

GLOBAL LEADER IN PRECIOUS METALS



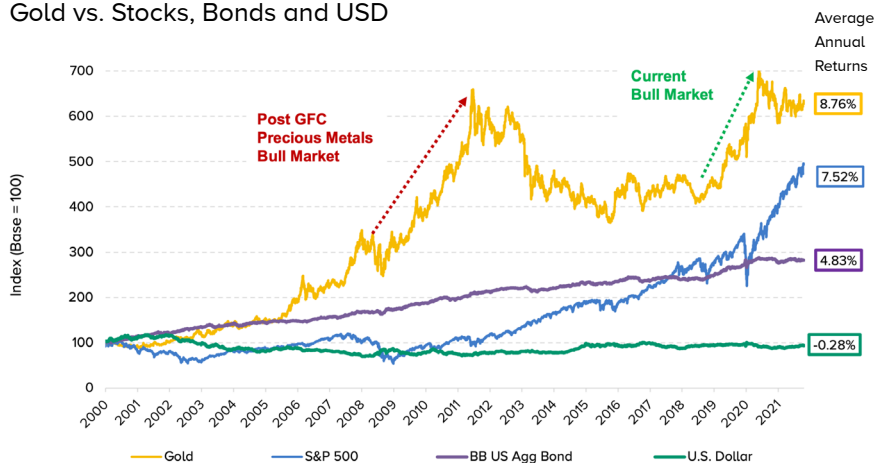
Sprott

Sprott offers investors world-class precious metals investments with **USD 19 Billion AUM**. Our offerings include unique physical bullion trusts, mining ETFs, actively managed equity strategies and highly-specialized private equity and debt strategies. We have the capabilities needed to customize our approach to meet our clients' needs through both public and private investment strategies, institutional LPs, offshore funds and separately managed accounts.

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Gold Performance since 2000

Gold vs. Stocks, Bonds and USD



Source: Bloomberg. Period from 12/31/1999-12/31/2021. Gold is measured by GOLDS Comdty Spot Price; S&P 500 TR is measured by the SPX; BB US Agg Bond Index is measured by the Bloomberg Barclays US Agg Total Return Value Unhedged USD (LBSTRUU Index); and the U.S. Dollar is measured by DXY Currency. You cannot invest directly in an index. Past performance is no guarantee of future results.

Sprott Team



John Hathaway
CFA, Senior Portfolio Manager
Sprott Asset Management USA



Douglas Groh
Senior Portfolio Manager Sprott
Asset Management USA

Investment Process

Management	<ul style="list-style-type: none"> • Focus on projects with strong management • Prior relationships with key managers • Evaluate compensation packages to ensure alignment of interests between management and shareholders
Mines & Minerals	<ul style="list-style-type: none"> • Technical analysis of issuer's assets • Desktop due diligence • Site visits
Money	<ul style="list-style-type: none"> • Study capital structure and funding requirements • Sensitivity analysis on commodity price • Base returns achievable without rise in commodity price • Forecast potential cash-flow generation
ESG	<ul style="list-style-type: none"> • Public mining companies have a high level of required disclosure • Develop comfort with environmental, social and governance risks • Detailed ESG checklists, assess third party ESG reviews and political risk when applicable
Political Risk	<ul style="list-style-type: none"> • Avoid projects in high risk and unacceptable jurisdictions • Monitor evolving risks that can impact investments



Outlook

Market

Investment exposure to gold matches 20-year low.

Junior miners present a deeper discount to their respective Net Asset Values than senior miners.

Mining equities are episodically undervalued relative to spot gold and the S&P 500 and are generating robust earnings and free cash flow.

Since mid-year 2021, M&A activity has picked up as cash flow builds on mining companies' improving balance sheets, which is very supportive for continued M&A activity.

Newmont Corporation



Company Overview

Precious metals industry's largest reserve base
 Headquartered in Denver, USA
 Current portfolio weighting: 6.1%
 Strong Free Cash Flow

Investment Rationale

As the world's largest gold producer, Newmont has established itself as a leader in addressing ESG issues.

Its free cash flow (6.8% yield) and solid balance sheet has enabled NEM to increase dividends (~3.3% yield) and buy back stock, while also re-investing in a project pipeline that supports long-term production and maintains a cost profile that assures favorable margins.