



December 13, 2017

Year End Capital Gains Distribution and Allocation Estimates

Mutual Funds¹

Mutual Fund	December 11, 2017 Capital gain distribution per unit
Sprott Diversified Bond Fund	\$0.09

The fund portfolio manager is considering strategies to minimize the per unit distribution of the above funds.

We do not anticipate any capital gains distribution for any of our mutual fund trusts other than the above.

Corporate Class Funds¹

We do not anticipate any capital gains distribution for any of our Corporate Class Funds.

Bullion Funds¹

We do not anticipate any capital gains distribution for any of our bullion funds.

Other Alternative Strategies Funds¹

Other Alternative Strategies Fund	December 11, 2017 Capital gain distribution per unit
Sprott Credit Income Opportunities Fund	\$0.16

The fund portfolio manager is considering strategies to minimize the per unit distribution of the above funds.

We do not anticipate any capital gains distribution for any of our other alternative strategies funds. However, please note the following:

Sprott Alternative Income Fund

As a result of year end distributions from any underlying funds, Sprott Alternative Income Fund may be required to distribute capital gains at year end.



Sprott Private Credit Trust

Sprott Private Credit Trust, upon its dissolution in July 2017, distributed notional capital gains to unitholders who held units as of the date of dissolution. The unitholders will report this amount as a capital gain on their 2017 tax return. The unitholder will also need make sure the ACB of their units was increased as a result of these distributions. It is the expectation that after adjusting the ACB for this number, there will generally be a capital loss on the sale of their units. Thus, this loss will partially offset the capital gains distributed to them.

Sprott Private Credit Trust also allocated capital gains to unitholders who redeemed units during 2017, consistent with previous years. Unitholders who redeemed will receive a capital gains allocation on their T3 slip for the year. This capital gain allocation to redeeming unitholders is not reflected on the clients' Statement of Securities Transactions (i.e. T5008) as a cost base adjustment. Unitholders should use this capital gain allocation from their T3 slip to adjust the cost base of their units, and calculate the gain or loss on the disposition of their units accordingly to ensure there is no double taxation.

Limited Partnerships

The estimated net capital gains allocations for the limited partnerships for the calendar year are shown in the table below:

Limited Partnership	December 11, 2017 Partnership allocable capital gain amounts per unit ²
Sprott Hedge Fund LP	\$0.00
Sprott Hedge Fund LP II	\$0.27
Sprott Enhanced Long Short Equity Fund LP	\$2.55

²Based on the total allocations for the calendar year up to December 11, 2017, assuming an investor held units for the entire calendar year. Estimates are calculated at the Partnership level. Allocations to each Class could vary. The partnership portfolio managers are considering strategies to minimize the per unit allocation of the above partnerships.

³Sprott Flow-Through LPs and Sprott Bridging Income Fund LP allocable capital gain amounts will be available in early 2018.

NOTE: All estimates in this document do not incorporate forward looking information and are based on the accounting data as of December 11, 2017. Due to the market conditions, the actual year end allocable amount may differ from these estimates and the difference could be material. Information included in this letter is for reference purposes only. Please reconcile all information against your official client statements. This is not intended to be a statement for official tax reporting purposes or any form of tax advice.



Mutual Funds¹
Sprott Canadian Equity Fund
Sprott Gold and Precious Minerals Fund
Sprott Energy Fund
Sprott Small Cap Equity Fund
Sprott Diversified Bond Fund
Sprott Short-Term Bond Fund
Sprott Enhanced Balanced Fund
Sprott Global Infrastructure Fund
Sprott Global Real Estate Fund
Sprott Energy Opportunities Trust
Corporate Class Funds¹
Sprott Diversified Bond Class
Sprott Enhanced Equity Class
Sprott Resource Class
Sprott Short-Term Bond Class
Sprott Silver Equities Class
Sprott Enhanced Balanced Class
Sprott Real Asset Class
Sprott Enhanced U.S. Equity Class
Sprott Focused Global Balanced Class
Sprott Focused Global Dividend Class
Sprott Focused U.S. Balanced Class
Sprott Focused U.S. Dividend Class
Physical Bullion Funds¹
Sprott Gold Bullion Fund
Sprott Silver Bullion Fund
Other Alternative Strategies Funds¹
Sprott Bull/Bear RSP Fund
Sprott Enhanced Long Short Equity RSP Fund
Sprott-TEC Private Credit Fund
Sprott Bridging Income RSP Fund
Sprott Credit Income Opportunities Fund
Sprott Alternative Income Fund
Sprott Canadian Senior Debt Fund