. appears to finally be on the right track and contributed +0.94% to the Strategy. The Brazilian-based company operates from two main projects, Tucumã and Caraíba, with a multiyear development at Tucumã that is on track to more than double the production rates from 2024 levels. The Strategy saw the setbacks as transitory and added to our weighting at favorable prices, leading to an outsized impact on our overall performance once things started improving.

Looking out a year from now when the big capital expenditure spending is behind them, we believe future production at Ero Copper should be towards the lower end of the cost curve given the high-grade nature and inexpensive operating conditions in Brazil (namely cheap labor and power). Coupled with strength in the copper prices, we are excited to see what the latter half of this year may do for this core position.

Q2 2025 Performance Detractors[4]

Equinox Gold Corp. (NYSE: EQX)

The Equinox Gold Corp. holding reduced the Strategy by -0.21% during the second quarter. In April, they were forced to shut down operations at their Los Filos Mine in Mexico after negotiations on the land access agreement with the local communities failed to reach a resolution. This, in turn, reduced Equinox's production by 170,000 ounces a year. Though the mine is shuttered, there remains the possibility that future negotiations will result in the reopening of the mine.

Equinox has also been plagued by delays and cost overruns on the ramp up of their Greenstone Mine in Ontario, Canada. The Company's Q1 results disappointed investors as gold production from Greenstone was down 16% from the prior quarter due to operations encountering unplanned maintenance, reduced loading equipment availability and lower head grade translated into increased mining costs.

[4] Contributors and detractors represent the top and bottom two performers in the Strategy this quarter. The same contributor/detractor selection criteria are consistently used across the Strategy's quarterly commentaries. Contribution to or detraction from total return was calculated by taking into account consistently the weighting of every holding in the Strategy's representative portfolio that contributed to the Strategy's performance during the quarter. All other separately managed accounts in the Strategy track the representative portfolio.

Earlier in the year, the Company agreed to acquire all outstanding shares of Calibre Mining Corp. (TSX: CXB) in an all-share deal for 0.31 shares of EQX for each share of Calibre. Grumblings from CXB shareholders who were disappointed by the lack of premium, prompting EQX to increase the bid to 0.35/EQX share, further diluting Equinox shareholders but in the end securing the votes to acquire Calibre. With the deal finally concluded, the proforma Equinox could become the second largest producer in Canada, assuming no further hurdles are encountered with the development of their mines.

Andean Silver Limited (ASX: ASL)

Chilean focused silver explorer, Andean Silver Limited's share price fell nearly 20% during the quarter, reducing the Strategy by -0.33%. This retracement was somewhat surprising to us given the company released a number of positive exploration developments in the quarter, specifically the identification of a brand new (undrilled) 1.2km long vein field that was identified by rock chip sampling, which returned individual samples grading as high as 30,202 g/t silver.

In addition, Andean Silver released a new batch of drill results from its flagship Cerro Bayo project that we viewed as incrementally positive but were evidently lower than the market was expecting. Whilst we are disappointed with the lackluster share performance, we continue to be excited about the longer-term exploration upside, with a whole host of high-quality targets that are yet untested. Note the company has already delineated a 111Moz AgEq resource, which we feel more than backstops the current market capitalization while offering considerable exploration potential based on the early data thus far released.

Concluding Comments

While not explicitly mentioned, the overt *weak dollar policy* the Trump Administration has embarked upon is steadily driving the greenback lower with the dollar index (as measured by the DXY) is now down 10% in the six tumultuous months since taking office. The privilege, as well as the burden, of managing the global reserve currency is a balancing act that plays a very large role in shaping international trade and corporate/sovereign capital allocation decisions. As this historic macro landscape continues changing, global financial markets scramble to recalibrate their investment portfolios amid a backdrop of rapidly shifting geopolitical policies.

Themes we've covered previously in these quarterly updates are finally playing out, namely the 'friendshoring' and 'nearshoring' of raw material supply chains but also the potential scarcity value of commodities that happen to be located in those strategically allied countries. The somewhat painful period whereby natural resources received next to zero allocation in a conventional *diversified* portfolio appear to be finally coming to an end.

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INDEX DEFINITIONS

You cannot directly invest in an index.

Morningstar Global Upstream Natural Resources Index: The index measures the performance of stocks issued by companies that have significant business operations in the ownership, management and/or production of natural resources in energy, agriculture, precious or industrial metals, timber and water resources sectors as defined by Morningstar's industry classification standards. This Index does not incorporate Environmental, Social, or Governance (ESG) criteria.

NYSE Arca Gold Miners Index: The index is a composite of publicly traded gold and silver mining companies operating throughout the world. The NYSE Arca Gold Miners Index includes common stock as well as depository receipts quoted on major stock exchanges.

S&P/TSX Global Mining Total Return Index: The index is designed to measure the performance of stocks in the S&P Global BMI engaged in the GICS® Metals & Mining industry. Constituents are selected based on active mining activities and are weighted by float market cap.

IMPORTANT INFORMATION

Past performance does not guarantee future results. An investor could lose all or a substantial amount of any investment pursuant to this strategy. The intended use of this material is for informational 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 and are subject to risks, including a possible loss of the principal amount invested.

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. Sprott Asset Management USA, Inc., ("Sprott USA") 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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The information has been provided for illustrative purposes only, and should not be relied upon by you in evaluating the merits of investing in any securities or strategies mentioned herein.

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