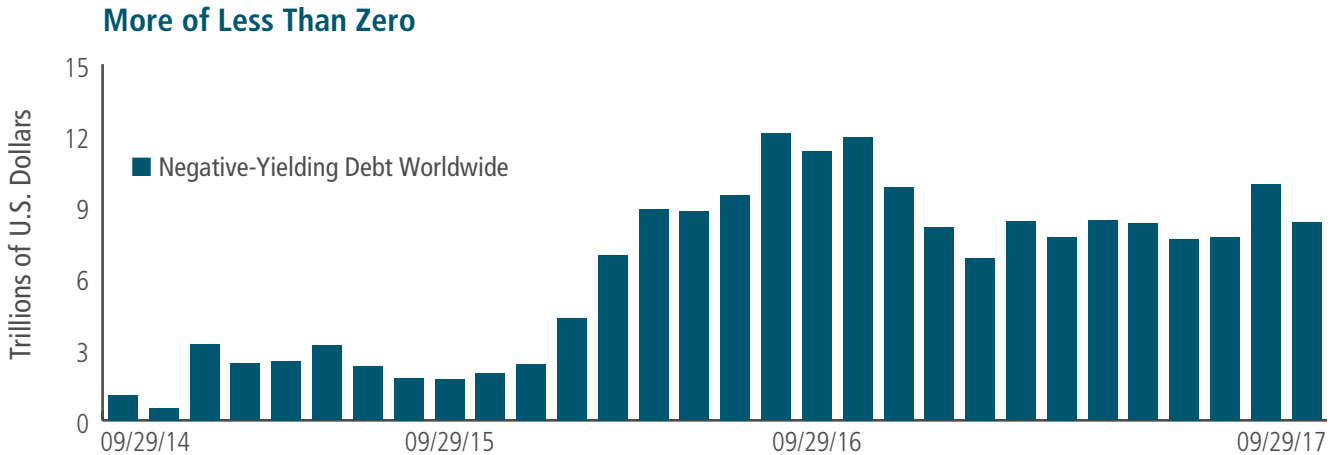


Sprott | Factors that Favor Gold and Gold Stocks in the Current Environment

1 Negative interest rates are supportive of the price of gold. In Q3 2017, there was **\$8.3 trillion** of negative yielding bonds.

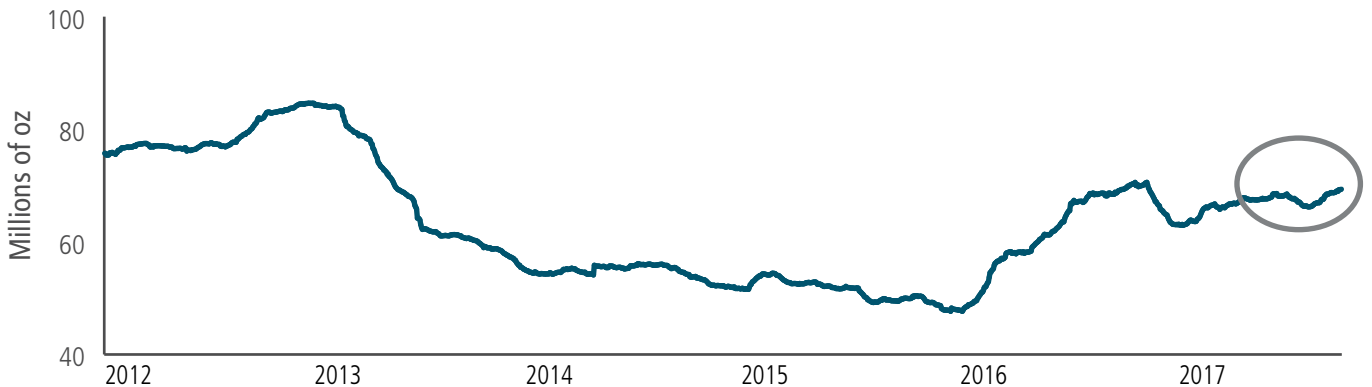
NEGATIVE INTEREST RATE POLICY



Source: Bloomberg. As of September 29, 2017.
 *Includes all such bonds in the Bloomberg Barclays Global Aggregate Index; based on as-issued values converted to dollars as of the end of each month.

2 In response, there has been a significant sentiment shift in favor of gold. ETFs posted significant increase in fund flows, **21.7 million** ounces since the end of 2015.

FUND FLOWS TO GOLD ETFs (MILLIONS OF OUNCES OF GOLD HELD BY ETFs)

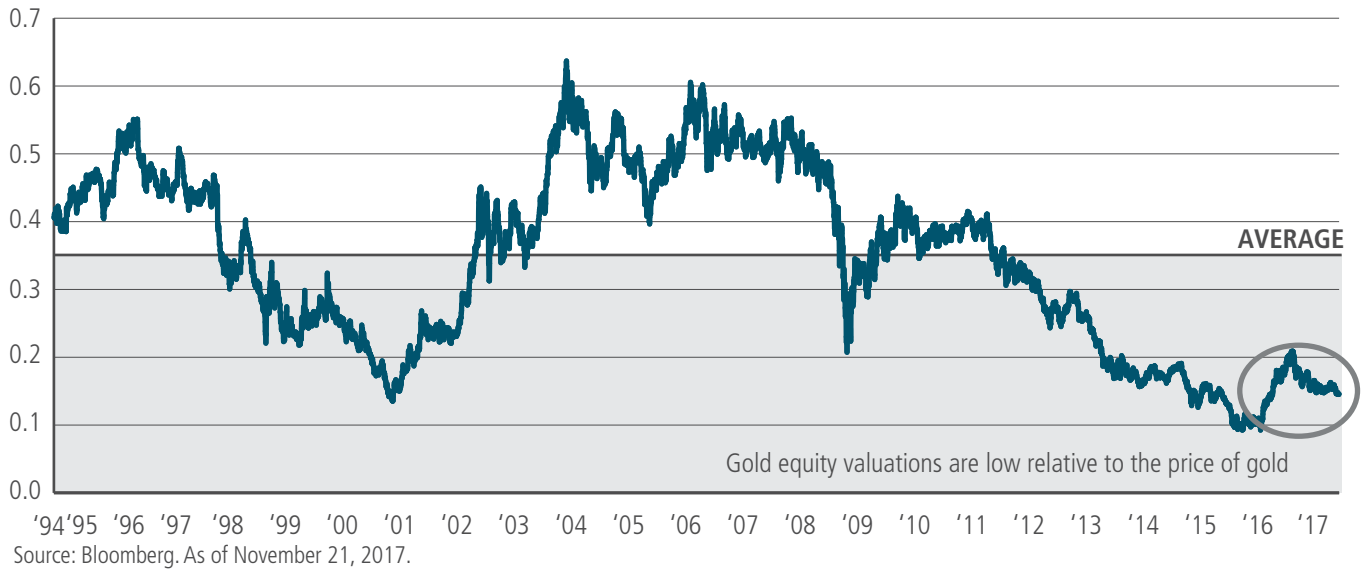


Source: Bloomberg. As of September 29, 2017.

Factors that Favor Gold and Gold Stocks in the Current Environment

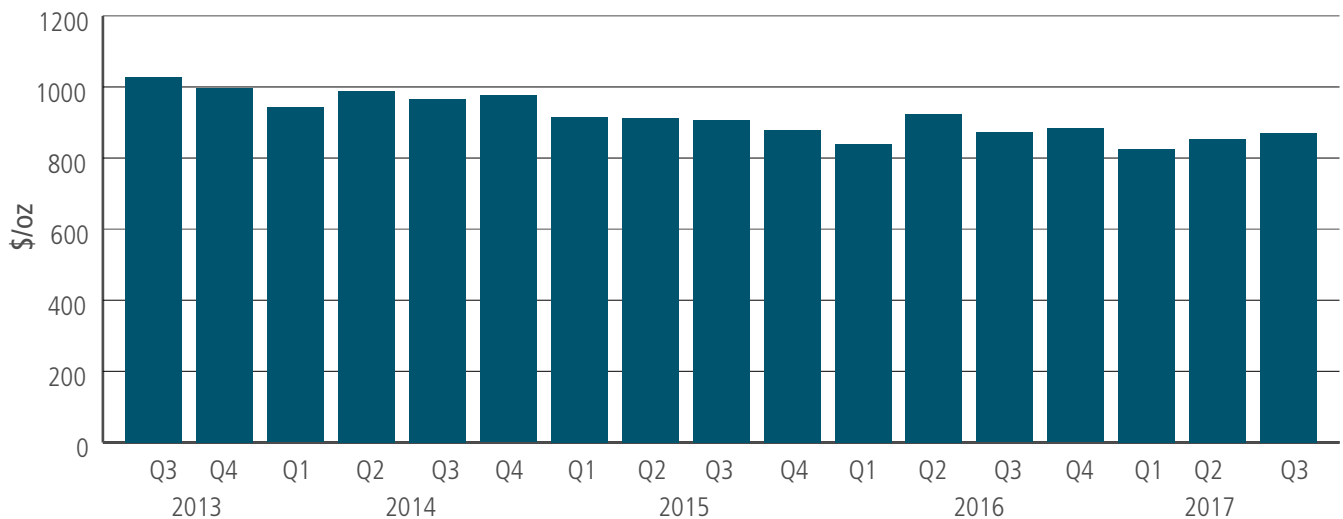
3 Historically, in gold bull markets gold equities have outperformed gold bullion. The ratio of gold equities to gold today is **less than half of its historical average**.

NYSE ARCA GOLD BUGS INDEX (HUI) TO GOLD RATIO



4 During the recent gold bear market, gold companies have reduced their operating costs and capital expenditures. All-in senior sustaining cash costs have **declined by 17.8%**, from \$1,060 per oz. in Q2 2013 to **\$871** per oz. in Q3 in 2017.

GOLD PRODUCTION COSTS



Factors that Favor Gold and Gold Stocks in the Current Environment

5 In a rising gold price environment, gold stocks have the potential to provide additional returns because:

- The value of unmined gold reserves increases, making gold companies more valuable to investors
- The profitability of gold companies can rise exponentially relative to the price increase for gold

Let's look at an example of a company producing 1 million ounces of gold a year:

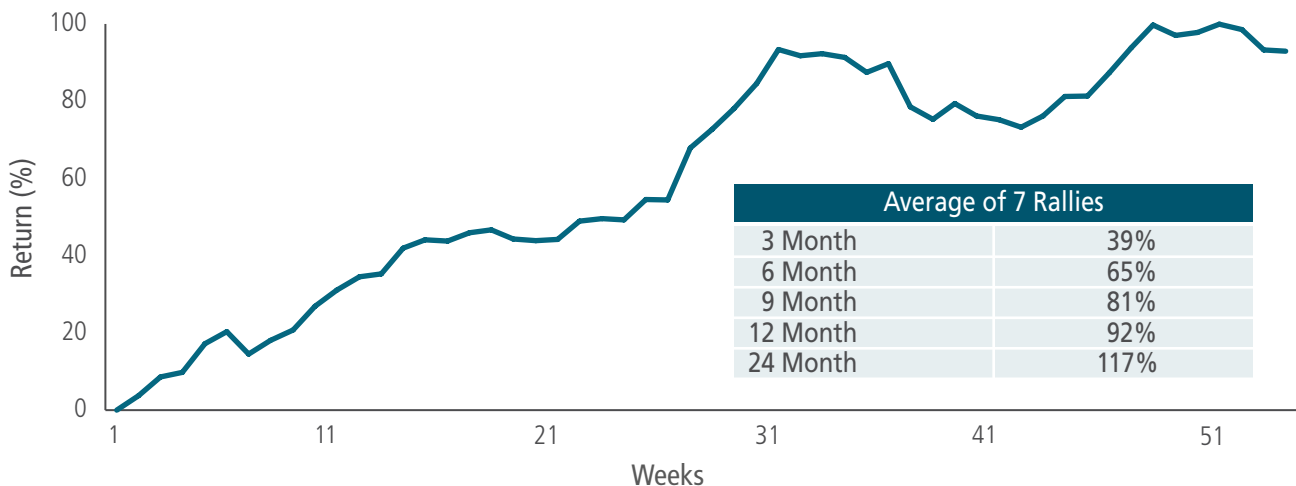
	Gold @ \$1,100 oz		Gold @ \$1,300 oz
Annual Gold Production in Ounces	1 million	Annual Gold Production in Ounces	1 million
Annual Revenue	\$1.1 billion	Annual Revenue	\$1.3 billion
Cost of Production @ \$850 oz	\$850 million	Cost of Production @ \$850 oz	\$850 million
Net Profit	\$250 million	Net Profit	\$450 million

For illustrative purposes only.

In this illustration, an **18% increase in the price of gold** translates into an **80% increase in profitability** for the company.

6 The average 24 month return of gold stocks following the market bottom of the last 7 bear markets was **117%**.

AVERAGE RETURN FOLLOWING SEVEN MAJOR BEAR MARKETS



Rally	Return	Rally	Return
October '71 – October '73	120%	December '92 – December '94	70%
August '76 – August '78	100%	November '00 – November '02	64%
June '82 – June '84	170%	October '08 – October '10	185%
January '85 – January '87	107%	January '16 – September '17	63%

Source: Bloomberg.

Factors that Favor Gold and Gold Stocks in the Current Environment

Two Unique ETFs to Invest in Gold Stocks

Each Index:

- Seeks to outperform purely passive representations of the gold and silver mining industry
- Uses transparent, rules-based methodology designed to overweight gold stocks with attractive investment merits relative to the other stocks in the index
- The stock selection and index weighting criteria were co-developed by Sprott Asset Management, a leading, long-time gold sector investor, and Zacks Index Services

SGDM

NYSE ARCA

Sprott Gold Miners ETF

- Stocks weighted in the index based on quarterly revenue growth and long-term debt to equity
- Reconstituted quarterly

SGDJ

NYSE ARCA

Sprott Junior Gold Miners ETF

- Stocks weighted in the index based on revenue growth and price momentum
- Reconstituted semi-annually

SPROTT ETFs

Sprott ETFs provide investors with access to innovative and unique indexes that are designed to outperform passive market cap-weighted offerings. Each Index is designed using specific **FACTORS** *that MATTER*[™] for a particular strategy. These customized factors are selected because they have historically shown correlation to stock performance.

Factors that Favor Gold and Gold Stocks in the Current Environment

IMPORTANT DISCLOSURES & DEFINITIONS

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

Sprott Gold Miners ETF and Sprott Junior 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 nondiversified 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.

Micro-cap stocks involve substantially greater risks of loss and price fluctuations because their earnings and revenues tend to be less predictable. These companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources and may lack management depth.

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.

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.

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