



## Description

The Fund seeks to deliver exposure to the Sprott Zacks Gold Miners Index (NYSE: ZAXSGDM). The Index aims to track the performance of large to mid-capitalization gold companies whose stocks are listed on major U.S. exchanges.

The Index uses a transparent, rules-based methodology that is designed to identify 25 gold stocks with the highest beta\* to the spot price of gold, with each stock's weighting in the index adjusted based on its quarterly revenue growth on a year-over-year basis and the quality of its balance sheet, as measured by long-term debt to equity. The Index is rebalanced on a quarterly basis to incorporate the latest financial data into the screening process. The Index can also invest to a lesser degree in silver companies that meet the above criteria.

## Why Sprott Zacks Gold Miners Index?

- The Index seeks to outperform a purely passive representation of the gold and silver mining industry
- Transparent, rules-based methodology designed to overweight gold stocks with attractive investment merits relative to the other stocks in the index
- Weighting methodology seeks to emphasize gold stocks with the highest quarterly revenue growth measured on a year-over-year basis and stronger relative balance sheets as measured by long-term debt to equity
- The stock selection and index weighting criteria co-developed by Sprott Asset management, a leading, long-time gold sector investor, and Zacks Index Services
- Quarterly rebalancing seeks to ensure that the latest company results are reflected in the composition and weighting of the index

## Why Gold Miners?

- Low to negative global bond yields are positive for gold, creating renewed interest in the metal<sup>1</sup>
- In a rising gold price environment, gold miners have the potential to outperform gold because:
  - The value of unmined gold reserves increases, making gold companies more valuable
  - The profitability of gold companies can rise exponentially relative to the price increase for gold<sup>2</sup>
- Low historical correlation to traditional asset classes

## Performance

TOTAL RETURNS	Cumulative (as of 1/31/18)		Cumulative (as of 12/31/17)		Annualized (as of 12/31/17)
	1 Month	3 Month	YTD	1 Year	Since Inception
Sprott Gold Miners ETF (Net Asset Value)	3.28%	1.21%	11.02%	11.02%	-4.63%
Sprott Gold Miners ETF (Market Price) <sup>†</sup>	3.48%	1.12%	10.62%	10.62%	-4.65%
Sprott Zacks Gold Miners Index - TR (Benchmark)	3.35%	1.36%	11.73%	11.73%	-3.94%
S&P 500® Total Return Index	5.73%	6.64%	21.83%	21.83%	11.40%

Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be higher or lower than actual data quoted. Call 1.855.215.1425 or visit [www.sprottets.com](http://www.sprottets.com) for current month end performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

<sup>†</sup>Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

## ETF Details

Ticker:	SGDM
Underlying Index:	ZAXSGDM
Listing Exchange:	NYSE Arca
CUSIP:	00162Q 643
Fund Inception:	July 15, 2014
Total Expense Ratio:	0.57%

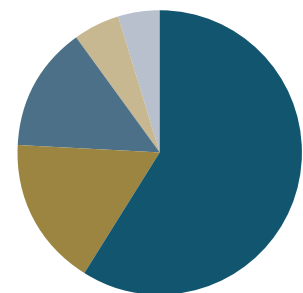
## Index Portfolio Characteristics

(as of 1/31/18)

Number of companies:	25
Market cap (millions):	\$120,229
Largest market cap (millions):	\$21,605
Smallest market cap (millions):	\$685
Weighted avg. company market cap (millions):	\$7,922
Market cap breakdown:	
Large (>\$10B)	35.82%
Medium (\$2 - \$10B)	51.56%
Small (<\$2B)	12.62%
Industry weighting:	
Gold	88.90%
Silver	11.10%

## Company Domicile Breakdown

(as of 1/31/18)



- Canada - 58.93%
- Jersey - 16.94%
- United States - 14.29%
- South Africa - 5.18%
- Peru - 4.66%



## Index Holdings – Sprott Zacks Gold Miners Index (as of 1/31/18)

COMPANY	TICKER	WEIGHT (%) <sup>^</sup>
Randgold Resources Ltd-Adr	GOLD	16.94%
Agnico Eagle Mines Ltd	AEM	13.60%
Goldcorp Inc	GG	13.26%
Newmont Mining Corp	NEM	4.67%
Cia De Minas Buenaventur-Adr	BVN	4.66%
Pan American Silver Corp	PAAS	4.63%
Royal Gold Inc	RGLD	4.33%
Barrick Gold Corp	ABX	4.30%
Iamgold Corp	IAG	4.26%
Kinross Gold Corp	KGC	4.22%
Alamos Gold Inc-Class A	AGI	3.09%
B2gold Corp	BTG	3.01%
Anglogold Ashanti-Spon Adr	AU	2.35%
Hecla Mining Co	HL	1.90%
Sandstorm Gold Ltd	SAND	1.89%
Fortuna Silver Mines Inc	FSM	1.85%
Gold Fields Ltd-Spons Adr	GFI	1.79%
Mcewen Mining Inc	MUX	1.79%
Yamana Gold Inc	AUY	1.69%
Coeur Mining Inc	CDE	1.60%
Ssr Mining Inc	SSRM	1.57%
First Majestic Silver Corp	AG	1.11%
Sibanye Gold Ltd-Spons Adr	SBGL	0.58%
Harmony Gold Mng-Spon Adr	HMY	0.46%
Seabridge Gold Inc	SA	0.44%

<sup>^</sup>Weightings subject to change.

## IMPORTANT DISCLOSURES & DEFINITIONS

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus, which contain this and other information please contact your financial professional or call 1.855.215.1425. Read the prospectus carefully before investing.

Sprott 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.

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.

## About Sprott Asset Management LP

Sprott Asset Management LP (“Sprott”) is an alternative investment manager that specializes in precious metals and natural resource investing. Headquartered in Toronto, Canada, the mining finance center of the world, Sprott manages several billion dollars in precious metals investments, including the Sprott Physical Bullion Trusts which trade on the NYSE Arca.

Sprott ETFs provide investors with access to innovative and unique indexes that are designed to outperform passive market cap-weighted offerings.

Sprott Asset Management leverages its expertise as an active money manager in precious metals and other natural resource sectors to co-develop each Index with its partners. Each index is designed using specific **Factors that Matter**™ for a particular sector. These customized factors are selected because they have historically proven to be strong predictors of long term stock performance.

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.

Sprott Zacks Gold Miners Total Return Index is comprised of approximately 25 stocks selected, based on investment and other criteria, from a universe of gold and silver mining companies whose stock is listed on a major U.S. exchange. The stocks are selected using a proprietary, quantitative rules-based methodology developed by Zacks Index Services.

S&P 500® Total Return Index is an unmanaged index that tracks the performance of 500 widely held large-capitalization U.S. stocks.

The indexes are reported on a total return basis, which assumes reinvestment of any dividends and distributions realized during a given time period. The indexes are not actively managed and do not reflect any deductions for fees, expenses or taxes. One cannot invest directly in an index. Index performance does not reflect fund performance.

ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the Sprott Gold Miners ETF.

\*Beta is defined as a sensitivity measure based on regression against the spot gold price movement during the trailing 36 months. <sup>1</sup>Bloomberg June 30, 2016. <sup>2</sup>Gold price is a key factor driving the overall profitability of gold mining companies, and their stock price. Assuming that in the short term mining company's expenses are constant, an increase in the price of gold contributes directly to the profitability of the company.