

This document contains key information you should know about Sprott Short-Term Bond Fund Series I Units ("Fund"). You can find more detailed information in the Fund's simplified prospectus. Ask your adviser for a copy, contact Sprott Asset Management at 1-866-299-9906 or invest@sprott.com, or visit www.sprott.com.

QUICK FACTS

Date fund created:	December 6, 2010	Portfolio Manager:	Sprott Asset Management LP
Total value on May 31, 2011:	\$18.35 million	Distributions:	Net income: Monthly; Net realized capital gains: Annually in December
Management expense ratio (MER):	0.00%	Minimum Investment:	\$1,000 initial, \$100 additional

WHAT DOES THE FUND INVEST IN?

The Fund's objective is to provide a regular income while preserving capital and maintaining liquidity. The Fund invests primarily in short-term debt securities issued by Canadian federal, provincial and municipal governments as well as corporate issuers.

The chart below gives a snapshot of the Fund's investments.

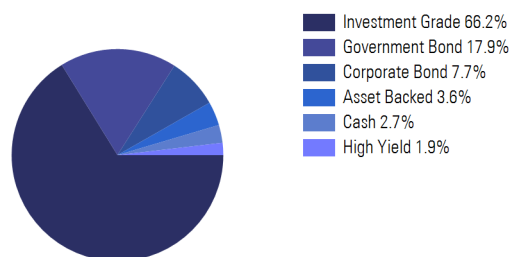
Top 10 Investments (May 31, 2011)

1 Canada Housing Trust 3.55% 15Sep13	6 Hydro One Inc 3.13% 19Nov14
2 Canada Housing Trust 2.7% 15Dec13	7 Caterpillar Financial Services Ltd. 2.64% 03Dec13
3 National Bank of Canada 4.456% 2 Nov11	8 Bank of Montreal 5.05% 3Sept13
4 Caisse Centrale Desjardins 3.114% 04Dec14	9 Royal Bank of Canada 5% 6Jun13-18
5 Westpac Banking Corp 3.75% 01Dec14	10 Honda Canada Finance Inc. 5.076% 9May13

Total Investments: 36

The top 10 investments make up 44% of the fund.

Investment mix (May 31, 2011)



HOW RISKY IS IT?

When you invest in a Fund, the value of your investment can go down as well as up. The Fund's risk is low.

For a description of the specific risks of the Fund, see the Fund's simplified prospectus.



ARE THERE ANY GUARANTEES?

Like most mutual funds, this Fund does not have any guarantees. You may not get back the money you invest.

HOW HAS THE FUND PERFORMED?

This section tells you how the series has performed since inception. Returns are after fund expenses have been deducted. These expenses reduce the series returns. Returns are before any taxes you may incur. Your actual after-tax return will depend on your personal tax situation.

It's important to note that this doesn't tell you how the Fund will perform in the future.

Average return

In accordance with NI81-102, we will not publish returns for this fund until it is one-year old.

Year-by-year returns

In accordance with NI81-102, we will not publish returns for this fund until it is one-year old.

WHO IS THIS FUND FOR?

The Fund is suitable for those investors who seek exposure to short-term high quality fixed income securities issued primarily by Canadian governments and companies. The Fund is suitable for investors with a low risk tolerance and a short term investment horizon.

! Don't buy this Fund if you need a steady source of income from your investments.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

A WORD ABOUT TAX

In general, you'll have to pay income tax on any money you make on the Fund. How much you pay depends on the tax laws where you live and whether or not you hold the Fund in a registered plan such as a Registered Retirement Savings Plan, or a Tax-Free Savings Account.

Keep in mind that if you hold your Fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

HOW MUCH DOES IT COST?

The following tables show the fees and expenses you could pay to buy, own and sell Series I units of the Fund. The Fund has other series. The fees and expenses are different for each series. Ask your adviser about other series that may be suitable for you.

1. Sales Charges

You will be charged an initial sales charge when you buy units of the Fund.

Sales charge option	What you pay		How it works
	in percent (%)	in dollars (\$)	
Initial sales charge	0% to 2% of the amount you purchase	\$0 to \$20 for each \$1,000 investment	<ul style="list-style-type: none"> Investors pay a fee of between 0% to 2% to the dealer at the time of purchase. The actual amount of the initial sales charge is to be negotiated between you and your dealer. The initial sales charge is deducted from the gross amount at the time of purchase. It goes to your dealer as sales commission.

2. Fund Expenses

You don't pay these expenses directly. They affect you because they reduce the Fund's returns.

As of December 31, 2010, the Fund's expenses were 0.00% of its value. This equals \$0 for every \$1,000 invested.

Annual rate (as a % of the Fund's assets except as noted)

Management expense ratio (MER)

This is the total of the management fee, incentive fee and operating expenses. For Series I of the Fund we absorbed some of the series expenses. If we had not done so, the MER would have been higher.

0.00%

Trading expense ratio (TER)

This is the Fund's investment trading costs.

0.00%

Fund expenses

0.00%

WHAT IF I CHANGE MY MIND?

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also gives you the right to cancel an agreement to buy mutual fund units and receive your money back, or to make a claim for damages, if the simplified prospectus, annual information form or financial statements misrepresent any facts about the Fund. These rights must be exercised within the time limits set by the Securities legislation in your province or territory.

For more information, refer to the securities legislation of your province or territory or consult your lawyer.

FOR MORE INFORMATION

Contact Sprott Asset Management LP or your adviser for the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

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