

AMENDMENT NO. 1 DATED AUGUST 9, 2017 TO THE SIMPLIFIED PROSPECTUS  
DATED APRIL 25, 2017

(the **Simplified Prospectus**)

in respect of

*Offering Series A, Series F and Series I Securities (unless otherwise indicated)*

**SPROTT CANADIAN EQUITY FUND**

**SPROTT DIVERSIFIED Bond FUND** *(Series T, Series FT, Series P, Series PT, Series PF, Series PFT, Series Q, Series QT, Series QF and Series QFT Units also available)*

**SPROTT ENERGY FUND**

**SPROTT GLOBAL INFRASTRUCTURE FUND**

**SPROTT GLOBAL REAL ESTATE FUND** (formerly Sprott Global REIT & Property Equity Fund) *(Series T and Series FT Units also available)*

**SPROTT GOLD AND PRECIOUS MINERALS FUND**

**SPROTT SHORT-TERM BOND FUND**

**SPROTT SMALL CAP EQUITY FUND**

**SPROTT DIVERSIFIED BOND CLASS\*** *(Series T, Series FT, Series P, Series PT, Series PF, Series PFT, Series Q, Series QT, Series QF and Series QFT Shares also available)*

**SPROTT REAL ASSET CLASS\***

**SPROTT RESOURCE CLASS\***

**SPROTT SHORT-TERM BOND CLASS\***

**SPROTT SILVER EQUITIES CLASS\***

**SPROTT ENHANCED BALANCED CLASS\*** *(Series T and Series FT Shares also available)*

**SPROTT ENHANCED BALANCED FUND** *(Series T and Series FT Units also available)*

**SPROTT ENHANCED EQUITY CLASS\*** *(Series T and Series FT Shares also available)*

**SPROTT ENHANCED U.S. EQUITY CLASS\*** *(Series T, Series FT, Series AH and Series FH Shares also available)*

**SPROTT FOCUSED GLOBAL BALANCED CLASS\*** *(Series P, Series PF, Series Q and Series QF Shares also available)*

**SPROTT FOCUSED GLOBAL DIVIDEND CLASS\*** *(Series P, Series PF, Series Q and Series QF Shares also available)*

**SPROTT FOCUSED U.S. BALANCED CLASS\*** *(Series P, Series PF, Series Q and Series QF Shares also available)*

**SPROTT FOCUSED U.S. DIVIDEND CLASS\*** *(Series P, Series PF, Series Q and Series QF Shares also available)*

\*A class of shares of Sprott Corporate Class Inc.

(the **Funds**)

The Simplified Prospectus relating to the offering of securities of the Funds is hereby amended as noted below. All defined terms have the meanings ascribed to them in the Simplified Prospectus unless otherwise specifically defined in this Amendment No. 1.

## 1. Introduction

Following a change in the manager of the Funds effective on August 1, 2017, the Simplified Prospectus is amended to reflect details of the new manager and to make other additional related changes.

## 2. Amendment

The Simplified Prospectus is amended as follows:

### Change in Manager

- a) On page 3, under the heading “**INTRODUCTION**”, the first paragraph is deleted and replaced with the following:

“In this document, “we,” “us,” “our” or “the Manager” refers to SPR & Co LP, the manager and portfolio manager of Sprott Canadian Equity Fund, Sprott Diversified Bond Fund, Sprott Energy Fund, Sprott Global Infrastructure Fund, Sprott Global Real Estate Fund, Sprott Gold and Precious Minerals Fund, Sprott Short-Term Bond Fund, Sprott Small Cap Equity Fund, Sprott Diversified Bond Class, Sprott Real Asset Class, Sprott Resource Class, Sprott Short-Term Bond Class, Sprott Silver Equities Class, Sprott Enhanced Balanced Class, Sprott Enhanced Balanced Fund, Sprott Enhanced Equity Class, Sprott Enhanced U.S. Equity Class, Sprott Focused Global Balanced Class, Sprott Focused Global Dividend Class, Sprott Focused U.S. Balanced Class and Sprott Focused U.S. Dividend Class (collectively, the “Funds” and each, a “Fund”).”

- b) On page 4, under the heading “**INTRODUCTION**”, the second last paragraph is deleted and replaced with the following:

“Additional information about the Funds is available in the following documents: Annual Information Form, the most recently filed Fund Facts, the most recently filed annual financial statements, any interim financial statements of the Funds filed after those annual financial statements, the most recently filed annual management report of fund performance (“MRFP”) and any interim MRFP filed after that annual MRFP. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You may obtain copies of these documents upon request, and at no charge, by calling toll-free at 1-866-299-9906, or from your investment advisor directly, or via email at invest@sprlp.com, or from our website at www.sprlp.com.”

- c) On page 12, the section in the table relating to the Manager, Portfolio Manager and Independent Review Committee under the heading “**ORGANIZATION AND MANAGEMENT OF THE FUNDS**” is deleted and replaced with the following:

<p><b>Manager</b>          SPR &amp; Co LP          Royal Bank Plaza, South Tower          200 Bay Street, Suite 2700          P.O. Box 27          Toronto, Ontario M5J 2J1          Tel: 416-943-6707          Fax: 416-943-6497          Email: <a href="mailto:invest@sprlp.com">invest@sprlp.com</a>          Website: <a href="http://www.sprlp.com">www.sprlp.com</a>          Toll Free: 1-866-299-9906</p>	<p>SPR &amp; Co LP acts as the manager to the Funds and is responsible for the day-to-day operations of the Funds including accounting and administration for securities of the Funds.</p>
<p><b>Portfolio Manager</b>          SPR &amp; Co LP          Toronto, Ontario</p> <p><b>Sub-Adviser</b>          Sprott Asset Management LP          Toronto, Ontario</p>	<p>The Portfolio Manager conducts research, selects, purchases, sells, and makes all investment decisions with regard to the portfolio securities of the Funds.</p> <p>The Manager has delegated the day-to-day management of the investment portfolios of Sprott Gold and Precious Minerals Fund, Sprott Silver Equities Class and Sprott Resource Class to Sprott Asset Management LP (the “Sub-Adviser”).</p>
<p><b>Independent Review Committee (“IRC”)</b></p>	<p>The mandate of the IRC is to review conflict of interest matters referred to it by us in respect of the Sprott mutual funds. Each member of the IRC is independent of us and any party related to us. The IRC is currently composed of three members. The IRC prepares, at least annually, a report of its activities for investors. This report is available on our website at <a href="http://www.sprlp.com">www.sprlp.com</a> or you may request a copy, at no cost to you, by contacting us at <a href="mailto:invest@sprlp.com">invest@sprlp.com</a>.</p> <p>Additional information about the IRC, including the names of the members, is available in the Annual Information Form.</p>

d) On page 15, the fifth paragraph under the heading “**PURCHASES, SWITCHES, RECLASSIFICATIONS/CONVERSIONS AND REDEMPTIONS**” is deleted and replaced with the following:

“Series F securities: Available to investors who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with us or the former manager of the Funds, investors for whom we do not incur distribution costs, or

individual investors approved by us. You may only buy Series F securities if we and your broker, dealer or advisor approve the order first.”

- e) On page 15, the ninth to fifteenth paragraphs under the heading “**PURCHASES, SWITCHES, RECLASSIFICATIONS AND REDEMPTIONS**” is deleted and replaced with the following:

“Series P securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$1 million investment in the Spratt Diversified Bond Fund, Spratt Diversified Bond Class, Spratt Focused Global Balanced Class, Spratt Focused Global Dividend Class, Spratt Focused U.S. Balanced Class or Spratt Focused U.S. Dividend Class and whose dealer has signed a Series P Agreement with us or the former manager of the Funds.

Series PT securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$1 million investment in the Spratt Diversified Bond Fund or Spratt Diversified Bond Class and whose dealer has signed a Series P Agreement with us or the former manager of the Funds. The distribution policy of Series PT securities is the same as that of Series T securities of the same Fund. For more details, see “Distribution Policy” for each of the Funds that offer Series PT securities.

Series PF securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$1 million investment in the Spratt Diversified Bond Fund, Spratt Diversified Bond Class, Spratt Focused Global Balanced Class, Spratt Focused Global Dividend Class, Spratt Focused U.S. Balanced Class or Spratt Focused U.S. Dividend Class and who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with us or the former manager of the Funds, investors for whom we do not incur distribution costs, or individual investors approved by us and whose dealer has signed a Series P Agreement with us or the former manager of the Funds. You may only buy Series PF securities if we and your broker, dealer or advisor approve the order first.

Series PFT securities: Other than the distribution policy, Series PFT securities of the Spratt Diversified Bond Fund or Spratt Diversified Bond Class have the same features as Series PF securities of the same Fund. The distribution policy of Series PFT securities is the same as that of Series PT securities of the same Fund. For more details, see “Distribution Policy” for each of the Funds that offer Series PFT securities.

Series Q securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$5 million investment in the Spratt Diversified Bond Fund, Spratt Diversified Bond Class, Spratt Focused Global Balanced Class, Spratt Focused Global Dividend Class, Spratt Focused U.S. Balanced Class or Spratt Focused U.S. Dividend Class and whose dealer has signed a Series Q Agreement with us or the former manager of the Funds.

Series QT securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$5 million investment in the Sprott Diversified Bond Fund or Sprott Diversified Bond Class and whose dealer has signed a Series Q Agreement with us or the former manager of the Funds. The distribution policy of Series QT securities is the same as that of Series T securities of the same Fund. For more details, see “Distribution Policy” for each of the Funds that offer Series QT securities.

Series QF securities: Available to an investor, discretionary accounts of an advisor or a “household group”, holding in aggregate at least a \$5 million investment in the Sprott Diversified Bond Fund, Sprott Diversified Bond Class, Sprott Focused Global Balanced Class, Sprott Focused Global Dividend Class, Sprott Focused U.S. Balanced Class or Sprott Focused U.S. Dividend Class and who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with us or the former manager of the Funds, investors for whom we do not incur distribution costs, or individual investors approved by us and whose dealer has signed a Series Q Agreement with us or the former manager of the Funds. You may only buy Series QF securities if we and your broker, dealer or advisor approve the order first.”

- f) On page 18, the first sentence of the second last paragraph under the sub-heading “**Purchases of Series A, Series AH, Series T, Series P, Series PT, Series Q and Series QT Securities**” is deleted and replaced with the following:

“For Series P and Series PT securities your dealer must have signed a Series P Agreement with us or the former manager of the Funds in respect of your account. For Series Q and QT securities, your dealer must have signed a Series Q Agreement with us or the former manager of the Funds for your account.”

- g) On page 18, the first two paragraphs under the sub-heading “**Purchases of Series F, Series FH, Series FT, Series PF, Series PFT, Series QF and Series QFT Securities**” are deleted and replaced with the following:

“Series F, Series FH, Series FT, Series PF, Series PFT, Series QF and Series QFT securities are available to (i) investors who participate in fee-based programs with dealers who have signed a Series F Agreement with us or the former manager of the Funds, (ii) investors for whom we do not incur any distribution costs, or (iii) individual investors approved by us. In fee-based programs, instead of paying sales charges or other charges on the purchase or redemption of Series F, Series FH, Series FT, Series PF, Series PFT, Series QF and Series QFT securities, investors pay their dealer ongoing fees for investment management or financial planning advice. We don’t pay any sales commissions or trailer fees to dealers who sell Series F, Series FH, Series FT, Series PF, Series PFT, Series QF and Series QFT securities.

For Series PF and Series PFT securities, your dealer must have signed a Series P Agreement with us or the former manager of the Funds in respect of your account. For Series QF and Series QFT securities, your dealer must have signed a Series Q Agreement with us or the former manager of the Funds in respect of your account.”

- h) On page 32, the paragraph under the sub-heading “**Equity Interests**”, is deleted and replaced with the following:

“The general partner of SPR & Co LP, the manager and portfolio manager of the Funds is 2573322 Ontario Inc. Upon the transfer of Sprott Private Wealth LP’s interest in the advisory, account and managed account agreements relating to certain accounts managed and advised by Sprott Private Wealth LP to SP Wealth LP in the fourth quarter of 2017 (the “Dealer Closing”), 2573322 Ontario Inc. will also be the general partner of SP Wealth LP.

2573322 Ontario Inc. is a wholly-owned subsidiary of 2568004 Ontario Inc. 2568004 Ontario Inc. is the sole limited partner and owns 100% of the issued and outstanding voting securities of SPR & Co LP. Upon the Dealer Closing, 2568004 Ontario Inc. will be the sole limited partner and will own 100% of the issued and outstanding voting securities of SP Wealth LP.

John Wilson and James Fox indirectly own more than 10% of all the issued and outstanding voting securities of 2568004 Ontario Inc.

Following the Dealer Closing, James Fox will also be a dealing representative of SP Wealth LP.”

- i) On page 32, the paragraph under the heading “**DEALER COMPENSATION FROM MANAGEMENT FEES**” is deleted and replaced with the following:

“As the Manager is newly established, no compensation has been paid by the Manager to dealers yet, and therefore there is no information to report under this heading.”

- j) On page 38, the second bullet and paragraph following the second bullet are replaced with the following:

- “**Investment strategies:** how the Portfolio Manager, or Sub-Adviser, as applicable, tries to meet the Fund’s objectives

Each of the Funds may invest in securities of other mutual funds, including Sprott mutual funds, if the Portfolio Manager, or Sub-Adviser, as applicable, believes such investment will provide enhanced portfolio diversification, a lower administrative burden to manage the Fund and/or lower costs.”

- k) On page 39, the last paragraph under the heading “**FUND RISK CLASSIFICATION**”, is deleted and replaced with the following:

“The method that we use to identify the investment risk level of each Fund is available on request, at no cost, by calling us at 1-866-299-9906 or by sending an email to [invest@sprlp.com](mailto:invest@sprlp.com).”

- l) On page 80, the first two paragraphs under the sub-heading “Investment Strategies” is deleted and replaced with the following:

“To achieve the Fund’s investment objective, the Sub-Adviser uses macro-economic research to identify the most attractive resource sub-sectors to invest in. The Sub-Adviser employs an opportunistic investment approach by being able to invest across the global resource universe (oil & gas, coal, uranium, renewable energy, base metals, precious metals, agriculture, forestry, water, commodity infrastructure and service companies). The Fund may also invest in gold and/or silver in the form of bullion, coins and storage receipts and certificates relating to such metals when deemed appropriate by the Sub-Adviser.

Based on this macro-economic research, the Sub-Adviser uses fundamental analysis to seek to identify securities with superior investment merit and the potential for capital appreciation. This involves seeking out undervalued companies backed by strong management teams and solid business models that can benefit from macro-economic trends.”

- m) On page 87, the first paragraph under the sub-heading “Investment Strategies” is deleted and replaced with the following:

“To achieve the Fund’s investment objective, the Sub-Adviser will utilize fundamental analysis to seek to identify securities with superior investment opportunities that have the potential for capital appreciation over the long-term. This involves seeking out undervalued companies backed by strong management teams and solid business models that can benefit from macro-economic trends. The Fund may also invest in silver in the form of bullion, coins and storage receipts and certificates relating to such metal when deemed appropriate by the Sub-Adviser.”

- n) On the back cover of the Simplified Prospectus, the second paragraph is deleted and replaced with the following:

“You can get a copy of these documents, at your request, and at no cost, by calling toll free 1-866-299-9906, or from your dealer, or via email at invest@sprlp.com.”

- o) On the back cover of the Simplified Prospectus, the contact information is deleted and replaced with the following:

“SPR & Co LP  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2700  
P.O. Box 27  
Toronto, Ontario M5J 2J1

Tel: 416-943-6707  
Fax: 416-943-6497  
Email: invest@sprlp.com

Website: [www.sprlp.com](http://www.sprlp.com)

Toll Free: 1-(866)-299-9906”

### **3. What are Your Legal Rights?**

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and receive your money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts or financial statements misrepresent any facts about a Fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

TOR01: 6928115: v5