

**AMENDMENT NO. 1 DATED AUGUST 9, 2017 TO THE ANNUAL INFORMATION
FORM DATED APRIL 25, 2017**

(the **AIF**)

in respect of

Sprott Silver Bullion Fund

(the **Fund**)

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

1. Introduction

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

2. Amendment

The AIF is amended as follows:

Change in Manager

- a) On page 1, under the heading “**THE FUND**”, the first two paragraphs are deleted and replaced with the following:

“SPR & Co LP (the “Manager”) acts as the manager and portfolio manager of Sprott Silver Bullion Fund (the “Fund”).

The Fund is an open-ended mutual fund trust governed under the laws of Ontario pursuant to the terms of a trust agreement with RBC Investor Services Trust dated September 9, 1997, as amended and restated on October 1, 2001 and February 13, 2004, and as further amended on November 1, 2007, January 16, 2009, December 23, 2013, March 31, 2014 and June 2, 2014, together with amended and restated Schedules “A” and “B” each dated December 30, 2016, assigned to the Manager on August 1, 2017 (the “Trust Agreement”).”

- b) On page 1, under the heading “**MAJOR EVENTS IN THE PAST TEN YEARS**”, the entire section is deleted and replaced with the following:

“Change in Manager

Effective August 1, 2017, the investment fund manager and portfolio manager of the Fund was changed from Sprott Asset Management LP (the “Former Manager”) to SPR & Co LP and Sprott Asset Management LP was appointed the sub-adviser of the Fund.”

- c) On page 2, under the sub-heading “**Regular Practices and Restrictions**”, the first sentence of the last paragraph is deleted and replaced with the following:

“The Fund is currently not a “dealer managed” investment fund for the purposes of NI 81-102, but is expected to become one 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”).”

- d) On page 5, under the sub-heading “**General**”, the third paragraph is deleted and replaced with the following:

“Series F units: Available to investors who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with the Manager or the Former Manager, investors for whom the Manager does not incur distribution costs, or individual investors approved by the Manager. You may only buy Series F units if we and your broker, dealer or advisor approve the order first.”

- e) On page 9, under the heading “**VALUATION OF PORTFOLIO SECURITIES**”, the fourth last paragraph is deleted and replaced with the following:

“The Manager or the Former Manager has not used its discretion to deviate from the valuation practices described above in the past three years.”

- f) On page 10, under the heading “**CALCULATION OF UNIT PRICE**”, the last paragraph is deleted and replaced with the following:

“The Manager will make available the net asset value per security for each series of the Fund on the Fund’s website at www.sprlp.com. Such information will also be available on request, free of charge, by calling the Manager toll free at 1-866-299-9906, by sending an email to invest@sprlp.com or by mailing SPR & Co LP at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario, M5J 2J1.”

- g) On page 13, under the sub-heading “**The Manager**”, the first two paragraphs are deleted and replaced with the following:

“SPR & Co LP is the manager of the Fund. The registered office of the Manager is located at the Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P. O. Box 27, Toronto, Ontario, M5J 2J1. Further contact information of the Manager is as follows:

Tel: (416) 943-6707

Fax: (416) 943-6497

Email: invest@sprlp.com

Website: www.sprlp.com

Toll free number: 1-866-299-9906”

- h) On page 13, under the sub-heading “**The Manager**”, the last paragraph is deleted.
- i) On page 14, under the sub-heading “**Officers and Directors of the Manager and the General Partner of the Manager**”, the entire section is deleted and replaced with the following:

The following are the names, municipalities of residence, offices and principal occupations or business activities during the five years preceding the date hereof of the directors and executive officers of the Manager and/or of 2573322 Ontario Inc. (the “GP”), the general partner of the Manager.

Name and Municipality of Residence	Position with the Manager and/or the GP	Principal Occupation for the Past 5 Years
John Wilson North York, Ontario	Senior Portfolio Manager and Managing Partner of the Manager Co-Chief Executive Officer and director of the GP	Senior Portfolio Manager and Managing Partner of the Manager and Co-Chief Executive Officer of the GP. Until July 31, 2017, Chief Executive Officer, Co-Chief Investment Officer and Senior Portfolio Manager of Sprott Asset Management LP and Chief Executive Officer of Sprott Asset Management GP Inc.
James Robert Fox Etobicoke, Ontario	Managing Partner of the Manager Co-Chief Executive Officer and director of the GP	Managing Partner of the Manager and Co-Chief Executive Officer of the GP. Until July 31, 2017, President of Sprott Asset Management LP and Sprott Asset Management GP Inc., registered representative of Sprott Private Wealth LP and Managing Director of Sprott PrivateWealth GP Inc.
Kirstin McTaggart Mississauga, Ontario	Chief Compliance Officer of the Manager Director of the GP	Chief Compliance Officer of the Manager. Until July 31, 2017, Chief Compliance Officer of Sprott Asset Management LP and Chief Compliance Officer & Operations of Sprott Private Wealth GP Inc.
Shirin Kabani* Toronto, Ontario	Director, Finance and Controller of the Manager	Director, Finance and Controller of the Manager.

		Until July 31, 2017, Senior Manager of Sprott Inc. Prior thereto, Senior Financial Analyst of IBM Canada Ltd.
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*Although not a corporate officer or director of the Manager or GP, Shirin Kabani is listed as an executive officer because she performs a similar function to that of a chief financial officer and is therefore performing a policy-making function.

- j) On page 14, under the sub-heading “**Portfolio Manager**”, the first three paragraphs are deleted and replaced with the following:

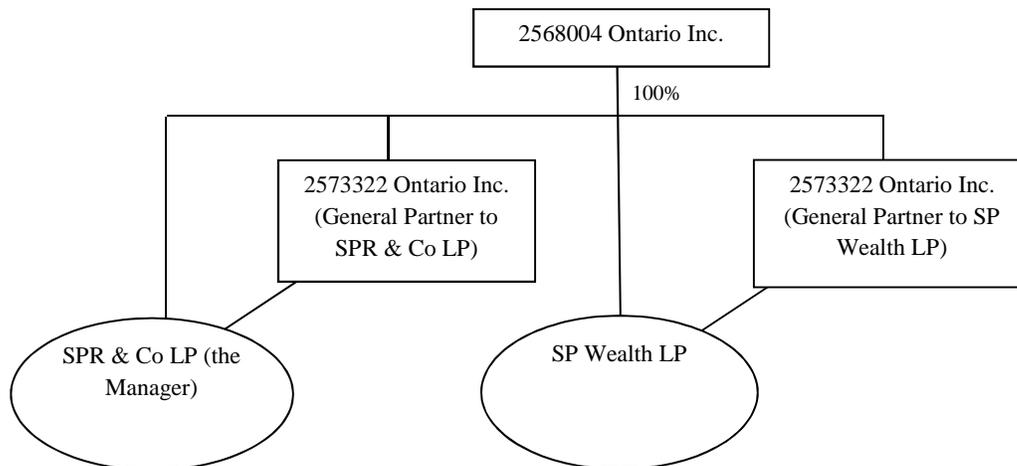
“The Manager is the portfolio manager (the “Portfolio Manager”) to the Fund. The Portfolio Manager has delegated the day-to-day management of the investment portfolio of the Fund to Sprott Asset Management LP (the “Sub-Adviser”) pursuant to a sub-advisory agreement dated August 1, 2017 between SPR & Co LP and Sprott Asset Management LP (the “Sub-Advisory Agreement”). The Sub-Advisory Agreement may be terminated by the Manager, on behalf of the Fund, by providing 30 days’ prior written notice to the Sub-Adviser if the net asset value of the Fund is less than \$20 million on the day preceding the date on which such notice is given, and may be terminated immediately in certain circumstances.

The Portfolio Manager and Sub-Adviser provide investment management services to other clients. Those client accounts may follow the same investment objective and strategy as used by the Fund. In placing an order to buy and sell securities, execution between the Fund and other accounts will be conducted in a manner which the Portfolio Manager and Sub-Adviser believe is fair and equitable. The Portfolio Manager and Sub-Adviser, and each of their respective principals may also trade in securities for their personal accounts and may also invest in the same securities as the Fund. In doing so, the Portfolio Manager and Sub-Adviser, and each of their respective principals will comply with all applicable laws.

Maria Smirnova is the portfolio manager of the Fund. Ms. Smirnova joined the Sub-Adviser in May 2005. Ms. Smirnova is a portfolio manager with more than 15 years of experience in the financial services industry. She has been part of the Sprott precious metals team since 2007 and has been a portfolio manager on the Sprott Silver Equities Class since its inception in 2012. Ms. Smirnova began her career at Excel Funds Management as Operations Manager, and subsequently worked in Product Development at Fidelity Investments. Ms. Smirnova graduated with distinction from the University of Toronto with a Bachelor of Commerce degree and has been a CFA charterholder since 2002. She graduated as a Bregman Scholar from the University of Toronto’s MBA program in 2005.”

- k) On page 15, under the sub-heading “**Affiliated Entities**”, the entire section is deleted and replaced with the following:

The diagram below sets out the relationships among the affiliated entities that will provide services to the Fund or to the Manager in connection with the Fund effective the date of the Dealer Closing. The disclosure of the amount of fees received from the Fund by each affiliated entity that provides services to the Fund or to the Manager in relation to the Fund is provided in the audited financial statements of the Fund.



2573322 Ontario Inc. is the general partner of SPR & Co LP. Currently, Sprott Private Wealth GP Inc. is the general partner of Sprott Private Wealth LP. Effective the date of the Dealer Closing, 2573322 Ontario Inc. will also be the general partner of SP Wealth LP.

Effective the date of the Dealer Closing, each of the following individuals is expected to be a director and/or officer of the Manager or the general partner of the Manager, who also is a director and/or officer of an entity that provides services to the Fund or to the Manager (or of the general partner of such entity):

Name	Position with the Manager or the General Partner of the Manager	Position with Affiliated Entities
John Wilson	Senior Portfolio Manager and Managing Partner of the Manager Co-Chief Executive Officer and director of the General Partner of the Manager	Director of SP Wealth LP
James Robert Fox	Managing Partner of the Manager Co-Chief Executive Officer and director of the General Partner of the Manager	Registered Representative of SP Wealth LP and Managing Director of general partner of SP Wealth LP

Name	Position with the Manager or the General Partner of the Manager	Position with Affiliated Entities
Kirstin Heath McTaggart	Chief Compliance Officer of the Manager Director of the General Partner of the Manager	Registered Representative of SP Wealth LP and Chief Compliance Officer & Operations of general partner of SP Wealth LP

- l) On page 16, under the sub-heading “**Custodian**”, the following is added after the first paragraph:

“The Corporation and the Manager have also entered into a custodian agreement dated July 8, 2016 (the “Bullion Custodian Agreement”) with the Custodian to act as custodian in respect of gold, silver, platinum or palladium bullion held by the Fund from time to time. The Bullion Custodian Agreement can be terminated by giving at least 60 days’ prior written notice by either the Custodian, the Manager or the Corporation, or immediately upon receipt of written notice that any party is declared bankrupt or insolvent, the assets or the business of any party is liable to seizure or confiscation by any public or governmental authority, the Manager’s powers and authorities to act on behalf of or represent the Fund have been revoked or terminated, or the Manager is in default of any of its obligations under the Bullion Custodian Agreement and fails to correct such default within 10 business days following a written notice sent by the Custodian.”

- m) On page 17, under the sub-heading “**Brokerage Arrangements**”, the entire section is deleted and replaced with the following:

“Decisions as to the purchase and sale of portfolio assets and portfolio securities, and the execution of portfolio transactions, including the selection of the market, the selection of the broker and the negotiation of commissions, are made by the Sub-Adviser. Where appropriate, the Sub-Adviser may execute trades with broker-dealers that provide goods or services in addition to order execution.

Factors considered when selecting a broker for a specific transaction may include brokerage services provided including execution capability, commission rate, willingness to commit capital, anonymity and responsiveness, the nature of the market for the security, the timing or size and type of the transaction, the reputation, experience and financial stability of the broker, the quality of the services rendered in other transactions, other goods and services provided (where appropriate), financial strength metrics, business continuity and trade settlement capabilities. Notwithstanding the factors listed above, in effecting portfolio transactions, overall service and prompt execution of orders on favourable terms will be of primary consideration. In all circumstances, the Sub-Adviser will seek to obtain the best order execution for the Fund and to minimize transaction costs.

Portfolio transactions may be executed with brokers who provide brokerage and/or research services to the Sub-Adviser, either directly or through a commission sharing

arrangement. Such services may include: advice as to the value of securities and the advisability of effecting transactions in securities; analyses and reports concerning securities, portfolio strategies or performance, issuers, industries, or economic or political factors and trends; quotation services; post trade matching services; access services to issuer management; and databases or software to the extent they are designed mainly to support these services. The Sub-Adviser has established procedures to assist them in making a good faith determination that their clients, including the Fund, receive a reasonable benefit considering the value of research goods and services and the amount of brokerage commissions paid.

Provided that pricing, service and other terms are comparable or less costly than those offered by other dealers, it is anticipated that a portion of the portfolio transactions for the Fund may be arranged through Sprott Private Wealth LP, or effective the date of the Dealer Closing, SP Wealth LP, which will be a registered investment dealer and an affiliate of SPR & Co LP. At times, the Fund may direct a portion of portfolio transactions to Sprott Private Wealth LP, or effective the date of the Dealer Closing, SP Wealth LP.

Where brokerage transactions involving client brokerage commissions of the Fund have been or might be directed to a broker in return for the provision of any good or service by the broker or a third party, other than order execution, the names of such dealers or third parties will be provided upon request by contacting the Manager at 1-866-299-9906 or via email at invest@sprlp.com.”

- n) On page 18, under the sub-heading “**Principal Holders of Securities**”, the first paragraph is deleted and replaced with the following:

“The general partner of SPR & Co LP is a wholly owned subsidiary of 2568004 Ontario Inc., which is the sole limited partner of SPR & Co LP. Each of John Wilson and James Fox, individually hold 50% of the voting securities of 2568004 Ontario Inc.”

- o) On page 19, under the sub-heading “**Generally**”, the first paragraph is deleted and replaced with the following:

“SPR & Co LP, as manager of the Fund, is ultimately responsible for fund governance, and is overseen by the directors and officers of the Manager and/or 2573322 Ontario Inc., the general partner. Details of the directors and officers of the Manager and/or of 2573322 Ontario Inc., the general partner of the Manager, are disclosed above under “The Manager.”

- p) On page 19, under the sub-heading “**Derivatives**”, the entire section is deleted and replaced with the following:

“The Fund may use derivatives, including in particular currency forward contracts as discussed under the heading “Investment Strategies” in the Fund’s Simplified Prospectus. The purpose of entering into currency forward contracts by the Fund is to minimize the risk to the Fund from adverse changes in the relationship between the Canadian dollar and

other currencies. A forward contract is an obligation to purchase or sell a specific currency for an agreed price at a future date which is individually negotiated and privately traded by currency traders and their customers. The Fund must comply with the investment restrictions and practices in NI 81-102 in connection with its use of these currency forward contracts for hedging purposes. The Sub-Adviser and the Manager each have processes in place to ensure the Fund complies with such restrictions and practices when it uses derivatives. The Sub-Adviser reviews the use of derivatives by the Fund on a daily basis, and monitors trading activities. Portfolio management software is also utilized to confirm that each security transaction complies with the investment guidelines and restrictions for the Fund.

The Sub-Adviser has written policies and procedures in place that set out the objectives and goals for derivatives trading and the risk management procedures applicable to those transactions by the Fund. The Sub-Adviser is responsible for setting and reviewing these policies and procedures. These policies and procedures are reviewed at least annually by the Sub-Adviser and are approved by the board of directors of the Sub-Adviser. The Compliance Teams of the Sub-Adviser and the Manager monitors the risks associated with the use of derivatives independent of the individual portfolio manager. Currently, no risk measurement procedures or simulations are used to test the Fund's portfolios under stress conditions."

- q) On page 21, under the sub-heading "**Proxy Voting Guidelines**", the entire section is deleted and replaced with the following:

"The Sub-Adviser has adopted and implemented the policies and procedures relating to the voting of proxies received in connection with the Fund's portfolio securities. These policies and procedures may be updated from time to time.

In general, given the Fund's investments, there will be no proxies for the Fund to vote. These types of securities are typically non-voting. In the event that the Fund owns voting securities, the Sub-Adviser will vote, generally, in favour of the following proxy proposals:

- electing and fixing number of directors
- appointing auditors
- ratifying director actions
- approving private placements exceeding 25% threshold
- changing registered address
- authorizing directors to fix remuneration of auditors
- approving private placements to insiders exceeding 10% threshold
- approving special resolutions to change the authorized capital of the company to an unlimited number of common shares without par value

The Sub-Adviser will generally vote against any proposal relating to stock option plans that: (i) exceed 5% of the common shares issued and outstanding at the time of grant over a three year period (on a non-diluted basis); (ii) provide that the maximum number of common shares issuable pursuant to such plan be a “rolling” maximum exceeding 5% of the outstanding common shares at the date of the grant of applicable options; and (iii) reprices the stock option.

In certain cases, proxy votes may not be cast when the Sub-Adviser determines that it is not in the best interests of unitholders of the Fund to vote such proxies. In the event a proxy raises a potential material conflict of interest between the interests of the Fund and the Manager, Portfolio Manager, affiliate or associate of the Fund or the manager or portfolio manager of such affiliate or associate, the conflict will be resolved in the best interests of the unitholders and the Fund.

The Sub-Adviser retains the discretion to depart from these policies on any particular proxy vote depending upon the facts and circumstances.

The proxy voting guidelines of the Fund are available on request, free of charge, by contacting the Sub-Adviser at 1-866-299-9906 and are available on our website at www.sprlp.com. The Manager will maintain and prepare an annual proxy voting record for each Fund. The proxy voting record for the annual period ending June 30 each year for the Fund will be available free of charge to any investor upon request at any time after August 31 of that year and will be posted on the Fund’s website at www.sprlp.com.”

- r) On page 22, under the sub-heading “**Independent Review Committee**”, the last paragraph is deleted and replaced with the following:

“The IRC reports annually to securityholders of the Sprott investment funds on its activities, as required by NI 81-107. The reports of the IRC are available free of charge from the Manager on request by contacting the Manager at invest@sprlp.com and will be posted on the Manager’s website at www.sprlp.com. The annual report of the IRC in respect of the Fund will be available on or about March 31 in each year.”

- s) On page 25, under the under the heading “**MATERIAL CONTRACTS**”, the entire section is deleted and replaced with the following:

“Copies of the material contracts, listed below, are available for inspection during normal business hours at the offices of the Manager at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2700, P.O. Box 27, Toronto, Ontario:

- (1) Trust Agreement as described under “Responsibility for Operation of the Fund – Trustee.”
- (2) Bullion Custodian Agreement as described under “Responsibility for Operation of the Fund –Custodian.

(3) Sub-Advisory Agreement as described under “Responsibility for Operation of the Fund –Portfolio Manager.”

t) On the back cover of the AIF, the entire section is deleted and replaced with the following:

“SPROTT SILVER BULLION FUND

Manager
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

Additional information about the Fund is available in the Fund’s Fund Facts, management reports of fund performance and financial statements. You may obtain a copy of these documents, at no cost, by calling toll-free: 1-866-299-9906, or from your dealer, or by email at: invest@sprlp.com. These documents and other information about the Fund, such as information circulars and material contracts, are also available on the SPR & Co LP internet site at www.sprlp.com or at www.sedar.com.”

TOR01: 6955067: v4

SPROTT SILVER BULLION FUND

(the “Fund”)

CERTIFICATE OF THE FUND AND THE MANAGER

This amendment no. 1 dated August 9, 2017, together with the annual information form dated April 25, 2017 and the simplified prospectus dated April 25, 2017 and the documents incorporated by reference into the simplified prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by the simplified prospectus, as amended, as required by the securities legislation of each of the provinces and territories of Canada and do not contain any misrepresentations.

DATED: August 9, 2017

**SPR & CO LP, ACTING THROUGH ITS GENERAL PARTNER, 2573322 ONTARIO
INC.,
AS MANAGER OF THE FUND AND ON BEHALF OF THE FUND**

(signed) “John Wilson”

John Wilson
Chief Executive Officer

(signed) “Shirin Kabani”

Shirin Kabani
Acting in the capacity of Chief Financial
Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF 2573322 ONTARIO INC., THE
GENERAL PARTNER OF SPR & CO LP**

(signed) “James Fox”

James Fox
Director

(signed) “Kirstin McTaggart”

Kirstin McTaggart
Director