



# 5 Reasons to Invest in Copper Miners

Copper has been essential for thousands of years and remains critical to fields ranging from construction to electronics. Now it's needed more than ever before, as increasing demand for electricity, the upgrading and expansion of power grids, and technological advancements such as artificial intelligence (AI) are underway. Also, the transition to clean energy accounts for 41% of the worldwide copper demand, a figure projected to soar to 68% by 2040.<sup>3</sup>

## GRID INVESTMENTS

### \$21 Trillion

By 2050 to reach net-zero goals

BNEF's Energy Transition Investment Trends 2025.

## COPPER SUPPLY GAP

### 28MMT

Annual expected copper supply gap by 2050

BloombergNEF Transition Metals Outlook 2025.

## PRODUCTION LEAD TIME

### 17 Years

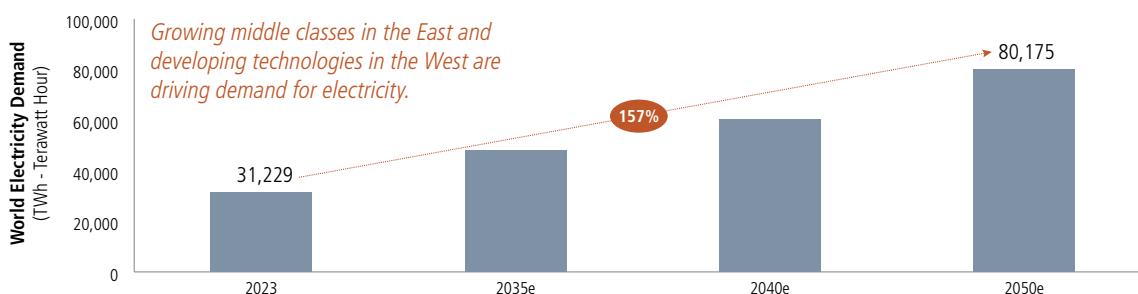
From copper discovery to mine production

Source: S&P Capital IQ, April 2025.

1

## Copper Demand Is Growing

Demand for electricity is estimated to increase 157% by 2050<sup>2</sup> as middle classes grow in the East, clean energy technologies proliferate, electric vehicles (EVs) gain market share and AI data centers provide a new demand shock for copper markets.



Source: IEA World Energy Outlook 2025 Net Zero Emissions Scenario.

2

## Massive AI Data Center Power Requirements Are Copper Intensive

Globally, data centers' electricity demand may rise 2.5x by 2030, to a level approximating Japan's total power use.<sup>4</sup> As data centers' AI capabilities grow, so does the need for copper-intensive electrical equipment. Cumulative new copper demand from AI data centers is projected at 5 million metric tons by 2030. On an annual basis, this is equivalent to 2.8% of 2030's forecasted global demand. Further, BHP Group, the world's largest mining company, estimates that the copper used in data centers globally will grow six-fold by 2050, to around 3 million metric tons annually.<sup>5</sup>

*If global copper consumption is a cake, AI-driven digital demand is the frosting. Electrification and urbanization remain fundamental drivers, but AI and data centers introduce an entirely new layer of growth.*

Laura Whitton, Head of Copper Strategy, BHP

<sup>1</sup> Based on Morningstar's universe of Natural Resources Sector Equity ETFs as of 12/31/2025.

<sup>2</sup> The term "pure-play" relates directly to the exposure that the Fund has to the total universe of investable, publicly listed securities in the investment strategy.

<sup>3</sup> Source: BloombergNEF, Transition Metals Outlook 2025.

<sup>4</sup> Source: BloombergNEF, New Energy Outlook 2025.

<sup>5</sup> Source: <https://www.bhp.com/news/bhp-insights/2025/01/why-ai-tools-and-data-centres-are-driving-copper-demand>.

## 3

## Copper Is Critical to the Future of Energy

Copper is required for energy transmission and infrastructure development. New energy grids are being created with urbanization and growing middle classes, and existing infrastructure is in need of ongoing expansion and upgrades that are often substantive. In addition, current and developing technologies, as well as clean energy sources, are heavily copper dependent.

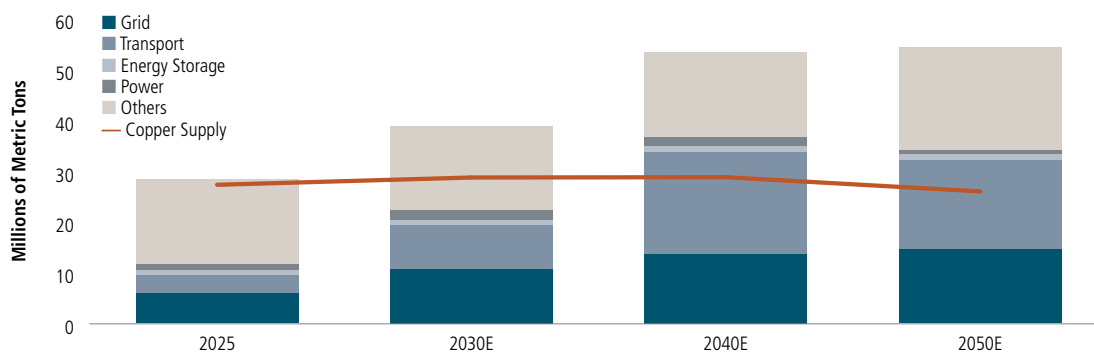
## 4

## Copper Supply Faces Challenges

The global copper supply faces significant hurdles, as ore grades are decreasing in quality and copper reserves are shrinking. In addition, there are long lead times to develop new mines, where the average copper mine takes 17 years to move from discovery to first production.

The copper supply and demand imbalance may be likely to grow, and this underscores the critical role of copper mining companies in meeting demand.

### Copper Supply and Demand Imbalance May Be Likely to Grow



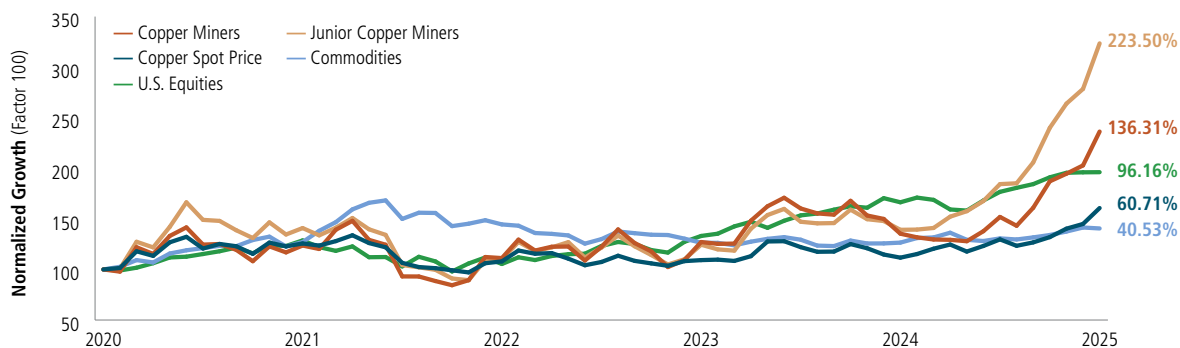
Source: BloombergNEF Transition Metals Outlook 2025. The line represents demand and the shaded area represents supply. Demand is based on a net-zero scenario, i.e., global net-zero emissions by 2050 to meet the goals of the Paris Agreement.

## 5

## Copper Miners May Benefit as Long-Term Energy Requirements Evolve

Copper miners may offer a long-term investment opportunity as global demand for electricity grows. The widening gap between supply and demand could translate into benefits for both copper prices and the mining companies involved. Additionally, long production lead times are causing larger miners to look to acquisitions, and an uptick in mergers and acquisitions (M&A) within the industry could further strengthen the position of copper miners.

### Physical Copper and Copper Stocks Have Outperformed Other Asset Classes Over the Past Five Years (12/31/2020-12/31/2025)



Source: Bloomberg and Sprott Asset Management. Data as of 12/31/2025. Copper Miners are measured by the Nasdaq Sprott Copper Miners™ Index (NSCOPPT index); Junior Copper Miners are measured by the Nasdaq Sprott Junior Copper Miners™ Index (NSCOPJT index); U.S. Equities are measured by the S&P 500 TR Index; the Copper Spot Price is measured by LMCADY Comdty; and Commodities are measured by the Bloomberg Commodity Index (BCOM). Definitions of the indices are provided in the footnotes. You cannot invest directly in an index. Included for illustrative purposes only. **Past performance is no guarantee of future results.**

## Two Ways to Get Pure-Play Exposure to Copper Miners

**Sprott Copper Miners ETF (Nasdaq: COPP)** is the only<sup>1</sup> ETF to provide pure-play<sup>2</sup> exposure to copper miners and physical copper. **Sprott Junior Copper Miners ETF (Nasdaq: COPJ)** is the only<sup>1</sup> ETF to provide pure-play<sup>2</sup> exposure to small, exploration- and development-stage copper miners with the potential for revenue and asset growth. **COPP** and **COPJ** are part of the **Sprott Critical Materials ETFs**. Please visit [sprottets.com](http://sprottets.com) for more information.

### Sprott Copper Miners ETF Performance: Average Annual Total Returns<sup>3</sup> (%)

QUARTER END AS OF 12/31/2025	1 MO	3 MO	YTD	1 YR	S.I. <sup>4</sup>
Sprott Copper Miners ETF (Net Asset Value)	16.09	26.05	73.04	73.04	40.22
Sprott Copper Miners ETF (Market Price) <sup>5</sup>	15.38	26.02	74.33	74.33	40.42
Nasdaq Sprott Copper Miners™ Index (Benchmark) <sup>6</sup>	16.49	26.28	74.59	74.59	40.95

### Sprott Copper Miners ETF Fees and Expenses (%) as of the most recent prospectus<sup>7</sup>

Management Fee	0.65
Other Expenses	0.00
<b>Total Annual Fund Operating Expenses</b>	<b>0.65</b>

### Sprott Junior Copper Miners ETF Performance: Average Annual Total Returns<sup>3</sup> (%)

QUARTER END AS OF 12/31/2025	1 MO	3 MO	YTD	1 YR	S.I. <sup>4</sup>
Sprott Junior Copper Miners ETF (Net Asset Value)	16.34	38.08	137.40	137.40	36.54
Sprott Junior Copper Miners ETF (Market Price) <sup>5</sup>	14.31	37.75	137.97	137.97	36.58
Nasdaq Sprott Junior Copper Miners™ Index (Benchmark) <sup>6</sup>	16.17	34.77	132.42	132.42	37.19

### Sprott Junior Copper Miners ETF Fees and Expenses (%) as of the most recent prospectus<sup>7</sup>

Management Fee	0.75
Other Expenses	0.00
Acquired Fund Fee and Expenses <sup>8</sup>	0.01
<b>Total Annual Fund Operating Expenses</b>	<b>0.76</b>

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.sprottets.com](http://www.sprottets.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.

<sup>1</sup> Based on Morningstar's universe of Natural Resources Sector Equity ETFs as of 12/31/2025.

<sup>2</sup> The term "pure-play" relates directly to the exposure that the Fund has to the total universe of investable, publicly listed securities in the investment strategy.

<sup>3</sup> Returns less than one year are not annualized.

<sup>4</sup> Inception Dates: Sprott Copper Miners ETF – 3/5/2024; Sprott Junior Copper Miners ETF – 2/1/2023.

<sup>5</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>6</sup> The Nasdaq Sprott Copper Miners™ Index (NSCOPP™) and Nasdaq Sprott Junior Copper Miners™ Index were co-developed by Nasdaq® (the "Index Provider") and Sprott Asset Management LP (the "Sponsor"). The Index Provider and Sponsor co-developed the methodology for determining the securities to be included in the Index and the Index Provider is responsible for the ongoing maintenance of the Index. The Sponsor will provide certain services in connection with the Index including contributing inputs in connection with the eligibility and process to determine the initial selection and ongoing composition of the Index constituents. One cannot invest directly in an index.

<sup>7</sup> Reflects Total Annual Operating Expenses as outlined in the most recent prospectus. For the services the Adviser (Sprott Asset Management USA, Inc.) 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 0.65% of net assets for the Sprott Copper Miners ETF and 0.75% of net assets for the Sprott Junior Copper Miners ETF.

<sup>8</sup> Acquired Fund Fees and Expenses are the indirect costs of investing in other investment companies. The operating expenses in this fee table do not correlate to the expense ratio in the Fund's financial highlights because the financial statements include only the direct operating expenses incurred by the Fund.

## ABOUT SPROTT

Sprott is a global asset manager focused on precious metals and critical materials investments. We are specialists. We believe our in-depth knowledge, experience and relationships separate us from the generalists. Our investment strategies include Exchange Listed Products, Managed Equities and Private Strategies. Sprott has offices in Toronto, New York, Connecticut and California and the company's common shares are listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbol (SII). For more information, please visit [www.sprott.com](http://www.sprott.com).

### IMPORTANT DISCLOSURES & DEFINITIONS

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

Investors in the Fund should be willing to accept a high degree of volatility in the price of the Fund's shares and the possibility of significant losses. An investment in the Fund involves a substantial degree of risk. The Fund is not suitable for all investors. The Fund is considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund.

**Shares are not individually redeemable. Investors buy and sell shares of the Sprott Copper Miners ETF and the Sprott Junior Copper Miners ETF on a secondary market. Only authorized participants may trade directly with the Fund, typically in blocks of 10,000 shares.**

Funds that emphasize investments in small/mid-cap companies will generally experience greater price volatility. Diversification does not eliminate the risk of investment losses. ETFs are considered to have continuous liquidity because they allow 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.

The Sprott Copper Miners ETF and Sprott Junior Copper Miners ETF seek to provide investment results that, before fees and expenses, generally correspond to the total return performance of the Nasdaq Sprott Copper Miners™ Index (NSCOPP™) and Nasdaq Sprott Junior Copper Miners™ Index (NSCOPJ™), respectively.

**Investors in the Funds should be willing to accept a high degree of volatility in the price of the Funds' shares and the possibility of significant losses. Investments in the Funds involve a substantial degree of risk. Therefore, you should consider carefully the risks listed in the prospectuses before investing in the Funds.**

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