



# Tax-Loss Harvesting Strategies for Uranium Holdings

## Realizing Uranium Losses May Offer Opportunity

There's a resurgence in nuclear energy as nations around the world establish zero-carbon mandates—and this trend is likely to position uranium as an attractive investment for the long term. Though leading uranium investments have performed relatively better than broader equity indices in 2022, they've not been immune from the broader market sell-off. Some investors may be able to realize losses while maintaining uranium exposure.

*Realizing a loss by December 31 may provide a strategic opportunity to offset gains elsewhere, and shift—or possibly enhance—your investment exposure to uranium.*

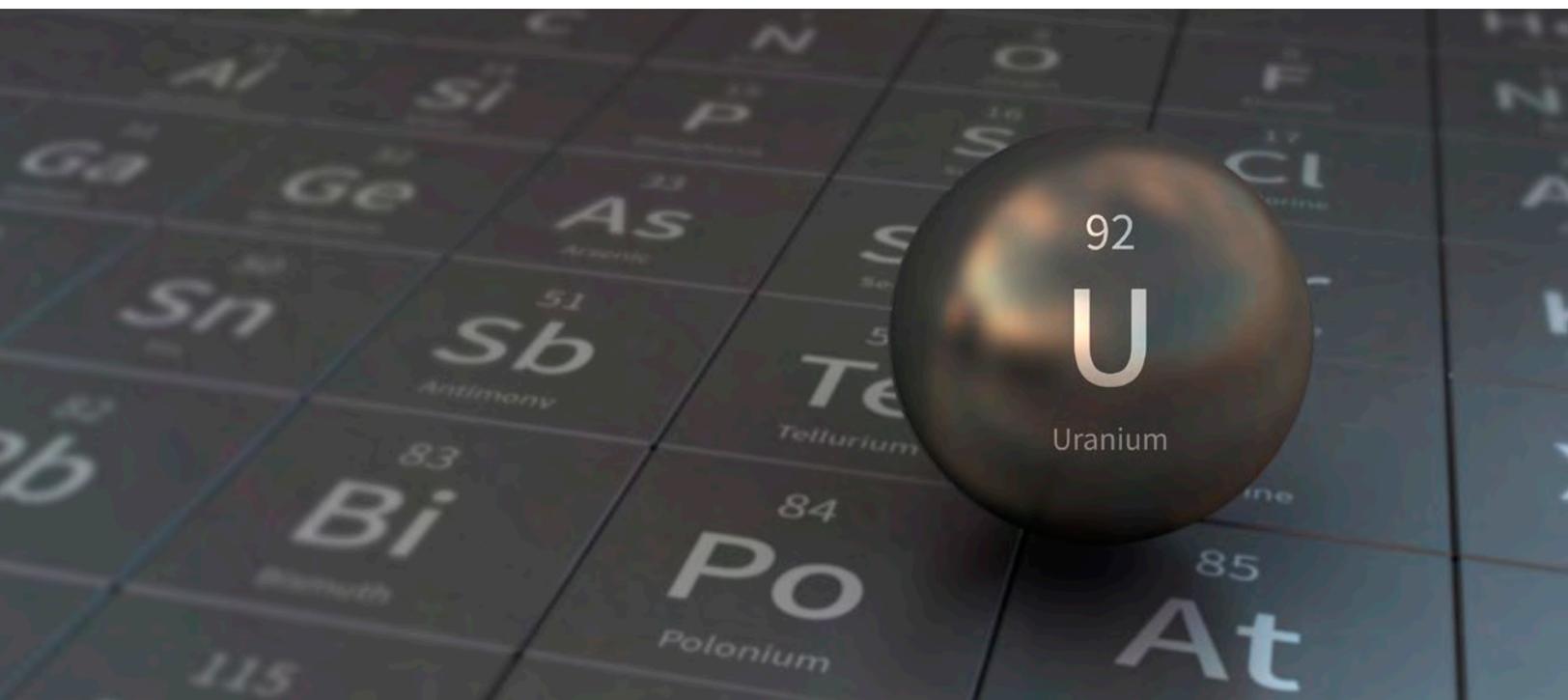
## How Tax-Loss Harvesting Works

Tax-loss harvesting involves selling investments in taxable accounts that have lost value to offset the gains elsewhere and help reduce taxes owed. The proceeds of the sale could be used to purchase other investments.

Users of this strategy need to consider the **wash-sale rule**, which prevents an investor from selling at a loss and then buying a “substantially identical” stock or securities holding within 30 days before or after the transaction. However, investments with sufficiently different allocations or holdings may be acceptable substitutes. This means that tax-loss harvesting can be an opportunity to shift your allocation.

## Consider a Shift to **Sprott Uranium Miners ETF (URNM)**

The Sprott Uranium Miners ETF (NYSE Arca: URNM) is the only ETF that offers pure-play, focused exposure to both uranium mining stocks and physical uranium holdings. URNM tracks the North Shore Global Uranium Mining Index.





# North Shore Global Uranium Mining Index

**Sprott Uranium Miners ETF (NYSE Arca: URMN)** follows the North Shore Global Uranium Mining Index, which includes companies that devote at least 50% of their assets to the uranium mining industry, which may include mining, exploration, development and production of uranium, or holding physical uranium, owning uranium royalties or engaging in other, non-mining activities that support the uranium mining industry.

## Index Portfolio Characteristics

(as of 9/30/2022)

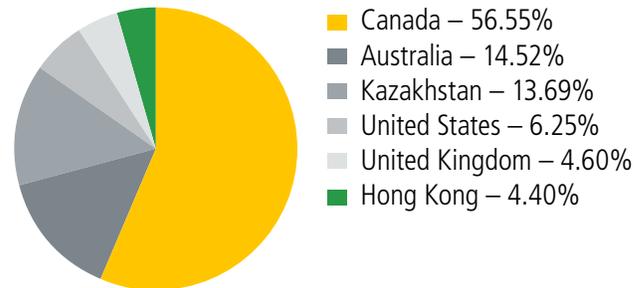
Number of Issuers	36
Market Cap (millions)	\$30,535
Weighted Avg. Company Market Cap (millions)	\$3,637
Market Cap Breakdown	
Large (>\$10B)	15.79%
Medium (\$2 – \$10B)	13.69%
Small (<\$2B)	56.67%
Not Classified	13.85%
Industry Weighting	
Uranium & Related Equities <sup>†</sup>	81.99%
Physical Uranium <sup>††</sup>	18.01%

<sup>†</sup> Reflects equities classified by the Bloomberg Industry Classification System (BICS) as uranium; solid waste collection & treatment; nickel, lead & zinc; base metals; mineral & precious stone mining; metals, ore wholesalers & traders.

<sup>††</sup> Includes holdings focused on the physical ownership of uranium: Sprott Physical Uranium Trust and Yellow Cake PLC.

## Company Domicile Breakdown

(as of 9/30/2022)



## Index Highlights

**Pure-Play** – Companies must have a significant part of business operations dedicated to the uranium industry.

### Modified Market-Cap Weighting Methodology:

- Aggregate weight of 82.5% of the Index is assigned to uranium miners, explorers, developers and producers.
- Aggregate weight of 17.5% is allocated to entities that hold physical uranium, uranium royalties or other non-mining assets.
- Companies are market-cap weighted within the buckets.
- A maximum weighting of 15% and a minimum weighting of 0.30% are applied.
- No more than five issuers will have a weight greater than 4.70% and the aggregate weight of all the components with a weight greater than 5% is capped at 50%.

**Semi-Annual Index Rebalance** – Occurs on the last trading day of March and September.



# Sprott Uranium Miners ETF

**Sprott Uranium Miners ETF (NYSE Arca: URMN)** seeks investment results, before fees and expenses, that track the performance of the North Shore Global Uranium Mining Index.

## Key Takeaways

### Pure-Play Access to Uranium Miners and Physical Uranium

URNM is an ETF that offers pure-play exposure to miners of uranium and physical uranium – a vital ingredient required for nuclear power generation.

### Growth in Nuclear Power is Necessary for the Clean Energy Revolution

Uranium's ability to offer a reliable, efficient, clean and safe energy source is vital to reaching decarbonization goals. With energy demand expected to grow over the coming decades, we believe nuclear power is well positioned to increase its share in the worldwide energy market.

### Demand for Uranium is in the Early Stages of a Structural Growth Cycle

With a forecasted 14-year production deficit on the horizon,<sup>†</sup> increased investment in the uranium mining industry may be required to meet global demand. Nations are turning to nuclear, with 159 new reactors either under construction or planned for construction,<sup>††</sup> we believe that alternate forms of clean energy cannot meet decarbonization goals and growing energy demand alone.

<sup>†</sup> Source: UxC LLC. Data as of Q2 2021. Methodology for estimates is outlined in the International Atomic Energy Agency report "Analysis of Uranium Supply to 2050," available at [https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104\\_scr.pdf](https://www-pub.iaea.org/MTCD/Publications/PDF/Pub1104_scr.pdf).

<sup>††</sup> Source: World Nuclear Association as of October 2022.

## ETF Details

Ticker	URNM
Underlying Index	URNMX
Listing Exchange	NYSE Arca
CUSIP	85208P303
ISIN	US85208P3038
Fund Inception	December 3, 2019 <sup>1</sup>
Fund AUM	\$861.3 million

## Fees and Expenses

(as of the most recent prospectus<sup>4</sup>)

Management Fee	0.85%
Other Expenses	0.00%
<b>Total Annual Fund Operating Expenses</b>	<b>0.85%</b>

**Sprott is the largest manager of uranium investments in the world<sup>†††</sup>, with approximately \$3.7 billion in uranium related, energy-transition AUM, as of September 30, 2022.**

<sup>†††</sup>According to Morningstar as of September 30, 2022.

## Performance: Average Annual Total Returns\* (%)

MONTH END AS OF 9/30/2022	1 MO	3 MO	YTD	1 YR	S.I. <sup>1</sup>
Sprott Uranium Miners ETF (Net Asset Value)	-16.37	13.75	-9.82	-8.88	44.77
Sprott Uranium Miners ETF (Market Price) <sup>2</sup>	-15.95	14.15	-9.54	-9.95	44.81
North Shore Global Uranium Mining Index (Benchmark) <sup>3</sup>	-16.17	14.67	-9.21	-7.96	46.18
QUARTER END AS OF 9/30/2022	1 MO	3 MO	YTD	1 YR	S.I. <sup>1</sup>
Sprott Uranium Miners ETF (Net Asset Value)	-16.37	13.75	-9.82	-8.88	44.77
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**Performance data quoted represents past performance. Past performance does not guarantee future results. Current performance may be higher or lower than actual data quoted. Call 1.888.622.1813 or visit [www.sprottetsf.com](http://www.sprottetsf.com) for current month end performance. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.**

\* Returns less than one year are not annualized.

<sup>1</sup> Inception Date: 12/3/2019. URMN was reorganized from the North Shore Global Uranium Mining ETF into the Sprott Uranium Miners ETF on 4/25/2022. URMN is a continuation of the prior ETF and, therefore, the performance information shown includes the prior ETF's performance.

<sup>2</sup> Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

<sup>3</sup> The North Shore Global Uranium Mining Index (URNMX) was created by North Shore Indices, Inc. (the "Index Provider"). The Index Provider developed the methodology for determining the securities to be included in the Index and is responsible for ongoing maintenance of the Index. The Index is calculated by Indxx, LLC, which is not affiliated with the North Shore Global Uranium Miners Fund ("Existing Fund"), ALPS Advisors, Inc. (the "Sub-Adviser") or Sprott Asset Management LP (the "Adviser").

<sup>4</sup> Reflects Total Annual Operating Expenses as outlined in the prospectus dated April 25, 2022. For the services the Adviser (Sprott Asset Management LP) provides to the Fund, the Adviser is entitled to receive an annual advisory fee from the Fund calculated daily and paid monthly at an annual rate of 0.85% on up to \$500 million in assets, 0.80% on the next \$500 million in assets, and 0.70% on assets greater than \$1 billion.



# Sprott Uranium Miners ETF

For more information on URNM, visit [sprottetsf.com](https://sprottetsf.com).

You can also contact the Sprott Team at 888.622.1813 or email us at [uranium@sprott.com](mailto:uranium@sprott.com).



## View Prospectus

For risks associated with investing in URNM, contact your financial professional or visit [sprottetsf.com](https://sprottetsf.com) to download the prospectus.



## Whitepaper

Visit [sprottetsf.com](https://sprottetsf.com) to view the whitepaper – *Unearting Opportunity: Uranium Miners and the Global Clean Energy Transition*.

**About Sprott** – Sprott is a global asset manager providing clients with access to precious metals and real assets investment strategies. We are specialists. Our knowledge, experience and relationships separate us from our peers. Sprott's investment products include innovative physical bullion and commodity trusts, managed equities, mining ETFs, as well as private equity and debt strategies. We also partner with natural resource companies to help meet their capital needs through our brokerage and resource lending activities. Sprott has offices in Toronto, New York, San Diego and London. Sprott Inc.'s common shares are listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbol "SII".

## IMPORTANT DISCLOSURES & DEFINITIONS

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 their own accountants and/or lawyers for advice on specific circumstances before taking action.

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a Sprott Uranium Miners ETF Statutory Prospectus, which contains this and other information, visit <https://sprottetsf.com/urnm/prospectus>, contact your financial professional or call 1.888.622.1813. Read the Prospectus carefully before investing.**

The Fund is not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Fund is considered non-diversified. As a result, changes in the market value of a single investment could cause greater fluctuations.

The Fund's investments will be concentrated in the uranium industry. As a result, the Fund will be sensitive to changes in, and its performance will depend to a greater extent on, the overall condition of the uranium industry. Also, uranium companies may be significantly subject to the effects of competitive pressures in the uranium business and the price of uranium. The price of uranium may be affected by changes in inflation rates, interest rates, monetary policy, economic conditions and political stability. The price of uranium may fluctuate substantially over short periods of time, therefore the Fund's share price may be more volatile than other types of investments. In addition, they may also be significantly affected by import controls, worldwide competition, liability for environmental damage, depletion of resources, mandated expenditures for safety and pollution control devices, political and economic conditions in uranium producing and consuming countries, and uranium production levels and costs of production. Demand for nuclear energy may face considerable risk as a result of, among other risks, incidents and accidents, breaches of security, acts of terrorism, air crashes, natural disasters, equipment malfunctions or mishandling in storage, handling, transportation, treatment or conditioning of substances and nuclear materials.

**Shares are not individually redeemable. Investors buy and sell shares of the Sprott Uranium Miners ETF on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 50,000 shares.**

Funds that emphasize investments in small/mid-capitalization companies will generally experience greater price volatility. Funds investing in foreign and emerging markets will also generally experience greater price volatility. Diversification does not eliminate the risk of experiencing investment losses. ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day.

A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses, affect the Fund's performance.

Sprott Asset Management LP is the Investment Advisor for the Sprott Uranium Miners ETF. ALPS Distributors, Inc. is the Distributor for the Sprott Uranium Miners ETF and is a registered broker-dealer and FINRA Member.

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