

Sprott | Key Information Document ("KID") Sprott Physical Silver Trust

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product:	Sprott Physical Silver Trust (the "Trust")
Name of PRIIP Manufacturer:	Sprott Asset Management LP (the "Manager")
Trustee:	RBC Investor Services Trust
Custodians:	The Royal Canadian Mint RBC Investor & Treasury Services
ISIN:	CA85207K1075
Telephone Number:	C+1.855.943.8099
Competent Authority of the PRIIP Manufacturer in relation to the KID:	The Trust's units are admitted to trading on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE Arca") and are subject to the rules of the Ontario Securities Commission and the U.S. Securities and Exchange Commission.

This document is dated December 31, 2023.

Caution: You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

The Trust is a closed-end mutual fund trust established under the laws of the Province of Ontario, Canada. Each trust unit represents an equal, fractional, undivided ownership interest in the net assets of the Trust attributable to the particular class of trust units. The Trust is listed on the NYSE Arca under the symbol "PSLV" and on the TSX under the symbol "PSLV.U" (in U.S. dollars) and "PSLV" (in Canadian dollars).

Objectives

The Trust was created to invest and hold substantially all of its assets in physical silver bullion. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding physical silver bullion without the inconvenience that is typical of a direct investment in physical silver bullion. The Trust invests primarily in long-term holdings of unencumbered, fully allocated, physical silver bullion and will not speculate with regard to short-term changes in silver prices. The Trust will not invest in silver certificates or other financial instruments that represent silver or that may be exchanged for silver. The Trust has only purchased and expects only to own "London Good Delivery" bars as defined by the London Bullion Market Association (the "LBMA"), with each bar purchased being verified against the LBMA source. The Trust does not anticipate making regular cash distributions to unitholders.

Intended retail investor

This product is intended for retail investors who are looking for exposure to physical metals in a liquid format, and are able to bear the potential risk of loss of capital up to the amount invested in the Trust.

Term

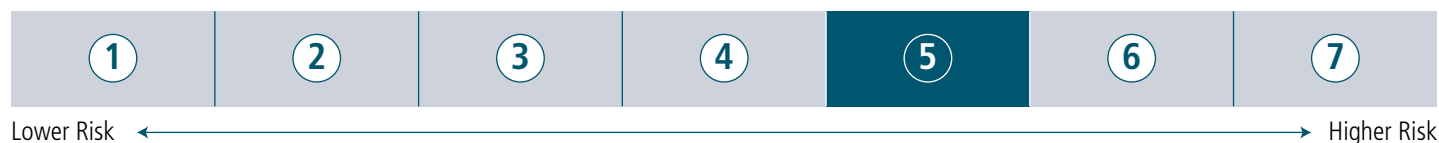
The Trust does not have a fixed termination date. The issuer has the right to terminate the product in a limited number of circumstances as set out in the prospectus. The limited circumstances include: there are no trust units outstanding; the Trustee resigns or is removed and no successor trustee is appointed; the Manager resigns and no successor manager is appointed and approved by unitholders; the Manager is in material default of its obligations under the Trust Agreement and such default continues for 120 days from the date that the Manager receives notice of such default from the Trustee and no successor manager has been appointed by the unitholders of the Trust pursuant to the Trust Agreement; or the Manager experiences certain insolvency events.

In addition, the Manager may, in its discretion, terminate the Trust without unitholder approval by giving the Trustee and each current holder of trust units at least 90 days' notice. To the extent such termination in the discretion of the Manager may involve a matter that would be a "conflict of interest matter" as set forth under applicable Canadian securities legislation, the matter will be referred by the Manager to the Independent Review Committee established by the Manager for its recommendation.

In connection with the termination of the Trust, the Trust will, to the extent possible, convert its assets to cash and, after paying or making adequate provision for all of the Trust's liabilities, distribute any available net assets of the Trust to unitholders, on a pro rata basis, as soon as practicable after the termination date.

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What are the risks and what could I get in return?



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less and what you get back will be influenced by the market factors at the time of sale and fees directly charged by your advisor or brokerage charges such as trading commissions. A price may not accurately reflect the underlying Net Asset Value (NAV) of the Trust's investments. The unit price may be higher at a premium to the NAV or lower at a discount to the NAV. Discounts and premiums vary constantly.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified the risk of this product as 5 out of 7, which is a medium-high risk class. This classification rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact the value of your investment. **Be aware of currency risk as the currency of the Trust may be different from that of your country. You will receive payment in a different currency or the final return you will get depends on the exchange rate between these two currencies. This risk is not considered in the indicator shown above.**

The whole amount of your invested capital in the Trust is at risk and there can be no guarantee that you will get back any or all of the amount invested on a sale of units in the Trust. The price at which units in the Trust are sold in the market has not historically tracked the Trust's net asset value per unit.

The Trust does not pay dividends and therefore the return will depend on the selling price when you dispose of the units in the market place.

Performance scenarios

Market developments in the future cannot be accurately predicted and the scenarios are only an indication of some of the possible outcomes based on recent returns where actual returns can be higher or lower.

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest USD \$10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances and it does not take into account the situation where we are unable to pay you. The figures shown include all the costs of the product itself but they do not include the costs you may pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment USD \$10,000				
Scenarios		1 year	3 years	5 Years (Recommended holding period)
Stress	What you might get back after costs	USD \$1,317.35	USD \$2,418.43	USD \$1,458.18
	Average return each year	-86.83%	-37.70%	-31.96%
Unfavourable	What you might get back after costs	USD \$7,149.83	USD \$5,818.24	USD \$5,147.48
	Average return each year	-28.50%	-16.52%	-12.44%
Moderate	What you might get back after costs	USD \$10,334.24	USD \$10,995.10	USD \$11,698.22
	Average return each year	3.34%	3.21%	3.19%
Favourable	What you might get back after costs	USD \$14,844.81	USD \$20,650.00	USD \$26,421.55
	Average return each year	48.45%	27.34%	21.45%

What happens if the Sprott Physical Silver Trust is unable to payout?

You may face a financial loss should the Manager, Trustee or the Custodian default on their obligations. In the event of the insolvency of the Manager or Trustee, the Trust's assets held by the Custodian will be not be affected, but the market value of your investment may change until your investment is liquidated. The underlying precious metal of the Trust is held in safekeeping by the Trust's Custodian, the Royal Canadian Mint, and/or any sub-custodians appointed by the Custodian. In the event of the insolvency of the Custodian or sub-custodian, the underlying metal should be protected from such insolvency as it is held in an allocated account separately and distinctly from the assets of the Custodian, any sub-custodian and any other clients.

In accordance with the conditions outlined in the Prospectus and with the prior approval of the Canadian Securities Authorities, the Manager may temporarily suspend redemption rights under certain conditions.

Compensation will not be available under any applicable investor compensation or guarantee scheme in the event of insolvency of the Manager, the Trustee, the Custodian and/or any sub-custodian.

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What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest USD \$10,000. The figures are estimates and may change in the future.

Costs over time

The person selling or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and the impact that all costs will have on your investment over time.

Investment USD \$10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	USD \$60	USD \$235	USD \$481
Impact on return (RIY) per year	0.60%	0.60%	0.62%

Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

Composition of Costs			
This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of your exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.60%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	None	Performance fees are not charged by the Fund.
	Carried interests	None	The impact of carried interests.

How long should I hold it and can I take my money out early?

Recommended holding period: 5 years

This product has no required minimum holding period but is designed for long-term investment. The recommended holding period is for 5 years and is an estimate and must not be taken as a guarantee or indication of future performance, returns or risk levels. Any investment decisions should be considered against your specific investment needs and risk appetite and Sprott Asset Management has not considered the suitability of this product for your personal needs and circumstances.

The trust units are traded on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE Arca") through a broker dealing in the product and you can choose to trade the Product on any business day the exchange is open. If you sell your before the end of the recommended holding period, you may increase the risk of receiving less than expected and what you get back will be influenced by the market factors at the time of sale and fees directly charged by your advisor or brokerage charges such as trading commissions.

Sprott Physical Silver Trust unitholders also have the right to redeem for physical metals on a monthly basis, subject to meeting the minimum redemption amount. Unitholders should consult with their advisor or institution or refer to Product's website for additional information.

How can I complain?

If you have concerns about this product or service you have received in respect to this product, you can contact our Compliance department at SAMCompliance@sprott.com. Alternatively, you can write to us at Chief Compliance Officer, Sprott Asset Management, Royal Bank South Tower, 200 Bay Street, Suite 2600 Toronto, ON, M5J 2J1, Canada. We will handle your complaint and respond as soon as reasonably possible.

Other relevant information

You may obtain further information about Sprott Physical Silver Trust from the website Sprott.com including this document, the prospectus, the annual and interim reports and the latest unit price and net asset values.

Alternatively, you may contact Glen Williams, Managing Director, Investor and Institutional Client Relations; Head of Corporate Communications, Sprott Inc. at Telephone: 416.943.4394 or email: gwilliams@sprott.com.