

## SPROTT DIVERSIFIED BOND CLASS<sup>††</sup>

Performance as of April 28, 2017

### INVESTMENT TEAM



Scott Colbourne, CFA, MBA  
Co-CIO  
Senior Portfolio Manager

### FUND OBJECTIVE

The Fund aims to provide income. It seeks a similar return to its underlying fund, Sprott Diversified Bond Fund, by investing substantially all of its assets in securities of that fund. The underlying fund invests primarily in debt and debt-like securities of corporate and government issuers from around the world.

### FUND DETAILS<sup>1</sup>

Fund Type	Diversified High-Yield Fixed Income Fund
Assets Under Management	\$76.8 Million
**Inception Date	October 17, 2011
Unit Price	\$13.10
Min. Initial Investment	\$1,000
Min. Subsequent Investment	\$25
Min. Investment Term/ Early Redemption Fee (ERF)	20 Days/1.5% ERF
Contributions/Valuations	Daily
Management Fee	1.65% (Series A) 0.75% (Series F) 1.65% (Series T) 0.75% (Series FT)
Performance Fee	None
Eligible for Registered Plans	Yes
Risk Tolerance	Low

### FUND CODES

Code	NL	FE	LL
Series A		SPR 200	SPR 237
Series T		SPR 224	SPR 239
Series F	SPR 221		
Series FT	SPR 227		
Series P		SPR 263	
Series PT		SPR 264	
Series PF	SPR 265		
Series PFT	SPR 266		
Series Q		SPR 267	
Series QT		SPR 268	
Series QF	SPR 269		
Series QFT	SPR 270		

<sup>††</sup>Effective May 28, 2015, Sprott Diversified Yield Class was renamed Sprott Diversified Bond Class.

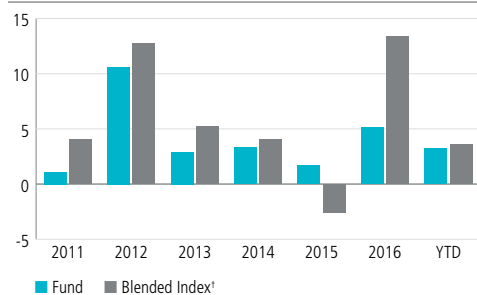
### WHY INVEST IN THIS FUND?

- Absolute return focus with the ability to short for hedging purposes.
- Flexibility to invest in all fixed income asset classes.
- Active currency management.
- Experienced management team with a proven track record.
- An ideal complement to traditional bond funds, GICs and bond ladders.

### COMPOUNDED RETURNS (%)<sup>1</sup>

	1 MTH	YTD	3 MTH	6 MTH	1 YR	3 YR	5 YR	ANNUALIZED INCEPTION <sup>**</sup>
SPROTT DIVERSIFIED BOND CLASS	1.7	3.2	2.8	3.7	6.7	3.4	4.3	5.0
BLENDED INDEX <sup>1</sup>	1.2	3.6	2.6	4.1	10.9	4.8	6.2	7.1

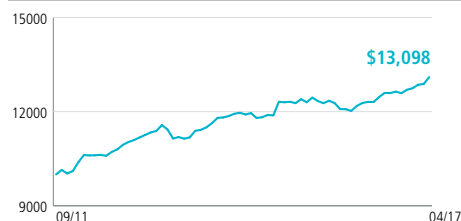
### CALENDAR YEAR RETURNS (%)<sup>1</sup>



### STATISTICAL ANALYSIS<sup>2</sup>

STATISTICS	FUND	BLENDED INDEX <sup>1</sup>
Cumulative Return (Since Inception)	31.0%	46.4%
Standard Deviation	3.4%	4.5%
Sharpe Ratio	1.29	1.45
Total Positive Months	46	47
Total Down Months	21	20
Beta	0.56	

### GROWTH OF \$10,000 INVESTED (OCT. 17, 2011)<sup>1</sup>



### CORRELATION

DESCRIPTION	FUND
FTSE TMX Canada Universe Bond Index <sup>TM</sup>	0.53
BofA Merrill Lynch U.S. High Yield Index	0.66
S&P/TSX Composite Total Return Index	0.47

### TOP TEN HOLDINGS (UNDERLYING FUND)<sup>3</sup>

Government of the United States of America, 2.25%, 02/15/27
Government of Canada, 1.50%, 06/01/26
Province of Buenos Aires (Argentina), 5.75%, 06/15/19
Tembec Industries, Inc., 9.00%, 12/15/19
Petrobras International Finance Co., 5.38%, 01/27/21
Nationstar Capital Corp., 6.50%, 08/01/18
Interface Security Systems Holdings, Inc., 9.25%, 01/15/18
Aleris International, Inc., 9.50%, 04/01/21
Scientific Games International, Inc., 7.00%, 01/01/22
Frontier Communications Corporation, 8.88%, 09/15/20

### SECTOR ALLOCATION (UNDERLYING FUND)<sup>3</sup>

High Yield Bonds	55.2%
Government Bonds	21.0%
Cash and Cash Equivalents	9.0%
Emerging Market Governments	5.3%
Corporate Bonds	5.0%
Preferred Equities	3.5%
Common Equities	0.5%
Currency Forwards	-0.6%

### GEOGRAPHIC ALLOCATION (UNDERLYING FUND)<sup>3</sup>

United States	39.8%
Canada	24.2%
United Kingdom	8.1%
Argentina	4.6%
Other	3.7%
Netherlands	3.4%
France	1.5%
Switzerland	1.5%
Ireland	0.8%

# SPROTT DIVERSIFIED BOND CLASS



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<sup>†</sup> Blended Index is 75% of the BofA Merrill Lynch US High Yield Index and 25% FTSE TMX Canada Universe Bond Index™ and is computed by Sprott Asset Management LP based on available index information.

<sup>1</sup> All returns and fund details are a) based on Series A shares; b) net of fees; c) annualized if period is greater than one year; d) as at April 28, 2017; e) 2011 annual returns are from 10/17/11 to 12/31/11.

<sup>2</sup> Where applicable, all figures are annualized and based on monthly returns since inception. Risk-free rate and minimum acceptable rate calculated using rolling 90-day CDN T-bill rate. The rate of return or mathematical table shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

<sup>3</sup> Top ten holdings, sector allocation and geographic allocation as at April 28, 2017. Top ten holdings based on % of net asset value. Sector allocation based on % of net asset value. Geographic allocation based on % of net asset value and excludes cash. Numbers may not add up due to rounding. Cash and cash equivalents include non-portfolio assets and/or liabilities.

**The Fund is generally exposed to the following risks. See the prospectus of the Fund for a description of these risks: capital depletion risk (Series T, Series FT, Series PT, Series PFT, Series QT, and Series QFT shares only); capital gains risk; class risk; concentration risk; credit risk; currency risk; derivatives risk; exchange traded funds risk; foreign investment risk; inflation risk; interest rate risk; regulatory risk; securities lending, repurchase and reverse repurchase transactions risk; series risk; short selling risk; tax risk; tracking risk.**

Sprott Asset Management LP is the investment manager to the Sprott Funds (collectively, the "Funds"). Commissions, trailing commissions, management fees, performance fees (if any), and other expenses all may be associated with investing in the Funds. Please read the prospectus carefully before investing. The indicated rate of return for series A shares of the Fund for the period ended April 28, 2017 is based on the historical annual compounded total return including changes in share value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The information contained herein does not constitute an offer or solicitation by 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. Prospective investors who are not resident in Canada should contact their financial advisor to determine whether securities of the Fund may be lawfully sold in their jurisdiction.

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