

Disclosure Statement

Rule Advisors LLC (“Rule Advisors”) proposes to introduce you to Sprott Asset Management USA Inc. (“Sprott USA”) for the purpose of you becoming an advisory client of Sprott USA. The following written statement is being provided in accordance with Rule 206(4)-1 or Rule 206(4)-3 (as applicable) under the Investment Advisers Act of 1940:

1. Nature of Relationship. Sprott USA and Rule Advisors have entered into an agreement pursuant to which Rule Advisors has agreed to refer prospective clients to Sprott USA. Rule Advisors is owned and managed by Rick Rule, who is a Director of Sprott Inc. (the indirect parent of Sprott USA), a shareholder of Sprott Inc., and a current advisory client of Sprott USA and/or certain other Sprott affiliates. Mr. Rule previously served as President and CEO of Sprott U.S. Holdings Inc. (a subsidiary of Sprott Inc. and the direct parent of Sprott USA).

Rule Advisors serves as sub-adviser to Sprott USA with respect to the Sprott Rule Separately Managed Account platform (“Rule SMA Platform”) and otherwise does not provide investment advisory services to Sprott USA. Should you choose to become a client of Sprott USA, Rule Advisors will not have any involvement with, or responsibility for, your investments that are managed by Sprott USA, unless you elect to have your account managed in accordance with the Rule SMA Platform. Rule Advisors also provides investment advisory services to another Sprott affiliate, Resource Capital Investment Corporation, on behalf of certain private funds. Rule Advisors is an SEC-registered investment adviser.

Compensation and Conflicts of Interest. Rule Advisors has a financial interest in your selection of Sprott USA. If you engage Sprott USA, you will agree to pay Sprott USA a specific percentage of the principal amount of your assets under management with Sprott USA (“Advisory Fee”). For referring you to Sprott USA, Sprott USA has agreed to pay Rule Advisors an amount not exceeding 5% of the Advisory Fees received by Sprott USA from you (“Referral Fee”). This referral fee will not increase the fee you pay. This fee you pay would be the same had you not been referred to Sprott USA. Rule Advisors also receives an asset-based fee for serving as sub-adviser to Sprott USA with respect to the Rule SMA Platform. In addition, Mr. Rule indirectly benefits from Sprott USA’s receipt of Advisory Fees based on his ownership interest in Sprott Inc., as Sprott Inc. is the indirect parent of Sprott USA. Mr. Rule may be compensated as a member of the Board of Sprott Inc, which may determine the amount within their own purview. Mr. Rule is also a current advisory client of Sprott USA and/or certain other Sprott affiliates. The Referral Fee arrangement, the sub-advisory arrangement for the Rule SMA Platform, Mr. Rule’s ownership interest in Sprott Inc., and Sprott USA’s and/or certain other Sprott affiliates’ advisory relationship with Mr. Rule create material conflicts of interest because they give Rule Advisors an incentive to recommend Sprott USA. Rule Advisors also provides investment advisory services to another Sprott affiliate, Resource Capital Investment Corporation, on behalf of certain private funds and will receive compensation for this service.

2. The Referral Fee will be payable to Rule Advisors by Sprott USA for a period of five years from the start of your advisory relationship with Sprott USA or until such advisory relationship is terminated, whichever is earlier. Should your advisory relationship be discontinued for any reason, resulting in a discontinuation of your obligation to pay the Advisory Fee, Rule Advisors will cease receiving Referral Fees from Sprott USA with respect to your account. This Referral Fee arrangement will not increase the amount of Advisory Fees that you will owe to Sprott USA.

CLIENT ACKNOWLEDGMENT

I acknowledge that I have received a copy of Sprott USA’s Form ADV Part 2A and Part 3 (as applicable) and privacy policy, and a copy of the above disclosure statement regarding compensation Rule Advisors will receive from Sprott USA if I become a client of Sprott USA. Further, I acknowledge that I have read and understood the foregoing documents, prior to entering into any investment advisory agreement with Sprott USA.