

As of September 30, 2018

The goal of the **Sprott Physical Platinum and Palladium Trust** (the “Trust”) is to provide a secure, convenient and exchange-traded investment alternative for investors who want to hold physical platinum and palladium. The Trust offers a number of compelling advantages over traditional exchange-traded platinum and palladium funds.

NYSE Arca: SPPP

TSX: SPPP.U

### The Trust

The Sprott Physical Platinum and Palladium Trust (SPPP) is a closed-end trust that invests in unencumbered and fully-allocated Good Delivery physical platinum and palladium bullion.

### Trust Details (as of September 30, 2018)

Assets Under Management:	\$95.1 Million
Issuer:	Sprott Physical Platinum and Palladium Trust
Fund Type:	Closed-End Trust
Management Fee:	50 bps of NAV per annum payable monthly
Units Outstanding:	10,375,313
NAV:	\$9.17 USD
Total Ounces Held:	Platinum: 29,672 Palladium: 65,701

### 1. Secure Storage

The Trust’s physical platinum bullion is fully allocated and stored at a secure third party storage location in Canada and the palladium bullion is fully allocated and stored in a secure third party storage location in London and Zurich. Physical bullion is subject to periodic inspection and audits.

### 2. Platinum and Palladium Assets not Held with a Bank Owned Custodian

Unlike most traditional exchange-traded platinum and palladium funds, the Trust holds its platinum and palladium bullion assets in custody at a Federal Crown Corporation of the Government of Canada. VIA MAT acts as a sub-custodian to hold the palladium. There is no levered financial institution between the unitholders and the trust’s physical platinum and palladium and no risk of financial loss in the event of a bankruptcy or nationalization of the financial institution.

### 3. Potential Tax Advantage for Certain U.S. Investors

For U.S. non-corporate investors who hold units for one year or more and timely file a QEF form, gains realized on the sale of the Trust’s units are currently taxed at a capital gains rate of 15% (20% for married filers earning over \$450,000 and single filers earning over \$400,000 per year), versus 28% applied against most precious metals ETF’s and physical platinum and palladium coins.

For more information, please see “Tax Considerations – U.S. Federal Income Tax Considerations – U.S. Federal Income Taxation of U.S. Holders” in the prospectus and always consult your tax accountant regarding your particular situation.

### 4. Ability to Redeem Units for Physical Platinum and Palladium Bullion

Unitholders who hold certain minimum dollar value equivalent have the ability to redeem their units for physical platinum and palladium bullion on a monthly basis. Please see “Redemption of Units” in the prospectus for details.

The platinum and palladium Custodian can deliver the bars almost anywhere in the world via an Armored Transportation Service Carrier. Physical redemptions will never dilute remaining unitholders. All physical redemptions are equal to 100% of the NAV of the redeemed units, less redemption and delivery expenses, including the handling of the notice of redemption and the applicable storage in-and-out fees.

### 5. Investment in Physical Platinum and Palladium Bullion Only

With the exception of cash held by the Trust to pay expenses and anticipated redemptions, the Trust exclusively invests in physical platinum and palladium bullion. At any given time, the Manager intends to hold 97% of the total net assets of the Trust in physical platinum and palladium bullion in Good Delivery plate and/or ingot form. The Trust does not invest in precious metals certificates or other financial instruments that represent platinum and palladium or that may be exchanged for platinum and palladium.

### 6. Fully Allocated Physical Platinum and Palladium Bullion – No Exceptions

The Trust’s platinum and palladium bullion holdings are fully allocated. Unlike other bullion funds, the Trust does not have an unallocated account that is used to facilitate transfers of platinum and palladium between financial institutions that act as authorized participants. Without exception, all of the platinum and palladium bullion owned by the Trust is held in the Trust’s allocated accounts in physical platinum and palladium form.

### 7. Potential to Trade at a Premium to Net Asset Value

Because of its unique features and favourable tax treatment, the Trust has the potential to trade at a premium to its net asset value. This offers investors a unique opportunity to profit from higher platinum and palladium prices as well as any market price increases relative to the NAV. The Trust may also trade at a discount.

# Sprott Physical Platinum and Palladium Trust



The Trust is generally exposed to the following risks. See the prospectus of the Trust for a description of these risks: fluctuation in platinum and palladium price, fund expense risk, cash redemption risk, market price impact due to purchases by the trust, future investment demand for platinum and palladium, risk of losing good delivery status, sales tax on physical redemption, transportation expense, fluctuating proportion of assets invested in platinum and palladium, physical redemption delays, physical redemption not proportionate to the trust's holding, secondary offering at below trading price, unpredictable trading price, future platinum and palladium price may be lower, risk of asset sale to pay expenses, uninsured losses, invalid insurance claim, inadequate insurance held by service providers, currency risk for non-U.S. unitholders, limited insurance recovery, losses relating to physical redemption, speculative investment, liquidity risk, limited recourse against bullion custodian, investment risk, redemption risk, bullion custodian risk, trust termination, premium/discount of trading price, suspension of redemption, competition from other platinum and palladium buyers, sale of trust assets, regulatory status of the trust, reliance on the manager, obligation to reimburse certain liabilities, no management of the trust by unitholders, limited unitholder rights, changes in investment objective and restrictions, substantial redemption risk, currency risk, taxation risk, unitholder may be liable for the trust's obligations, sales tax on platinum and palladium purchases, unenforceable actions or judgments, reduced demand for platinum and palladium due to changes in technology.

**Past performance is not an indication of future results.** The information provided is general in nature and is provided with the understanding that it may not be relied upon as, nor considered to be, the rendering of tax, legal, accounting or professional advice. Readers should consult with their own accountants and/or lawyers for advice on the specific circumstances before taking any action. Sprott Asset Management LP is the investment manager to the Sprott Physical Platinum and Palladium Trust (the "Trust"). Important information about the Trust, including the investment objectives and strategies, applicable management fees, and expenses, is contained in the prospectus. Please read the document carefully before investing. There are ongoing fees and expenses associated with owning units of a Trust. The Trust must prepare disclosure documents that contain key information about the Trust. You can find more detailed information about the Trust in these documents. Investment funds are not guaranteed, their values change frequently. This communication does not constitute an offer to sell or solicitation to purchase securities of the Trust. The information contained herein does not constitute an offer or solicitation to anyone in the United States or in any other jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Views expressed regarding a particular company, security, industry or market sector should not be considered an indication of trading intent of any investment funds managed by Sprott Asset Management LP. These views are not to be considered as investment advice nor should they be considered a recommendation to buy or sell.

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