SPROTT 2017-II FLOW-THROUGH LIMITED PARTNERSHIP

A key element of your tax management strategy

INVESTMENT OBJECTIVE

The Partnership's investment objective is to achieve capital appreciation and significant tax benefits for Limited Partners by investing in a diversified portfolio of Flow-Through Shares and other securities, if any, of resource issuers.

INVESTMENT HIGHLIGHTS

Portfolio Management

Jason Mayer, Senior Portfolio Manager, Sprott Asset Management LP*
– Resource and flow-through specialist
– Experienced lead portfolio manager of resource and flow-through funds

The Sprott 2017-II Flow-Through Advantage:

- Expected to be 100% tax-deductible against 2017 taxable income.
- Full liquidity in less than 18 months, with tax deferral options: Tax-deferred rollover to Sprott Resource Class in Q1, 2019.
- Senior Portfolio Manager Jason Mayer has significant experience in the natural resource sector.
- Jason Mayer is supported by Sprott Asset Management's broader team of experienced resource investment professionals and in-house technical services team.

Fund Details

Offering Size	Maximum: $30,000,000 (1,200,000 units) Minimum: $5,000,000 (200,000 units)
Issue Price	$25.00 per Unit
Minimum Subscription	$5,000 (200 Units)
Management Fee	2.0%
Performance Bonus	20% of amount that Net Asset Value per unit exceeds $28.00
Timing	Initial Closing: September 2017

BREAK-EVEN CALCULATION[1]	
Assumed marginal tax rate[2]	53.53%
Investment[2]	$1,000
Income tax savings from deductions	($595)
Capital gains tax[3, 4]	$30
Total income tax (savings)	**($565)**
Money at risk[5]	$435
Break-even proceeds of disposition[6]	$594

For illustrative purposes only.

*SPR & Co LP ("SPRLP") is the Manager of the Sprott Flow-Through LPs. SPRLP has appointed Sprott Asset Management L.P. ("SAM") as the Sub-Advisor of the Flow-Through LPs. SAM is registered as a Portfolio Manager with the Ontario Securities Commission and Investment Fund Manager.

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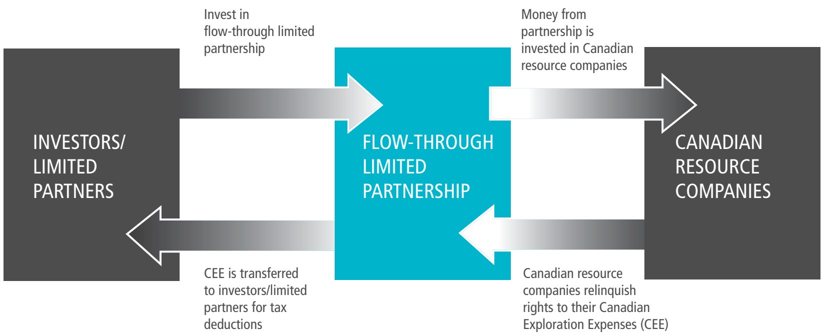
What are Flow-Through shares?

The Federal Government allows Canadian resource companies that invest in the oil and gas, mining and renewable energy sectors to fully deduct certain exploration expenses, known as Canadian Exploration Expenses (CEE). To raise capital for exploration, those companies often issue flow-through shares and pass along the rights to claim the CEE to the purchasers of those shares. The shareholders are then able to deduct the CEE against their own income.

What is a Flow-Through Limited Partnership?

Flow-through limited partnerships are professionally managed diversified portfolios of flow-through shares. The amounts invested are generally 100% deductible against taxable income in the year the investment is made.



Most flow-through limited partnerships have a life span of two years or less. At termination of the partnership, unitholders receive shares of an open-ended mutual fund corporation on a tax-deferred basis. The adjusted cost base of their shares (ACB) is reduced by the tax deductions and increased by any capital gains from the investments sold within the limited partnership portfolio.

Tax benefits of flow-through limited partnerships

Tax Savings

The cost of flow-through limited partnerships is 100% tax-deductible in the year they are purchased. In addition, the proceeds from the disposition of the partnership are taxable as capital gains.

Tax Efficiency

Investing in flow-through shares effectively converts income into capital gains, allowing investors to take advantage of any capital loss carry-forwards.

[1] Based on maximum offering.
[2] For illustrative purposes only, the Highest Marginal Tax Rate in Ontario.
[3] Assumed that 50% of capital gains are taxable in computing a Limited Partner's income.
[4] Assumed that the Flow-Through Shares held by the Partnership are sold by the Partnership at the price at which the Partnership acquired the shares. If Flow-Through Shares are purchased at a premium to the market price, the market price must appreciate in order for the Partnership to sell the shares at the price at which the Partnership acquired the shares.
[5] Calculated as total investment by Limited Partner less total income tax savings from deductions.
[6] Represents the amount an investor must receive such that after paying capital gains tax, the investor would recover the money at risk. Calculated as money at risk divided by one minus the product of (i) an assumed 53% marginal tax rate multiplied by (ii) the rate at which capital gains are taxed in the year of disposition, which is currently 50%.

SPR&Co LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2700
Toronto, ON M5J 2J1
Toll Free: 1.866.299.9906
Facsimile: 416.943.6497
Web: www.sprlp.com
Email: invest@sprlp.com

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