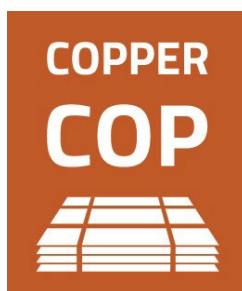


No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States. See “Plan of Distribution”.

PROSPECTUS

Initial Public Offering

May 31, 2024



SPROTT PHYSICAL COPPER TRUST

US\$100,000,000 (10,000,000 Units)

Minimum Subscription: US\$1,000 (100 Units)

This prospectus qualifies the distribution (the “**Offering**”) of transferable units (the “**Units**” and each individually a “**Unit**”) of Sprott Physical Copper Trust (the “**Trust**”, “**us**” or “**we**”) at a price of US\$10.00 per Unit (or the equivalent in Canadian dollars, determined using the daily exchange rate posted by the Bank of Canada on the date the Units are sold). Each Unit represents an equal, fractional, beneficial interest in the net assets of the Trust attributable to the particular class of Units. As of completion of the Offering, the Trust will only have one class or series of Units, which is the class of Units that will be qualified by this prospectus. The Trust will use the net proceeds from the Offering as described in this prospectus. See “Use of Proceeds”.

The Trust was established to invest and hold substantially all of its assets in physical copper metal and seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding physical copper metal without the inconvenience that is typical of a direct investment in physical copper metal. See “Investment Objectives” for further information about the Trust’s investment objectives.

The Trust is a closed-end trust established under the laws of the Province of Ontario and is managed by Sprott Asset Management LP (the “**Manager**”). The Manager is a registered investment fund manager, portfolio manager and exempt market dealer and a wholly-owned subsidiary of Sprott Inc., a public company whose common shares are listed on the Toronto Stock Exchange (the “**TSX**”) and the New York Stock Exchange. See “Organization and Management Details of the Trust – Manager of the Trust” for further information about the Manager.

The TSX has conditionally approved the listing of the Units on the TSX under the symbols “COP.U” (U.S. dollar denominated) and “COP.UN” (Canadian dollar denominated). Listing is subject to the Trust’s fulfilment of all of the initial listing requirements and conditions of the TSX, and there can be no guarantee

that the Trust will do so. Closing (as defined herein) is conditional on, among other things, the Units being listed on the TSX. See “Plan of Distribution”.

There is currently no market through which the Units may be sold, and purchasers may not be able to resell the Units purchased under this prospectus. This may affect the pricing of the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Units, and the extent of issuer regulation. An investment in the Units is subject to a number of risks that should be considered by a prospective purchaser. Prospective purchasers should carefully consider the risk factors described under “Risk Factors” before purchasing Units.

Price: US\$10.00 per Unit

	Price to the Public ⁽¹⁾	Underwriters’ Fee ⁽²⁾	Net Proceeds to the Trust ⁽³⁾
Per Unit	US\$10.00	US\$0.50	US\$9.50
Total Offering ⁽³⁾	US\$100,000,000	US\$5,000,000	US\$95,000,000

Notes to Table:

- (1) The Offering Price (as defined herein) has been determined by negotiation among the Trust and the Underwriters (as defined herein).
- (2) Pursuant to the terms and conditions of the Underwriting Agreement (as defined herein), the Underwriters will receive a fee equal to US\$0.50 per Unit (being 5.0% of the Offering Price), including any Units forming part of the Over-Allotment Option (as defined herein), other than in respect of any Units sold to purchasers on the president’s list (the “**President’s List**”) in respect of which no fee shall be payable. See “Plan of Distribution”.
- (3) Before deducting the expenses of the Offering. It is estimated that the total expenses of the Offering, not including the “Underwriters’ Fee”, will be approximately US\$1 million, which will be paid by the Trust out of the proceeds of the Offering. The Trust also agreed to reimburse the Underwriters for their reasonable expenses in connection with the Offering. See “Use of Proceeds” and “Plan of Distribution”.
- (3) The Trust has granted the Underwriters an option (the “**Over-Allotment Option**”), exercisable, in whole or in part, at any time for a period of 30 days after the Closing Date (as defined herein), to purchase from the Trust up to an additional 15% of the aggregate number of Units issued under the Offering on the same terms as set forth above solely to cover over-allotments, if any, and consequential market stabilization purposes. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, Underwriters’ Fee, and “Net Proceeds to the Trust” for the total Offering will be US\$115 million, US\$5.75 million, and US\$109.25 million, respectively. This prospectus also qualifies the grant of the Over-Allotment Option and distribution of the Units issuable upon the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Underwriters’ over-allocation position acquires such Units under this prospectus, regardless of whether the Underwriters’ over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “Plan of Distribution”.

Canaccord Genuity Corp., BMO Nesbitt Burns Inc. and Cantor Fitzgerald Canada Corporation (as “**Joint Bookrunners**”) and RBC Dominion Securities Inc. and TD Securities Inc. (together with the Joint Bookrunners, the “**Underwriters**”), as principals, conditionally offer the Units qualified under this prospectus, subject to prior sale, if, as and when sold by the Trust and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement (as defined herein) among us and the Underwriters referred to under “Plan of Distribution” and subject to the approval of certain legal matters on our behalf by Stikeman Elliott LLP and on behalf of the Underwriters by McCarthy Tétrault LLP. In connection with the Offering, the Underwriters have been granted the Over-Allotment Option and may, subject to applicable law, over-allocate or effect transactions which stabilize or maintain the market price of the Units at levels other than those which otherwise might prevail on the open market. **The Underwriters may offer the Units at a price lower than that stated above. See “Plan of Distribution”.**

The following table sets out the number of Units that may be sold by the Trust to the Underwriters pursuant to the Over-Allotment Option:

Underwriters' Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	1,500,000 Units	For a period of 30 days after the Closing Date	US\$10.00 per Unit

Subscriptions will be received subject to rejection or allocation in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. The closing of the Offering (the “**Closing**”) is expected to occur on or about June 6, 2024, or such other date as the Trust and the Underwriters may agree, but in any event no later than June 20, 2024 (the “**Closing Date**”). The Units will be deposited with CDS Clearing and Depository Services Inc. (“**CDS**”) in electronic form on the Closing Date, through the non-certificated inventory system administered by CDS. A purchaser of Units will receive only a customer confirmation from the registered dealer from or through which the Units are purchased. See “Plan of Distribution – Non-Certificated Inventory System”.

An investment in the Units is subject to a number of risks that should be considered by a prospective purchaser. See “Risk Factors”.

The Trust is not a trust company and does not carry on business as a trust company, and accordingly, the Trust is not registered under the trust company legislation of any jurisdiction. A Unit is not a “deposit” within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under provisions of that act or any other legislation.

Whitney George, a director of the Manager, resides outside of Canada. Mr. George has appointed the Trust, located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2600, Toronto, Ontario, Canada M5J 2J1, as his agent for service of process in Canada. Unitholders are advised that it may not be possible to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

Purchasing the Units may subject you to tax consequences. This prospectus may not describe these tax consequences fully. You should read the tax discussion in this prospectus and seek advice from your financial advisors. See “Material Canadian Federal Income Tax Considerations” and “Risk Factors”.

The Trust’s office is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2600, Toronto, Ontario, Canada M5J 2J1. The Manager’s office is located at Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and its telephone number is (416) 943-8099 (toll free: 1-855-943-8099). RBC Investor Services Trust is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3. The custodian for the Trust’s assets other than its physical copper assets, RBC Investor Services Trust, is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3.

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GLOSSARY OF SELECTED TERMS

In this prospectus, the following terms have the meanings set forth below, unless otherwise indicated.

“allowable capital loss” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations – Canadian Taxation of the Trust”;

“Auditor” means a firm of chartered accountants duly licensed and recognized to practice in the Province of Ontario and appointed from time to time by the Manager;

“Bookrunners” has the meaning ascribed thereto on the face page;

“Budget 2024 Tax Proposals” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations”;

“Business Day” means any day on which the TSX, or any U.S. stock exchange, as applicable, on which the Units are listed, is open for trading;

“Canadian Unitholder” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations – Canadian Taxation of Unitholders – Unitholders Resident in Canada”;

“Cash Redemption Notice” means a written request signed by a Unitholder for the redemption of Units for cash, in accordance with the form of written request set out in the Trust Agreement or in such other form as the Manager may from time to time in its sole discretion determine;

“CDS” means CDS Clearing and Depository Services Inc. and includes any successor corporation or any other depository subsequently appointed by the Trust as a depository in respect of the Units;

“CDS Participants” has the meaning ascribed thereto under the heading “Plan of Distribution – Non-Certificated Inventory System”;

“Class Net Asset Value” has the meaning ascribed thereto under the heading “Calculation of Net Asset Value - Calculation of Class Net Asset Value and Class Net Asset Value per Unit”;

“Class Net Asset Value per Unit” has the meaning ascribed thereto under the heading “Calculation of Net Asset Value - Calculation of Class Net Asset Value and Class Net Asset Value per Unit”;

“Closing” has the meaning ascribed thereto on the face page;

“Closing Date” has the meaning ascribed thereto on the face page;

“CME” means the Chicago Mercantile Exchange;

“Copper” means physical copper metal in either Grade 1 Cathode form or Grade A Cathode form that is fully allocated or stored at a Facility. References to “copper” refers to physical copper metal in any form;

“Copper Redemption Notice” means a written request signed by a Unitholder for the redemption of Units for Copper, in accordance with the form of written request set out in the Trust Agreement or in such other form as the Manager may from time to time in its sole discretion determine;

“CRA” means the Canada Revenue Agency;

“Custodian” means the custodian of the Trust Property, other than Copper, appointed pursuant to the Trust Agreement and shall include the Trustee and any sub-custodians appointed by the Trustee which from time to time hold the Trust Property other than Copper pursuant to the Trust Agreement or a separate written custodial agreement;

“Designated Facility” means, for any redemption of Units for Copper in accordance with the Trust Agreement, the Facility or Facilities where the transfer of Copper will occur, as designated by the Manager in accordance with the Trust Agreement;

“Disclosure Documents” means any (final) prospectus of the Trust filed in all provinces and territories of Canada and any registration statement of the Trust filed with the United States Securities and Exchange Commission, or similar offering documents, as may be used by the Manager or required by applicable Securities Legislation in connection with qualifying the distribution of the Units to the public, including any amendments to such offering documents;

“Distribution Date” has the meaning ascribed thereto under the heading “Distribution Policy”;

“DFA Rules” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations – Canadian Taxation of the Trust”;

“Enhancement Fee” has the meaning ascribed thereto under the heading “Prospectus Summary – The Trust – Fees and Expenses Payable by the Trust”;

“Exemptive Relief” means the exemptive relief order of the Ontario Securities Commission expected to be granted in connection with the initial public offering of the Trust, as such exemptive relief order may be amended, modified or supplemented, including any subsequent exemptive relief order that replaces such order;

“Facility” means a CME or LME-approved storage or similar facility for Copper operated by a Warehouse Provider located in a Storage Jurisdiction or such other facility as the Manager may determine in accordance with the Trust Agreement and the Exemptive Relief;

“FHSA” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“Financial Instruments” has the meaning ascribed thereto under the heading “Investment Restrictions”;

“Fiscal Year” means the fiscal year of the Trust ending on the last day of December in each year, or such other date as may be determined from time to time by the Manager;

“GDP” means gross domestic product;

“Grade 1 Cathode” means a physical copper metal cathode that, at the time of purchase by the Trust, satisfies the CME standards for classification as a Grade 1 electrolytic copper cathode;

“Grade A Cathode” means a physical copper metal cathode that, at the time of purchase by the Trust, satisfies the LME standards for classification as Grade A copper;

“H1 Notice Period” means the period from April 15 up to and including the last day of April when the TSX is open for trading;

“H2 Notice Period” means the period from October 15 up to and including the last day of October when the TSX is open for trading;

“IFRS” has the meaning ascribed hereto under the heading “Prospectus Summary – Organization and Management of the Trust”;

“Independent Review Committee” means the independent review committee of the Trust established pursuant to NI 81-107;

“Index-Linked Purchases” has the meaning ascribed thereto under the heading “Investment Strategies”;

“Investment and Operating Restrictions” means the investment and operating restrictions of the Trust as set out in the Trust Agreement;

“Investment Manager” means the Person(s) appointed by the Manager, on behalf of the Trust, from time to time pursuant to the provisions of the Trust Agreement and any portfolio management agreement, to determine, in its sole discretion, but subject to the Investment Policy, which securities or other assets (other than Copper) shall be purchased, held or sold for the Trust and to execute or cause the execution of purchase and sale orders in respect of such determinations;

“Investment Policy” means the investment objective, the investment strategy, and the investment and operating restrictions of the Trust, set forth in Article 21 of the Trust Agreement;

“IOSCO” means the International Organization of Securities Commissions;

“Joint Bookrunners” has the meaning ascribed thereto on the face page;

“LME” means the London Metals Exchange;

“Management Agreement” means the management agreement dated on or before the Closing Date between the Trustee, for and on behalf of the Trust, and the Manager;

“Management Fee” has the meaning ascribed thereto under the heading “Fees and Expenses – Fees and Expenses Payable by the Trust”;

“Manager” means Sprott Asset Management LP, and any successor;

“Manager GP” means Sprott Asset Management GP Inc.;

“Minimum Physical Redemption Lot” means the equivalent value of 100 metric tonnes of Copper;

“Net Asset Value” or **“NAV”** means the net asset value of the Trust on a particular date equal to (i) the aggregate fair value of the assets of the Trust, less (ii) the aggregate fair value of the liabilities of the Trust;

“Net Asset Value per Unit” or **“NAV per Unit”** means the Net Asset Value divided by the total number of Units then outstanding;

“net income” has the meaning ascribed thereto under the heading “Distribution Policy”;

“net realized capital gains” has the meaning ascribed thereto under the heading “Distribution Policy”;

“NI 81-102” means National Instrument 81-102 – Investment Funds;

“NI 81-106” means National Instrument 81-106 – Investment Fund Continuous Disclosure;

“NI 81-107” means National Instrument 81-107 – Independent Review Committee for Investment Funds;

“Non-Canadian Unitholder” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations – Unitholders Not Resident in Canada”;

“Notice Period” means the H1 Notice Period or the H2 Notice Period, as applicable;

“OECD” means the Organisation for Economic Co-operation and Development;

“Offering” means the distribution and offering of an aggregate of 10,000,000 transferable Units pursuant to this prospectus;

“Offering Price” means a price of US\$10.00 per Unit;

“Over-Allotment Option” has the meaning ascribed thereto on the face page;

“Person” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

“Price Reporters” has the meaning ascribed thereto under the heading “Prospectus Summary – Price Reporters”;

“Procurement Fee” has the meaning ascribed thereto under the heading “Fees and Expenses – Fees and Expenses Payable by the Trust”;

“RDSP” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“Redemption Date” means, in respect of a redemption request received during the H1 Notice Period, the last day of May when the TSX is open for trading, or, in respect of a redemption request received during the H2 Notice Period, the last day of November when the TSX is open for trading;

“Registrar and Transfer Agent” means the registrar and transfer agent of the Units appointed by the Manager. The initial Registrar and Transfer Agent will be TSX Trust Company;

“RESP” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“RRIF” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“RRSP” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“SAM US” has the meaning ascribed thereto under the heading “Prospectus Summary – Experienced Manager”;

“Securities Authorities” means the Ontario Securities Commission and equivalent securities regulatory authorities in each other province and territory of Canada, and, if applicable, the United States Securities and Exchange Commission;

“Securities Legislation” means the laws, regulations, rules, requirements and policies of the Securities Authorities which are in effect from time to time and applicable to the Trust including, but not limited to NI 81-102, NI 81-106, NI 81-107 and, if applicable, the *United States Securities Act of 1933*, as amended;

“Sprott” means Sprott Inc.;

“Storage Agreement” means subject to the terms of the Trust Agreement, a storage agreement or other type of contract or arrangement with a Facility or Facilities in connection with the storage of Copper which agreement, contract or arrangement adheres to industry standards and the Exemptive Relief;

“Storage Jurisdictions” means Belgium, Canada, Germany, Italy, Malaysia, the Netherlands, Singapore, South Korea, Spain, Sweden, the United Arab Emirates and the United States and, subject to compliance with applicable securities laws and the Exemptive Relief, such other country or countries as the Manager may determine in accordance with the Trust Agreement;

“Tax Act” means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time;

“Tax Proposals” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations”;

“taxable capital gain” has the meaning ascribed thereto under the heading “Material Canadian Federal Income Tax Considerations – Canadian Taxation of the Trust”;

“Technical Advisor” means, initially, WMC, and includes any other Person(s) appointed by the Manager, on behalf of the Trust, from time to time pursuant to the provisions of the Trust Agreement and any technical advisory, consulting or other similar agreement, to provide advisory services to the Manager, including: (i) commercial services with respect to: (a) the management of the movement and storage of Copper assets in accordance with standard industry practice; (b) all of the Trust’s transactions involving the purchase and sale of Copper, lending or relocation of Copper; and (c) other means of optimizing the Trust’s portfolio value; (ii) periodic communication with the Manager related to current and forecasted market conditions; and (iii) reasonable support of the Manager’s marketing efforts for the Trust;

“Technical Advisory Agreement” has the meaning ascribed thereto under the heading “Organization and Management Details of the Trust – Technical Advisor”;

“Technical Advisory Services” has the meaning ascribed thereto under the heading “Prospectus Summary – Technical Advisor”;

“TFSA” has the meaning ascribed thereto under the heading “Eligibility Under The Tax Act for Investment by Canadian Exempt Plans”;

“Treaty” means the Convention Between Canada and the United States of America With Respect to Taxes on Income and on Capital;

“Trust” means the Sprott Physical Copper Trust;

“Trust Agreement” means the amended and restated trust agreement dated May 10, 2024, among Sprott Asset Management LP as Manager, RBC Investor Services Trust as Trustee, and Lara Misner as settlor, as applicable;

“Trust Property” has the meaning ascribed thereto under the heading “Securityholder Matters – Meeting of Unitholders”;

“Trust’s Website” has the meaning ascribed thereto under the heading “Redemption of Units – Transfer of Copper to the Redeeming Unitholder”;

“Trustee” means RBC Investor Services Trust, in its capacity as trustee of the Trust, and any successor;

“TSX” means the Toronto Stock Exchange;

“UMIR” means the Universal Market Integrity Rules for Canadian Marketplaces;

“UN” means the United Nations;

“Underwriters” has the meaning ascribed thereto on the face page;

“Underwriting Agreement” means the underwriting agreement dated May 31, 2024 among the Trust, the Manager, and the Underwriters;

“Unitholder” means the owners of the beneficial interest in the Units;

“Units” means the transferable units of the Trust;

“Valuation Agent” has the meaning ascribed thereto under the heading “Calculation of Net Asset Value”;

“Valuation Date” has the meaning ascribed thereto under the heading “Calculation of Net Asset Value”;

“Valuation Time” has the meaning ascribed thereto under the heading “Calculation of Net Asset Value”;

“Warehouse Providers” means initially, Access World, C. Steinweg Handelsveem and P Global Services, and/or each of their respective subsidiaries, affiliates or successors and, subject to compliance with applicable securities laws and the Exemptive Relief, such other warehouse service providers as the Manager may determine in accordance with the Trust Agreement; and

“WMC” has the meaning ascribed thereto under the heading “Prospectus Summary – Technical Advisor”.

CURRENCY

In this prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in United States dollars. All references to “\$”, “US\$”, “United States dollars”, “U.S. dollars” or “dollars” are to the currency of the United States, and all references to “Cdn\$” or “Canadian dollars” are to the currency of Canada.

The following table sets out the high and low rates of exchange for one U.S. dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods, and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by the Bank of Canada for conversion of U.S. dollars into Canadian dollars.

	12 Months Ended			3 Months Ended	
	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	March 31, 2024	March 31, 2023
	(\$)	(\$)	(\$)	(\$)	(\$)
Highest rate during the period	1.3875	1.3856	1.2942	1.3593	1.3807
Lowest rate during the period	1.3128	1.2451	1.2040	1.3316	1.3312
Average noon spot rate for the period	1.3497	1.3013	1.2535	1.3486	1.3525
Rate at the end of the period	1.3226	1.3544	1.2678	1.3550	1.3533

On May 30, 2024, the rate of exchange posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was US\$1.00 equals \$1.3678. No representation is made that Canadian dollars could be converted into U.S. dollars at that rate or any other rate.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained in this prospectus that are not purely historical are forward-looking statements. The Trust's forward-looking statements include, but are not limited to, statements regarding its or its management's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipates," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predicts," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements in this prospectus may include, for example, statements about:

- trading of the Units on the TSX;
- the Trust's objectives and strategies to achieve the objectives;
- success in retaining or recruiting, or changes required in, the officers, key employees or directors of the Manager;
- success in appointing a Technical Advisor to provide advisory services to the Manager in respect of matters relating to the Trust's holding, purchases and sales of Copper;
- expectations regarding the supply of Copper and the ability of producers to bring additional sources of supply online; and
- expectations for growth of Copper industry, sources of and demand for Copper, and the performance of the Copper market.

The forward-looking statements contained in this prospectus are based on the Trust's current expectations and beliefs concerning future developments and their potential effects on the Trust. There can be no assurance that future developments affecting the Trust will be those that it has anticipated.

These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the Trust's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those factors described in greater detail under the heading "Risk Factors". Should one or more of these risks or uncertainties materialize, or should any of the Trust's assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. The Trust has included in this prospectus material risks known to it; however, there may be other, unknown risks or risks that the Trust currently deems immaterial that may adversely affect the actual results of the Trust. Each of the Trust and the Manager undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable Securities Legislation.






PROSPECTUS SUMMARY

The following is a summary of the principal features of the Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. You should read this entire prospectus, including the “Risk Factors” listed herein before making an investment decision about the Units. Unless otherwise specified, in this “Prospectus Summary” section references to “copper” refers to physical copper metal in any form and references to “Copper” has the meaning ascribed thereto in the “Glossary of Selected Terms”. Certain capitalized terms used, but not defined in this summary are defined in the “Glossary of Selected Terms”.

The Trust

The Trust was established under the laws of the Province of Ontario, Canada pursuant to the Trust Agreement dated as of April 12, 2024, as amended and restated on May 10, 2024.

Sprott Physical Copper Trust Overview

 <p>Trust Overview</p>	<ul style="list-style-type: none">▪ The Trust is the world’s first physical Copper fund and was established to provide a secure, convenient and exchange-traded investment alternative for investors who seek physical exposure to Copper.▪ Structured as a Canadian domiciled, closed-end investment trust.▪ Investors will receive transferable Units that are currently anticipated to be listed on the TSX.
 <p>Composition</p>	<ul style="list-style-type: none">▪ CME grade 1 cathodes and LME grade A cathodes, or equivalent copper cathodes.▪ Responsible sourcing of Copper for the Trust.▪ Sourcing directly from Copper producers and traders.
 <p>Storage & Insurance</p>	<ul style="list-style-type: none">▪ Copper will be stored exclusively in CME and LME-approved Facilities:<ul style="list-style-type: none">• Operated by well-regarded multinational entities; and• Located in stable jurisdictions (i.e., Belgium, Canada, Germany, Italy, Malaysia, the Netherlands, Singapore, South Korea, Spain, Sweden, the United Arab Emirates and the United States).▪ Copper held by the Trust will also benefit from customary all-risk stock-only insurance for its full value at each Facility.
 <p>Pricing & NAV</p>	<ul style="list-style-type: none">▪ Fair market value of the Trust’s Copper assets will be determined based on published LME or CME Copper prices and reported Copper premiums from Fastmarkets.▪ NAV determined daily at 4:00 p.m. (Toronto time) on each Business Day.
 <p>Manager</p>	<ul style="list-style-type: none">▪ Registered investment fund manager, portfolio manager and exempt market dealer and a wholly-owned subsidiary of Sprott Inc.▪ Assets under management, together with its affiliates and related entities, of approximately US\$29.4 billion as of March 31, 2024.▪ Manager of other physical metals and commodity trusts including the Sprott Physical Uranium Trust, Sprott Physical Gold Trust, Sprott Physical Silver Trust, Sprott Physical Gold and Silver Trust and Sprott Physical Platinum and Palladium Trust.

Sprott Physical Copper Trust Overview

The logo for WMC, consisting of the letters 'WMC' in a stylized, bold, blue font.

Technical
Advisor to the
Manager

- Independent physical commodity merchant focused on the energy transition sector:
 - Sources, stores, finances, and arranges for deliveries of physical commodities worldwide; and
 - Significant experience at global mining companies, WMC's lead buyers have been responsible for both procurement and sales of Copper, nickel, cobalt and lithium in senior management positions.
- Sprott's technical advisor in connection with the Sprott Physical Uranium Trust, WMC has purchased over US\$2.2 billion of uranium for Sprott Physical Uranium Trust.

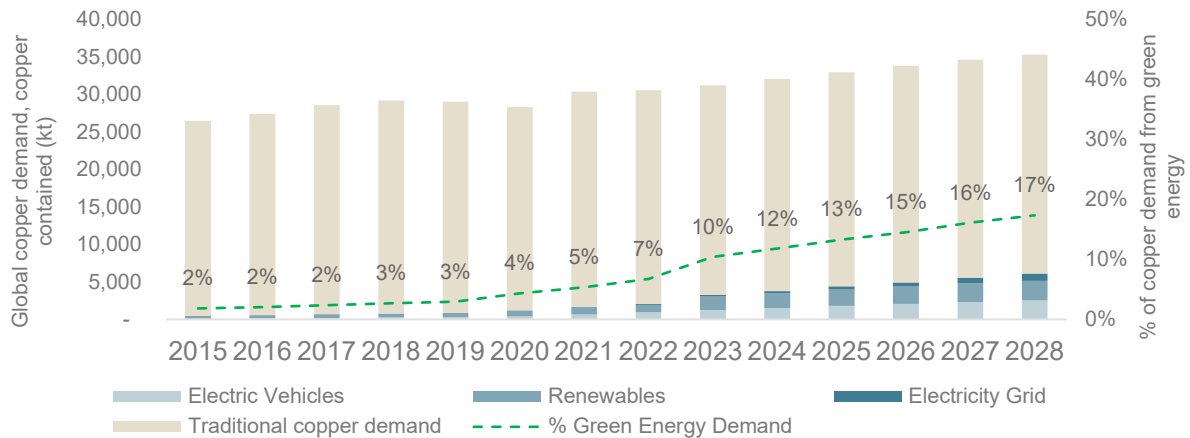
The Trust does not anticipate making regular cash distributions to Unitholders. RBC Investor Services Trust is the Trustee of the Trust. The Manager is the sponsor and promoter of the Trust and the manager of the Trust pursuant to the Management Agreement. The material terms of the Trust Agreement and the Management Agreement are discussed under the sections "Overview of the Structure of the Trust", "Organization and Management Details of the Trust", and "Securityholder Matters", respectively. Each outstanding Unit represents an equal, fractional, beneficial interest in the net assets of the Trust attributable to the particular class of Units.

The Manager expects that advantages of investing in the Trust will include the following:

Copper is a Critical Material

The copper market is large and mature. The size of the copper market was approximately \$183 billion in 2022¹, making it the third largest global metals market behind iron ore and gold. Copper's large market size and wide-ranging applications have historically made its price a barometer of the global economy.

In anticipation of growing copper demand and in recognizing that clean energy technologies require significantly greater copper than traditional energy sources, world governments, including the United States², Canada³, the European Union⁴ and Australia⁵, among others, have added copper to their lists of critical and/or strategic materials. Due to copper's distinctive properties, including electrical and thermal conductivity, ductility, malleability, and corrosion resistance, in addition to considerations of cost and availability, there is limited substitution risk for copper in its existing applications.



Source: CRU – March 2024

The global energy transition is driving increased demand for commodities, in particular copper. The expansion of copper-intensive infrastructure, such as power grids, electric vehicles and clean energy technologies coincide with an anticipated 165% increase in global electricity consumption by 2050.⁶

¹ USGS Mineral Commodity Summaries, 2023

² US Department of Energy, 2023 final critical materials list

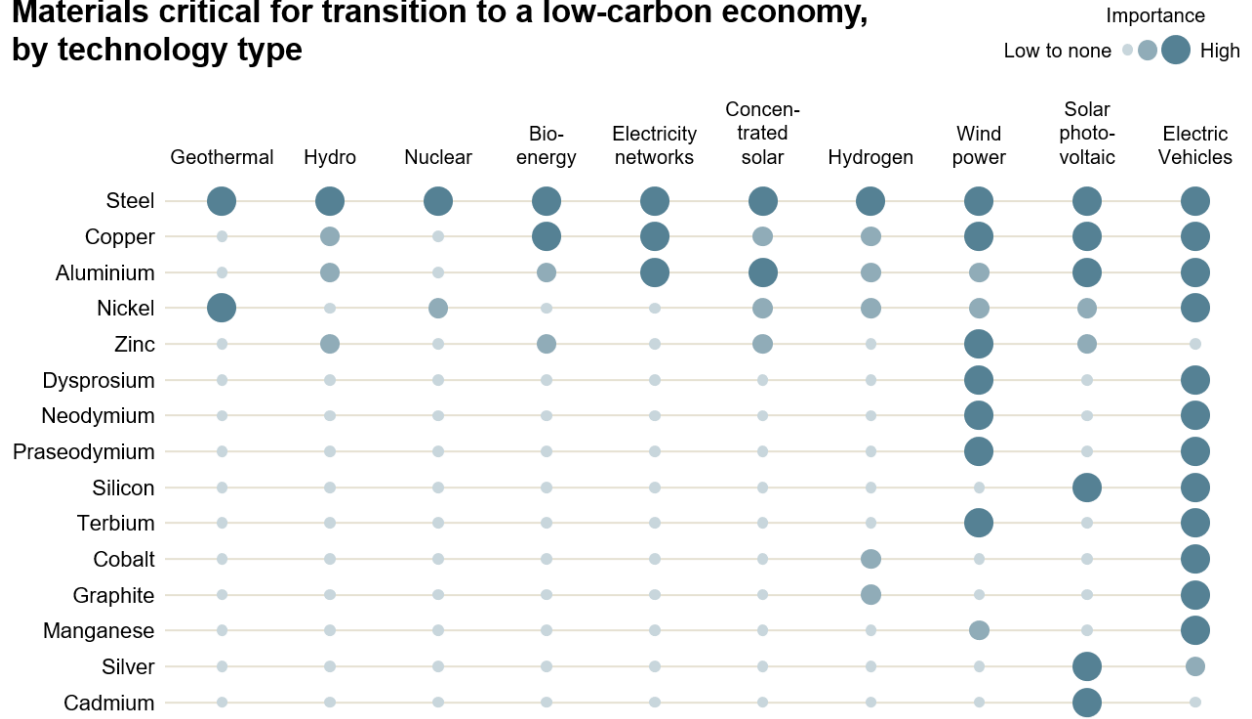
³ The Canadian Critical Minerals Strategy 2022

⁴ European Commission, 2023 list of critical raw materials for the EU

⁵ Australia's Critical Minerals List and Strategic Materials List 2024

⁶ IEA World Energy Outlook 2023 Net Zero Emissions Scenario

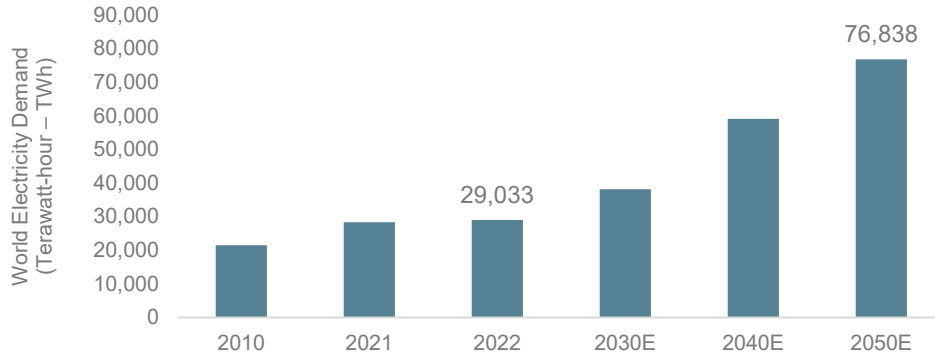
Materials critical for transition to a low-carbon economy, by technology type



Source: European Commission, Critical raw materials for strategic technologies and sectors in the EU, 2020

Copper Demand is Growing

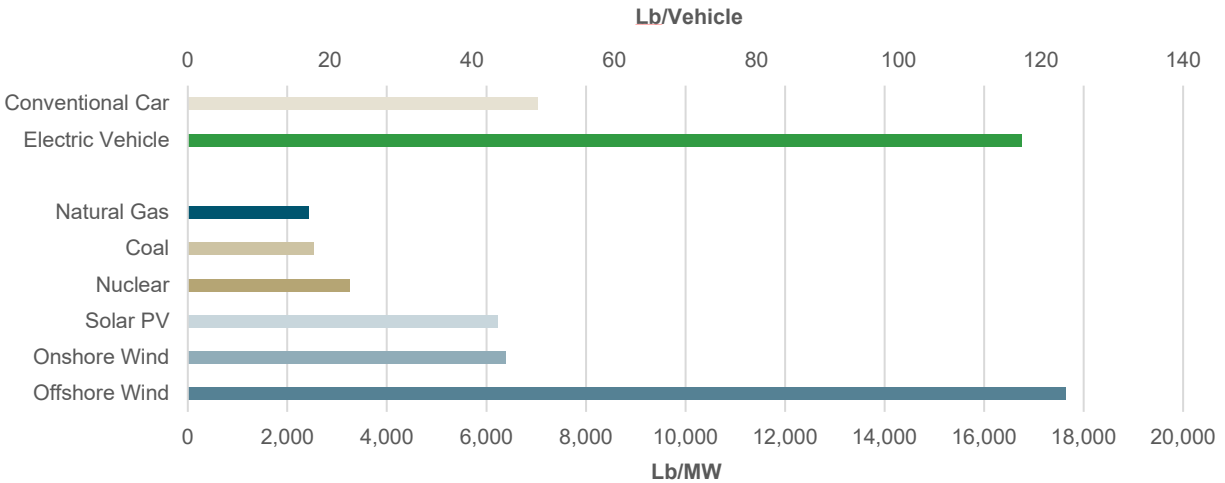
Clean energy technologies require significantly more copper than traditional energy generation. In order to reach “net-zero” emissions by 2050, the global electricity grid is estimated to need \$630 billion in investment per year through to 2030, a 230% increase from the amount invested in 2022.⁷ Moreover, electricity demand is expected to increase 165% by 2050 due to, among other things, new technologies being implemented and a growing middle class in Asia.⁸



Source: IEA World Energy Outlook 2023 Stated Policies; included for illustrative purposes only

A key component of the global energy transition, electric vehicles require approximately 240% more copper to produce than a conventional internal combustion engine vehicle. As shown below, both solar energy production and onshore wind energy production require 250% more copper than comparable fossil fuels per megawatt (“MW”). Offshore wind energy production requires 700% more copper than comparable fossil fuels per MW.

Copper Intensities



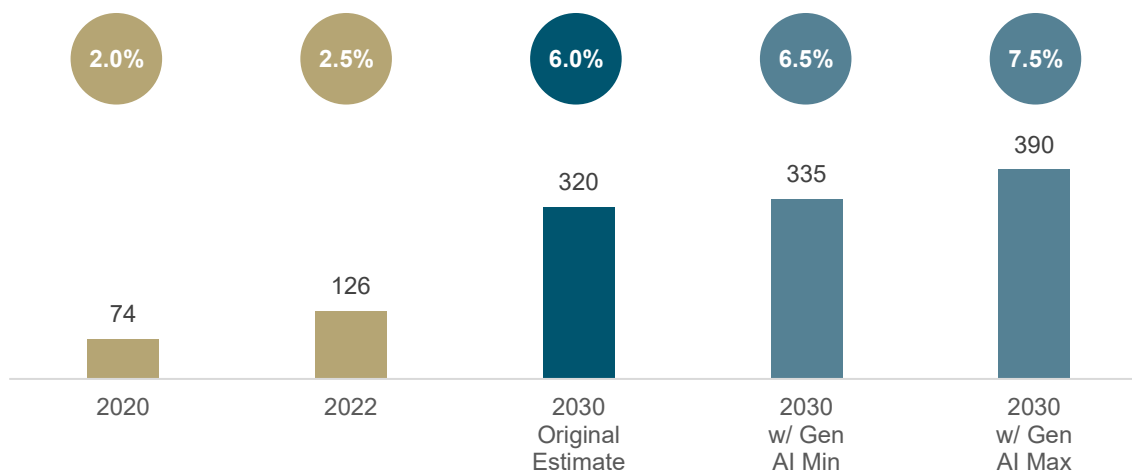
Source: The role of critical minerals in clean energy transitions, IEA, May 2021; included for illustrative purposes only

⁷ BNEF Energy Transitions Trends 2023

⁸ IEA World Energy Outlook 2023 Net Zero Emissions Scenario

The utilities sector has forecasted a significant increase in electricity demand from data centres.⁹ In the next five years, consumers and businesses are expected to generate twice as much data as all the data generated over the past ten years,¹⁰ and a resulting \$1 trillion investment in data centres over the next five years is expected.¹¹ Further, data centre racks used for artificial intelligence applications require 700% more electricity than traditional data centre racks.¹² Global electricity consumption from data centres, cryptocurrencies and artificial intelligence applications is estimated to increase from 1.7% of global electricity demand to 2.6% of global electricity demand by 2026.¹³

Data centre electricity consumption in the U.S. is growing (TWhs)



Source: Boston Consulting Group, the Impact of Electricity

There are a range of estimates regarding increased copper demand arising from the growth in demand for data centres and artificial intelligence applications. Trafigura estimates artificial intelligence could add up to one million tonnes (“Mt”) of additional copper demand by 2030.¹⁴ JP Morgan has estimated cumulative new copper demand of between 2.6 to 5.0Mt from data centres, forecasting that 86% of data centre growth will arise from artificial intelligence applications.¹⁵ Bank of America estimates an additional 500 thousand tonnes (“Kt”) of copper demand from artificial intelligence by 2026, equivalent to a 2% uplift to 2023’s 26Mt demand.¹⁶

⁹ S&P Global Chairman Daniel Yergin CNBC interview, April 2024

¹⁰ JLL, Data Centers 2024 Global Outlook

¹¹ Business Insider, AI Data Centers Are Booming, Sucking Up Water, Energy and Land, October 2023

¹² Wall Street Journal, AI-Ready Data Centers are Poised for Fast Growth, August 2023

¹³ Bank of America Global Research, Metals Strategist, 2024

¹⁴ Reuters, AI could add 1 million tons of copper demand by 2030 says Trafigura, April 2024

¹⁵ JP Morgan, Copper & AI the coming wave, March 2024

¹⁶ Bank of America Global Research, Metals Strategist, 2024

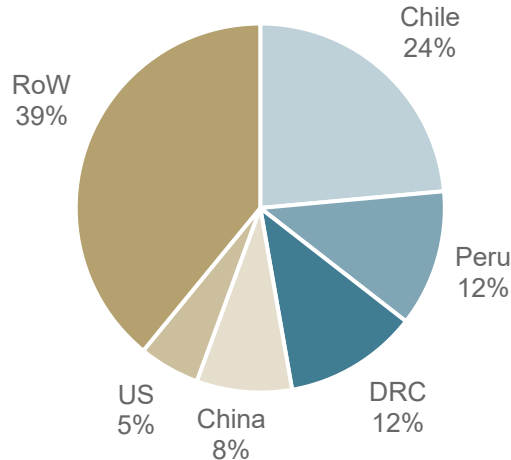
Copper Supply Faces Challenges

The global copper supply currently faces challenges due to declining ore grades of existing copper mines and the long lead time required for new mine development. In addition, the ore bodies of existing copper mines have been declining in quality, which increases production costs and makes mine expansion challenging. Currently, copper ore grades are typically discovered at 1% purity or less, whereas copper ore grades discovered in the 19th century typically exceeded 5% purity.¹⁷

Major copper discoveries are also becoming less common. The Technical Advisor and the Manager believe that more desirable mine sites have already been discovered and developed leaving less desirable mine sites (e.g., in jurisdictions with higher political risk) available for development, which requires a higher market price environment to incentivize new development. On average, it takes over 16 years to bring new mining projects from discovery to initial production, highlighting the substantial challenges facing the copper industry in meeting future demand.¹⁸

Copper supply disruptions also negatively impact the global copper supply. A recent example is the closure of the Cobre Panama copper mine in 2023, which accounted for approximately 1.5% of global mined copper production prior to its closure.¹⁹

In 2023, Chile produced approximately 24% of global mined copper production, the most of any country. Peru and the Democratic Republic of Congo each produced approximately 12% of global mined copper production, followed by China and the United States at approximately 8% and 5%, respectively.



Source: CRU – March 2024

¹⁷ S&P Global, The Future of Copper

¹⁸ IEA, The role of critical minerals in clean energy transitions, May 2021

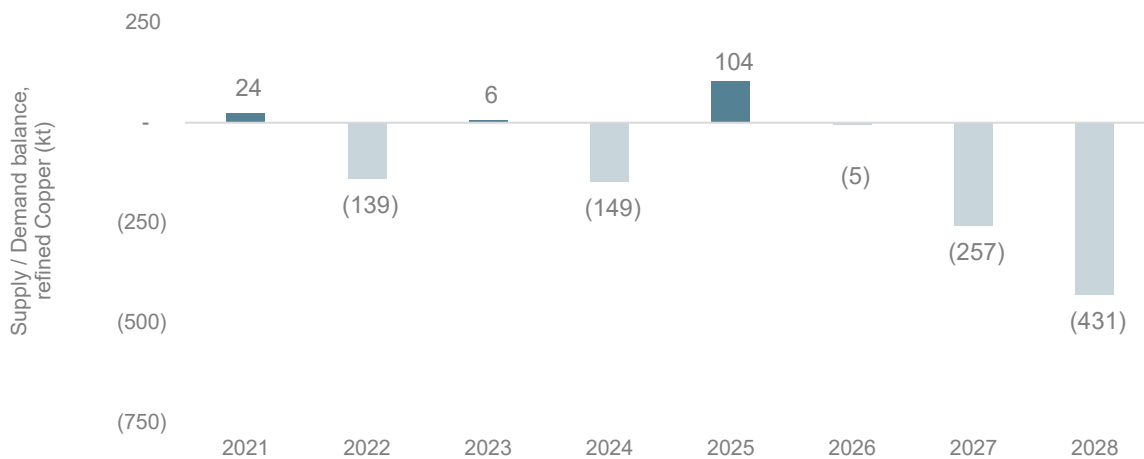
¹⁹ Mining.com, Cobre Panama: How a \$10 billion copper mine is now sitting idle in the jungle, April 2024

The chart below shows the historical performance of copper based on the official LME cash settlement price.



Source: LME

From 2024 to 2026, the copper market is forecasted to be in a slight supply deficit, which deficit is expected to increase in subsequent years due to supply and demand dynamics. From 2027 to 2028, there may be a significant supply deficit driven by lower growth in the copper supply.²⁰



Source: CRU – March 2024; Note: This graphic includes secondary supply of recycled copper scrap

²⁰ CRU – March 2024

Convenient, Exchange Traded Vehicle

The Trust seeks to provide a secure, convenient, and exchange traded investment alternative for investors interested in holding Copper. The Trust may reduce exposure to futures carry costs, producer specific risks, exchange risk, and have the potential for value-add transactions.

Relative to a direct holding of Copper, the Trust expects to offer:

- ✓ The convenience and liquidity typical of an exchange traded security.
- ✓ A complete logistical solution for holding Copper (including sourcing, transportation, warehousing, insurance, material audits).
- ✓ Daily reporting of Net Asset Value.
- ✓ Lower holding and friction costs.
- ✓ Responsible sourcing policies.

The Trust is expected to compare favourably against other vehicles that provide Copper exposure, such as futures and futures ETFs – as at May 10, 2024, the annualized one-year contango (i.e., where the futures price is higher than the spot price) based on the most liquid 3 month future is 6%, which implies a minimum cost of carry (or investment loss) of 6%.

	Futures	Futures ETFs	Sprott Physical Copper Trust
Exposure to Copper	✓	✓	✓
Ability to Redeem for Physical Metal	✓	✗	✓
Minimized Exposure to Market Contango	✗	✗	✓
Reduced Futures Exchange Risk	✗	✗	✓
Reporting Frequency & Transparency	✗	✓	✓
Responsible Sourcing	✗	✗	✓
Potential for Additional Income	✗	✗	✓

The Manager believes that, for many investors, the costs associated with buying and selling the Units and the payment of the Trust's ongoing expenses would be lower than the costs associated with directly buying and selling Copper, and storing and insuring Copper in allocated Copper accounts, as applicable.

Unitholders will have the ability, on a semi-annual basis and as described herein, to redeem their Units for Copper for a redemption value equal to the aggregate value of the Class Net Asset Value per Unit of the redeemed Units, less applicable expenses, including, to the extent required, sales or other value-added taxes, and applicable transfer and delivery expenses, including the handling, logistical

requirements and administration of the Copper Redemption Notice, the transfer of the Copper for the redeemed Units and the applicable fees charged by the Designated Facility in connection with such redemption, including but not limited to ownership transfer fees. Unitholders will also have the ability, on a semi-annual basis and as described herein, to redeem their Units for cash for a redemption value equal to 95% of the lesser of: (i) the volume-weighted average trading price (in U.S. dollars) of the Units traded on the TSX, for the five trading days ending on the applicable Redemption Date; and (ii) the Class Net Asset Value of the redeemed Units on the applicable Redemption Date, less applicable fees, costs and expenses. See “Redemption of Units”.

The Trust will store its Copper with Facilities that are reputable and exclusively in warehouses that are CME and LME approved, which is the main global market standard for physical metal warehousing services that is accepted by market participants and financiers.

Further, the Trust will only store Copper with such Facilities at locations in Belgium, Canada, Germany, Italy, Malaysia, the Netherlands, Singapore, South Korea, Spain, Sweden, the United Arab Emirates and the United States (i.e., the Storage Jurisdictions).

In addition, the Manager will maintain market standard insurance for the Copper held with the Facilities. Finally, the Facilities to be used by the Trust are owned by well-regarded multi-national providers of global storage for physical metals, namely Access World, C. Steinweg Handelsveem, and P Global Services.

Transparent Daily Reporting of Net Asset Value and Holdings

The Trust will report a daily NAV, based on the value of the Copper assets held by the Trust. Net Asset Value and Net Asset Value per Unit will be determined daily at 4:00 p.m. (Toronto time) on each Business Day. Daily disclosure of NAV is expected to provide for near real-time pricing alignment between Unit price and NAV.

The fair market value of the Copper held by the Trust will be based on reported spot prices from a globally recognized price reporter, Fastmarkets. See “Calculation of Net Asset Value” and “Prospectus Summary – Price Reporters”.

Benefits of Reporting Methodology

Summary of Reporting & NAV Calculation

<ul style="list-style-type: none"> ✓ Transparent daily reporting of Copper 	Net Asset Value (NAV) Calculation	<ul style="list-style-type: none"> ▪ Determined by the Valuation Agent. ▪ NAV is equal to the aggregate fair market value of the assets of the Trust, less the fair value of the liabilities (including the Management Fee) of the Trust, as of the time of valuation.
<ul style="list-style-type: none"> ✓ Industry-standard NAV calculation 	Valuation Frequency	<ul style="list-style-type: none"> ▪ NAV and NAV per Unit determined daily at 4:00 p.m. (Toronto time) on each Business Day.
<ul style="list-style-type: none"> ✓ Reliable third-party valuation agent 	Valuation Agent, Trustee and Custodian	<ul style="list-style-type: none"> ▪ RBC Investor Services Trust.
<ul style="list-style-type: none"> ✓ Globally recognized price reporter (Fastmarkets) that aligns with IOSCO principles to remove subjective pricing views 	Reporting Sources	<ul style="list-style-type: none"> ▪ The fair market value of the assets of the Trust will be based on reported spot prices from Fastmarkets, a globally recognized, independent price reporter aligning with IOSCO principles and commonly used by the market.
<ul style="list-style-type: none"> ✓ Daily disclosure allows for near real-time alignment between Unit price and NAV 	Holding Disclosure	<ul style="list-style-type: none"> ▪ Portfolio transactions (investment purchases and sales) will be reflected in the first calculation of the NAV of the Trust made after the date on which the transaction becomes binding.

Experienced Manager

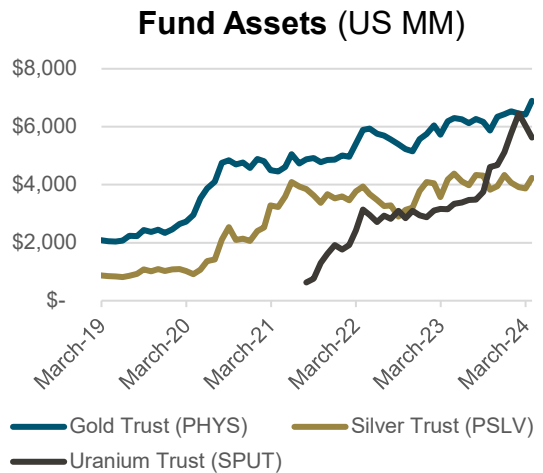
The Trust will be managed by Sprott Asset Management LP, a Canadian registered investment fund manager, portfolio manager and exempt market dealer that is wholly-owned by Sprott. As of March 31, 2024, the Manager, together with its affiliates and related entities, had assets under management totaling approximately US\$29.4 billion, and provided management and investment advisory services to many entities, including private investment funds, mutual funds, and certain discretionary managed accounts.

The Manager has considerable experience and a long track record of investing in precious metals and other commodities on behalf of investors, including in connection with acting as the manager of other exchange listed closed-end trusts and closed-end mutual fund trusts such as the Sprott Physical Uranium Trust, the Sprott Physical Gold Trust, the Sprott Physical Silver Trust, the Sprott Physical Gold and Silver Trust, and the Sprott Physical Platinum and Palladium Trust. The Manager also acts as a sub-advisor for certain funds managed by Ninepoint LP and provides management and investment advisory services to certain U.S. funds. See “Organization and Management Details of the Trust – Manager of the Trust” and “Overview of the Structure of the Trust – The Manager”.



Summary of Physical Metal and Commodity Trusts Managed by Sprott Asset Management

		Inception Date	NAV ²¹ (\$Mn)
	Sprott Physical Gold Trust	2010	\$6,900
	Sprott Physical Gold and Silver Trust	2018	\$4,400
	Sprott Physical Silver Trust	2010	\$4,200
	Sprott Physical Uranium Trust	2021	\$5,600
	Sprott Physical Platinum and Palladium Trust	2012	\$112



The Manager has engaged WMC Energy B.V. (“WMC”) as the Manager’s Technical Advisor to provide the Technical Advisory Services and assist with all activities involving Copper pursuant to the Technical Advisory Agreement.

WMC was established in 2016 to provide physical supply chain solutions to the nuclear industry. The Copper team at WMC has significant experience working at global mining companies. The team also brings experience with sourcing, storing, financing, and arranging deliveries of physical commodities worldwide. In 2021, WMC became the technical advisor to Sprott Asset Management LP for the Sprott Physical Uranium Trust. WMC is an independent merchant and 100% employee owned.

²¹ As at March 31, 2024

The WMC procurement team has purchased over \$2.2 billion of physical uranium for the Sprott Physical Uranium Trust. WMC's lead buyers have been responsible for both procurement and sales of Copper in senior management positions. WMC has established relationships with both producers and traders to execute all inception and future quantities of Copper. See "Organization and Management Details of the Trust – Technical Advisor".

The Manager has appointed Sprott Asset Management USA, Inc. ("**SAM US**") to provide advice to the Trust with respect to copper futures and certain other Financial Instruments. SAM US is relying on the "international adviser" exemption from the adviser registration requirements in the *Commodity Futures Act* (Ontario). SAM US is not registered as an adviser under Canadian securities or commodity legislation and, as such, is not required to comply with the same requirements that an adviser so registered would be subject to, such as those concerning proficiency, capital, insurance and other matters.

SAM US is an affiliate of the Manager. SAM US has its office, and all or substantially all of its assets, located outside of Canada. The Manager and the Trust may have difficulty enforcing any legal rights against SAM US.

Principal Offices

The Trust's office is located at Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1. The Manager's office is located at Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and its telephone number is (416) 943-8099 (toll free: 1-855-943-8099). The Trustee is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3. The custodian for the Trust's assets other than Copper, RBC Investor Services Trust, is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3.

THE OFFERING

- Issuer:** Sprott Physical Copper Trust, a closed-end trust organized under the laws of the Province of Ontario, Canada pursuant to the Trust Agreement. See “Overview of the Structure of the Trust – Overview of the Trust Agreement”.
- Offered Securities:** 10 million transferable Units (11.5 million Units if the Underwriters exercise the Over-Allotment Option in full). Each Unit will represent an equal, fractional, beneficial interest in the net assets of the Trust attributable to the Units. See “Description of the Units”.
- Issue Price:** US\$10.00 per Unit.
- Listing:** The TSX has conditionally approved the listing of the Units on the TSX under the symbols “COP.U” (U.S. dollar denominated) and “COP.UN” (Canadian dollar denominated). Listing is subject to the Trust’s fulfilment of all of the initial listing requirements and conditions of the TSX, and there can be no guarantee that that the Trust will do so.
- Use of Proceeds:** The estimated net proceeds from the Offering, after deducting the Underwriters’ commissions and the estimated expenses of the offering, will be US\$94 million (or US\$108.25 million if the Underwriters fully exercise their Over-Allotment Option). The Trust will use the net proceeds of the Offering to purchase Copper in accordance with the Trust’s investment objective and subject to the Trust’s investment and operating restrictions described herein. See “Use of Proceeds”, “Investment Objectives”, “Investment Restrictions”, “Plan of Distribution” and “Fees and Expenses”.
- Objective of the Trust:** The Trust was created to invest and hold substantially all of its assets in Copper. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding Copper without the inconvenience that is typical of a direct investment in Copper. See “Investment Objectives”.
- Strategy of the Trust:** The Trust intends to achieve its objective by investing primarily in long-term holdings of Copper. The Trust does not intend to speculate with regard to short-term changes in Copper prices. The Trust will have the ability to optimize the value of the Trust through Copper optimization transactions, including the use of futures, warrants, CME or LME warehouse receipts, and other financial instruments to complement the Trust’s Copper procurement strategy, so long as these transactions provide value to the Trust and the risk associated with each transaction and to the Trust is minimized to the satisfaction of the Manager, including consideration of the tax consequences to the Trust.
- The Facilities, Storage Jurisdictions and Warehouse Providers, as well as the maintenance of market standard insurance for the Copper held with the Facilities, are requirements of the Exemptive Relief. To the extent the Exemptive Relief is amended, modified or

supplemented, including by any subsequent exemptive relief order, the Manager and the Trust may, in the future, be required to use only certain of the Facilities, Storage Jurisdictions or Warehouse Providers, or permitted to utilize different storage facilities for Copper, including in other jurisdictions and or owned by different warehouse service providers.

In addition, the Trust may occasionally enter into transactions intended to (a) enhance or maintain the value of its holdings of Copper or (b) optimize the Copper holdings and Trust operating costs. The Trust may occasionally lend out Copper to other market participants, of sufficient credit quality and/or with appropriate credit enhancing measures, in exchange for a lending fee, provided that the risk associated with each transaction is minimized to the satisfaction of the Manager, including consideration of the tax consequences to the Trust. See "Investment Strategies".

Use of Leverage:

The Trust has no borrowing arrangements in place and is unleveraged. The Manager has no intention of using leverage (save for short-term borrowings to settle trades).

Technical Advisor:

The Manager has engaged WMC as the Manager's Technical Advisor. The Technical Advisor will provide the Manager with the Technical Advisory Services, which include, but are not limited to: (a) arranging, co-ordinating and confirming all purchases and sales of Copper for the Trust; (b) arranging, co-ordinating and directing execution of all other transactions involving Copper, such as lending and exchanges of Copper, for the Trust; (c) advising on and arranging any (temporary) necessary financial hedges, such as futures or warrants, associated with (a) or (b) above, by the Trust; (d) advising on and co-ordinating all matters related to storage, logistics and safekeeping of Copper, including setting up warehouse accounts, directing incoming and outgoing transfers (both in warehouse and between warehouses), arranging logistics and insurance (inventory and/or marine), which for greater certainty, shall include assisting with due diligence, selection, and auditing of logistics providers and Warehouse Providers, including for the purposes of allowing the Trust and the Manager to comply with applicable securities laws and the Exemptive Relief; (e) generally co-ordinating communications between the Manager and third-parties active in the Copper market; (f) assisting with setting-up, maintaining and evaluating an appropriate valuation framework (including the selection of price reporting agencies) to accurately and frequently determine the fair market value of the Copper the Trust holds; (g) providing the Manager with periodic updates on the Copper market; (h) supporting the Manager with investor relations for the Trust, including assisting with preparation of marketing material, accompanying the Manager on roadshows and participating on investor calls; (i) assisting the Manager with the Trust's operational and administrative requirements; and (j) providing reasonable assistance and support in connection with the Manager's preparation of Net Asset Value, financial and other public

disclosures with respect to the Trust ((a) to (j) are referred to collectively as the “**Technical Advisory Services**”).

Calculating Net Asset Value:

The Net Asset Value, the Class Net Asset Value, and the NAV per Unit are determined daily as of 4:00 p.m. (Toronto time), on each Business Day by the Trust’s valuation agent, which is RBC Investor Services Trust. Throughout this prospectus, unless otherwise indicated, the term “Business Day” refers to any day on which the TSX, or any U.S. stock exchange on which the Units are listed, is open for trading. In addition, the Manager may calculate the Net Asset Value, the Class Net Asset Value and the NAV per Unit at such other times as the Manager deems appropriate. The value of the net assets of the Trust as of the Valuation Time on any such day is equal to the aggregate fair market value of the assets of the Trust as of such date, less an amount equal to the value of the liabilities of the Trust as of such date. The valuation agent calculates the NAV per Unit by dividing the value of the net assets of the class of the Trust represented by the Units on that day by the total number of Units of that class then outstanding on such day. See “Calculation of Net Asset Value”.

Redemption of Units for Physical Copper:

Subject to the terms of the Trust Agreement, Units may be redeemed at the option of a Unitholder on a semi-annual basis for Copper. Units redeemed for Copper shall have a redemption value equal to the aggregate value of the Class Net Asset Value per Unit of the redeemed Units as at the Valuation Time on the applicable Redemption Date for the Notice Period during which the redemption request is received. Redemption requests for Copper must be for amounts that are at least equivalent in value to one Minimum Physical Redemption Lot or an integral multiple thereof, plus applicable expenses, including, to the extent required (as determined by the Manager in its sole discretion), sales or other value-added taxes. Any fractional amount of redemption proceeds payable in excess of a Minimum Physical Redemption Lot, or an integral multiple thereof (or, if reduced pursuant to the limitations described below in “Redemption of Units—Semi-annual Limitation on Redemptions” to a fractional amount that is less than a Minimum Physical Redemption Lot), will, in the Manager’s sole discretion, be paid in Copper or the equivalent value in cash at a rate equal to 100% of the Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date that represents such excess amount. A Unitholder redeeming Units for Copper will be responsible for the expenses incurred by the Trust in connection with such redemption (including, to the extent required (as determined by the Manager in its sole discretion), sales or other value-added taxes) and applicable transfer and delivery expenses, including the handling, logistical requirements and administration of the Copper Redemption Notice, the transfer of the Copper for the Units that are being redeemed and applicable fees. Upon request, the Manager will provide Unitholders interested in redeeming Units for Copper with an estimate of the current costs associated with the

transfer of Copper. See “Redemption of Units” for detailed terms and conditions relating to the redemption of Units for Copper.

A Copper Redemption Notice must be received by the Registrar and Transfer Agent between 9:00 a.m. on the first day of the applicable Notice Period and 4:00 p.m. on the last day of the applicable Notice Period. Any Copper Redemption Notice received outside of a Notice Period will not be processed, will be void and, in order to be processed, must be re-submitted during the next Notice Period. For each Copper Redemption Notice, the Registrar and Transfer Agent will send a confirmation notice to the Unitholder’s broker that such notice has been received and determined to be complete.

A Unitholder redeeming Units for Copper will receive the Copper via an “in warehouse” transfer and delivery from the Trust’s holdings of Copper at the Designated Facility to the Unitholder’s account at the Designated Facility. Copper received by a Unitholder as a result of a redemption of Units will be transferred pursuant to delivery instructions provided by the Unitholder and shall only be delivered to an account established by the Unitholder at the Designated Facility. The Designated Facility shall be engaged by, or on behalf of, the redeeming Unitholder. The transfer of Copper in connection with a redemption of Units will occur as soon as practicable and, in any event, approximately 15 Business Days after the applicable Redemption Date, subject to the timelines, policies and procedures at any Designated Facility. See “Redemption of Units – Transfer of Copper to the Redeeming Unitholder”.

Unitholders that are constituted and authorized as undertakings for collective investment in transferable securities (UCITS) or are otherwise prohibited by their investment policies, guidelines or restrictions from receiving Copper may only redeem Units for cash pursuant to the Trust Agreement.

Redemption of Units for Cash: Subject to the terms of the Trust Agreement, Units may be redeemed at the option of a Unitholder for cash on a semi-annual basis. Units redeemed for cash will be entitled to a redemption price equal to 95% of the lesser of (i) the volume-weighted average trading price (in U.S. dollars) of the Units traded on the TSX, for the five trading days ending on the applicable Redemption Date; and (ii) the Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date, less an administration fee payable to the Trust equal to the out-of-pocket fees, costs and expenses of the Trust associated with such redemption, including amounts payable under the Management Agreement in connection with the sale of Copper to fund the cash redemption amount, and a further administration fee payable to the Manager equal to 1.0% of the aggregate Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date to offset the handling, logistical requirements and administration in connection with a redemption of Units for cash. Cash redemption proceeds will be transferred to a redeeming Unitholder approximately 15 Business Days following the applicable Redemption Date, subject

to the terms of and conditions of the sales of Copper by the Trust to fund the cash redemption amount.

A Cash Redemption Notice must be received by the Registrar and Transfer Agent between 9:00 a.m. on the first day of the applicable Notice Period and 4:00 p.m. on the last day of the applicable Notice Period. Any Cash Redemption Notice received outside of a Notice Period will not be processed, will be void and, in order to be processed, must be re-submitted during the next Notice Period. See “Redemption of Units” for detailed terms and conditions relating to the redemption of Units for cash.

Semi-Annual Limitation on Redemptions:

Pursuant to the terms of the Trust Agreement, the aggregate number of Units that may be redeemed on any Redemption Date shall not exceed 1.5% of the number of Units outstanding as at the close of business on the last day of the applicable Notice Period. In the event that the aggregate number of Units originally set out in valid Copper Redemption Notices and valid Cash Redemption Notices received during the applicable Notice Period exceeds 1.5% of the number of Units outstanding as at the close of business on the last day of the applicable Notice Period, then the number of Units to be redeemed pursuant to any valid Copper Redemption Notice or valid Cash Redemption Notice received during the applicable Notice Period shall be deemed for all purposes (other than determining the validity of a Copper Redemption Notice on the basis of such Copper Redemption Notice being for an amount of Copper that is equal to at least one Minimum Physical Redemption Lot plus applicable expenses) to be a pro rata amount (rounded down to the nearest whole number of Units) of an amount equal to 1.5% of the number of Units outstanding at the close of business on the last day of the applicable Notice Period. Such pro-rationing will be equal to the product (rounded down to the nearest whole number) of (i) the number of Units originally set out in such valid Copper Redemption Notice or valid Cash Redemption Notice received during the applicable Notice Period, multiplied by (ii) the quotient of (A) the number of Units originally set out in such valid Copper Redemption Notice or valid Cash Redemption Notice, divided by (B) the aggregate number of Units originally set out in valid Copper Redemption Notices and valid Cash Redemption Notices received during the applicable Notice Period. See “Redemption of Units – Semi-Annual Limitation on Redemptions”.

Price Reporters:

The fair market value of the Copper held by the Trust will be determined based on reported Copper spot prices from one or more credible, market leading, commodity exchanges to determine the copper base price and independent price reporters (the “**Price Reporters**”) to determine the applicable copper premium to be added on top of the copper base price aligning with IOSCO principles that are most commonly used by the market subject to adjustment in certain circumstances. The Price Reporters are private business organizations that offer subscription services to which most Copper market participants subscribe and the spot prices reported by such Price Reporters are used by such market

participants as a basis on which to negotiate or settle contracted prices for Copper. The Copper prices are mostly reported on a daily basis, and in all circumstances once a week, and are reported for, amongst other different locations, grades and shapes of Copper.

Distribution Policy:

The Trust does not anticipate making regular cash distributions to Unitholders. See “Distribution Policy”.

Termination of the Trust:

The Trust does not have a fixed termination date but will be terminated in the event that; (i) there are no Units outstanding; (ii) the Trustee resigns or is removed and no successor trustee is appointed by the Manager by the time the resignation or removal becomes effective; (iii) the Manager resigns and no successor manager is appointed by the Manager and approved by Unitholders by the time the resignation becomes effective; (iv) the Manager is, in the opinion of the Trustee, 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; or (v) the Manager experiences certain insolvency events or the assets of the Manager are seized or confiscated by a public or governmental authority. In addition, the Manager may, in its discretion, terminate the Trust without Unitholder approval, if, in the opinion of the Manager, after consulting with the Independent Review Committee, the Net Asset Value of the Trust has been reduced such that it is no longer economically feasible to continue the Trust and it would be in the best interests of the Unitholders to terminate the Trust, by giving the Trustee and each then Unitholder 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 Securities Legislation, the matter will be referred by the Manager to the Independent Review Committee for its recommendation. In connection with the termination of the Trust, the Trust will, to the extent possible, convert its assets into cash and, after providing for all liabilities of the Trust, the Trust Property shall be distributed to Unitholders in accordance with the termination provisions set out in the Trust Agreement and the Trustee shall continue to act as trustee of the Trust until such Trust Property has been so distributed. See “Termination of the Trust” and “Organization and Management Details of the Trust – Independent Review Committee”.

Organization and Management of the Trust

Manager:

Sprott Asset Management LP,
Royal Bank Plaza, South
Tower, Suite 2600, 200 Bay
Street Toronto, Ontario, M5J
2J1 Canada

The Manager is responsible for the day-to-day undertaking and administration of the Trust. The Trust is managed by the Manager pursuant to the Management Agreement and the Trust Agreement.

Trustee:

RBC Investor Services Trust
155 Wellington Street West,
2nd Floor, RBC Centre
Toronto, Ontario, Canada
M5V 3L3

The Trustee is a trust company organized under the federal laws of Canada. The Trustee holds title to the Trust's assets (other than Copper) and has, together with the Manager, exclusive authority over the assets and affairs of the Trust. The Trustee has a fiduciary responsibility to act in the best interest of the Unitholders. The Trustee is unrelated to the Manager.

Promoter:

Sprott Asset Management LP,
Royal Bank Plaza, South
Tower, Suite 2600, 200 Bay
Street Toronto, Ontario, M5J
2J1 Canada

The Manager initiated the creation and organization of the Trust and therefore may be considered a promoter of the Trust under applicable Securities Legislation by reason of its initiative in organizing the Trust.

Custodian(s) for Copper:

The Copper owned by the Trust will be stored by Facilities with which the Trust enters into storage agreements (the "**Storage Agreements**"). Each Storage Agreement is expected to require, among other things, that the Facility is required to exercise: (a) the same degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances; or (b) at least the same degree of care as they exercise with respect to CME or LME warehouse receipt holders, if this is a higher degree of care than the degree referred to in (a), and to have appropriate insurance in place. Under each Storage Agreement, the applicable Facility will receive the Copper owned by the Trust and, after verification, issue a "warehouse receipt" that confirms the amount, weight, type, form, origin, characteristics and packaging condition of the Copper that is to be stored with the Facility. In the event of discrepancy arising during the verification process, the Facility will promptly notify the Manager. The Copper owned by the Trust and stored at the Facilities will be segregated and identifiable at all times as belonging to the Trust. Under each Storage Agreement, the Facility will be required to provide a written settlement statement no less frequently than each quarter indicating the type and amount of Copper owned by the Trust that are being stored at the Facility. The Manager and Technical Advisor expect to have inspection and audit rights, including with respect to the Facility's inventory management system that keeps track of the Trust's inventory of Copper. Pursuant to each Storage Agreement, title to stored Copper will remain with the Trust, as the owner, and does not form part of the applicable Facility's assets. As such, in the event of an insolvency or other event at a Facility, ownership of the Copper is expected to remain with the Trust. In addition, the Trust expects to maintain a separate market standard insurance policy that insures the Copper held with a Warehouse Provider for loss, theft or damage.

Custodian for Assets other than Copper:

RBC Investor Services Trust
155 Wellington Street West,

The Trustee, in addition to its role as trustee of the Trust, will also act as custodian on behalf of the Trust for the Trust's assets other than Copper. The Trustee is only responsible for the Trust's

Street Level, Toronto, Ontario,
Canada M5V 3L3
Toronto, Ontario, Canada

assets that are directly held by it, its affiliates or appointed sub-custodians. The Trustee is unrelated to the Manager.

Registrar and Transfer Agent:

TSX Trust Company
Toronto, Ontario, Canada

The registrar and transfer agent keeps the register of the Unitholders and transfers on behalf of the Trust and processes redemption orders and transfers. TSX Trust Company is unrelated to the Manager.

Auditor:

KPMG LLP
Toronto, Ontario, Canada

The Auditor annually audits the financial statements of the Trust to determine whether they fairly present, in all material respects, the Trust's financial position, its financial performance and its cash flows in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IFRS**"), including subjecting the Copper stored with Warehouse Providers to audit procedures. The Auditor is independent of the Manager.

Valuation Agent:

RBC Investor Services Trust
155 Wellington Street West,
Street Level, Toronto, Ontario,
Canada M5V 3L3
Toronto, Ontario, Canada

The Trust's Valuation Agent calculates the NAV and the NAV per Unit of the Trust on a Valuation Date and reconciles all purchases and redemptions of Units to determine the NAV and the NAV per Unit. The daily NAV and the NAV per Unit will be posted on the Trust's Website. "Valuation Date" means each Business Day, and includes any other day on which the Manager elects, in its discretion, to cause the NAV per Unit to be calculated. The Valuation Agent is unrelated to the Manager.

UNDERWRITERS

Canaccord Genuity Corp., BMO Nesbitt Burns Inc. and Cantor Fitzgerald Canada Corporation (as “**Joint Bookrunners**”) and RBC Dominion Securities Inc. and TD Securities Inc. (together with the Joint Bookrunners, the “**Underwriters**”), as principals, conditionally offer the Units qualified under this prospectus, subject to prior sale, if, as and when sold by the Trust and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement among us and the Underwriters referred to under “Plan of Distribution” and subject to the approval of certain legal matters on our behalf by Stikeman Elliott LLP and on behalf of the Underwriters by McCarthy Tétrault LLP. In connection with the Offering, the Underwriters have been granted the Over-Allotment Option and may, subject to applicable law, over-allocate or effect transactions which stabilize or maintain the market price of the Units at levels other than those which otherwise might prevail on the open market. The Underwriters may offer the Units at a price lower than that stated in this prospectus. See “Plan of Distribution”.

The following table sets out the number of Units that may be sold by the Trust to the Underwriters pursuant to the Over-Allotment Option:

Underwriters' Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	1,500,000 Units	For a period of 30 days after the Closing Date	US\$10.00 per Unit

SUMMARY OF FEES AND EXPENSES

This table lists the fees and expenses that the Trust pays for the continued operation of its undertaking and that Unitholders may have to pay if they invest in the Trust. Payment of these fees and expenses will reduce the value of the Unitholders' investment in the Trust. You will have to pay fees and expenses directly if you redeem your Units. See “Fees and Expenses”.

Fees and Expenses Payable by the Trust

Type of Fee	Amount and Description
Management Fee and Additional Fees:	Pursuant to the Management Agreement, the ongoing operation of the Trust is managed by the Manager and the Trust will pay the Manager a monthly management fee equal to 1/12 of 0.50% of the NAV of the Trust plus any applicable federal and provincial taxes (the “ Management Fee ”). The Management Fee shall be calculated and accrued daily and payable monthly in arrears on the last day of each month. In addition, the Manager will be entitled to: (i) a fee payable on purchases and sales of Copper (the “ Procurement Fee ”) that is equal to 1.0% of the total purchase price of the Copper purchased or sold, less brokerage costs, plus any applicable federal and provincial sales taxes; and (ii) an enhancement fee (the “ Enhancement Fee ”), equal to 50% of the profit on all other transactions involving Copper, which are not outright purchases or sales of Copper, such as lending and exchange transactions. In addition to the Management Fee, Procurement Fees and Enhancement Fees, the Trust shall reimburse the Manager for all reasonable out-of-pocket expenses (plus applicable federal and

Type of Fee**Amount and Description**

	provincial taxes) incurred by the Manager in accordance with the Management Agreement.
Technical Advisory Fees:	Fees payable to the Technical Advisor will be paid by, and be the sole responsibility of, the Manager. In addition, the Manager will reimburse the Technical Advisor for out-of-pocket expenditures (including, legal costs, costs for marketing materials and market data and travel expenses) that are directly related to the Technical Advisory Services and which the Manager can recover from the Trust, including any such expenditures incurred prior to signing the Technical Advisory Agreement.
Operating Expenses:	<p>The Trust is responsible for paying the filing and listing fees of the applicable Securities Authorities and stock exchanges and the fees and expenses payable to the transfer agent.</p> <p>Except as otherwise described in this prospectus, the Trust is responsible for all costs and expenses incurred in connection with the ongoing operation and administration of the Trust including, but not limited to: the fees and expenses payable to and incurred by the Trustee, the Manager, any Investment Manager, the Custodian, any sub-custodians, the Registrar and Transfer Agent, the Facilities (including the costs of all insurance policies obtained and administrative expenses incurred in connection with storing the Copper at such Facilities), the valuation agent of the Trust; transaction and handling costs for Copper; storage fees for Copper; counterparty fees; custodian settlement fees; legal, audit, accounting, bookkeeping and record keeping fees and expenses; costs and expenses of reporting to Unitholders and conducting Unitholder meetings; printing and mailing costs; filing and listing fees payable to applicable Securities Authorities and stock exchanges; other administrative expenses and costs incurred in connection with the Trust's public filing requirements and investor relations; any applicable Canadian or foreign taxes payable by the Trust or to which the Trust may be subject; interest expenses and borrowing costs, if any; brokerage expenses and commissions; costs and expenses relating to the issuance of Units; costs and expenses of preparing financial and other reports; any expenses associated with the implementation and ongoing operation of the Independent Review Committee; costs and expenses arising as a result of complying with all applicable laws; and any expenditures incurred upon the termination of the Trust. See "Fees and Expenses—Fees and Expenses Payable by the Trust".</p>
Redemption and Delivery Costs:	If you choose to receive Copper upon a redemption of Units, you will be responsible for the expenses incurred in connection with effecting the redemption (including, to the extent required (as determined by the Manager in its sole discretion), sales or other value-added taxes) and applicable transfer and delivery expenses, including the handling, logistical requirements and administration of the Copper Redemption Notice, the transfer of the Copper for the Units that are

Type of Fee**Amount and Description**

being redeemed and the applicable fees charged by the Designated Facility in connection with such redemption. See “Redemption of Units – Transfer of Copper to the Redeeming Unitholder”.

If you choose to receive cash upon a redemption of Units, you will be responsible for an administration fee payable to the Trust equal to the out-of-pocket fees, costs and expenses of the Trust associated with such redemption, including amounts payable under the Management Agreement in connection with the sale of Copper to fund the cash redemption amount, and a further administration fee payable to the Manager equal to 1.0% of the aggregate Class Net Asset Value of the redeemed Units. See “Redemption of Units – Redemptions for Cash”.

Other Fees and Expenses:

The Trust is responsible for the fees and expenses of any action, suit or other proceedings in which, or in relation to which, the Trustee, the Manager, the Technical Advisor, the Facilities, any Investment Manager, the Custodian, any sub-custodians, the Registrar and Transfer Agent, the Valuation Agent or the Underwriters and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Trust.

The Trust intends to retain cash in an amount equal to approximately 5% of the net proceeds of the Offering (but not to exceed 10% of the net proceeds of the Offering) in order to provide available funds for its ongoing expenses and cash redemptions. From time to time, the Trust may sell Copper in order to replenish this cash reserve. There is no limit on the total amount of Copper that the Trust may sell in order to pay expenses. Under the Investment and Operating Restrictions, the Trust may hold up to 10% of its total net assets in cash or other specified non-Copper investments. See. “Investment Restrictions”.

Fees and Expenses Payable Directly by Unitholders**Type of Fee****Amount and Description****Fees and Expenses:**

No charges will apply. If applicable, the Unitholders may be subject to brokerage commissions or other fees associated with trading the Units.

Fees and Expenses in Connection with the Offering**Type of Fee****Amount and Description****Fees Payable to the Underwriters for Selling the Units:**

The Underwriters shall be entitled to a fee, equal to 5.0% of the gross proceeds raised from the sale of the Units, other than Units sold to purchasers on the President’s List in respect of which no fee shall be payable. The Underwriters’ commissions will be paid out of the proceeds of the Offering.

Expenses of the Offering:

The expenses of the Offering (including the costs of creating and organizing the Trust, the costs of preparing this prospectus,

Type of Fee**Amount and Description**

marketing expenses and other incidental expenses, filing and listing fees of the applicable Securities Authorities and stock exchanges, auditing, legal, translation and printing expenses) will be paid by the Trust. The Trust has agreed to reimburse the Underwriters for certain of the expenses paid by them. The expenses of the Offering are estimated to be US\$1 million.

Risk Factors

An investment in the Units is subject to a number of risk factors that should be carefully considered by prospective investors. These risks include, but are not limited to:

- a delay in the purchase by the Trust of Copper with the net proceeds of the Offering may result in the Trust purchasing less Copper than it could have purchased earlier;
- the trading price of the Units could potentially be more volatile relative to NAV;
- an investment in the Trust will yield long-term gains only if the value of Copper increases in an amount in excess of the Trust's expenses;
- the Trust may conduct further offerings of Units from time to time, at which time it will offer Units at a price that will be at or above NAV at the time of the offering, but that may be below the trading price of Units on the TSX at the time;
- the trading price of Units on the TSX is not predictable and may be affected by factors beyond the control of the Trust;
- Price Reporters are used to calculate published NAV;
- Unitholders have no direct ownership interest in Copper;
- insurance policies procured by the Trust may not ultimately cover all losses suffered by the Trust;
- in the event the Trust's Copper is lost, damaged, stolen or destroyed, recovery may be limited to the market value of the Copper at the time the loss is discovered;
- the Trustee, Warehouse Providers, and other service providers engaged by the Trust may not carry adequate insurance to cover claims against them by the Trust;
- a redemption of Units for cash will yield a lesser amount than selling the Units on the TSX or another exchange or trading facility, if such a sale is possible;
- Cash Redemption Notices and Copper Redemption Notices are irrevocable;
- all redemption amounts will be determined using U.S. dollars, which will expose redeeming Canadian dollar denominated Unitholders to currency risk;

- the Trust's remedies against a Warehouse Provider that loses its CME or LME-approved status may be limited;
- because the Trust primarily invests in Copper, an investment in the Trust may be more volatile than an investment in a more broadly diversified portfolio;
- the Trust's obligation to reimburse the Trustee, the Manager, the Underwriters or certain parties related to them for certain liabilities could adversely affect an investment in Units;
- Unitholders are not entitled to participate in management of the Trust;
- the rights of Unitholders differ from those of shareholders of a corporation;
- substantial redemptions of Units may affect the liquidity and trading price of Units and increase the *pro rata* expenses per Unit;
- the Trust may be subject to taxation in the jurisdictions in which it acquires, stores or sells Copper;
- fluctuation in foreign exchange rates may have an adverse effect on the Trust and on the trading price of Units;
- the value of the Units relates directly to the value of Copper held by the Trust, and fluctuations in the price of Copper could materially adversely affect an investment in the Units;
- the current trading prices of Copper may not be sustained;
- natural disasters, unusually adverse weather, cyber incidents, boycotts and geo-political events could materially adversely affect the operations of the Trust or the Copper owned by the Trust;
- global events outside the Trust's control may adversely affect the Trust's business, financial condition and results of operations;
- operational and similar risks faced by producers of Copper may adversely affect the global supply of Copper, which in turn may adversely affect the Trust's ability to procure Copper and, consequently, could impact the value of the Units;
- the CRA tax treatment of realized gains and losses;
- the Trust will not qualify as a "unit trust" or a "mutual fund trust" as defined in the Tax Act;
- if the Trust were to carry on a business in Canada in a taxation year or acquire securities that were "non-portfolio properties", it could become subject to tax at full corporate tax rates on some or all of its income for that year;
- if the Trust experiences a "loss restriction event" (as defined in the Tax Act) it could result in unintended tax consequences for Unitholders;
- tax laws could change in a manner that adversely affects the Trust and Unitholders and could change with retrospective or retroactive effect;

- the investment objectives and restrictions of the Trust and the attributes of a particular class or series of a class of Units may be changed by way of an extraordinary resolution of all Unitholders and Unitholders of such class or series of a class of Units, respectively;
- the sale of Copper by the Trust to pay expenses and to cover certain redemptions will reduce the amount of Copper represented by each Unit on an ongoing basis irrespective of whether the trading price of the Units rises or falls in response to changes in the price of Copper;
- the sale of the Trust's Copper to pay expenses or to cover certain redemptions at a time of low Copper prices will adversely affect the Net Asset Value;
- the lack of a market for the Units may limit the ability of Unitholders to sell the Units;
- the Trust may terminate and liquidate at a time that is disadvantageous to Unitholders;
- Unitholders may be liable for obligations of the Trust to the extent the Trust's obligations are not satisfied out of the Trust's assets;
- Canadian registered plans that redeem their Units for Copper may be subject to adverse consequences;
- the Trust may suspend redemptions, which may affect the trading price of the Units;
- the market for Units and the liquidity of Units may be adversely affected by competition from other methods of investing in Copper;
- the Manager and its affiliates also manage other funds that may invest in Copper and conflicts of interest by the Manager or its affiliates may occur.

See, "Risk Factors" and the other information included in this prospectus for a discussion of the risks that an investor should carefully consider before deciding to invest in the Units.

Tax Considerations

This prospectus contains certain information with respect to the Canadian federal income tax consequences of the purchase, ownership or disposition of the Units for purchasers resident in Canada. However, in making an investment decision, purchasers must rely on their own examination of the Trust and the terms of the offering, including the merits and risks involved. **We suggest that prospective purchasers of Units consult with their own tax advisors about tax consequences of an investment in Units based on their particular circumstances.**

Material Canadian Federal Income Tax Considerations for Non-Residents of Canada

Unitholders not resident in Canada for purposes of the Tax Act, which we will refer to as "non-resident Unitholders", will generally not be subject to Canadian capital gains tax on a sale or other disposition of their Units.

Any amount paid or credited by the Trust to a non-resident Unitholder as income of or from the Trust (including the taxable portion of capital gains realized by the Trust) will be subject to Canadian withholding tax at a rate of 25%, unless such rate is reduced under the provisions of an income tax treaty between Canada and the non-resident Unitholder's jurisdiction of residence. See "Material Canadian Federal Income Tax Considerations – Canadian Taxation of Unitholders – Unitholders Not Resident in Canada".

Material Canadian Federal Income Tax Considerations for Residents of Canada

Unitholders resident in Canada for purposes of the Tax Act, which we will refer to as “resident Unitholders”, who dispose of Units held as capital property, (including upon a redemption of Units for Copper held by the Trust as capital property) should generally realize a net capital gain (or net capital loss) equal to the amount by which the proceeds of disposition, net of any costs of disposition, exceed (or are less than) the adjusted cost base of the Units.

Resident Unitholders will generally be required to include in their income for a year the portion of the income of the Trust for the year, if any, including net taxable capital gains, that is paid or payable to them in the year. Provided that appropriate designations are made by the Trust, such portion of the net taxable capital gains paid or payable to resident Unitholders will effectively retain its character in the hands of the resident Unitholders. The non-taxable portion of any net realized capital gains of the Trust that is paid or payable to a resident Unitholder in the year will not be included in computing the resident Unitholder’s income for the year. Any other amount in excess of the income of the Trust that is paid or payable to a resident Unitholder in the year also will not generally be included in the resident Unitholder’s income for the year; however, the adjusted cost base of the resident Unitholder’s Units will generally be required to be reduced by such amount. To the extent that the adjusted cost base of Units would otherwise be less than zero, the negative amount will be deemed to be a capital gain realized by the resident Unitholder from the disposition of Units, and the adjusted cost base of the Units will be increased to zero.

See “Material Canadian Federal Income Tax Considerations – Canadian Taxation of Unitholders – Unitholders Resident in Canada”.

OVERVIEW OF THE STRUCTURE OF THE TRUST

Sprott Physical Copper Trust was established under the laws of the Province of Ontario, Canada, pursuant to an initial trust agreement dated April 12, 2024 (as amended and restated by the Trust Agreement). The Trust was created to invest and hold substantially all of its assets in Copper. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding Copper without the inconvenience that is typical of a direct investment in Copper. The Trust intends to invest primarily in long-term holdings of unencumbered Copper and will not speculate with regard to short-term changes in Copper prices. The Trust does not anticipate making regular cash distributions to Unitholders. Sprott Asset Management LP is the manager of the Trust pursuant to the Management Agreement between the Trustee and the Manager. The material terms of the Management Agreement are discussed under the sections “Overview of the Structure of the Trust—The Manager”. The head and registered offices of the Trust and the Manager are located at Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, M5J 2J1, Canada.

RBC Investor Services Trust, a trust company organized under the laws of Canada, is the trustee of the Trust. The Trustee is located at 155 Wellington Street West, Street Level, Toronto, Ontario, M5V 3L3, Canada. The fiscal year-end of the Trust is December 31. The Trust is considered a non-redeemable investment fund and subject to the Canadian securities regulatory regime for non-redeemable investment funds that are reporting issuers.

The Trust is authorized to issue an unlimited number of Units in one or more classes and series of Units. Each Unit of a class represents a beneficial interest in the net assets of the Trust attributable to that class or series of a class of Units. Units are transferable and redeemable at the option of the Unitholder in accordance with the provisions set forth in the Trust Agreement. All Units of the same class or series of a class have equal rights and privileges with respect to all matters, including voting, receipt of distributions from the Trust, liquidation and other events in connection with the Trust. Units and fractions of Units will be issued only as fully paid. The Units offered hereby will have no preference, conversion, exchange or pre-emptive rights. Each whole Unit of a particular class or series of a class entitles the holder thereof to one vote at meetings of Unitholders where all classes vote together and to one vote at meetings of Unitholders where that particular class or series of a class of Unitholders votes separately as a class or series of a class.

Pursuant to Storage Agreements with Warehouse Providers, the Trust will store its Copper at various facilities in the Storage Jurisdictions. RBC Investor Services Trust will act as custodian of the Trust's assets other than Copper pursuant to the Trust Agreement. See “Organization and Management Details of the Trust – Custodians for the Trust's Copper” and “Organization and Management Details of the Trust – Custodian for the Trust's Assets Other than Copper”.

Overview of the Trust Agreement

General

The Trust was established under the laws of the Province of Ontario, Canada, and its Units and its property are governed by the general laws of trusts of that Province and by the terms of the Trust Agreement. The Trustee will act as the trustee of the assets, monies and investments from time to time of the Trust and will hold the same upon and subject to the provisions of the Trust Agreement. The Trust Property will consist of: (i) monies from time to time delivered to the Trustee for investment in Units pursuant to the Trust's Investment And Operating Restrictions; and (ii) such investments and other assets as may from time to time be acquired by the Trustee through the application of such monies, together with accretions thereto, less amounts paid out by the Trustee from time to time in accordance with the Trust Agreement. See “Investment Restrictions”. The head office and principal office and situs of administration of the Trust is in Toronto, Ontario, Canada.

Structure of the Trust

An interest in the Trust is represented by one or more classes and series of transferable Units, including the Units issued pursuant to the Offering. The attributes of each class or series of a class of Units created and authorized for the Trust are as described below and in the Trust Agreement. The attributes of each class or series of a class of Units may not be changed without the prior approval of Unitholders of that class or series of

a class by way of an extraordinary resolution, which must be approved, in person or by proxy, by Unitholders holding Units representing in aggregate not less than 66 2/3% of the Net Asset Value ascribed to such class or series of a class of Units as determined in accordance with the Trust Agreement, at a duly constituted meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Unitholders holding Units representing in aggregate not less than 66 2/3% of the Net Asset Value ascribed to such class or series of a class of Units as determined in accordance with the Trust Agreement.

Each class or series of a class of Units will have the following attributes:

- (a) each Unit will be without nominal or par value;
- (b) each whole Unit of a particular class or series of a class will entitle the holder thereof to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders where all classes and series of Units vote together and to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders where that particular class or series of a class of Units votes separately as a class or series;
- (c) each Unit of a particular class or series of a class will entitle the holder thereof to participate pro rata, in accordance with the provisions of the Trust Agreement, with respect to all distributions made to that class or series of a class and, upon liquidation of the Trust, to participate pro rata with other Unitholders of that same class or series of a class in the Net Asset Value remaining after the satisfaction of outstanding liabilities of the Trust and the class or series of a class as provided in the Trust Agreement;
- (d) distributions will be allocated among the classes or series of a class of Units in such manner as the Manager considers appropriate and equitable and in accordance with the specific attributes of such classes or series of a class of Units;
- (e) no pre-emptive rights will attach to the Units;
- (f) no cancellation or surrender provisions will attach to the Units except as set out in the Trust Agreement;
- (g) once the Net Asset Value per Unit for the applicable class or series of a class, determined in accordance with Trust Agreement, at the time of issuance has been paid, there will be no liability for future calls or assessments with respect to the Units;
- (h) all Units will be transferable, but only as contemplated by the Trust Agreement;
- (i) each Unit will entitle the holder thereof to require the Trust to redeem the Unit as provided in the Trust Agreement;
- (j) subject to limitations and requirements determined from time to time by the Manager and stated in the Disclosure Documents, each Unit of a particular class or series of a class of the Trust may be redesignated by the Manager as a Unit of another class or series of the Trust based on the respective Net Asset Value per Unit for each such class or series of Units on the date of the redesignation;
- (k) the number of Units and the classes and series of Units of the Trust that may be issued is unlimited; and
- (l) fractional Units of a class or series of a class may be issued and will be proportionately entitled to all the same rights as whole Units of that same class or series, except voting rights (however fractional Units held by a single Unitholder may be combined).

Units may be consolidated or subdivided by the Manager upon the Manager giving at least 21 days' prior written notice to the Trustee and to each Unitholder of its intention to do so. Notwithstanding the foregoing, Units may be consolidated without notice to Unitholders in connection with a distribution to Unitholders in accordance with the Trust Agreement. See "Distribution Policy".

Each Unit will be redeemable as set forth under "Redemption of Units", except during such times as the Manager has suspended the right to redeem in accordance with the Trust Agreement. See "Redemption of Units – Suspension of Redemptions".

The right to conduct the undertaking and affairs of the Trust is vested exclusively in the Trustee and the Manager, and the day-to-day management and administration of the Trust will be conducted by the Manager. Unitholders will have no interest in the Trust other than their beneficial interest in the Units held by them, and Unitholders will not be called upon to share or assume any losses of the Trust or suffer any assessment or further payments to the Trust or the Trustee of any kind by virtue of their ownership of the Units. However, under the law governing the Trust, Unitholders could be held summarily liable for obligations of the Trust to the extent that claims against the Trust are not satisfied out of the assets of the Trust. See also "Securityholder Matters – Unitholder Approval" and "Overview of the Structure of the Trust – Unitholder Liability".

Pursuant to the Trust Agreement, the Trust may not issue additional Units following the completion of the Offering except: (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated NAV per Unit immediately prior to, or upon, the determination of the pricing of such issuance; (ii) by way of Unit distribution in connection with a distribution; or (iii) with the approval of Unitholders by extraordinary resolution and subject to applicable Securities Legislation.

Unitholder Liability

The Trust Agreement provides that no Unitholder shall be held to have any personal liability as such and no resort shall be had to the Unitholder's private property for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of any of the Trust, the Manager or the Trustee or any obligation which a Unitholder would otherwise have to indemnify the Trustee for any personal liability incurred by the Trustee as such, but rather, only the Trust Property is intended to be liable and subject to levy or execution for such satisfaction. If the Trust acquires any investments subject to existing contractual obligations, the Manager, or the Trustee on the direction of the Manager, as the case may be, shall use its best efforts to have any obligations modified so as to achieve disavowal of contractual liability. Further, the Manager shall cause the operations of the Trust to be conducted, with the advice of counsel, in such a way and in such jurisdictions as to avoid, as far as possible, any material risk of liability on Unitholders of claims against the Trust and shall, to the extent it determines to be possible and reasonable, including the cost of premiums, cause the Trust to carry insurance for the benefit of Unitholders in such amounts as it considers adequate to cover any such foreseeable non-contractual or non-excluded contractual liability.

The Trustee

The Trustee has authority to delegate the performance of custody functions to sub-custodians who are members of its international custody network or, with the consent of the Manager, to other Persons.

In general, the Trustee, subject only to the specific limitations contained in the Trust Agreement, has the full, absolute, and exclusive power, control and authority over the Trust Property to do all such acts and things as it, in its sole judgment and discretion deems necessary or incidental to, or desirable for, the carrying out of any of the purposes of the Trust or conducting the undertaking of the Trust, including varying the investments of the Trust in accordance with the Investment Policy.

Subject to the specific limitations contained in the Trust Agreement, including the Investment Policy, and without any action or consent by Unitholders, the Trustee shall have and may exercise, at any time and from time to

time, the following powers and authorities which may or may not be exercised by it in its sole judgment and discretion, and in such manner and upon such terms and conditions as it may from time to time deem proper:

- (a) to hold the Trust Property other than Copper that it may acquire hereunder exercising the same degree of care which it gives to its own property of a similar kind under its own custody;
- (b) to deliver any cash at any time held by it as directed by the Manager or the Technical Advisor to purchase, or otherwise acquire, on behalf of the Trust, Copper and to retain the same in trust hereunder in its capacity as Trustee; provided, however, that the Trustee shall have no responsibility for the custody, authenticity or validity of title of any Trust Property consisting of such Copper held at the Facilities;
- (c) subject to certain other provisions of the Trust Agreement, with any cash at any time held by it to purchase, or otherwise acquire, and to sell, on behalf of the Trust, any securities, currencies, assets or other such Trust Property (other than Copper) of a kind permitted pursuant to the Investment Policy and to hold and retain the same in trust hereunder in its capacity as Trustee;
- (d) to enter into and settle foreign exchange transactions on behalf of the Trust for purposes of facilitating settlement of trades of such Trust Property held by it at any time and any such transactions may be entered into with such counterparties as the Trustee may choose, in its sole discretion, including its affiliates;
- (e) to sell, convey, exchange for other securities or other property, convert, transfer, assign, pledge, encumber or otherwise dispose of any such Trust Property held by it at any time, by any means considered reasonable by the Trustee and to receive the consideration and grant discharges therefor;
- (f) to commence, defend, adjust or settle suits or legal proceedings in connection with the Trust and to represent the Trust in any such suits or legal proceedings and to keep the Manager informed; provided, however, that the Trustee shall not be obliged or required to do so unless it has been indemnified to its satisfaction against all expenses and liabilities sustained or anticipated by the Trustee by reason thereof;
- (g) subject to applicable Securities Legislation, to lend money whether secured or unsecured;
- (h) to exercise any corporate action in connection with any such Trust Property at any time held by the Trustee, and to make any payments incidental thereto; to consent to, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation or merger of any corporation, company or association, or to the sale, mortgage, pledge or lease of the property of any corporation, company or association, or of any of the securities of which may at any time be held by it, and to do any act with reference thereto, including the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which it may deem necessary or advisable in connection therewith; to hold any such Trust Property which it may so acquire and generally to exercise any of the powers of any owner with respect to such Trust Property, provided that where direction from the Manager is not provided within the time frame specified by the Trustee in any notice provided in accordance with the Trust Agreement, the Trustee shall take no action;
- (i) to vote personally, or by general or by limited proxy, any such Trust Property which may be held by it at any time, and similarly to exercise personally or by general or by limited power of attorney any right appurtenant to any Trust Property held by it at any time, provided that where direction is not provided by the Manager within the time frame as set out in the voting materials forwarded to it in accordance with the Trust Agreement, the Trustee shall take no action;
- (j) to incur and pay out of such Trust Property held by it at any time any charges or expenses and disburse any assets of the Trust, which charges, expenses or disbursements are, in the opinion

- of the Trustee, the Manager or the Technical Advisor, as the case may be, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the undertaking of the Trust including, without limitation, the Management Fee, fees payable to the Facilities, the Custodian, the Valuation Agent and the Registrar and Transfer Agent, custodian settlement fees, any expenses related to the implementation and on-going operation of the Independent Review Committee, brokerage fees and commissions, federal and provincial income taxes, goods and services taxes and withholding taxes, or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustee in connection with the Trust or such Trust Property or upon or against such Trust Property or any part thereof and for any of the purposes in the Trust Agreement;
- (k) to renew or extend or participate in the renewal or extension of any such Trust Property held by it at any time, upon such terms as it may deem advisable, and to agree to a reduction in the rate of interest on any such Trust Property or of any guarantee pertaining thereto, in any manner and to any extent that it may deem advisable; to waive any default whether in the performance of any covenant or condition of any such Trust Property, or in the performance of any guarantee, or to enforce rights in respect of any such default in such manner and to such extent as it may deem advisable; to exercise and enforce any and all rights of foreclosure, to bid on property on sale or foreclosure with or without paying a consideration therefore and in connection therewith to release the obligation on the covenant secured by such security and to exercise and enforce in any action, suit or proceeding at law or in equity any rights or remedies in respect of any such security or guarantee pertaining thereto;
 - (l) to make, execute, acknowledge and deliver any and all deeds, leases, mortgages, conveyances, contracts, waivers, releases of other documents of transfer and any and all other instruments in writing that may be necessary or proper for the accomplishment of any of the powers granted under the Trust Agreement, whether for a term extending beyond the office of the Trustee or beyond the possible termination of the Trust or for a lesser term;
 - (m) in its sole discretion, to advance monies to the Trust for the purposes of settlement of transactions and overdrafts against such Trust Property held by it at any time, on such terms and conditions as the Trustee may, in its sole discretion, determine, provided that, in order to secure the obligations of the Trust to repay such borrowings, the principal of and interest charged on such borrowing shall be paid out of the Trust Property and shall constitute a charge against the Trust Property until paid;
 - (n) to purchase, hold, sell or exercise call or put options on securities, indices of shares or other securities, financial and stock index futures contracts, securities or currency futures or forward contracts or other financial or derivative instruments, all whether or not any such options, indices, contracts or instruments are traded on a regular exchange and in connection therewith to deposit such Trust Property held by it at any time with the counterparty as margin and to grant security interest therein;
 - (o) to deposit any such Trust Property, including securities and documents of title held by it under the Trust Agreement, with the Custodian, including the Trustee, any of its affiliates, a sub-custodian appointed by the Trustee or a depository;
 - (p) to employ in respect of the Trust such counsel, auditors, advisors, agents or other Person as the Trustee may deem necessary from time to time for the purpose of discharging its duties hereunder and to pay out of the Trust their reasonable expenses and compensation;
 - (q) to issue Units for consideration and redeem Units as set forth in the Trust Agreement;
 - (r) to dispose of any Trust Property for the purpose of paying obligations of the Trust or for repaying any loan authorized hereby and the Trustee shall give prompt notice to the Manager and the Technical Advisor of any such disposition;

- (s) to hold such portion of such Trust Property held by it at any time that is uninvested in cash and, from time to time, to retain such cash balances on deposit with the Trustee or any of its affiliates or with a chartered bank or other depository, in such account as the Trustee, in its sole discretion determines, whether or not such deposits will earn interest;
- (t) to delegate any of the powers and duties of the Trustee to any one or more agents, representatives, officers, employees, independent contractors or other Persons without liability to the Trustee except as specifically provided in the Trust Agreement; and
- (u) to do all such acts, to take all such proceedings and to exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee may deem necessary to administer the Trust, and to carry out the purposes of the Trust established under the Trust Agreement.

The exercise of any one or more of the foregoing powers or any combination thereof from time to time will not be deemed to exhaust the rights of the Trustee to exercise such power or powers or combination of them thereafter from time to time.

The following enumerated powers shall only be exercised by the Trustee on the direction of the Manager or any Investment Manager: Subsections (c), (d), (e), (f), (g), (h), (i), (j) as applicable, (k), (l), (n) and (q), and with respect to Subsection (n), to the extent that the Trustee is required to execute any documents relating to such investments which the Trustee did not negotiate or in respect to which the Trustee is not responsible hereunder, upon an indemnity being provided from the Manager acceptable to the Trustee in the circumstances.

The Trustee may, and is expressly authorized from time to time, in its sole discretion, to appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate with which it may be directly or indirectly affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise) and, without limiting the generality of the foregoing, the Trustee may:

- (a) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as may be held by the Trust, whether on the Trustee's own account or for the account of another (in a fiduciary capacity or otherwise);
- (b) use in other capacities, knowledge gained in its capacity as Trustee hereunder; provided that such use does not adversely affect the interests of the Trust and provided further that the Trustee may not make use of any specific confidential information for its own benefit or advantage that, if generally known, might be expected to affect materially the value of the Trust Property or Units;
- (c) retain cash balances from time to time on hand in the Trust and pay interest to the Trust on such balances and the Trustee may, in its sole discretion:
 - (i) hold the same on a pooled basis and pay interest thereon at the rate from time to time established by the Trustee and paid with respect to cash balances so held for similar accounts; or
 - (ii) hold such cash balances on deposit with a Canadian chartered bank or such other deposit-taking institution in any jurisdiction, including itself or its affiliates, in such interest bearing account as the Trustee, in its sole discretion, may determine; and
- (d) provide financial, investment or brokerage services related to any securities which form part of the Trust Property or to the issuer of any securities forming part of the Trust Property, invest in the securities or other property of any body corporate with which the Trustee may be directly or

indirectly associated, affiliated or interested, or earn profits from any of the activities listed in the Trust Agreement,

all without being liable to account therefor and without being in breach of the trust established under the Trust Agreement.

Standard of Care and Indemnification of the Trustee

The Trustee shall exercise the powers and discharge the duties of its office honestly and in good faith and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent Canadian trust company would exercise in comparable circumstances.

The Trustee may rely and act upon any statement, report or opinion prepared by or any advice received from the Auditor, counsel or other professional advisors of the Trust and shall not be responsible nor held liable for any loss or damage resulting from so relying or acting if the advice was within the area of professional competence of the Person from whom it was received, the Trustee acted in good faith in relying thereon and the professional advisor was aware that the Trustee was receiving the advice in its capacity as trustee of the Trust and the Trustee acted in good faith in relying thereon.

The Trustee shall in no way be responsible for, nor incur any liability based on, the action or failure to act or for acting pursuant to or in reliance on instructions of the Manager, any Investment Manager, the Technical Advisor, a Facility, the Custodian (if not the Trustee), the Valuation Agent (if not the Trustee), the Registrar and Transfer Agent (if not the Trustee), or any Person to whom its responsibilities are delegated pursuant to the Trust Agreement.

The Trustee shall not be liable to the Trust or to any Unitholder for any loss or damage relating to any matter regarding the Trust, including any loss or diminution in the Net Asset Value of the Trust or to any particular asset of the Trust, except to the extent that the Trustee does not meet its standard of care set out in the Trust Agreement. In no event shall the Trustee be liable for indirect, consequential or special damages including, but not limited to, loss of reputation, goodwill or business.

Resignation or Removal of the Trustee and Successor Trustees

The Trustee or any successor trustee may resign as Trustee of the Trust created by the Trust Agreement by giving notice to Unitholders and to the Manager not less than 90 days prior to the date when such resignation shall take effect. Such resignation shall take effect on the date specified in such notice unless at or prior to such date a successor trustee is appointed by the Manager in which case such resignation shall take effect immediately upon the appointment of such successor trustee.

The Trustee may be removed by the Manager at any time by notice to the Trustee and Unitholders not less than 90 days prior to the date that such removal is to take effect; provided a successor trustee is appointed or the Trust is terminated and dissolved in accordance with the Trust Agreement.

In the event that the Trustee resigns or is removed or becomes incapable of acting or if for any cause a vacancy shall occur in the office of the Trustee, a successor trustee shall forthwith be appointed by the Manager to fill such vacancy. Forthwith following such appointment of a successor trustee, the Trustee shall execute and deliver such documents as the Manager may reasonably require for the conveyance of any Trust Property (other than Copper) held in the Trustee's name to the successor trustee and, shall account to the Manager for all of the Trust Property which the Trustee retains as trustee and shall thereupon be discharged as trustee. The successor trustee shall be a resident of Canada for the purposes of the Tax Act.

In the event that the Manager shall fail to appoint a successor to the Trustee, the Trust shall be terminated and dissolved upon the effective date of the resignation or removal of the Trustee (which shall be considered to be the effective date on which the Trust is to be terminated for the purposes of the Trust Agreement), and, after providing for all liabilities of the Trust, the Trust Property shall be distributed to Unitholders in accordance with the termination provisions set out in the Trust Agreement and the Trustee shall continue to act as trustee of the Trust until such Trust Property has been so distributed. Fees and expenses of the Trustee shall be a charge, to

the extent permitted by applicable law, on the Trust Property or the interests of Unitholders to secure payment thereof.

The Manager

Resignation of the Manager

The Manager has the right to resign as Manager of the Trust by giving notice in writing to the Trustee and the Unitholders not less than 90 days prior to the date on which such resignation is to take effect. Such resignation will take effect on the date specified in such notice. Notwithstanding the foregoing, no approval of, or notice to, Unitholders is required to effect a reorganization of the current Manager which does not result in a change of control of the Manager. The Manager will appoint a successor manager of the Trust and, unless the successor manager is an affiliate of the Manager, such appointment must be approved by an ordinary resolution of the Unitholders, which must be approved, in person or by proxy, by Unitholders holding Units representing in aggregate not less than 50% of the Net Asset Value as determined in accordance with the Trust Agreement, at a duly constituted meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Unitholders holding Units representing in aggregate not less than 50% of the Net Asset Value as determined in accordance with the Trust Agreement.

If, prior to the effective date of the Manager's resignation, a successor manager is not appointed or the Unitholders do not approve of the appointment of the successor manager as required pursuant to the Trust Agreement, the Trust will be terminated and dissolved upon the effective date of the resignation of the Manager and, after providing for all liabilities of the Trust, the Trust Property shall be distributed to the Unitholders in accordance with the termination provisions set out in the Trust Agreement, and the Trustee and the Manager shall continue to act as trustee and manager, respectively, of the Trust until such Trust Property has been so distributed.

Standard of Care and Indemnification of the Manager

The Manager is required to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Trust and in connection therewith will exercise the degree of care, diligence and skill that a reasonably prudent professional manager would exercise in comparable circumstances.

The Manager may employ or engage, and rely and act on information or advice received from any Technical Advisor, any Investment Manager, Auditor, the Underwriters, agents, other distributors, brokers, depositories, a Facility, the Custodian, electronic data processors, advisors, lawyers and others and will not be responsible or liable for the acts or omissions of such Persons or for any other matter, including any loss or depreciation in the Net Asset Value or any particular asset of the Trust, provided that the Manager acted in good faith in accordance with its standard of care set out in the Trust Agreement in relying on such information or advice.

All information provided by the Manager to the Trust or the Trustee will be complete, accurate, and contain no misrepresentations; however, the Manager will be entitled to assume that any information received from the Trustee, any Technical Advisor, a Facility, the Custodian or any sub-custodian, or their respective authorized representatives associated with the day-to-day operation of the Trust is accurate and complete and no liability will be incurred by the Manager as a result of any error in such information or any failure to receive any notices required to be delivered pursuant to the Trust Agreement, except to the extent that any such information provided to, or failure to receive any notices by, the Manager arises or results from the Manager's failure to comply with the terms of the Trust Agreement or the Management Agreement in providing any required directions or information related thereto.

The Manager will not be required to devote its efforts exclusively to or for the benefit of the Trust and may engage in other business interests and may engage in other activities similar or in addition to those relating to the activities to be performed for the Trust. In the event that the Manager, its partners, employees, associates and affiliates or any of them now or hereafter carry on activities competitive with those of the Trust or buy, sell or trade in assets and portfolio securities of the Trust or of other investment funds, none of them will be under any liability to the Trust or to the Unitholders for so acting.

The Manager, its affiliates and agents, and their respective directors, partners, officers and employees will at all times be indemnified and held harmless by the Trust from and against all legal fees, judgments and amounts paid in settlement, actually and reasonably incurred by them in connection with the Manager's services provided to the Trust pursuant to the Trust Agreement and the Management Agreement, provided that the Trust has reasonable grounds to believe that the action or inaction that caused the payment of the legal fees, judgments and amounts paid in settlement was in the best interests of the Trust and provided that such Person or Persons will not be indemnified by the Trust where: (i) there has been negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty on the part of the Manager or such other Person; (ii) a claim is made as a result of a misrepresentation contained in this prospectus or in any Disclosure Document or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of the Units or applicable Securities Legislation; or (iii) the Manager has failed to fulfill its standard of care set out in the Trust Agreement or its other obligations in accordance with applicable laws or the provisions as set forth in the Trust Agreement and the Management Agreement, unless in an action brought against the Manager or such Person or Persons they have achieved complete or substantial success as a defendant.

Indemnification of the Trust by the Manager

The Trust will be indemnified and held harmless by the Manager against any costs, charges, claims, expenses, actions, suits or proceedings arising from a claim made as a result of a misrepresentation contained in this prospectus or any Disclosure Document or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of the Units or under applicable Securities Legislation.

INVESTMENT OBJECTIVES

The Trust was created to invest and hold substantially all of its assets in Copper. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding Copper without the inconvenience that is typical of a direct investment in Copper. The Trust does not anticipate making regular cash distributions to Unitholders.

INVESTMENT STRATEGIES

The Trust intends to achieve its objective by investing primarily in long-term holdings of Copper. The Trust does not intend to speculate with regard to short-term changes in Copper prices. The Trust will have the ability to optimize the value of the Trust through Copper optimization transactions, including the use of futures, warrants, CME or LME warehouse receipts, and other financial instruments, to complement the Trust's Copper procurement strategy, so long as these transactions provide value to the Trust and the risk associated with each transaction and to the Trust is minimized to the satisfaction of the Manager. For example, purchases of Copper generally involve a bilateral agreement where the buyer agrees to purchase from the seller a fixed quantity of Copper for delivery on a future date for a purchase price that is either fixed at the time of executing the purchase agreement or, alternatively, is calculated based on certain price reporters or indices as at or around the delivery date ("**Index-Linked Purchases**"). In order to allow the Trust's NAV to track the value of purchased Copper, in connection with any Index-Linked Purchases by the Trust, it is expected that the Trust will concurrently enter into a customary futures contract with respect to the same quantity of Copper in order to, effectively, fix the purchase price for Copper as of the execution of the purchase agreement.

The Manager expects that advantages of investing in the Units will include the following:

Opportunity to Invest in Physical Copper

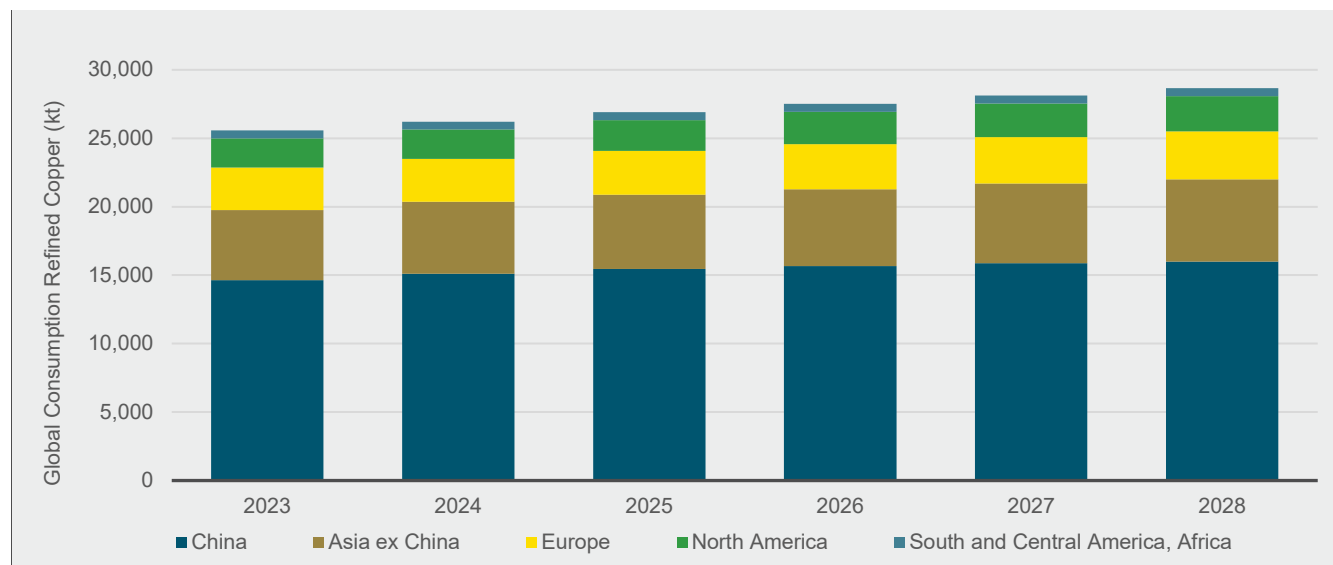
The Trust will provide institutional and retail investors with indirect access to Copper in a market where producers are unable to bring copper supply online at a rate to satisfy growing demand. More specifically, from 2024 to 2026, the copper market is forecasted to enter a supply deficit that is expected to materially increase in subsequent years due to global economic recovery, clean energy transition and growth in artificial intelligence. For an overview of the global copper market, see "Overview of the Sector the Trust Invests In".

Demand for copper arises from a number of industry sectors, including construction, electronics and telecommunications, transportation, industrial machinery and equipment and consumer products.²² China's industrial and urban growth, a global-scale transition to clean energy systems and increased electricity consumption from growth in the artificial intelligence sector is expected to grow the demand for copper by approximately 13% by 2028 from 2023 levels.²³

²² International Copper Study Group - The World Copper Factbook 2023

²³ CRU – March 2024

Global Refined Copper Consumption (Copper Contained) by Region



Source: CRU – March 2024

A key driver of growth in the demand for copper beyond 2028 is expected to be electricity consumption, which is forecasted to increase 165%²⁴ by 2050 due to the greater adoption of clean energy technologies by energy producers and consumers, globally.²⁵ In anticipation of growing copper demand and in recognizing that clean energy technologies require significantly greater copper than traditional energy sources, world governments, including the United States²⁶, Canada²⁷, the European Union²⁸ and Australia²⁹, among others, have added copper to their lists of critical and/or strategic materials.

While there are a limited number of mining projects that have potential to increase current copper production, copper supply is forecasted to enter a global deficit in 2024. The deficit is expected to meaningfully grow through 2028 and beyond due to the challenges in bringing greenfield and brownfield copper projects into production at a rate sufficient to satisfy rising copper demand.³⁰ These challenges include significant capital expenditure requirements and access to capital, technical project risk, political risk, complex permitting processes and infrastructure limitations. In fact, according to the IEA, it takes on average more than 16 years to transition mining projects from discovery to initial production.³¹ Further, the challenge to supplying copper to meet growing demand is magnified by significantly reduced global inventories of refined copper, which peaked in 2013 at 2.2Mt, and as of February 2024 are at 1.2Mt, with the timeline for inventory consumption down from six weeks in 2013, to two weeks as of the fourth quarter of 2023.³²

Convenient, Exchange Traded Vehicle

Relative to a direct holding of copper, the Trust expects to offer: (i) the convenience and liquidity typical of an exchange traded security; (ii) a complete logistical solution for holding copper (including sourcing, transportation, warehousing, insurance and material audits); (iii) daily reporting of Net Asset Value; (iv) lower holding and friction costs; and (v) responsible sourcing policies.

²⁴ IEA World Energy Outlook 2023 Net Zero Emissions Scenario

²⁵ IEA – World Energy Outlook 2023

²⁶ US Department of Energy, 2023 final critical materials list

²⁷ The Canadian Critical Minerals Strategy 2022

²⁸ European Commission, 2023 list of critical raw materials for the EU

²⁹ Australia's Critical Minerals List and Strategic Materials List 2024

³⁰ CRU – March 2024

³¹ IEA – The Role of Critical Minerals in Clean Energy Transitions

³² CRU – March 2024

The Manager believes that, for many investors, the costs associated with buying and selling the Units and the payment of the Trust's ongoing expenses would be lower than the costs associated with directly buying and selling copper, and storing and insuring copper, as applicable.

The Trust will store its Copper with Facilities that are reputable and exclusively in warehouses that are CME or LME-approved, which is the main global market standard for physical metal warehousing services that is accepted by market participants and financiers. The LME approves warehouses pursuant to its *LME Policy on Approval of Locations at Delivery Points*. To obtain such approval, the Facility must satisfy the LME that the proposed warehouse location is safe, well managed, politically and economically stable, commercially sensible, fiscally appropriate, legally sound, not subject to corruption, and that the metal belonging to the owner can be removed in case of bankruptcy or insolvency of the Facility. Similar to the LME, the CME applies and audits the CME Group Delivery Facilities and Procedures policies for approving and maintaining such approval. By virtue of CME and LME policies, an individual warehouse location cannot simultaneously have both CME and LME-approved status.

Further, the Trust will only store Copper with such Facilities at locations in Belgium, Canada, Germany, Italy, Malaysia, the Netherlands, Singapore, South Korea, Spain, Sweden, the United Arab Emirates and the United States (i.e., the Storage Jurisdictions).

In addition, the Manager will maintain market standard insurance for the Copper held with the Facilities for loss, theft or damage. Finally, the Facilities to be used by the Trust are owned by established and reputable, multi-national entities, namely Access World, C. Steinweg Handelsveem, and P Global Services.

Transparent Daily Reporting of Net Asset Value and Holdings

The Trust will report a daily NAV, based on spot prices from one or more market leading, independent price reporters. Net Asset Value and Net Asset Value per Unit will be determined daily at 4:00 p.m. (Toronto time) on each Business Day. Daily disclosure of NAV is expected to provide for near real-time pricing alignment between Unit price and NAV.

The fair market value of the assets of the Trust will be based on reported spot prices from Fastmarkets, a globally recognized price reporter aligning with IOSCO principles and commonly used by the market. See “Calculation of Net Asset Value” and “Prospectus Summary – Price Reporters”.

Benefits of Reporting Methodology

Summary of Reporting & NAV Calculation

<ul style="list-style-type: none"> ✓ Transparent daily reporting of Copper 	<p>Net Asset Value (NAV) Calculation</p>	<ul style="list-style-type: none"> ▪ Determined by the Valuation Agent. ▪ NAV is equal to the aggregate fair market value of the assets of the Trust, less the fair value of the liabilities (including the Management Fee) of the Trust, as of the time of valuation.
<ul style="list-style-type: none"> ✓ Industry-standard NAV calculation 	<p>Valuation Frequency</p>	<ul style="list-style-type: none"> ▪ NAV and NAV per Unit determined daily at 4:00 p.m. (Toronto time) on each Business Day.
<ul style="list-style-type: none"> ✓ Reliable third-party valuation agent 	<p>Valuation Agent, Trustee and Custodian</p>	<ul style="list-style-type: none"> ▪ RBC Investor Services Trust.
<ul style="list-style-type: none"> ✓ Globally recognized price reporter (Fastmarkets) that aligns with IOSCO principles to remove subjective pricing views 	<p>Reporting Sources</p>	<ul style="list-style-type: none"> ▪ The fair market value of the assets of the Trust will be based on reported spot prices from Fastmarkets, a globally recognized, independent price reporter aligning with IOSCO principles and commonly used by the market.
<ul style="list-style-type: none"> ✓ Daily disclosure allows for near real-time alignment between Unit price and NAV 	<p>Holding Disclosure</p>	<ul style="list-style-type: none"> ▪ Portfolio transactions (investment purchases and sales) will be reflected in the first calculation of the NAV of the Trust made after the date on which the transaction becomes binding.

Experienced Manager

The Trust will be managed by Sprott Asset Management LP. The Manager is registered in Canada as an investment fund manager, portfolio manager and exempt market dealer and is wholly-owned by Sprott. The Manager has considerable experience and a long track record of investing in precious metals and other commodities on behalf of investors. As of March 31, 2024, the Manager, together with its affiliates and related entities, had assets under management totaling approximately US\$29.4 billion, and provided management and investment advisory services to many entities, including private investment funds, exchange-listed products, mutual funds and certain discretionary managed accounts. The Manager also acts as: (a) manager of (i) the Sprott Physical Uranium Trust,³³ a non-redeemable investment fund whose trust units are listed and posted for trading on the TSX that invests and holds substantially all of its assets in physical uranium; (ii) the Sprott Physical Gold Trust,³⁴ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical gold bullion; (iii) the Sprott Physical Silver Trust,³⁵ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical silver bullion; (iv) the Sprott

³³ Formed in 2021; Approximately \$5.6 billion in NAV as of March 31, 2024

³⁴ Formed in 2010; Approximately \$6.9 billion in NAV as of March 31, 2024

³⁵ Formed in 2010; Approximately \$4.2 billion in NAV as of March 31, 2024

Physical Gold and Silver Trust,³⁶ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical gold and silver bullion; and (v) the Sprott Physical Platinum and Palladium Trust,³⁷ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical platinum and palladium bullion; and (b) sub-advisor for certain funds managed by Ninepoint LP. The Manager also provides management and investment advisory services to certain U.S. funds. These include Sprott Uranium Miners ETF on the NYSE and, in partnership with HanETF, the Sprott Uranium Miners UCITS ETF of European markets and, more recently, the Manager launched the Sprott Energy Transition Materials ETF, Sprott Lithium Miners ETF, Sprott Junior Uranium Miners ETF and Sprott Junior Copper Miners ETF and Sprott Nickel Miners ETF on the NYSE.

The Manager is responsible for the day-to-day undertakings and administration of the Trust, including management of the Trust's invested assets and all clerical, administrative and operational services. The Trust will maintain a public website that will contain information about the Trust and the Units. The internet address of the Trust's Website is <https://sprott.com/investment-strategies/physical-commodity-funds/copper/>. This internet address is provided here only as a convenience to you, and the information contained on or connected to the website is not incorporated into, and does not form part of, this prospectus. See "Organization and Management Details of the Trust – Manager of the Trust" and "Overview of the Structure of the Trust – Manager of the Trust".

WMC will serve as the Manager's Technical Advisor and will provide the Technical Advisory Services, which include, but are not limited to: (a) arranging, co-ordinating and confirming all purchases and sales of Copper for the Trust; (b) arranging, co-ordinating and directing execution of all other transactions involving Copper, such as lending and exchanges of Copper, for the Trust; (c) advising on and arranging any (temporary) necessary financial hedges, such as futures or warrants, associated with (a) or (b) above, by the Trust; (d) advising on and co-ordinating all matters related to storage, logistics and safekeeping of Copper; (e) generally co-ordinating communications between the Manager and third-parties active in the Copper market; (f) assisting with setting-up, maintaining and evaluating an appropriate valuation framework (including the selection of price reporting agencies) to accurately and frequently determine the fair market value of the Copper the Trust holds; (g) providing the Manager with periodic updates on the Copper market; (h) supporting the Manager with investor relations for the Trust, including assisting with preparation of marketing material, accompanying the Manager on roadshows and participating on investor calls; and (i) assisting the Manager with the Trust's operational and administrative requirements; (j) and providing reasonable assistance and support in connection with the Manager's preparation of Net Asset Value, financial and other public disclosures with respect to the Trust. See, "Overview of the Structure of the Trust – Technical Advisor".

The Manager has appointed SAM US to provide advice to the Trust with respect to Copper futures and certain other financial instruments. SAM US is relying on the "international adviser" exemption from the adviser registration requirements in the *Commodity Futures Act* (Ontario). SAM US is not registered as an adviser under Canadian securities or commodity legislation and, as such, is not required to comply with the same requirements that an adviser so registered would be subject to, such as those concerning proficiency, capital, insurance and other matters.

SAM US is an affiliate of the Manager. SAM US has its office, and all or substantially all of its assets, located outside of Canada. The Manager and the Trust may have difficulty enforcing any legal rights against SAM US.

Borrowing Arrangements and Use of Leverage

The Trust has no borrowing arrangements in place and is unleveraged. The Manager has no intention of using leverage (save for the short-term borrowings to settle trades).

³⁶ Formed in 2018; Approximately \$4.4 billion in NAV as of March 31, 2024

³⁷ Formed in 2012; Approximately \$0.1 billion in NAV as of March 31, 2024

Environmental, Social and Governance Considerations

The Manager believes it is part of its corporate responsibility to deliver returns by being a responsible investor and that integrating Environmental, Social and Governance (“**ESG**”) considerations into its investment decision-making process and active ownership practices are key tenets to being a responsible investor.

In addition, the Manager believes that participants in the copper trading market (other than end-users of copper) generally expect copper purchased over the facilities of the LME to possess the characteristics set out below. To the extent the copper traded does not possess the below characteristics, such copper typically trades at a discount to LME published prices. As such, the Manager believes that the below ESG principles are important to maintaining the value and liquidity of the Copper the Trust purchases and holds.

Specific ESG Considerations in the Procurement of Copper by the Trust

In accordance with the Manager’s commitment to incorporating ESG principles into its investment decision-making and active ownership practices, the Manager and Technical Advisor have committed to:

- Follow the LME’s rules on Responsible Sourcing for the procurement of LME-approved brands of Copper, which includes LME-monitored implementation and compliance with the OECD guidelines, maintaining an ISO 14001 compliant environmental management system as well as ISO 45001 compliant health and safety management system;
- Require suppliers of non-LME approved brands of Copper to use reasonable commercial efforts to comply with the Ten Principles of the UN Global Compact and the OECD Due Diligence Guidance for Responsible Mineral Supply Chain; and
- Procure Copper in compliance with applicable sanctions laws across the globe, including Canadian, U.S., U.K., or E.U. laws where required, and the sanctions-related policies of the CME and the LME.

The LME’s rules on Responsible Sourcing set out mandatory environmental, human rights and governance criteria that must be met for suppliers to be considered an LME-approved brand of Copper. Under the LME’s rules on Responsible Sourcing, suppliers are required to conduct a red flag assessment of their supply chain based on OECD guidelines and submit such assessment to the LME for a compliance review. The LME’s rules on Responsible Sourcing also require suppliers of LME-approved brands of Copper to obtain and maintain ISO 14001 and ISO 45001 (or equivalent) certifications. ISO 14001 and ISO 45001 are internationally recognized standards for environmental management systems and provide a framework for organizations to design and implement such systems. To obtain certifications under ISO 14001 and ISO 45001, an organization requires the implementation and maintenance of independently audited environmental management systems and occupational health and safety management systems, respectively. The LME may suspend or delist suppliers for non-compliance with its Responsible Sourcing rules.

Investors should refer to the publicly available materials published by the UN, OECD, CME and LME for further details on the UN Global Compact, OECD Due Diligence Guidance for Responsible Mineral Supply Chains, and sanctions policies of the CME and the LME. The Technical Advisor has also established internal policies and procedures that promote and support adoption and compliance with these standards, and is a member of the UN Global Compact.

Going forward, the Trust’s ESG considerations with respect to Copper procurement strategies may incorporate any changes or updates to the UN, OECD, CME and LME policies as well as changes to sanctions laws and the market practices of LME market participants more generally, in each case, with a view to ensuring the value and liquidity of the Copper that the Trust purchases and holds is maintained. To the extent there are any material changes in the ESG considerations that the Trust factors into its investment strategy and objectives, the Trust will disclose such changes and provide additional information on how such changes impact the investment strategies and objectives of the Trust.

The Trust further notes that the above ESG considerations are non-binding. However, the Manager and Technical Advisor are both committed to using reasonable commercial efforts to comply with these principles (as updated or revised from time to time).

OVERVIEW OF THE SECTOR THE TRUST INVESTS IN

Unless otherwise specified, in this “Overview of the Sector the Trust Invests In” section references to “copper” refers to physical copper metal in any form and references to “Copper” has the meaning ascribed thereto in the “Glossary of Selected Terms”.

Copper Industry

Copper is a metallic element that occurs naturally in sulfide, carbonate and silicate deposits.³⁸ Copper’s physical, chemical and aesthetic properties make it the material of choice in a diverse range of electrical, communication, construction, transportation, industrial machinery and equipment, and general consumer applications. These properties include:

- **Electrical conductivity:** Copper has the highest electrical conductivity of any non-precious metal. Because of its electrical conductivity, copper is often used in electrical wiring and conductors, and has become a key component in clean power generation technologies including solar, wind and batteries.
- **Heat conductivity:** Copper is one of the best performing metals for heat conductivity, leading to its frequent use in heat exchange equipment, radiators, and cooling systems.
- **Corrosion resistance:** Copper is naturally resistant to corrosion, making it suitable for use in marine and other challenging environments, such as underwater vessels, tanks, piping exposed to seawater, propellers, oil platforms and coastal power stations.
- **Malleability and ductility:** Copper can be shaped into various forms without breaking or compromising its performance, leading to its frequent use in the manufacturing of wiring, tubing, and other industrial components.
- **Strength:** Copper has sufficient strength and durability to withstand mechanical stresses without easily deforming or breaking, making it suitable for certain structural applications.
- **Antimicrobial properties:** Copper has antimicrobial properties which inhibit microorganism growth on its surface, allowing for use in healthcare, food processing and HVAC applications.

In addition, when alloyed with other metals, such as zinc (to form brass), aluminum or tin (to form bronzes), or nickel, copper acquires new characteristics for use in specialized applications such as shipbuilding, automobiles and home appliances.

Copper is typically produced into and sold in the form of cathodes for which globally accepted specification standards apply. Market quotations exist for the base price of copper on exchanges such as the LME and CME, which are further supplemented by cathode premia for specific locations and grades of copper. In 2023, global copper usage amounted to approximately 31.2Mt, making the copper market one of the largest base metals markets in the world.³⁹

³⁸ International Copper Study Group - The World Copper Factbook 2023

³⁹ CRU – March 2024

Copper Supply

Primary Copper Production

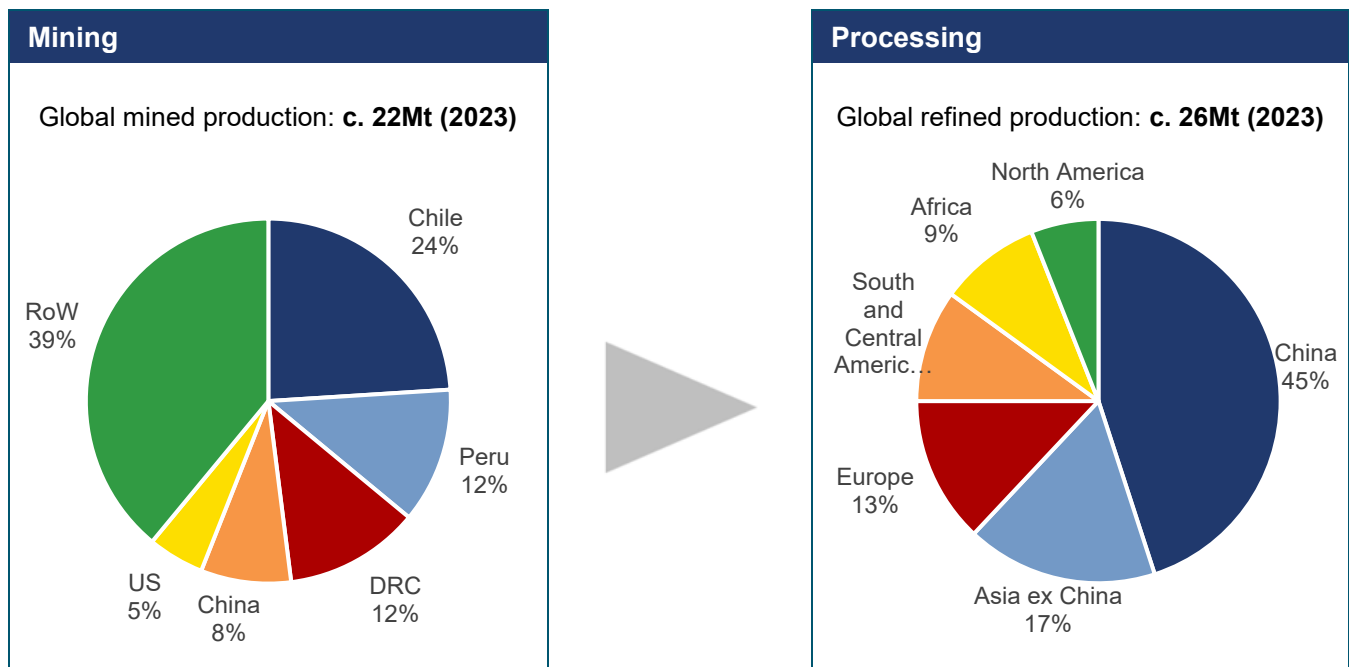
Copper production begins with the mining of copper-bearing ores. The most common form of copper mining is open-pit mining, particularly where the ore bodies are close to the Earth's surface. Underground mining is used where the ore bodies are deep below the Earth's surface. Once the copper-bearing ores are mined, there are two main processes for producing refined copper: ⁴⁰

- **Electro-refining process:** This process begins with the copper-bearing ore being crushed and ground, followed by a flotation process that produces copper concentrates. These concentrates typically have a copper content of approximately 30%. The copper concentrates then undergo smelting, sometimes with an initial roasting step, converting it into a 'matte' having 50-70% copper content. The matte is further refined in a converter to create blister copper, with an approximate 99% purity. The blister copper is then processed and casted into anodes for electro-refining, culminating in the production of refined copper cathodes with a purity of over 99.99%.
- **Hydrometallurgical process:** This process primarily focuses on extracting copper from low-grade oxide ores and, to a lesser extent, sulfide ores through a combination of leaching, solvent extraction and electrowinning. The hydrometallurgical process also results in the production of refined copper cathodes with a purity of over 99.99%.

In 2023, Chile produced approximately 24% of global mined copper production, the most of any country. Peru and the Democratic Republic of Congo each produced approximately 12% of global mined copper production, followed by China and the United States at approximately 8% and 5%, respectively.

In terms of refined copper, in 2023, approximately 45% of global production came from China.

Mined and Refined Production (Copper Contained)



Source: CRU – March 2024; Note: The difference between mined and refined production is due to direct use of copper scrap

⁴⁰ International Copper Study Group - The World Copper Factbook 2023

Secondary Copper Production

Secondary copper is produced by recycling copper scrap from copper discarded in fabrication and manufacturing processes as well as from obsolete end-of-life products. Once reprocessed, secondary copper cannot be distinguished from copper originating from ores.⁴¹ Recycling copper extends the lifecycle of the metal, results in energy savings and contributes to ensuring a sustainable source of metal supply for future use.

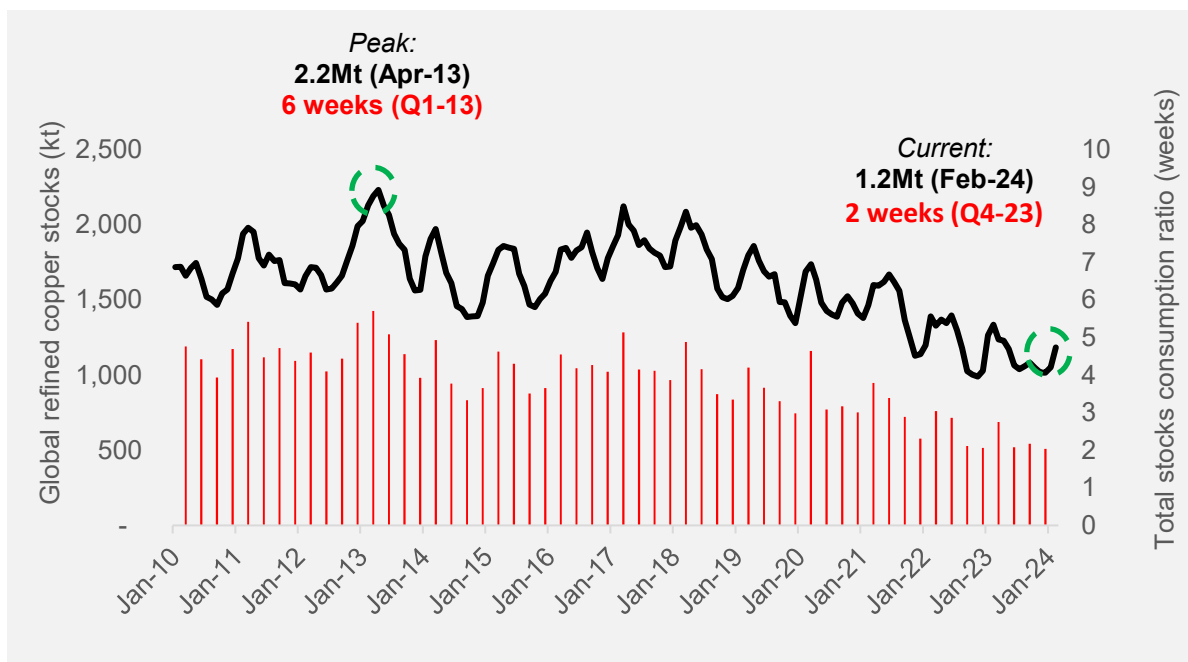
It is estimated that approximately 5.5Mt of copper scrap was consumed for direct-use in 2023, which amount is forecasted to grow at a compound annual growth rate (“**CAGR**”) of over 3.4% from 2023 through 2028.⁴² Although the secondary copper market is growing, it faces supply challenges due to the long lifecycle of primary copper currently in use. For instance, in traditional copper applications such as construction, the primary lifecycle of copper can be more than 30 years.

Copper Inventories

Copper supply is also impacted by commodity exchanges (e.g., the LME and CME) as well as commodity traders. Commodity exchanges are a key component of the copper market, as they provide pricing transparency as well as liquidity through warrants (i.e., a derivative trading product) that represent physical copper.

However, commodity exchange inventories do not result in a net increase of copper supply. Commodity exchange inventories act as a buffer, balancing short term supply and demand fluctuations. In addition, global refined copper stocks have fallen from a peak of approximately 2.2Mt in 2013, to 1.2Mt as of February 2024, with the timeline for inventory consumption down from six weeks in 2013, to two weeks as of the fourth quarter of 2023.⁴³

Global Total Stocks (Refined Copper)



Source: CRU – March 2024

⁴¹ International Copper Study Group - The World Copper Factbook 2023

⁴² CRU – March 2024

⁴³ CRU – March 2024

Supply Challenges

The global copper supply currently faces challenges, including due to declining ore grades of existing copper mines and the long lead time required for new mine developments. In addition, the ore bodies of existing copper mines have been declining in quality, which increases production costs and makes mine expansion challenging.⁴⁴

To maintain global copper supply, the development of new copper mines is necessary due to the limited potential for expansion of existing mining operations and the limited recycling options due to the long lifecycle of primary copper currently in use. However, obstacles such as high capital expenditure requirements, political risk, complex permitting processes, and infrastructure limitations hinder new mine development. On average, it takes over 16 years⁴⁵ to bring new mining projects from discovery to initial production, highlighting the substantial challenges facing the copper industry in meeting future demand. Moreover, given the history and maturity of the global copper mining industry, the Technical Advisor and the Manager believe that many desirable mine sites have already been discovered and developed leaving less desirable mine sites (e.g., in jurisdictions with higher political risk) available for development, which requires a higher market price environment to incentivize new development.

Copper Demand

Demand from Conventional Applications

Demand for copper arises from diverse industry sectors and end-uses, including:

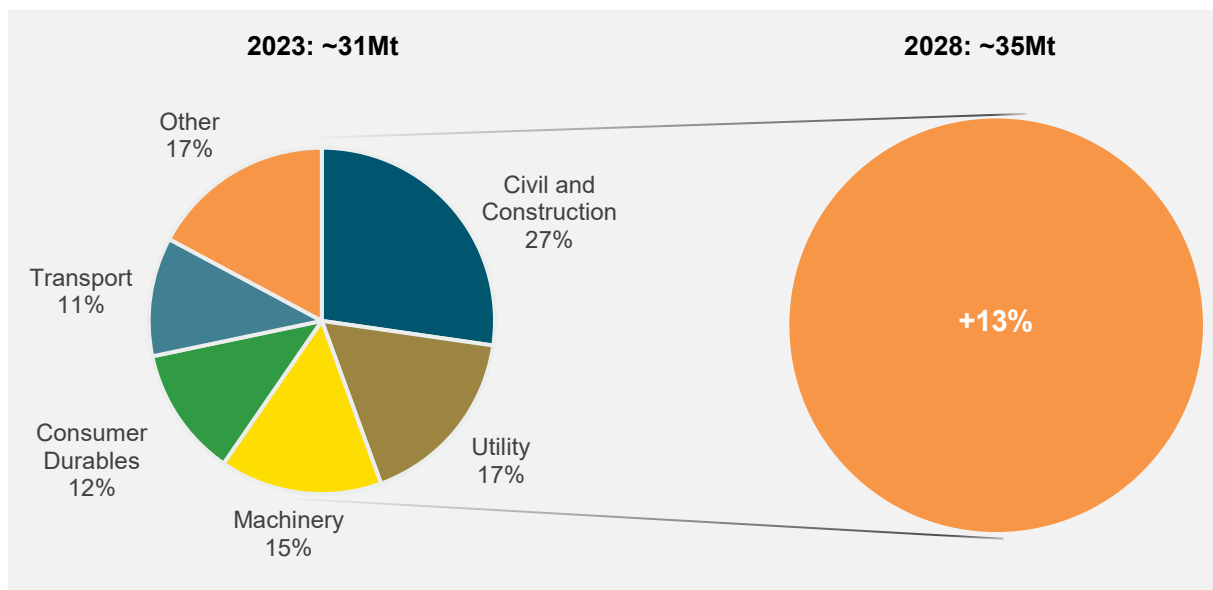
- **Construction:** A large source of demand for copper is the construction industry, where copper is used for its high electrical conductivity, corrosion resistance, and malleability, particularly in electrical wiring, plumbing, roofing and heating systems. Since copper has antimicrobial qualities, it is also often used for touch surfaces in public and healthcare settings.
- **Electronics and telecommunications:** Copper is a key component in the manufacturing of electronics and telecommunication equipment. Due to copper's high electrical conductivity, it is used in the manufacturing of computers, smartphones, televisions, printed circuit boards, connectors, and cables. Copper is also used in the manufacturing of telephone lines and data cables.
- **Transportation:** The automotive industry uses copper in the manufacturing of vehicles, particularly for electrical wiring, connectors, and motors. Copper is also used in the manufacturing of components for aircraft, trains and ships.
- **Industrial machinery and equipment:** Copper and its alloys are used in the production of industrial machinery and equipment, particularly in the electrical components that power electric motors, transformers, and generators.
- **Consumer products:** Copper is used in a wide array of consumer goods, including home appliances, cookware, and decorative items. Its high heat conductivity is ideal for cookware, and its aesthetic qualities make it a material of choice in home fixtures and other consumer goods.

In 2023, global copper consumption was approximately 31.2Mt. The civil and construction sector accounted for approximately 27% of global copper demand, followed by the utilities sector at approximately 17%, and the machinery sector at approximately 15%. Global demand for copper is correlated to GDP growth, with global copper consumption forecasted to increase to approximately 35Mt by 2028.

⁴⁴ S&P Global – The future of copper, July 2022

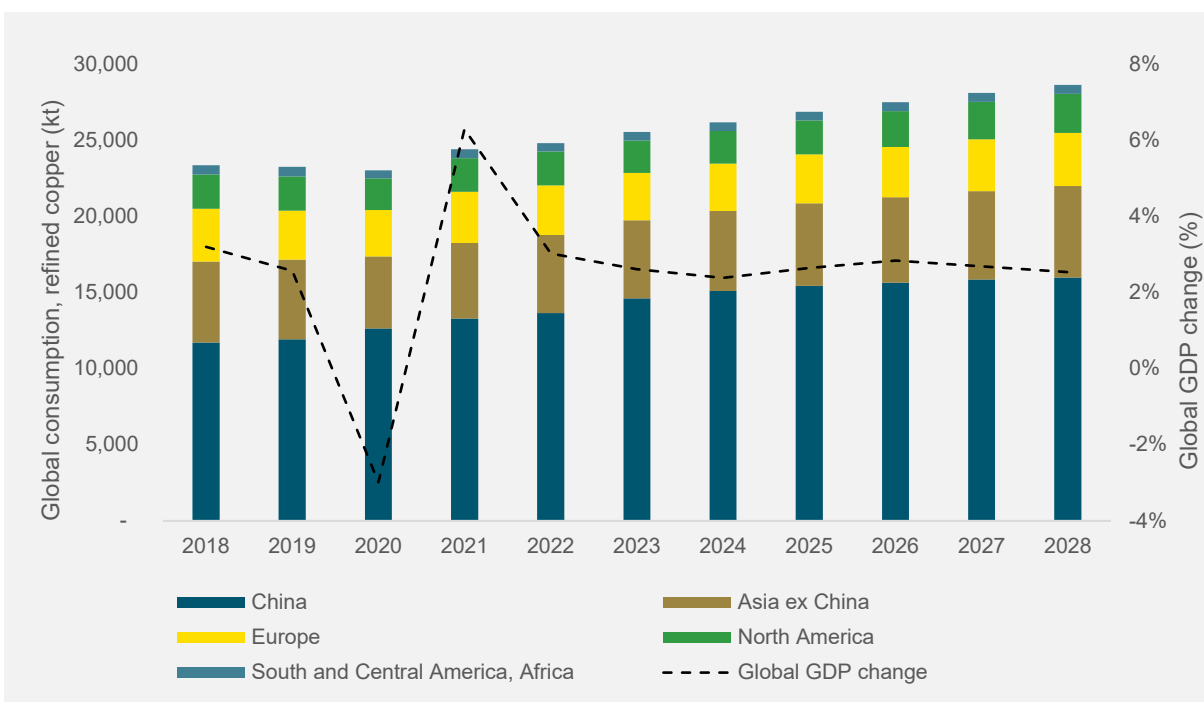
⁴⁵ IEA – The Role of Critical Minerals in Clean Energy Transitions

Global Copper Consumption (Copper Contained)



Source: CRU – March 2024

Global Refined Copper Consumption (Copper Contained) and Change in Global GDP



Source: CRU – March 2024

Demand from China

Geographically, most refined copper demand comes from China which represents approximately 57% of global market consumption. Copper plays an important role as a raw material in the construction of new buildings, especially for wiring, cabling and piping for water and heating. In recent years, activity in the real estate sector in China has slowed (in part due to China's population peaking) and, as a result, China's copper demand from traditional sectors has slowed. CRU projects short-term support to the sector through approximately US\$50 billion of funding towards key construction projects.

CRU forecasts China's GDP to grow at 4.8% in 2024, slightly below China's own target of 5%. Within the overall growth of the Chinese economy, various factors are expected to contribute positively to China's copper demand including: (i) electrification, specifically solar and wind electricity generation, and increasing demand for electric vehicles; (ii) consumer products like air conditioners and refrigerators (with generally increasing global temperatures expected to further increase demand); and (iii) China becoming a net exporter of semi-fabricated products including wires and cables. Overall, China's demand for refined copper is expected to grow by 3.2% in 2024.⁴⁶

Global Energy Transition

Under the Paris Climate Agreement, which was initially adopted in 2015, over 190 countries have committed to limiting global warming through the reduction of their respective GHG emissions. In addition, more than 140 countries, including China, the United States, as well as the European Union, have adopted "net zero" targets,⁴⁷ which means cutting GHG emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere by carbon dioxide removal.

The energy sector, which includes transportation, electricity and heating, buildings, manufacturing and construction, emits approximately 73% of the world's GHG emissions,⁴⁸ and as a result, there is pressure on energy producers and consumers to increase their use of renewable energy and other clean technologies. The International Energy Agency ("IEA") expects the percentage of renewable electricity generation to increase from 30% in 2022, to 50% by 2030, based on the latest global policy.⁴⁹⁵⁰

Global scale clean energy systems will require a constant supply of applicable raw materials, including copper, to enable clean energy applications and products. The IEA projects that by 2050, the demand for these critical raw materials for clean energy applications and products will increase by at least 350% in a "net zero" scenario.⁵¹ Among these critical raw materials, copper is essential to electricity grids as well as a key component in clean power generation technologies including solar, wind and batteries. For instance, offshore wind energy generation requires 8,000kg/MW of copper as opposed to only 1,100kg/MW of copper for energy generation powered by natural gas. It is estimated that the demand for copper used in the global energy transition (as a percentage of global copper demand) will increase from 10% in 2023 to 25% by 2030.⁵²

⁴⁶ CRU – March 2024

⁴⁷ United Nations – Net Zero Coalition

⁴⁸ World Resources Institute

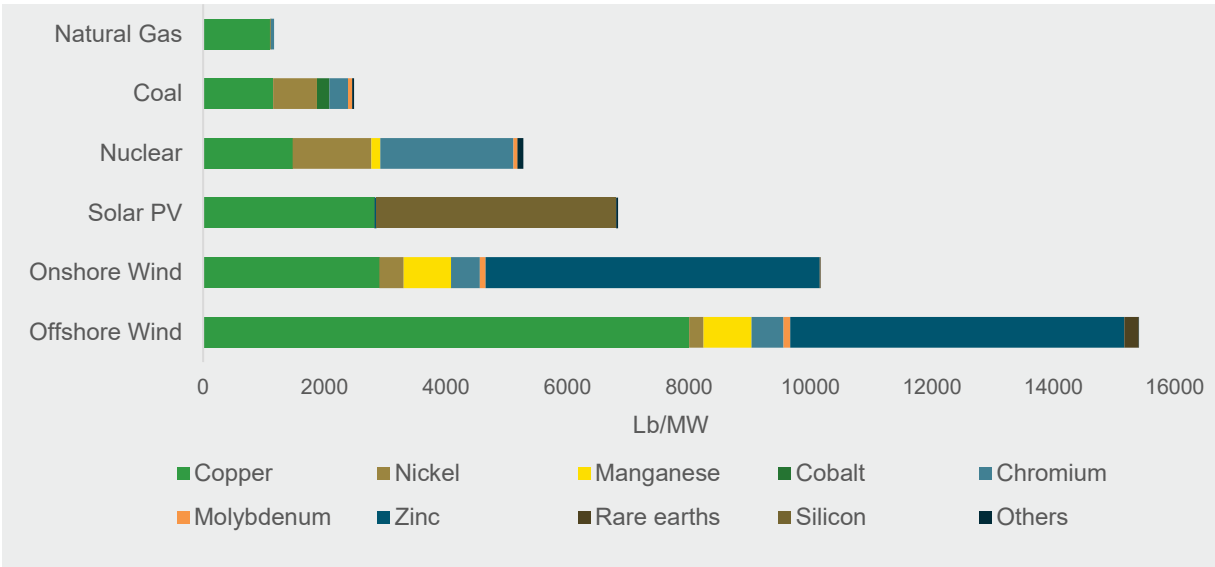
⁴⁹ International Energy Agency – World Energy Outlook 2023

⁵⁰ International Energy Agency – CO2 emissions in 2023

⁵¹ International Energy Agency – Critical Minerals Market Review 2023

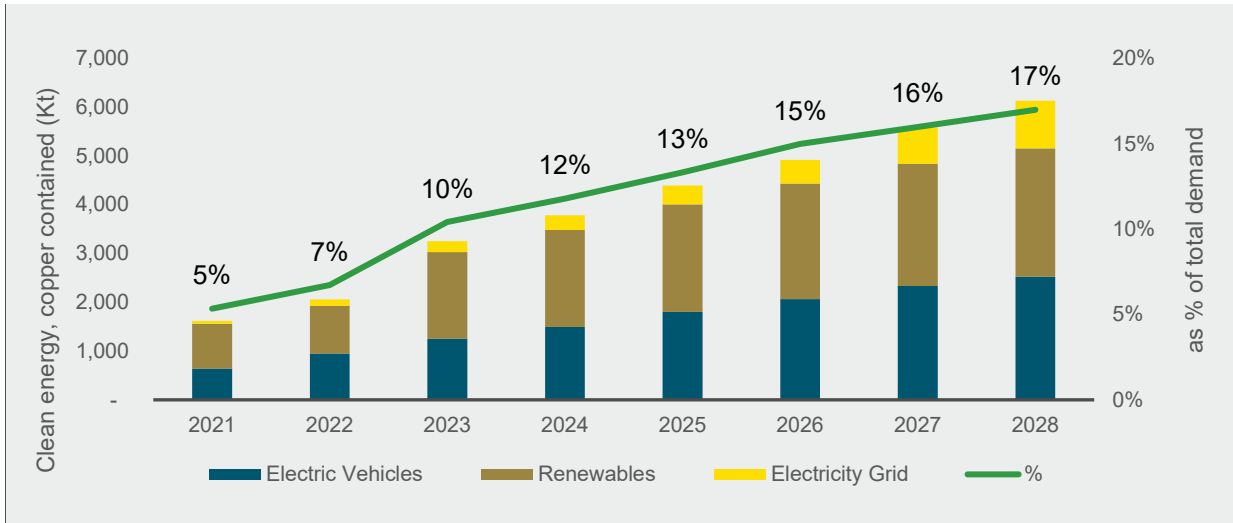
⁵² CRU – March 2024

Use of Raw Materials per MW of Energy Produced



Note: Minerals used in clean energy technologies compared to other power generation sources.
Source: IEA – International Energy Agency, 2021

Copper Demand for Clean Energy (Copper Contained)



Source: CRU – March 2024

Artificial Intelligence

Growth in the artificial intelligence sector is also expected to create additional demand for copper. The IEA projects that the artificial intelligence industry’s electricity consumption will grow tenfold from 2023 to 2026, forecasting an increase in demand from data centres, which utilize copper wiring and copper in their power and cooling systems to allow for additional computing capacity.⁵³

There are a range of estimates regarding increased copper demand arising from the growth in demand for data centres and artificial intelligence applications. Trafigura estimates artificial intelligence could add up to 1.0Mt of additional copper demand by 2030.⁵⁴ JP Morgan has estimated cumulative new copper demand of between 2.6 to 5.0Mt from data centres, forecasting that 86% of data centre growth will arise from artificial intelligence

⁵³ IEA – Electricity 2024

⁵⁴ Reuters, AI could add 1 million tons of copper demand by 2030 says Trafigura, April 2024

applications.⁵⁵ Bank of America estimates an additional 500Kt of copper demand from artificial intelligence by 2026, equivalent to a 2% uplift to 2023's 26Mt demand.⁵⁶

Limited Substitution Risk from Copper Alternatives

Although alternatives to copper exist for specific applications, there is no universal substitute for copper. The lack of copper substitutes arises due to its distinctive properties, including electrical and thermal conductivity, ductility, malleability, and corrosion resistance, in addition to considerations of cost and availability. However, in limited cases, aluminum and silver can be used as copper substitutes. Research conducted by CRU for the International Copper Association estimated that the total potential for copper substitution by 2035 will amount to approximately 1.7 percent of total global copper use.⁵⁷

Aluminum's electrical conductivity is 40% lower than copper. Consequently, aluminum conductors require larger diameters to accommodate equivalent electric currents compared to copper, resulting in bulkier installations. However, aluminum can be considered for certain applications due to cost considerations. Similar considerations apply to thermal conductivity, with aluminum demonstrating thermal conductive properties that fall short of copper's efficiency.⁵⁸

Silver has the highest electrical conductivity among all metallic elements; 3% higher than copper. Therefore, silver can be used as a substitute for copper in high-end electronics and specialized applications where maximal conductivity is essential. However, the higher cost associated with silver confines its use to specific use cases, and accordingly risk of copper substitution in existing applications is considered minimal.⁵⁹

⁵⁵ JP Morgan, Copper & AI the coming wave, March 2024

⁵⁶ Bank of America Global Research, Metals Strategist, 2024

⁵⁷ Exploring Substitution and Miniaturization Trends in Copper Demand: Reflections from ICA's "Focus on Substitution" Panel at the World Copper Conference – May 24, 2023

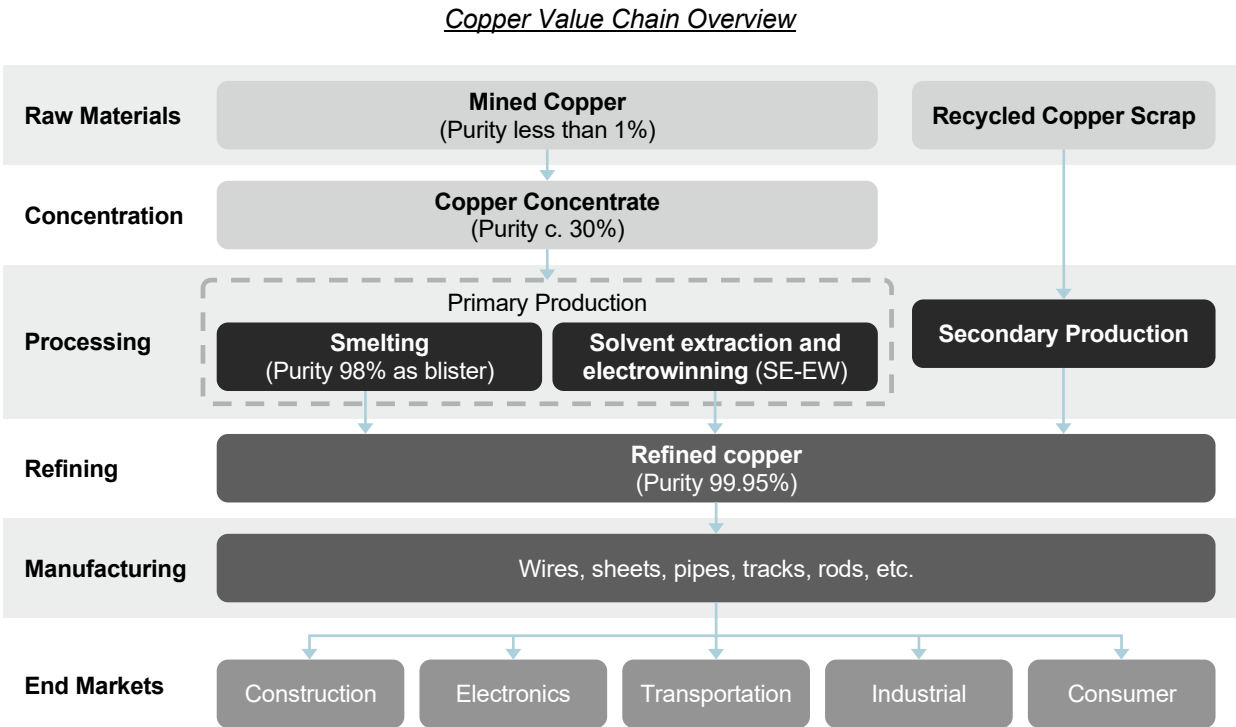
⁵⁸ Silver in Electronics: Exploring the Benefits and Future Trends – July 26, 2023

⁵⁹ Silver in Electronics: Exploring the Benefits and Future Trends – July 26, 2023

Supply and Demand

Copper Value Chain Overview

A schematic of the copper value chain is shown below.



Source: WMC Group, International Copper Study Group - The World Copper Factbook 2023

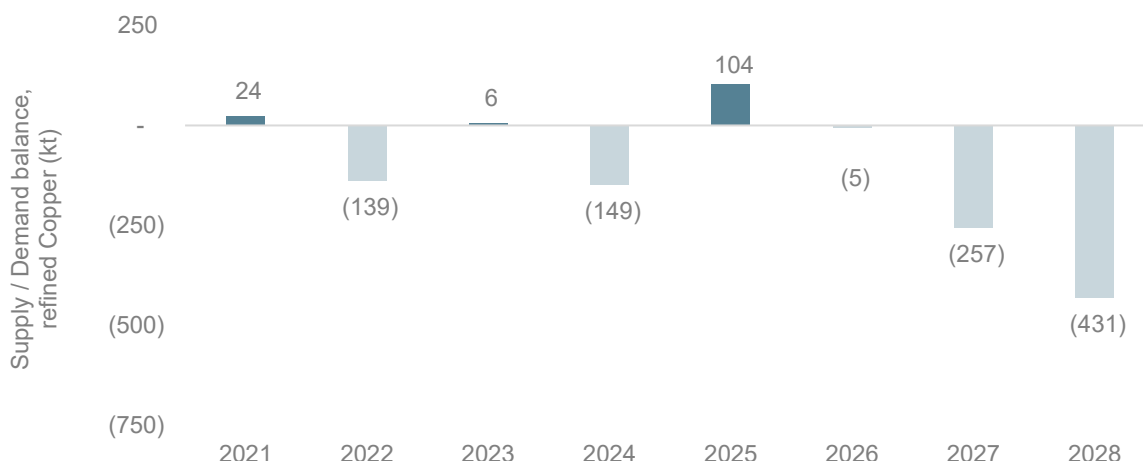
Supply and Demand Estimates⁶⁰

In 2023, copper supply and demand returned to relative equilibrium, following a supply deficit in 2022. Due to the supply deficit, copper prices on the LME reached a high of approximately US\$11,000 in the first quarter of 2022, before falling to approximately US\$8,000 in 2023.

From 2024 to 2026, the copper market is forecasted to be in a slight supply deficit, which deficit is expected to increase in subsequent years due to supply and demand dynamics. From 2027 to 2028, there may be a significant supply deficit driven by lower growth in copper supply.

⁶⁰ CRU – March 2024

Global Supply and Demand Balance (Refined Copper) and Price Forecast



Source: CRU – March 2024; Note: This graphic includes secondary supply of recycled copper scrap

Operation of the Copper Market

The copper market is one of the largest and most liquid base metal markets globally. For the North American market, COMEX (owned by CME) is the leading market venue for copper in the United States while the LME is the leading market venue for other regions, including Europe and Asia. Standards for copper have been established by CME (i.e., Grade 1 Cathode) and LME (i.e., Grade A Cathode) that are based on the chemical composition of the copper as recognized by market participants around the world. Any copper purchased by the Trust will be, at the time of purchase, either Grade 1 Cathode or Grade A Cathode, or equivalent quality of cathodes.

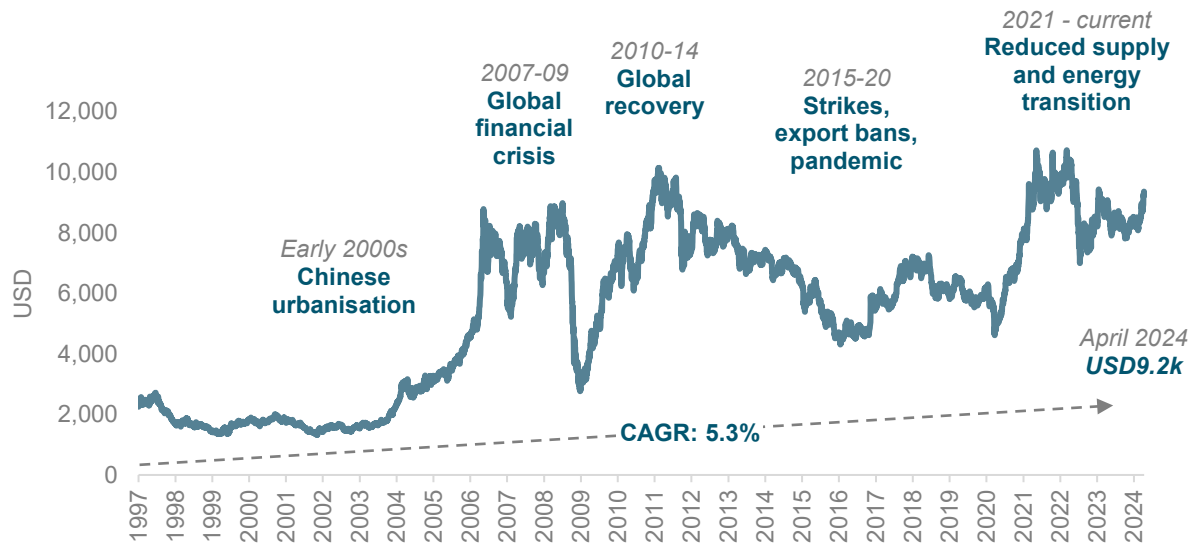
The LME and COMEX publish prices for copper on a daily basis. These prices are then generally subject to either a premium or discount, which is determined by various commercial and logistical factors. As copper is used in many different industrial processes, its location relative to the place of consumption is highly important for determining the premium or discount. Different premium levels are published by price reporters for different locations reflecting the supply and demand dynamics of the specific location. In addition, specific brands of copper can also trade at a premium or discount subject to a buyer's preference for that brand. Fundamentally, copper that is stored in a location that is low in supply and high in demand will carry a higher premium than copper that is stored in a location where supply is generally high and demand is low.

The Trust will purchase Grade A Cathodes or Grade 1 Cathodes. In addition, as described above in "Investment Strategies – Environmental, Social and Governance Considerations", the Manager and Technical Advisor are committed to incorporating ESG principles into the sourcing of the copper purchased for the Trust. This means that the Trust will follow the rules for Responsible Sourcing as set by the LME. For brands that are not approved by the LME, the Trust will only source such copper if the supplier guarantees to use reasonable commercial efforts to comply with the Ten Principles of the UN Global Compact and the OECD Due Diligence Guidance for Responsible Mineral Supply Chains. All procurement of copper by the Trust will comply with applicable sanctions laws.

Historical Prices

The chart below shows the historical performance of copper based on the official LME cash settlement price.

Historic Copper Cash Settlement Price, LME (USD)



Source: LME

From 2007 to 2009, the global financial crisis resulted in demand concerns and worldwide reduced consumption, creating downward pressure on copper prices. In the following years, copper prices recovered with the global economic recovery and reduced inventory levels.

From 2015 to 2020, mining strikes, export bans and the global pandemic had contrasting effects on copper prices, leading to relatively stable prices over this period.

Since 2021, copper prices have been trending upwards following the global energy transition and reduced supply of copper.

Investment Highlights

Copper Supply Challenges

The copper industry has supply challenges, including due to declining ore grades and quality, prolonged underinvestment, and extensive lead times required to open new mines. These challenges are compounded by demand growth, driven by continued Chinese industrialization, urbanization and increasingly, the global energy transition. This demand has strained current copper mining operations and the potential for expansion of existing mining operations is limited.

To address the need for increased copper supply, the development of new copper projects, both greenfield (new sites) and brownfield (expansions of existing sites), is required. However, obstacles such as high capital expenditure requirements, political risk, complex permitting processes, and infrastructure limitations hinder mine expansion and new mine development. According to the IEA, on average, it has taken more than 16 years to transition mining projects from discovery to initial production.⁶¹

⁶¹ IEA – The Role of Critical Minerals in Clean Energy Transitions

Copper: Essential to Energy Transition, Big Data and AI and other New Technologies

The global demand for copper is increasing with the pressure on energy producers and consumers to increase the use of clean energy technologies. Global scale clean energy systems require a constant supply of applicable raw materials, including copper, to enable production of clean energy applications and products. The IEA anticipates an 86% increase in global electricity consumption by 2050,⁶² and renewable energy systems and other clean technologies require significantly more copper than traditional energy sources. For example, wind energy generation requires almost eight times as much copper per megawatt than energy sources powered by natural gas.⁶³ Copper has been identified as a strategic raw material under the Critical Raw Materials Act in Europe⁶⁴, and a critical material for energy by the United States Department of Energy.⁶⁵

As mentioned above, growth in the artificial intelligence sector is also expected to create additional demand for copper. The IEA projects that the artificial intelligence industry's electricity consumption will grow tenfold from 2023 to 2026, forecasting an increase in demand from data centres, which utilize copper wiring and copper in their power and cooling systems to allow for additional computing capacity.⁶⁶

There are a range of estimates regarding increased copper demand arising from the growth in demand for data centres and artificial intelligence applications. Trafigura estimates artificial intelligence could add up to one million tonnes of additional copper demand by 2030.⁶⁷ JP Morgan has estimated cumulative new copper demand of between 2.6 to 5.0Mt from data centres, forecasting that 86% of data centre growth will arise from artificial intelligence applications.⁶⁸ Bank of America estimates an additional 500Kt of copper demand from artificial intelligence by 2026, equivalent to a 2% uplift to 2023's 26Mt demand.⁶⁹

Reduced Global Refined Copper Inventories

Global refined copper stocks peaked in 2013 at 2.2Mt. At the end of 2023, global refined copper stocks were 1.2Mt (representing approximately two weeks of consumption), limiting the ability for increased copper supply from such inventories.⁷⁰

Physical Copper Reduces Producer-Specific Risks

There are inherent risks in investing in copper producers. Global copper producers face a variety of challenges, from economic, environmental, social, natural disasters, and political issues, in addition to resource depletion, environmental damage, water scarcity, and local opposition. Investing in physical copper, conversely, reduces company-specific idiosyncratic risks, while maintaining exposure to copper price dynamics. In addition, most publicly traded producers are diversified and not pure-play copper producers.

Physical Copper Investments compared to Futures-Based Investments

The benefits of investing in physical copper, as opposed to investments in futures-based instruments, include:

- **Minimizing exposure to market contango:** As at May 10, 2024, the annualized one-year contango (based on the most liquid 3 month future) is 6%, which implies a minimum cost of carry (or investment loss) of 6%. For futures-based investments, this rolling carry cost is a fundamental part of the running costs of rolling an underlying futures portfolio in comparison to the more predictable cost base of a physical commodity holding trust.

⁶² IEA – World Energy Outlook 2023

⁶³ IEA – International Energy Agency, 2021

⁶⁴ European Commission, 2023 list of critical raw materials for the EU

⁶⁵ US Department of Energy, 2023 final critical materials list

⁶⁶ IEA – Electricity 2024

⁶⁷ Reuters, AI could add 1 million tons of copper demand by 2030 says Trafigura, April 2024

⁶⁸ JP Morgan, Copper & AI the coming wave, March 2024

⁶⁹ Bank of America Global Research, Metals Strategist, 2024

⁷⁰ CRU – March 2024

- **Reduced exchange liquidity and roll-risk:** The exposure to financial market disruptions exhibited by a futures exchange, the LME in particular, is reduced by holding (non-sanctioned) physical copper. An example of commodity market disruption was the forced suspension of nickel trading by the LME in March 2022 due to chaotic pricing and extreme volatility.⁷¹ An additional example is the U.K. and United States sanctioning Russian-origin metals, including copper, produced before April 13, 2024.⁷² Given that Russian-origin copper amounted to approximately 65% of on-warrant copper inventory of the LME, these sanctions could lead to increased uncertainty and liquidity challenges leading to futures roll-risk and potential additional friction costs to futures-only based investment vehicles in copper.
- **Redemption:** Futures-based investments don't provide the ability to redeem units for physical copper.
- **Potential for additional income:** The Trust has an ability to consider inbound requests involving the physical copper held by the Trust which could, for example, involve a request for the Trust to lend out a limited amount of physical copper inventory to creditworthy market participants for a limited period of time, which in turn leads to the generation of incremental income to investors.

⁷¹ Reuters Energy, LME nickel trading halted as big short hits big trouble, May 2022

⁷² LME

INVESTMENT RESTRICTIONS

Non-redeemable investment funds are subject to certain restrictions and practices contained in Securities Legislation, including NI 81-102, that are designed in part to ensure that the investments of the investment fund are diversified and relatively liquid and to ensure the proper administration of the investment fund. Subject to the specific exceptions from NI 81-102 set out under the section entitled “Exemptions and Approvals” of this prospectus, the Trust will be managed in accordance with these restrictions and practices.

In making investments on behalf of the Trust, the Manager is subject to certain investment and operating restrictions (the “**Investment and Operating Restrictions**”) set out in the Trust Agreement. The Investment and Operating Restrictions may not be changed without the prior approval of Unitholders in accordance with the Trust Agreement.

The Investment and Operating Restrictions are intended to be conducted in accordance with, among other things, the following investment and operating restrictions, and they provide that the Trust:

- (a) will invest in and hold a minimum of 90% of the total net assets of the Trust in Copper (whether in physical form or through Financial Instruments that represent Copper) and invest in and hold no more than 10% of the total net assets of the Trust, at the discretion of the Manager, in debt obligations guaranteed by the Government of the United States or a state thereof or by the Government of Canada or a province of Canada, short-term commercial paper obligations of a corporation or other person whose short-term commercial paper is rated R-1 (or its equivalent, or higher) by Dominion Bond Rating Service Limited or its successors or assigns or F1 (or its equivalent, or higher) by Fitch Ratings or its successors or assigns or A-1 (or its equivalent, or higher) by Standard & Poor’s or its successors or assigns or P-1 (or its equivalent, or higher) by Moody’s Investor Service or its successors or assigns, interest-bearing accounts and short-term certificates of deposit issued or guaranteed by a Canadian chartered bank or trust company, money market mutual funds, short-term government debt or short-term investment grade corporate debt, cash or other short-term debt obligations approved by the Manager from time to time (for the purpose of this paragraph, the term “short-term” means having a date of maturity or call for payment not more than 182 days from the date on which the investment is made), except during the 60-day period following the closing of the Offering or additional offerings or prior to the distribution of the assets of the Trust;
- (b) will not issue Units following the completion of the Offering except (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Net Asset Value per Unit prior to, or upon, the determination of the pricing of such issuance or (ii) by way of Unit distribution in connection with a distribution;
- (c) will not invest in Financial Instruments that represent Copper or that may be exchanged for Copper, other than for the purposes of Copper optimization transactions, including the use of futures, warrants, CME or LME warehouse receipts, and other financial instruments (collectively, “**Financial Instruments**”), to complement the Trust’s Copper procurement strategy, so long as these transactions provide value to the Trust and the risk associated with each transaction is minimized to the satisfaction of the Manager taking into account all relevant tax considerations. For the avoidance of doubt, Copper optimization transactions include futures contracts that correspond to a Copper purchase agreement;
- (d) may not lend Copper except to other market participants, of sufficient credit quality and/or with appropriate credit enhancing measures, so that the risk associated with any such transaction and to the Trust is minimized to the satisfaction of the Manager taking into account all relevant tax considerations;
- (e) will ensure that the storage of Copper is governed by agreements with the Facilities having generally customary terms for agreements of such nature;

- (f) subject to (e) above, will ensure that the Copper remains unencumbered;
- (g) will not guarantee the securities or obligations of any Person other than the Manager, and then only in respect of the activities of the Trust;
- (h) will not use leverage other than for short-term borrowings to settle trades;
- (i) in connection with requirements of the Tax Act, will not invest in any security that would be a tax shelter investment within the meaning of Section 143.2 of the Tax Act;
- (j) in connection with requirements of the Tax Act, will not invest in the securities of any non-resident corporation, trust or other non-resident entity (or of any partnership that holds such securities) if the Trust (or the partnership) would be required to include any significant amount in income under Sections 94, 94.1 or 94.2 of the Tax Act; and
- (k) in connection with requirements of the Tax Act, will not carry on any business and make or hold any investments that would result in the Trust itself being subject to the tax for SIFT trusts as provided for in Section 122 of the Tax Act.

FEES AND EXPENSES

This table lists the fees and expenses that the Trust expects to pay for the continued operation of its business, and that you may have to pay if you invest in the Trust. Payment of these fees and expenses will reduce the value of your investment in the Trust. You will have to pay fees and expenses directly if you redeem your Units.

Fees and Expenses Payable by the Trust

Type of Fee	Amount and Description
Management Fee and Additional Fees:	Pursuant to the Management Agreement, the ongoing operation of the Trust is managed by the Manager and the Trust will pay the Manager the Management Fee, which is equal to 1/12 of 0.50% of the NAV of the Trust plus any applicable federal and provincial taxes. The Management Fee shall be calculated and accrued daily and payable monthly in arrears on the last day of each month. In addition, the Manager will be entitled to: (i) the Procurement Fee, which is equal to 1.0% of the total purchase price of the Copper purchased or sold, less brokerage costs, plus any applicable federal and provincial sales taxes; and (ii) an Enhancement Fee, equal to 50% of the profit on all other transactions involving Copper, which are not outright purchases or sales of Copper, such as lending and exchange transactions. In addition to the Management Fee, Procurement Fees and Enhancement Fees, the Trust shall reimburse the Manager for all reasonable out-of-pocket expenses (plus applicable federal and provincial taxes) incurred by the Manager in accordance with the Management Agreement.
Technical Advisory Fees:	Fees payable to the Technical Advisor will be paid by, and be the sole responsibility of, the Manager. In addition, the Manager will reimburse the Technical Advisor for out-of-pocket expenditures (including, legal costs, costs for marketing materials and market data, and travel expenses) that are directly related to the Technical Advisory Services and which the Manager can recover from the Trust, including any such expenditures incurred prior to signing the Technical Advisory Agreement.
Operating Expenses:	<p>The Trust is responsible for paying the filing and listing fees of the applicable Securities Authorities and stock exchanges and the fees and expenses payable to the Registrar and Transfer Agent.</p> <p>Except as otherwise described in this prospectus, the Trust is responsible for all costs and expenses incurred in connection with the ongoing operation and administration of the Trust including, but not limited to: the fees and expenses payable to and incurred by the Trustee, the Manager, any Investment Manager, the Custodian, any sub-custodians, the Registrar and Transfer Agent, the Facilities (including the costs of all insurance policies obtained and administrative expenses incurred in connection with storing the Copper at such Facilities), the valuation agent of the Trust; transaction and handling costs for Copper; storage fees for Copper; counterparty fees; custodian settlement fees; legal, audit, accounting, bookkeeping and record keeping fees and expenses; costs and expenses of reporting to Unitholders and conducting Unitholder meetings; printing and mailing costs; filing and listing fees payable to applicable Securities Authorities and stock exchanges; other administrative expenses and costs incurred in connection with the Trust's continuous disclosure public filing requirements and investor relations; any applicable Canadian or foreign taxes payable by the Trust or to which the Trust may be subject; interest expenses and borrowing costs, if any; brokerage expenses and commissions; costs and expenses relating to the issuance of Units; costs and expenses of preparing financial</p>

Type of Fee**Amount and Description**

and other reports; any expenses associated with the implementation and ongoing operation of the Independent Review Committee; costs and expenses arising as a result of complying with all applicable laws; and any expenditures incurred upon the termination of the Trust.

Other Fees and Expenses:

The Trust is responsible for the fees and expenses of any action, suit or other proceedings in which, or in relation to which, the Trustee, the Manager, the Technical Advisor, the Facilities, any Investment Manager, the Custodian, any sub-custodians, the Registrar and Transfer Agent, the Valuation Agent or the Underwriters and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Trust.

The Trust intends to retain cash from the net proceeds of the offering in an amount equal to approximately 5% of the net proceeds of the Offering in order to provide available funds for its ongoing expenses and cash redemptions. From time to time, the Trust may sell Copper in order to replenish this cash reserve. There is no limit on the total amount of Copper that the Trust may sell in order to pay expenses. Under the Investment and Operating Restrictions, the Trust may hold up to 10% of its total net assets in cash or other specified non-Copper investments.

Fees and Expenses Payable Directly by Unitholders**Type of Fee****Amount and Description****Redemption and Delivery Costs:**

If you choose to receive Copper upon a redemption of Units, you will be responsible for the expenses incurred in connection with effecting the redemption (including, to the extent required (as determined by the Manager in its sole discretion), sales or other value-added taxes) and applicable transfer and delivery expenses, including the handling, logistical requirements and administration of the Copper Redemption Notice, the transfer of the Copper for the Units that are being redeemed and the applicable fees charged by the Designated Facility in connection with such redemption. See “Redemption of Units – Transfer of Copper to the Redeeming Unitholder”.

If you choose to receive cash upon a redemption of Units, you will be responsible for an administration fee payable to the Trust equal to the out-of-pocket fees, costs and expenses of the Trust associated with such redemption, including amounts payable under the Management Agreement in connection with the sale of Copper to fund the cash redemption amount, and a further administration fee payable to the Manager equal to 1.0% of the aggregate Class Net Asset Value of the redeemed Units. See “Redemption of Units – Redemptions for Cash”.

Other Fees and Expenses:

No charges will apply. If applicable, the Unitholders may be subject to brokerage commissions or other fees associated with trading the Units.

Fees and Expenses in Connection with the Offering

Type of Fee	Amount and Description
Fees Payable to the Underwriters for Selling the Units:	The Underwriters shall be entitled to a fee, equal to 5.0% of the gross proceeds raised from the sale of the Units. The Underwriters' commissions will be paid out of the proceeds of the Offering.
Expenses of the Offering:	The expenses of the Offering (including the costs of creating and organizing the Trust, the costs of preparing this prospectus, marketing expenses and other incidental expenses, filing and listing fees of the applicable Securities Authorities and stock exchanges, auditing, legal, translation and printing expenses) will be paid by the Trust. The Manager has agreed to reimburse the Underwriters for certain of the expenses paid by them. Excluding the Underwriters' commissions, the expenses of the Offering are expected to be approximately US\$1 million.

Additional Services

Additional services to be provided to the Trust by the Manager or any of its affiliates that have not been described in this prospectus must be on terms that are generally no less favorable to the Trust than those available from arm's length parties (within the meaning of the Tax Act) for comparable services. The Trust will pay all fees or expenses associated with such additional services. The introduction of any fees or expenses that are charged to the Trust which could result in an increase in charges to the Trust requires the prior approval of the Unitholders by an ordinary resolution.

No change in the basis of the calculation of the management fee or other fees or expenses that are charged to the Trust will be made which could result in an increase in charges to the Trust without the prior approval of the Unitholders, other than increased fees or expenses payable by the Trust to parties at arms' length to the Trust where Unitholders are given notice of such increased fees or expenses. The foregoing Unitholder approval is to be expressed by way of an ordinary resolution, which must be approved, in person or by proxy, by Unitholders holding Units representing in aggregate not less than 50% of the value of net assets of the Trust as determined in accordance with the Trust Agreement, at a duly constituted meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Unitholders holding Units representing in aggregate not less than 50% of the NAV as determined in accordance with the Trust Agreement.

RISK FACTORS

You should consider carefully the risks described below before making an investment decision. You should also refer to the other information included in this prospectus, including the Trust's financial statements and the related notes.

In addition to all other information set out in this prospectus, the following specific factors could materially adversely affect the Trust and should be considered when deciding whether to make an investment in the Trust and the Units. Other risks and uncertainties that we do not presently consider to be material, or of which we are not presently aware, may become important factors that affect the Trust's future financial condition and results of operations. The occurrence of any of the risks discussed below could materially adversely affect the business, prospects, financial condition, or results of operations of the Trust. The Units are only suitable for investors: (i) who understand the potential risk of capital loss; (ii) for whom an investment in the Units is part of a diversified investment program; and (iii) who fully understand and are willing to assume the risks involved in such an investment program. Prospective purchasers of Units should carefully consider the following risks before investing in the Trust and the Units.

A delay in the purchase by the Trust of Copper with the net proceeds of the Offering may result in the Trust purchasing less Copper than it could have purchased earlier.

The Trust intends to purchase Copper with the net proceeds of the Offering as described in this prospectus as soon as practicable; however, the Trust may not be able to immediately purchase all of the required Copper. If the price of Copper increases between the time of completion of the Offering and the time the Trust completes its purchases of Copper, whether or not caused by the Trust's acquisition of Copper, the amount of Copper that the Trust will be able to purchase will be less than it would have been able to purchase had it been able to complete its purchases immediately. In such a circumstance, the quantity of Copper purchased per Unit will be reduced, which will have a negative effect on the value of the Units.

The trading price of the Units could potentially be more volatile relative to NAV.

The trading price of the Units may become more volatile relative to NAV and could be impacted by various factors which may be unrelated or disproportionate to the price of Copper, including market trends and the sentiment of investors towards Copper.

An investment in the Trust will yield long-term gains only if the value of Copper increases in an amount in excess of the Trust's expenses.

The Trust will not actively trade Copper to take advantage of short-term market fluctuations in the price of Copper or generate other income. Accordingly, the Trust's long-term performance is dependent on the long-term performance of the price of Copper. As a result, an investment in the Trust will yield long-term gains only if the value of Copper increases in an amount in excess of the Trust's expenses.

The Trust may conduct further offerings of Units from time to time, at which time it will offer Units at a price that will be at or above the most recently calculated NAV at the time of the offering but that may be below the trading price of Units on the TSX at that time.

The Trust may conduct further offerings of Units from time to time. Under the provisions of the Trust Agreement, the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Net Asset Value of the Trust per Unit prior to, or upon, the determination of the pricing of such issuance, including any future at-the-market offerings of Units. Follow-on offerings of securities of issuers that are traded on an exchange are usually priced below the trading price of such securities at the time of an offering to induce investors to purchase securities in the follow-on offering rather than through the exchange on which such securities are traded. Consequently, the price to the public at which such Units are offered likely will be below the trading price of Units on the TSX at the time of the offering, which may have the effect of lowering the trading price of Units immediately after the pricing of such follow-on offering. In addition, if, and as long as the trading price of the Units is below NAV, it is unlikely that the Trust will be able to conduct a further offering of Units,

because the Trust Agreement governing the Trust provides such Units would have to be offered at a price above the trading price of Units. The Manager may, from time to time and in its sole discretion, pay some or all of the expenses associated with an offering of Units.

The trading price of Units on the TSX is not predictable and may be affected by factors beyond the control of the Trust.

The Trust cannot predict whether the Units will trade above, at or below NAV. The trading price of Units may not closely track the price of Copper, and Units may trade on the TSX at a significant premium or discount from time to time. In addition to changes in the price of Copper, the trading price of Units may be affected by other factors beyond the control of the Trust, which may include the following: macroeconomic developments in North America and globally; market perceptions of attractiveness of Copper as an investment; the lessening in trading volume and general market interest in the Units which may affect a Unitholder's ability to trade significant numbers of Units; and the size of the Trust's public float which may limit the ability of some institutions to invest in Units.

Price Reporters are used to calculate published NAV.

The value of Copper held by the Trust for the purposes of calculating the NAV of the Trust is based on the prices provided by widely recognized Price Reporters or an average of such services as directed by the Manager or the Technical Advisor. As the Trust's NAV is calculated using such Price Reporters (including an average thereof), it will not necessarily be reflective of the price of Copper available for purchase or sale. In addition, Copper can trade 24 hours a day and the Trust's NAV is calculated daily based on such Price Reporters. As such, the published NAV may not be reflective of market events and other developments that occur after the NAV pricing and publication and thus may not be reflective of the then-available market price or value of Copper.

Unitholders have no direct ownership interest in Copper.

An investment in Units does not constitute an investment by Unitholders in the Copper included in the Trust's investment portfolio. Unitholders will not have a direct ownership interest in the Copper held by the Trust. Accordingly, Unitholders will have no recourse or rights against the Copper held by the Trust.

Insurance policies procured by the Trust may not ultimately cover all losses suffered by the Trust.

While the Trust is required under the Exemptive Relief to maintain, and expects to maintain, at all times, a separate market standard insurance policy that insures the Copper held with a Warehouse Provider, Unitholders cannot be assured that such insurance policies will be sufficient to satisfy any or all losses incurred by the Trust or that coverage provided by such insurance policies will be applicable in all circumstances giving rise to losses suffered by the Trust, including, the exclusions from such policies such as losses, damages, liabilities and expenses related to war, chemical, biological and similar weapons, terrorism, and communicable diseases, among others.

In the event the Trust's Copper is lost, damaged, stolen or destroyed, recovery may be limited to the market value of the Copper at the time the loss is discovered.

If there is a loss due to loss, theft, damage, destruction or fraud or otherwise with respect to the Trust's Copper held by one of the Warehouse Providers and such loss is found to be the fault of the Facility, the Trust may not be able to recover more than the market value of the Copper at the time the loss is discovered. If the market value of Copper increases between the time the loss is discovered and the time the Trust receives payment for its loss and purchases Copper to replace the losses, less Copper will be acquired by the Trust and the value of the net assets of the Trust will be negatively affected.

The Trustee, Warehouse Providers, and other service providers engaged by the Trust may not carry adequate insurance to cover claims against them by the Trust.

Unitholders cannot be assured that the Trustee, Warehouse Providers, or other service providers engaged by the Trust will maintain any insurance with respect to the Trust's assets held or the services that such parties

provide to the Trust and, if they maintain insurance, that such insurance is sufficient to satisfy any losses incurred by them in respect of their relationship with the Trust. In addition, none of the Trust's service providers is required to include the Trust as a named beneficiary of any such insurance policies that are purchased. Accordingly, the Trust will have to rely on the efforts of the service provider to recover from their insurer compensation for any losses incurred by the Trust in connection with such arrangements. In addition, given that Warehouse Providers are located in foreign jurisdictions, the Trust may not be able to enforce any rights of recovery it may have against any Warehouse Provider in connection with losses suffered.

A redemption of Units for cash will yield a lesser amount than selling the Units on the TSX or another exchange or trading facility, if such a sale is possible.

The cash redemption value of the Units is based on 95% of the lesser of (i) the volume-weighted average trading price (in U.S. dollars) of the Units traded on the TSX, for the five trading days ending on the applicable Redemption Date; and (ii) the Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date, less an administration fee payable to the Trust equal to the out-of-pocket fees, costs and expenses of the Trust associated with such redemption, including amounts payable under the Management Agreement in connection with the sale of Copper to fund the cash redemption amount, and a further administration fee payable to the Manager equal to 1.0% of the aggregate Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date to offset the handling, logistical requirements and administration in connection with a redemption of Units for cash. Therefore, a redemption of Units for cash will yield a lesser amount than selling the Units on the TSX or another exchange or trading facility, if such a sale is possible. As such, Unitholders should consider the manner in which the cash redemption value is determined before exercising their right to redeem their Units for cash.

Cash Redemption Notices and Copper Redemption Notices are irrevocable.

In order to redeem Units, a Unitholder must provide a Cash Redemption Notice or a Copper Redemption Notice, as applicable, to the Registrar and Transfer Agent. Except when redemptions have been suspended by the Manager, once a Cash Redemption Notice or Copper Redemption Notice has been received by the Registrar and Transfer Agent, it cannot be revoked by the Unitholder under any circumstances, though it may be rejected by the Registrar and Transfer Agent if it does not comply with the requirements for a Cash Redemption Notice or Copper Redemption Notice, as applicable. See "Redemption of Units".

All redemption amounts will be determined using U.S. dollars, which will expose redeeming Canadian dollar denominated Unitholders to currency risk.

All redemption amounts will be determined using U.S. dollars. All redeeming Unitholders will receive any cash amount to which the Unitholder is entitled in connection with the redemption in U.S. dollars, and will be exposed to the risk that the exchange rate between the U.S. dollar and the other currency in which the Unitholder generally operates will result in a lesser redemption amount than the Unitholder would have received if the redemption amount had been calculated and delivered in Canadian dollars. In addition, because any cash as a result of the redemption will be delivered in U.S. dollars, the redeeming Unitholder may be required to open or maintain an account that can receive deposits of U.S. dollars.

The Trust's remedies against a Warehouse Provider that loses its CME or LME approved status may be limited.

In the event a Warehouse Provider has its CME or LME approval revoked, the Trust will endeavour to transfer the Copper stored with such Warehouse Provider to another Facility operated by a CME or LME approved Warehouse Provider as soon as practical. If such Warehouse Provider refuses to transfer the Copper, the Trust would seek to enforce its contractual rights and pursue available civil remedies but would not be able to avail of regulatory remedies to enforce the transfer. Until such time as the Copper was transferred, the Trust's Copper would remain at a Facility that is not subject to the requirements or oversight of the CME or LME, as applicable.

Because the Trust primarily invests in Copper, an investment in the Trust may be more volatile than an investment in a more broadly diversified portfolio.

The Trust will primarily be invested at all times in Copper. As a result, the Trust's holdings will not be diversified. Accordingly, the NAV may be more volatile than another investment vehicle with a more broadly diversified portfolio and may fluctuate substantially over time. An investment in the Trust may be deemed speculative and is not intended as a complete investment program. An investment in Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Trust. Investors should review closely the objective and strategy, the Investment and Operating Restrictions set out under the heading "Investment Restrictions" and the redemption provisions of the Trust as outlined herein, and familiarize themselves with the risks associated with an investment in the Trust.

The Trust's obligation to reimburse the Trustee, the Manager, the Underwriters or certain parties related to them for certain liabilities could adversely affect an investment in Units.

Under certain circumstances, the Trust might be subject to significant indemnification obligations in favor of the Trustee, the Manager or an Underwriter as a result of an offering or certain parties related to them. The Trust does not carry any insurance to cover such potential obligations and, to the Manager's knowledge, none of the foregoing parties are insured for losses for which the Trust has agreed to indemnify them. Any indemnification paid by the Trust would reduce the value of net assets of the Trust and, accordingly, the NAV.

Unitholders are not entitled to participate in management of the Trust.

Unitholders are not entitled to participate in the management or control of the Trust or its operations, except to the extent of exercising their right to vote their Units when applicable. Unitholders do not have any input into the Trust's daily activities.

The rights of Unitholders differ from those of shareholders of a corporation.

Because the Trust is organized as a trust rather than a corporation, the rights of Unitholders are set forth in the Trust Agreement rather than in a corporate statute. This means that Unitholders do not have the statutory rights normally associated with the ownership of shares in an Ontario corporation. For example, the Trust is not subject to minimum quorum requirements, is not required to hold annual meetings, and has no officers or directors. Unitholders have the right to vote on matters brought before Unitholders in accordance with the Trust Agreement but do not have a right to elect the Manager, though Unitholders do have the right to remove the Manager in certain circumstances. In addition, Unitholders do not have the right to bring "oppression" or "derivative" suits.

Substantial redemptions of Units may affect the liquidity and trading price of Units and increase the *pro rata* expenses per Unit.

Notwithstanding that aggregate redemptions shall not exceed 1.5% of NAV on each Redemption Date, substantial redemptions of Units could result in a decrease in the trading liquidity of the Units and increase the amount of Trust expenses allocated to each remaining Unit. Such increased expenses may reduce the Net Asset Value and the Net Asset Value per Unit.

The Trust may be subject to taxation in the jurisdictions in which it acquires, stores or sells Copper.

The Trust may acquire, store, and sell Copper in various foreign jurisdictions outside of Canada and around the world. It is possible the Trust may be subject to direct or indirect taxes in any of these jurisdictions, which taxes, if they were to apply, would increase the Trust's expenses. Further, tax laws and regulations in such jurisdictions are subject to differences in interpretation or change, either on a prospective or retroactive basis, and there can be no guarantee that applicable tax authorities would agree with the Trust's position as to the application or non-application of any particular tax. To the extent any such direct or indirect taxes are applied to the Trust in the

future and / or applicable tax authorities disagree with the Trust's position as to the applicability of a particular tax, the Trust's business, financial condition and results of operations could be materially and adversely affected.

Fluctuation in foreign exchange rates may have an adverse effect on the Trust and on the trading price of Units.

The Trust maintains its accounting records, purchases Copper and reports its financial position and results in U.S. dollars. Because certain of the Trust's expenses are paid in Canadian dollars and the local currencies applicable in the Storage Jurisdictions and jurisdictions from which the Trust purchases Copper, some of which may be subject to significant volatility, any increase in the value of the Canadian dollar or other local currencies would increase the reported expenses of the Trust that are payable in Canadian dollars or the local currency, which could result in the Trust being required to sell more Copper to pay its expenses. Further, such appreciation could adversely affect the Trust's reported financial results, which may have an adverse effect on the trading price of Units.

The value of the Units relates directly to the value of Copper held by the Trust, and fluctuations in the price of Copper could materially adversely affect an investment in the Units.

The principal factors affecting the value of the Units are factors that affect the price of Copper. Copper is traded internationally and its price is generally quoted in U.S. dollars. The price of the Units will depend on, and typically fluctuate with, the prices of Copper. The Manager expects the price of Copper may be affected at any time by many international, economic, monetary and political factors, many of which are unpredictable. These factors include, without limitation:

- Copper demand, especially from China and from the global energy transition;
- global supply and demand, which is influenced by such factors as: (i) forward selling of Copper by Copper producers; (ii) purchases made by Copper producers to unwind Copper hedge positions; (iii) production and cost levels in major Copper-producing countries; (iv) new production projects; and (v) industrial demand for Copper;
- investors' expectations for future inflation rates;
- exchange rate volatility of the U.S. dollar, the principal currency in which the price of Copper is generally quoted;
- interest rate volatility; and
- unexpected global, or regional, political or economic incidents.

Changing tax, royalty, land and mineral rights ownership and leasing regulations in countries in which Copper is produced may have an impact on market functions and expectations for future Copper supply. This can affect both share prices of Copper mining companies and the relative prices of other commodities, which are both factors that may affect investor decisions in respect of investing in Copper.

The Copper market is volatile and cyclical and consumption of Copper is influenced by global economic growth, trends in industrial production, conditions in the housing and automotive industries, economic growth in China, which is the largest consumer of refined Copper in the world, and the energy transition away from traditional sources to alternative, sustainable and less carbon intensive sources which inherently utilize more Copper. Notably, China is increasingly seeking strategic self-sufficiency in key commodities, including investments in existing businesses or new developments in other countries. These investments may adversely impact future Copper demand and supply balances and prices. Should demand weaken and consumption patterns change, in particular if consumers seek out lower cost substitute materials, the price of Copper could be materially adversely affected, which could negatively affect the Trust's business and results of operations.

The current trading prices of Copper may not be sustained.

The Manager anticipates that the price of Copper going forward and, in turn, the future NAV and the NAV per Unit, will be dependent upon factors such as global Copper supply and demand, investors' inflation expectations, exchange rate volatility and interest rate volatility. An adverse development with regard to one or more of these factors may lead to a decrease in Copper trading prices. A decline in prices of Copper would decrease the NAV and the NAV per Unit.

Natural disasters, unusually adverse weather, cyber incidents, boycotts and geo-political events could materially adversely affect the operations of the Trust or the Copper owned by the Trust.

The occurrence of one or more natural disasters, such as fires, hurricanes and earthquakes, unusually adverse weather, cyber incidents such as ransomware attacks, boycotts and geo-political events, such as civil unrest and acts of terrorism (including cyber terrorism or other cyber incidents), or similar disruptions could materially adversely affect the supply, transportation, storage, and demand for Copper, which may result in an adverse effect to the value of the Copper held by the Trust or the operations of the Manager, Technical Advisor and other service providers. These events could result in physical damage to property, an increase in energy prices, temporary or permanent closure of one or more of the Facilities, temporary lack of an adequate workforce in a market, temporary or long-term disruption in the supply of or demands for Copper, temporary disruption in transport, or disruption to information systems relied upon by the Manager and Technical Advisor, each of which may have an adverse effect on the operations of the Trust and the value of the Trust's Copper.

Global events outside the Trust's control may adversely affect the Trust's business, financial condition and results of operations.

The Trust cautions that global events outside the Trust's control may have a significant negative effect on the Trust and may negatively impact the Trust's business, financial condition and results of operations, including the ability of the Trust to provide services. The success of the Trust's activities may be affected by general market conditions, the outbreak of pandemics or contagious diseases, armed conflict, interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. Examples of recent global events include the COVID-19 pandemic, Russia's invasion of Ukraine, the Israel-Hamas war and conflict between Israel and Iran. In addition, unexpected volatility or illiquidity could have a significant negative effect on the Trust. These as well as other global or macroeconomic events may also result in market uncertainty, which could have a material adverse impact on taxation, liquidity of Units and other Unitholder rights generally.

Operational and similar risks faced by producers of Copper may adversely affect the global supply of Copper, which in turn may adversely affect the Trust's ability to procure Copper and, consequently, could impact the value of the Units.

The Trust's ability to procure Copper is generally contingent on there being a sufficient supply of Copper. The global supply of Copper is subject to numerous risks, including operational and similar risks associated with developing and operating mining properties, including the following: insufficient copper reserves; increased capital or operating costs; declines in the price of copper; construction or development delays; operational disruptions, including those caused by pandemics or other global or local health crises; inability to obtain or maintain necessary permits; inability to replace or increase reserves as properties are mined; inability to maintain, or challenges to, exploration or mining rights; changes in mining taxes and royalties payable to governments; significant changes to environmental, permitting, or other regulatory requirements; challenges to operations, permits, or mining rights by local communities, indigenous populations, non-government organizations, or others; litigation between operators and third parties relating to the properties; community or civil unrest, including protests and blockades; labour shortages, increased labor costs, labor disputes, strikes, or work stoppages; fires, explosions, or other industrial accidents; injuries to humans, property, or the environment; natural catastrophes and environmental hazards such as earthquakes, droughts, floods, forest fires, hurricanes, weather, or climate events; physical effects of climate change and regulatory changes designed to reduce the effects of climate change; uncertain political and economic environments; economic downturns; insufficient financing or inability to obtain financing; default by an operator on its obligations to us or its other creditors;

insolvency, bankruptcy, or other financial difficulty of the operator; changes in laws or regulations or the enforcement of laws or regulations; unavailability of mining, drilling, or other equipment; unanticipated geological conditions or metallurgical characteristics; unanticipated ground or water conditions, including lack of access to sufficient water; inadequate supplies of power or other raw materials; or pit wall or tailings dam failures or underground stability issues.

The occurrence of any of these events could adversely impact operations at mining properties that produce Copper, which, in turn, could impact the global supply of Copper and the Trust's ability to source, purchase, transport or trade Copper. In these circumstances, the Trust may face delays when purchasing Copper, be unable to purchase Copper, or may procure Copper at a higher cost than the market price for such Copper at the time of the Offering (or any subsequent offering of Units). In the event the Trust is delayed or unable to procure Copper with the funds raised in the Offering (or subsequent offerings of Units), the value of the Units may be adversely affected.

The CRA tax treatment of realized gains and losses.

The CRA has expressed the opinion that gains (or losses) resulting from certain transactions in commodities should generally be treated for purposes of the Tax Act as being derived from an adventure in the nature in trade, so that, subject to the particular facts, such transactions give rise to ordinary income rather than capital gains. As the Manager intends for the Trust to be a long-term holder of Copper and generally does not anticipate that the Trust will sell its Copper (other than where necessary to fund expenses of the Trust), the Manager anticipates that the Trust generally will treat gains (or losses) as a result of dispositions of Copper as capital gains (or capital losses), although depending on the circumstances, it may instead include (or deduct) the full amount of such gains or losses in computing its income. See "Material Canadian Federal Income Tax Considerations – Canadian Taxation of the Trust". If any transactions of the Trust are reported by it on capital account but are subsequently determined by the CRA to be on income account, there may be an increase in the net income of the Trust for tax purposes and the taxable component of any amounts distributed to Unitholders, with the result that Canadian unitholders could be reassessed by the CRA to increase their taxable income by the amount of such increase, and Non-Canadian unitholders potentially could be assessed directly by the CRA for Canadian withholding tax on the amount of net gains on such transactions that were treated by the CRA as having been distributed to them. The CRA can assess the Trust for a failure of the Trust to withhold tax on distributions made by it to Non-Canadian unitholders that are subject to withholding tax, and typically would do so rather than assessing the Non-Canadian unitholders directly. Accordingly, any such re-determination by the CRA may result in the Trust being liable for unremitted withholding taxes on prior distributions made to Unitholders who were not resident in Canada for the purposes of the Tax Act at the time of the distribution. As the Trust may not be able to recover such withholding taxes from the Non-Canadian unitholders, payment of any such amounts by the Trust would reduce the NAV and could reduce the trading prices of Units. See "Material Canadian Federal Income Tax Considerations – Canadian Taxation of Unitholders – Unitholders Not Resident in Canada".

The Trust will not qualify as a "unit trust" or a "mutual fund trust" as defined in the Tax Act

Although interests in the Trust are described by reference to units, the Trust will not be a "unit trust" and therefore will not be a "mutual fund trust", each as defined in the Tax Act. The failure of the Trust to qualify as a "mutual fund trust" will give rise to certain additional risks and uncertainties relating to the Trust and to the Trust Unitholders. Certain of these risks are set out below.

Deemed disposition

If the Trust does not qualify as a unit trust, within the meaning of the Tax Act, on the day that is 21 years after the date of its creation (or on each 21 year anniversary day thereafter) the Trust may be deemed at that time to have disposed of, and reacquired, certain capital property for fair market value for the purposes of the Tax Act. Accordingly, the Trust would be subject to tax under Part I of the Tax Act on the taxable capital gains arising from such deemed disposition, including the deemed disposition of Copper then held by the Trust, less the portion thereof that it claims in respect of amounts paid or payable to the Unitholders in the taxation year. Pursuant to the Trust Agreement, the Trust shall take such steps as necessary or advisable so that the Trust

may qualify as a “unit trust” for purposes of the Tax Act prior to April 11, 2045, as determined by the Manager in its discretion. If such event does not occur, the adverse income tax considerations applicable to the Trust could be material.

Election concerning “Canadian Securities”

Unitholders who are residents of Canada for the purposes of the Tax Act are generally entitled to make an irrevocable election under subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property any “Canadian security”, as defined in the Tax Act, owned by such investor in the taxation year in which the election is made and in all subsequent taxation years. So long as the Trust is not a “mutual fund trust” within the meaning of the Tax Act, Units will not constitute “Canadian securities” for the purposes of subsection 39(4), and therefore Unitholders will not be eligible to benefit from deemed capital gains treatment under subsection 39(4) in respect of such Units.

If the Trust were to carry on a business in Canada in a taxation year or acquire securities that were “non-portfolio properties”, it could become subject to tax at full corporate tax rates on some or all of its income for that year.

The Manager anticipates that the Trust will make sufficient distributions in each year of any income (including taxable capital gains) realized by the Trust for Canadian tax purposes in the year so as to ensure that it will not be subject to Canadian income tax on such income. Such income generally will become subject to Canadian income tax at full corporate rates if the Trust becomes a “SIFT trust”, as defined in the Tax Act, even if distributed in full. If the Trust, contrary to its investment restrictions, were to carry on a business in Canada in a taxation year and use its property in the course of any such business, or acquire securities that were “non-portfolio properties”, it could become a SIFT trust. The anticipated activities of the Trust, as described in this prospectus, are intended to avoid having the Trust characterized as a SIFT trust. The CRA may take a different (and adverse) view of this issue and characterize the Trust as a SIFT trust. If the Trust were a SIFT trust for a taxation year of the Trust, it would effectively be taxed similarly to a corporation on income and capital gains in respect of such non-portfolio properties at a combined federal/provincial tax rate comparable to rates that apply to income earned and distributed by Canadian corporations. Distributions of such income received by Unitholders would be treated as dividends from a taxable Canadian corporation. The likely effect of the SIFT rules on the market for Units and on the Trust’s ability to finance future acquisitions through the issue of Units or other securities is uncertain. If the SIFT rules were to apply to the Trust, they may adversely affect the marketability of the Units, the amount of cash available for distribution, and the after-tax return to Unitholders.

If the Trust experiences a “loss restriction event” (as defined in the Tax Act) it could result in unintended tax consequences for Unitholders.

The Tax Act contains loss restriction rules that could result in unintended tax consequences for Unitholders, including an unscheduled distribution of income or capital gains that must be included in a Unitholder’s income for Canadian income tax purposes. If the Trust experiences a “loss restriction event”, it will: (i) be deemed to have a year-end for Canadian tax purposes whether or not the Trust has losses (which would trigger a distribution of the Trust’s net income and net realized capital gains to Unitholders to ensure that the Trust itself is not subject to tax on such amounts); and (ii) the Trust will become subject to the Canadian loss restriction rules that generally apply to corporations, including a deemed realization of any unrealized capital losses and disallowance of its ability to carry forward capital losses. Generally, the Trust will be subject to a loss restriction event if a person becomes a “majority-interest beneficiary”, or a group of persons becomes a “majority-interest group of beneficiaries”, of the Trust, as those terms are defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of a Trust is a beneficiary in the income or capital, as the case may be, of the Trust who, together with the beneficial interests of persons and partnerships with whom the beneficiary is affiliated, has a fair market value that is greater than 50% of the fair market value of all the interests in the income or capital, as the case may be, of the Trust. A loss restriction event could occur because a particular Unitholder or an affiliate acquires Units. Please see “Material Canadian Federal Income Tax Considerations — Canadian Taxation of Unitholders” for the tax consequences of a distribution to Unitholders.

Tax laws could change in a manner that adversely affects the Trust and Unitholders.

Statements herein concerning the Canadian federal income taxation of the Trust and Unitholders are of a general nature and are based upon current tax law and published practice. There can be no assurance that Canadian federal income tax laws, the judicial interpretation thereof, the terms of any applicable tax treaty or the administrative policies and assessing practices of the CRA will not be changed in a manner that adversely affects the Trust or Unitholders. Any such change may increase the amount of tax payable by the Trust, could otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment applicable to Unitholders in respect of such distributions, and could apply with retrospective or retroactive effect.

The investment objectives and restrictions of the Trust and the attributes of a particular class or series of a class of Units may be changed by way of an extraordinary resolution of all Unitholders and Unitholders of such class or series of a class of Units, respectively.

The investment objectives and restrictions of the Trust and the attributes of a particular class or series of a class of Units may be changed with the approval, in person or by proxy, of all Unitholders and Unitholders of that class or series of a class, as the case may be, representing in aggregate not less than 66 2/3% of Net Asset Value or that class or series of a class of the Trust, respectively, as determined in accordance with the Trust Agreement, at a duly constituted meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Unitholders representing in aggregate not less than 66 2/3% of the Net Asset Value or of that class or series of a class of the Trust, as determined in accordance with the Trust Agreement. Such changes to the investment objectives or restrictions of the Trust or the attributes of the Units may be more favorable or less favorable to Unitholders than the investment objectives or restrictions of the Trust or the attributes of the Units, as the case may be, as described in this prospectus. The value of the Units sold in a future offering of the Trust may decrease as a result of such changes.

The sale of Copper by the Trust to pay expenses and to cover certain redemptions will reduce the amount of Copper represented by each Unit on an ongoing basis irrespective of whether the trading price of the Units rises or falls in response to changes in the price of Copper.

Each outstanding Unit will represent an equal, fractional, beneficial interest in the net assets of the Trust attributable to the Units. As the Trust does not expect to generate any net income and will sell Copper over time on an as-needed basis to pay for its ongoing expenses and to cover certain redemptions, the amount of Copper represented by each Unit will, and the NAV per Unit may, gradually decline over time. This is true even if additional Units are issued in future offerings of Units by the Trust from time to time, as the amount of Copper acquired by the proceeds of any such future offering of Units will proportionately reflect the amount of Copper represented by such Units. Assuming constant Copper prices, the trading price of the Units would be expected to gradually decline as the amount of Copper represented by the Units gradually declines. The Units will only maintain their original value if the price of Copper increases enough to offset the Trust's expenses.

Investors should be aware that the gradual decline in the amount of Copper held by the Trust will occur regardless of whether the trading price of the Units rises or falls in response to changes in the price of such. The estimated ordinary operating expenses of the Trust, which accrue daily commencing after the first day of trading of the Units on the TSX, are described under the heading, "Fees and Expenses".

The sale of the Trust's Copper to pay expenses or to cover certain redemptions at a time of low Copper prices will adversely affect the Net Asset Value.

The Manager intends to sell Copper held by the Trust in proportion to the value of its Copper holdings (to the extent practicable) to pay Trust expenses or to cover certain redemptions on an as-needed basis irrespective of then-current prices of such, and no attempt will be made to buy or sell Copper to protect against or to take advantage of fluctuations in the prices of Copper. Consequently, the Trust's Copper may be sold at a time when Copper prices are low. Sales at relatively lower prices for such Copper will require the sale of more Copper, which in turn will have an adverse effect on the NAV and the NAV per Unit.

The lack of a market for the Units may limit the ability of Unitholders to sell the Units.

Prior to the date of this prospectus, there has been no market for the Units. An active public market for the Units may not develop. If an active public market for the Units does not develop or continue, the market prices and liquidity of the Units may be adversely affected.

The Trust may terminate and liquidate at a time that is disadvantageous to Unitholders.

If the Trust is required to terminate and liquidate, or the Manager determines to terminate and liquidate the Trust, such termination and liquidation could occur at a time which is disadvantageous to Unitholders, such as when Copper prices are lower than the prices for such Copper at the time when Unitholders purchased their Units. In such a case, when the Trust's Copper are sold as part of the Trust's liquidation, the resulting proceeds distributed to Unitholders will be less than if the prices for such Copper were higher at the time of sale. In certain circumstances, the Manager has the ability to terminate the Trust without the consent of Unitholders. The Manager's interests may differ from those of the Unitholders, and the Manager may terminate the Trust at a time that is not advantageous for the Unitholder.

Unitholders may be liable for obligations of the Trust to the extent the Trust's obligations are not satisfied out of the Trust's assets.

The Trust Agreement provides that no Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Trust and all such persons will look solely to the Trust's assets for satisfaction of claims of any nature arising out of or in connection therewith. Also, under the *Trust Beneficiaries' Liability Act, 2004* (Ontario), holders of Units of a trust governed by the laws of the Province of Ontario that is a reporting issuer under the *Securities Act* (Ontario) (as the Trust will be on the issuance by Canadian securities regulatory authorities of a receipt in respect of the final prospectus filed in respect of the offering) are not, as beneficiaries, liable for any act, default, obligation or liability of the trust. Notwithstanding the above, there is a risk that a Unitholder could be held personally liable for obligations of the Trust to the extent that claims are not satisfied out of the assets of the Trust if a court finds: (i) that Ontario law does not govern the ability of a third party to make a claim against a beneficiary of a trust and that the applicable governing law permits such a claim; or (ii) that the Unitholder was acting in a capacity other than as a beneficiary of the trust. In the event that a Unitholder should be required to satisfy any obligation of the Trust, under the Trust Agreement, such Unitholder will be entitled to reimbursement from any available assets of the Trust.

Canadian registered plans that redeem their Units for Copper may be subject to adverse consequences.

Copper received by a Canadian registered plan, such as a registered retirement savings plan, on a redemption of Units for Copper will not be a qualified investment for such plan. Accordingly, such plans (and in the case of certain plans, the annuitants or beneficiaries thereunder or holders thereof) may be subject to adverse Canadian tax consequences including, in the case of registered education savings plans, revocation of such plans.

The Trust may suspend redemptions, which may affect the trading price of the Units.

In certain circumstances, the Manager, on behalf of the Trust, may suspend the right of Unitholders to request a redemption of their Units or postpone the date of delivery or payment of the redemption proceeds of the Trust (whether Copper and/or cash, as the case may be) with the prior approval of Canadian securities regulatory authorities having jurisdiction, where required. Such circumstances include any period during which the Manager determines that conditions exist which render impractical the sale of assets of the Trust or which impair the ability of the Manager to determine the value of the assets of the Trust or the redemption amount for the Units. See "Redemption of Units – Suspension of Redemptions". This may affect the trading price of the Units at a time when an investor wishes to sell its Units on the TSX or another exchange or trading facility. Accordingly, Units may not be an appropriate investment for investors who seek immediate liquidity.

The market for Units and the liquidity of Units may be adversely affected by competition from other methods of investing in Copper.

The Trust will compete with other financial vehicles, including traditional debt and equity securities issued by companies in the resource industry and other securities backed by or linked to Copper, direct investments in

Copper and investment vehicles similar to the Trust. Market and financial conditions, and other conditions beyond the Manager's control, may make it more attractive to invest in other financial vehicles or to invest in Copper directly, which could limit the market for the Units and reduce the liquidity of the Units and, accordingly, the price received for sales of Units on the TSX.

The Manager and its affiliates also manage other funds that may invest in Copper and conflicts of interest by the Manager or its affiliates may occur.

Pursuant to the Management Agreement and the Trust Agreement, the Manager is responsible for the day-to-day business and operation of the Trust and, therefore, exercises significant control over the Trust. The Manager may have different interests than the Unitholders and consequently may act in a manner that is not advantageous to Unitholders at any particular time.

The Manager and its general partner, the general partner's directors and officers, and their respective affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that invest in producers, warehousemen, brokers, distributors or end-users of Copper. The Manager currently manages other investment funds which may include Copper as part of their portfolios from time to time. The staff of the Manager may have conflicts in allocating their time and services among the Trust and the other accounts, funds or trusts managed by the Manager.

DISTRIBUTION POLICY

Distribution of Net Income and Net Realized Capital Gains to Unitholders

As at the Valuation Time on the last Valuation Date in each taxation year or such other date as the Manager may, in its sole discretion determine (a “**Distribution Date**”), the Manager shall determine the amount of the net income and the net realized capital gains of the Trust for the period since the immediately preceding Distribution Date (or in the case of the first Distribution Date, from the inception date of the Trust).

The net income and the net realized capital gains of the Trust shall be computed as of the Valuation Time on each Distribution Date in accordance with the following:

“net income” for any taxation year of the Trust shall be the net income for the year determined pursuant to the provisions of the Tax Act having regard to the provisions thereof that relate to the calculation of income of a trust, other than subsection 104(6), and taking into account such adjustments thereto as are determined by the Manager; provided, however, that capital gains and capital losses shall be excluded from the computation of net income.

“net realized capital gains” of the Trust for any taxation year of the Trust shall be determined as the amount, if any, by which the aggregate of the capital gains of the Trust in the taxation year exceeds:

- (a) the aggregate of the capital losses of the Trust in the taxation year; and
- (b) the amount determined by the Manager in respect of any unapplied net capital losses or non-capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for the applicable taxation year and provided that, in the sole discretion of the Manager, the net realized capital gains of the Trust for a taxation year may be calculated without subtracting the full amount of the net capital losses or any non-capital losses of the Trust carried forward from previous taxation years.

Commencing with the Trust’s first taxation year, anticipated to end on December 31, 2024, the Manager intends to cause the Trust to make distributions to Unitholders of net income, if any, for each taxation year calculated in accordance with the Trust Agreement.

Commencing with the first taxation year, anticipated to end on December 31, 2024, the Manager also intends to cause the Trust to make distributions to Unitholders of net realized capital gains, if any, for each taxation year as determined in accordance with the Trust Agreement. If the Trust qualifies as a mutual fund trust as defined in the Tax Act throughout a taxation year, the amount of net realized capital gains to be distributed to Unitholders for such year shall be reduced to take into account the Trust’s entitlement to a capital gains refund, if any. All such distributions to Unitholders, including the amount of net income and net realized capital gains, as applicable, payable to each Unitholder, are in the discretion of the Trustee, acting on the direction of the Manager.

Having regard to the present intention of the Manager to allocate, distribute and make payable to Unitholders all net income or net realized capital gains so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year (other than alternative minimum tax), it is the intention of the Manager that the total amount due and payable on the last Distribution Date in any taxation year shall not be less than the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the Tax Act for such year (other than alternative minimum tax) after taking into account the Trust’s entitlement to a capital gains refund, if any.

The Manager may direct that such distribution or payment shall be due and payable by the Trust in cash or in additional Units. Where distributions are payable in additional Units, the Registrar and Transfer Agent, acting on the direction of the Manager, may round up or round down the number of Units in order to avoid the Trust issuing fractional Units. Any additional Units that are issued in this manner shall be of the same class or series of a class at a price equal to the Net Asset Value per Unit as at the Valuation Time on the applicable Distribution Date and the Units shall be immediately consolidated so that the number of outstanding Units following the distribution shall equal the number of Units outstanding prior to the distribution, and the Manager is hereby irrevocably

constituted attorney for each Unitholder to so apply such distributions on behalf of each Unitholder on the relevant Distribution Date. Notwithstanding the foregoing, where Canadian tax is required to be withheld in respect of a Unitholder's share of a distribution paid in Units, the consolidation will result in such Unitholder holding that number of Units equal to the product of (i) the sum of the number of Units held by such Unitholder prior to the distribution and the number of Units received by such Unitholder in connection with the distribution (net of the total of the number of whole or fractional Units withheld by the Trust to satisfy the Trust's withholding obligations and the number of whole or fractional Units withheld on account of the reasonable expenses incurred in respect of the sale of such Units withheld on account of withholding taxes); and (ii) a quotient, the numerator of which is the aggregate number of Units outstanding prior to the distribution, and the denominator of which is the aggregate number of Units that would be outstanding following distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Unitholders. Such Unitholder will be required to surrender the Unit certificates, if any, representing such Unitholder's original Units in exchange for a Unit certificate representing such Unitholder's post-consolidation Units.

Distributions, if any, of net income or net realized capital gains will be made to Unitholders who were Unitholders of record as of 5:00 p.m. (Toronto time) on the last Business Day prior to any relevant Distribution Date. The amounts to be paid to a Unitholder shall be the amount of net income or net realized capital gains divided by the total number of Units outstanding on the Distribution Date, multiplied by the number of Units held by such Unitholder on the applicable Distribution Date and the Unitholder shall have the right to enforce payment thereof on the Distribution Date.

All distributions, if declared and paid, shall be converted into and, if a cash distribution, paid in United States currency.

Additional Distributions, Designations, Determinations, Allocations and Elections

In addition to any distributions made to Unitholders as described above, on the direction of the Manager, the Trust shall at such times and in such manner as directed by the Manager make such additional distributions of monies or properties of the Trust including, without restriction, returns of capital, in such amounts per Unit, payable at such time or times and to Unitholders of record on such Distribution Date, as from time to time may be determined by the Manager, and also make such designations, determinations, allocations and elections for tax purposes of amounts or portions of amounts which it has received, paid, declared payable or allocated to Unitholders and of expenses incurred by the Trust and of tax deductions of which the Trust may be entitled, as the Manager may, in its sole discretion, determine.

Withholding Taxes

The Manager will deduct or withhold from distributions payable to any Unitholder all amounts required by applicable law to be withheld from such distributions, whether such distributions are in the form of cash, additional Units or otherwise. In the event of a distribution in the form of additional Units, the Manager may sell Units of such Unitholder to pay such withholding taxes and to pay all reasonable expenses in respect of such sale and the Manager will have the power of attorney of such Unitholder to do so. Any such sale will be made in compliance with applicable Securities Legislation on any stock exchange on which the Units are then listed and upon such sale, the affected Unitholder will cease to be the holder of such Units. In the event that the net proceeds of any such sale of a Unitholder's Units exceed the statutory withholding required and the reasonable expenses incurred in respect of such sale, the Manager will remit such excess to the Unitholder.

Income Tax Statements

On or before March 31 in each year, or in the case of a leap year on or before March 30 in such year, if applicable, or as otherwise required, the Manager will prepare and deliver or make available electronically, or cause to be prepared and delivered or be made available electronically, to Unitholders information pertaining to the Trust, including all distributions, designations, determinations, allocations and elections, which is required by the Tax Act or which is necessary to permit Unitholders to complete their individual income tax returns for the preceding year.

In the event that amounts that were allocated, distributed or paid to Unitholders as capital gains or as non-taxable payments are, for any reason, subsequently determined (including as a result of an assessment or reassessment by any taxation authorities) to have been fully includible in the taxable income of the Trust for the relevant taxation year, then the Manager shall have the discretion to declare that all or part of such amounts shall be retroactively deemed to have been allocated, distributed and paid to Unitholders out of the income of the Trust, and the Manager may issue new or amended tax reporting slips to the relevant Unitholders or former Unitholders to report any such distributions to them.

Unclaimed Distributions

In the event that the Registrar and Transfer Agent holds distributions which are unclaimed or which cannot be paid for any reason, the Registrar and Transfer Agent will not be under any obligation to invest or reinvest the same but will administer such unclaimed amounts as directed by the Manager in accordance with applicable laws. Any Unitholder making a claim in respect of any amount payable pursuant to the Trust Agreement is required to give notice in writing of such claim to the Registrar and Transfer Agent and/or the Manager no later than the second anniversary of the date on which the amount was payable. Such notice must set out the basis for the claim, the amount claimed and the specific grounds for the claim. The Registrar and Transfer Agent will, unless otherwise required by applicable law, pay over to the Trust any such amounts which have been held for more than six years. The Trust will indemnify and save harmless the Registrar and Transfer Agent in respect of any claim made for such amounts.

PURCHASES OF UNITS

Prospective purchasers may purchase Units through any one of the Underwriters or any member of a selling-group that the Underwriters may form. Prospective purchasers may acquire Units by cash payment only. Closing will take place on or about June 6, 2024, or such later date as may be agreed upon by the Trust and the Underwriters, but, in any event, not later than June 20, 2024. The Offering Price was determined by negotiation between the Underwriters and the Trust. See “Plan of Distribution”.

CONSOLIDATED CAPITALIZATION

The following table sets forth the capitalization of the Trust as of April 19, 2024, both before and after giving effect to the Offering (assuming no exercise of the Underwriters' over-allotment option). There have been no significant changes to the Trust's capitalization since April 19, 2024.

Designation	Authorized	As of April 19, 2024	As of April 19, 2024 after giving effect to the Offering⁽¹⁾
Units.....	Unlimited	US\$10 (1 Unit)	US\$94,000,000 (10,000,000 Units)
Total Capitalization		US\$10	US\$94,000,000

Notes:

- (1) After deducting the estimated underwriting commissions and estimated applicable expenses of the offering payable by the Trust.

MATERIAL CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel for the Trust, and McCarthy Tétrault LLP, counsel to the Underwriters, the following is, as of the date hereof, a general description of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a purchaser who acquires, as beneficial owner, Units pursuant to this prospectus and who, at all relevant times, deals at arm's length and is not affiliated with the Trust or the Underwriters and holds Units as capital property. Units will generally be considered capital property to a Unitholder unless the Unitholder holds the Units in the course of carrying on a business of trading or dealing in securities or has acquired the Units in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This description is not applicable to a Unitholder: (i) that is a "financial institution"; (ii) that is a "specified financial institution"; (iii) that has elected to determine its Canadian tax results in accordance with the "functional currency" rules; (iv) an interest in which is a "tax shelter investment"; (v) who enters into a "derivative forward agreement" with respect to the Units; or (vi) is an "authorized foreign bank" (as all such terms are defined in the Tax Act). This description assumes that the Trust is not subject to a "loss restriction event", as defined in the Tax Act. In addition, this description does not address the deductibility of interest by a Unitholder who has borrowed to acquire Units. All such Unitholders should consult with their own tax advisors.

This description is also based on the assumption (discussed below under "SIFT Trust Rules") that the Trust will at no time be a "SIFT trust" as defined in the Tax Act.

This description is based on the current provisions of the Tax Act, the regulations thereunder, all specific proposals to amend the Tax Act and the regulations publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and counsel's understanding of the current administrative policies of the CRA, published in writing prior to the date hereof. There can be no assurance that the Tax Proposals will be implemented in their current form or at all, nor can there be any assurance that the CRA will not change its administrative policies. This description further assumes that the Trust will comply with the Trust Agreement and that the Manager and the Trust will comply with a certificate issued to Canadian counsel regarding certain factual matters. Except for the Tax Proposals, this description does not otherwise take into account or anticipate any change in the law, whether by legislative, governmental or judicial decision or action, which may adversely affect any income tax consequences described herein, and does not take into account provincial, territorial or foreign tax considerations, which may differ significantly from those described herein.

This description is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of Units will vary depending on a taxpayer's particular circumstances. Accordingly, this description is of a general nature only and is not intended to constitute legal or tax advice to any Unitholder or prospective purchaser of Units. You should consult with your own tax advisors about the tax consequences of an investment in Units based on your particular circumstances.

For the purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Units (including distributions, adjusted cost base and proceeds of disposition), or to transactions of the Trust, must be expressed in Canadian dollars. Amounts denominated in U.S. dollars must be converted into Canadian dollars using the rate of exchange quoted by the Bank of Canada on the day on which the amount first arose or such other rate of exchange as is acceptable to the CRA.

Status of the Trust

Although interests in the Trust are described by reference to units, the Trust is not a "unit trust" as defined in the Tax Act and therefore is not a "mutual fund trust" as defined in the Tax Act. The consequences of not qualifying as a mutual fund trust under the Tax Act are described below under the heading "Canadian Taxation of the Trust".

Pursuant to the Trust Agreement, the Trust shall take such steps as necessary or advisable so that the Trust may qualify as a "unit trust" for purposes of the Tax Act prior to April 11, 2045, as determined by the Manager in its discretion. If such event does not occur, the adverse income tax consequences applicable to the Trust could

be material. The discussion of Canadian tax consequences herein describes the tax consequences of the Trust not qualifying as a unit trust and a mutual fund trust, as is currently the case, and does not anticipate any changes to the status of the Trust.

Canadian Taxation of the Trust

The Trust will generally be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of amounts paid or payable to the Unitholders in such taxation year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid in that year by the Trust or the Unitholder is entitled in that year to enforce payment of such amount.

In computing its income for purposes of the Tax Act, the Trust may deduct reasonable administrative costs and other reasonable expenses incurred by it for the purpose of earning income. However, because the Trust does not qualify as a unit trust, it may not deduct from its income for the year any expenses incurred by it to issue the Units.

Subject to certain Tax Proposals announced in the Federal Budget on April 16, 2024 (the “**Budget 2024 Tax Proposals**”), one-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Trust in a taxation year must be included in computing the Trust’s income for the year, and one-half of the amount of any capital loss (an “**allowable capital loss**”) realized by the Trust in a taxation year must be deducted against any taxable capital gains realized by the Trust in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Trust to the extent and under the circumstances described in the Tax Act. Because the Trust will not qualify as a mutual fund trust, it will not be entitled to reduce (or receive a refund in respect of) its liability, if any, for any tax arising on its capital gains for a particular taxation year.

Pursuant to the Budget 2024 Tax Proposals, subject to certain transitional rules, the portion of a capital gain or capital loss included in the taxable capital gain or allowable capital loss of the Trust will be increased from one-half to two-thirds in respect of dispositions made by the Trust on or after June 25, 2024. These proposals are discussed in more detail below under “Canadian Taxation of Unitholders – Unitholders Resident in Canada”.

The CRA has expressed the opinion that gains (or losses) of trusts resulting from transactions in commodities should generally be treated for purposes of the Tax Act as being derived from an adventure in the nature in trade, so that such transactions give rise to ordinary income rather than capital gains — although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances. In the view of Canadian counsel, the holding by the Trust of Copper generally with no intention of disposing of such Copper (other than on a redemption of Units or to fund expenses) likely would not represent an adventure in the nature of trade so that a disposition of Copper that previously had been acquired with such intention would likely give rise to a capital gain (or capital loss) to the Trust. As the Manager intends for the Trust to be a long-term holder of Copper and does not anticipate that the Trust will sell its Copper (otherwise than where necessary to fund expenses of the Trust), the Manager anticipates that the Trust generally will treat gains (or losses) as a result of dispositions of Copper as capital gains (or capital losses), although depending on the circumstances, the Trust may instead include (or deduct) the full amount of such gains or losses in computing its income. If the CRA were to assess or reassess the Trust on the basis that gains realized on dispositions of Copper were not on capital account, then the Trust could be required to pay Canadian income tax on such gains under Part I of the Tax Act to the extent such gains were not distributed to Unitholders, which could reduce the NAV for all Unitholders.

Gains or losses of the Trust in respect of derivatives will generally be on income account except where such derivatives are used to hedge investments or other transactions on capital account and there is sufficient linkage to such investments or other transactions, in which case such gains or losses will be treated as capital gains or capital losses, subject to certain rules in the Tax Act (the “**DFA Rules**”) that target certain financial arrangements (defined in the DFA Rules as “derivative forward agreements”) that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income into capital gains. The DFA Rules are broad in scope and could apply to other types of agreements or transactions. If the DFA Rules were to apply in respect of derivative contracts entered into by the Trust, gains

realized in respect of the property underlying such derivatives could be treated as ordinary income. However, the DFA Rules generally should not apply to foreign currency hedging transactions in respect of properties held by the Trust as capital properties.

Losses incurred by the Trust in a taxation year cannot be allocated to Unitholders, but may be deducted by the Trust in future years in accordance with the detailed rules in the Tax Act.

Having regard to the Trust Agreement, the Trust is required to make distributions in each year to Unitholders in an amount sufficient to ensure that the Trust will generally not be liable for tax under Part I of the Tax Act in any year. Income of the Trust payable to Unitholders, whether in cash, additional Units or otherwise, will generally be deductible by the Trust in computing its income. However, there are circumstances in which the Trust, despite making such distributions, may be liable to alternative minimum tax.

If the Trust does not qualify as a unit trust within the meaning of the Tax Act, on the day that is 21 years after the date of its creation (and on each 21 year anniversary day thereafter) the Trust will be deemed at that time to have disposed of, and immediately reacquired, certain of its capital property for proceeds equal to the fair market value thereof for the purposes of the Tax Act. Accordingly, the Trust would be subject to tax under Part I of the Tax Act on the taxable capital gains (if any) arising from such deemed disposition, less the portion thereof that it claims in respect of amounts paid or payable to the Unitholders in the taxation year.

SIFT Trust Rules

The Trust would be a “SIFT trust” as defined in the Tax Act for a taxation year of the Trust if in that year the Units are listed or traded on a stock exchange or other public market and the Trust holds one or more “non-portfolio properties,” as defined in the Tax Act. If the Trust were a SIFT trust for a taxation year of the Trust, it would effectively be taxed similarly to a corporation on its income and capital gains in respect of such non-portfolio properties at a combined federal/provincial income tax rate comparable to rates that apply to income earned and distributed by Canadian corporations. Distributions of such income received by Unitholders would be treated as dividends received from a taxable Canadian corporation.

Copper and other property of the Trust would be non-portfolio property if such property were used by the Trust (or by a person or partnership with which it does not deal at arm’s length within the meaning of the Tax Act) in the course of carrying on a business in Canada. In some circumstances, significant holdings of “securities” (the term “security” is broadly defined in the Tax Act) of other entities could also be non-portfolio property.

The Trust is subject to investment restrictions, including a prohibition against carrying on any business, that are intended to ensure that it will not be a SIFT trust. The mere holding by the Trust of Copper as capital property (or as an adventure or concern in the nature of trade) would not represent the use of such property in the course of carrying on a business in Canada, and therefore would not by itself cause the Trust to be a SIFT trust.

Canadian Taxation of Unitholders

Unitholders Resident in Canada

This portion of the general description of the principal Canadian federal income tax considerations is applicable to a Unitholder who, for the purposes of the Tax Act and any applicable tax treaty, is, or is deemed to be, resident in Canada at all relevant times (a “**Canadian Unitholder**”). This portion of the description is primarily directed at Unitholders who are individuals (other than trusts). Unitholders who are Canadian resident corporations, trusts or other entities should consult their own tax advisors regarding their particular circumstances.

Canadian Unitholders will generally be required to include in their income for tax purposes for a particular year an amount equal to the portion of the income of the Trust for that particular taxation year, including net realized taxable capital gains, if any, that is paid or payable to the Canadian Unitholder in the particular taxation year, whether such amount is received as additional Units or in cash. Provided that appropriate designations are made by the Trust, such portion of its net taxable capital gains that is paid or payable to a Canadian Unitholder will effectively retain its character and be treated as such in the hands of the Unitholder for purposes of the Tax Act.

The non-taxable portion of any net realized capital gains of the Trust that is paid or payable to a Canadian Unitholder in a taxation year will not be included in computing the Canadian Unitholder's income for the year. Any other amount in excess of the income of the Trust that is paid or payable to a Canadian Unitholder in such year also will not generally be included in the Canadian Unitholder's income for the year. However, where any such other amount is paid or payable to a Canadian Unitholder, the Canadian Unitholder generally will be required to reduce the adjusted cost base of a Unit to the Canadian Unitholder by such amount. To the extent that the adjusted cost base of a Unit would otherwise become a negative amount (i.e., be less than zero), the negative amount will be deemed to be a capital gain realized by the Canadian Unitholder from the disposition of the Unit and the Canadian Unitholder's adjusted cost base in respect of the Unit will be increased by the amount of such deemed capital gain to become equal to zero.

Upon the actual or deemed disposition of a Unit, including on redemption, a capital gain (or a capital loss) will generally be realized to the extent that the proceeds of disposition of the Unit exceed (or are exceeded by) the aggregate of the adjusted cost base of the Unit to the Canadian Unitholder and any reasonable costs of disposition. For the purpose of determining the adjusted cost base to a Canadian Unitholder of a Unit, when a Unit is acquired, the cost of the newly acquired Unit will be averaged with the adjusted cost base of all Units owned by the Canadian Unitholder as capital property that were acquired before that time. For this purpose, the cost of additional Units that have been issued by the Trust as a distribution of income and/or capital gains will generally be equal to the amount of the income and/or capital gains distributed to the Canadian Unitholder in the form of additional Units. A consolidation of Units following a distribution paid in the form of additional Units will not be regarded as a disposition of Units and will not affect the aggregate adjusted cost base to a Canadian Unitholder of Units.

Under the Tax Act, taxable capital gains are included in an individual's income and allowable capital losses are generally deductible only against taxable capital gains. Any unused allowable capital losses may be carried back up to three taxation years and forward indefinitely and deducted against net taxable capital gains realized in any such other year to the extent and under the circumstances described in the Tax Act. Capital gains realized by individuals may give rise to alternative minimum tax.

Pursuant to the Budget 2024 Tax Proposals, subject to certain transitional rules, the portion of a capital gain or capital loss included in the taxable capital gain or allowable capital loss of a taxpayer will be increased from one-half to two-thirds in respect of (i) dispositions realized by a Canadian Unitholder who is an individual (excluding a trust) on or after June 25, 2024, for the portion of capital gains realized in the year that exceed \$250,000, and (ii) dispositions realized by a Canadian Unitholder that is a corporation or trust on or after June 25, 2024. Net capital losses of prior years would continue to be deductible against taxable capital gains in the current year by adjusting their value to reflect the inclusion rate of the capital gains being offset. Canadian Unitholders are advised to consult their own tax advisors with regard to the Budget 2024 Tax Proposals.

If, at any time, the Trust delivers physical metal copper to any Canadian Unitholder upon a redemption of a Canadian Unitholder's Units, the Canadian Unitholder's proceeds of disposition of the Units will generally be equal to the aggregate of the fair market value of the distributed physical metal copper and the amount of any cash received, less the amount of any capital gain or income realized by the Trust as a result of the disposition of such physical metal copper which is allocated to the Canadian Unitholder. The cost of any physical metal copper distributed by the Trust in specie will generally be equal to the fair market value of such physical metal copper at the time of the distribution. Pursuant to the Trust Agreement, the Trust has the authority to distribute, allocate and designate any taxable capital gains or income of the Trust to a Canadian Unitholder who has redeemed Units during a year in an amount equal to the taxable capital gains or income realized by the Trust as a result of such redemption (including any taxable capital gain or income realized by the Trust in distributing physical metal copper to a Unitholder who has redeemed Units for such physical metal copper, and any taxable capital gains or income realized by the Trust before, at or after the redemption as a result of selling physical metal copper in order to fund the payment of the cash redemption proceeds), or such other amount that is determined by the Trust to be reasonable. Any such allocations will reduce the redeeming Canadian Unitholder's proceeds of disposition Units for the purposes of the Tax Act.

Unitholders Not Resident in Canada

This portion of the general description of the principal Canadian federal income tax considerations is applicable to a Unitholder who, at all relevant times for purposes of the Tax Act, is not resident in Canada or deemed to be resident in Canada and does not use or hold, and is not deemed to use or hold, Units in connection with a business that the Unitholder carries on, or is deemed to carry on, in Canada at any time, and is not an insurer or bank who carries on (or is deemed to carry on) an insurance or banking business in Canada and elsewhere (a “**Non-Canadian Unitholder**”). Prospective non-resident purchasers of Units should consult their own tax advisors to determine their entitlement to relief under any income tax treaty between Canada and their jurisdiction of residence, based on their particular circumstances.

Any amount paid or credited by the Trust to a Non-Canadian Unitholder as income of or from the Trust (including the taxable portion of capital gains realized by the Trust), whether such amount is received in additional Units or cash, generally will be subject to Canadian withholding tax at a rate of 25%, unless such rate is reduced under the provisions of an income tax treaty between Canada and the Non-Canadian Unitholder’s jurisdiction of residence. Pursuant to the *Convention Between Canada and the United States of America With Respect to Taxes on Income and on Capital*, as amended (the “**Treaty**”), a Non-Canadian Unitholder who is a resident of the United States and entitled to benefits under the Treaty will generally be entitled to have the rate of Canadian withholding tax reduced to 15% of the amount of any distribution that is paid or credited as income of or from the Trust. A Non-Canadian Unitholder that is a religious, scientific, literary, educational or charitable organization that is resident in, and exempt from tax in, the United States may be exempt from Canadian withholding tax under the Treaty, provided that certain administrative procedures are observed regarding the registration of such Unitholder.

Any amount in excess of the income of the Trust that is paid or payable by the Trust to a Non-Canadian Unitholder (including the non-taxable portion of capital gains realized by the Trust) generally will not be subject to Canadian withholding tax. Where such excess amount is paid or becomes payable to a Non-Canadian Unitholder, the amount generally will reduce the adjusted cost base of the Units held by such Non-Canadian Unitholder. If, as a result of such reduction, the adjusted cost base to the Non-Canadian Unitholder in any taxation year of Units would otherwise become a negative amount, the Non-Canadian Unitholder will be deemed to realize a capital gain equal to such negative amount for that year from the disposition of his or her Units. Such capital gain will not be subject to tax under the Tax Act unless the Units constitute “taxable Canadian property” to such Non-Canadian Unitholder. The Non-Canadian Unitholder’s adjusted cost base in respect of Units will, immediately after the deemed realization of such capital gain, be increased by the amount of such capital gain to become equal to zero.

Any capital gain realized on a disposition or deemed disposition of a Unit by a Non-Canadian Unitholder, whether on redemption or otherwise, will not be subject to tax under the Tax Act, provided that the Unit does not constitute “taxable Canadian property” of the Non-Canadian Unitholder for purposes of the Tax Act. Units will not be “taxable Canadian property” of a Non-Canadian Unitholder unless, at any time during the 60-month period immediately preceding their disposition by such Non-Canadian Unitholder, the Units derived directly or indirectly more than 50% of their fair market value from any combination of “Canadian resource properties” (the definition of which in the Tax Act does not include Copper), real or immovable property situated in Canada, timber resource properties (as defined in the Tax Act) or options or interests in such properties, or the Units were otherwise deemed to be taxable Canadian property. Assuming that the Trust adheres to its mandate to invest and hold substantially all of its assets in Copper, the Units should not be taxable Canadian property.

Even if Units held by a Non-Canadian Unitholder were to constitute “taxable Canadian property”, a capital gain realized on the disposition of Units may be exempt from Canadian income tax pursuant to an applicable income tax treaty or convention between Canada and the Non-Canadian Unitholder’s jurisdiction of residence.

Non-Canadian Unitholders whose Units constitute “taxable Canadian property” and who are not entitled to relief under an applicable income tax treaty are referred to the discussion above under “Canadian Taxation of Unitholders – Unitholders Resident in Canada” relating to the Canadian tax consequences in respect of a disposition of a Unit.

International Information Reporting

Generally, investors will be required to provide their dealer with information related to their tax residency or citizenship and, if applicable, a foreign tax identification number. If an investor does not provide the information or is identified as a U.S. citizen or a foreign (including U.S.) tax resident, additional details about the investor and their investment in the Trust will be reported to the CRA, unless the investment is held within a registered plan. The CRA will provide that information to the U.S. Internal Revenue Service (in the case of U.S. tax residents or citizens) or the relevant tax authority of any country that is a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information or that has otherwise agreed to a bilateral information exchange with Canada.

ELIGIBILITY UNDER THE TAX ACT FOR INVESTMENT BY CANADIAN EXEMPT PLANS

In the opinion of Stikeman Elliott LLP, counsel for the Trust, and McCarthy Tétrault LLP, counsel to the Underwriters, provided that the Units are listed at a particular time on a “designated stock exchange” (which currently includes the TSX) for purposes of the Tax Act, the Units will be qualified investments under the Tax Act and the regulations thereunder at such time for a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), registered education savings plan (“RESP”), registered disability savings plan (“RDSP”), tax-free savings account (“TFSA”), first home savings account (“FHSA”) and deferred profit sharing plan.

Notwithstanding that the Units may be qualified investments for RESPs, RDSPs, TFSAs, FHSAs, RRSPs and RRIFs, the subscriber of a RESP, the holder of a RDSP, FHSA or TFSA, as the case may be, or the annuitant under an RRSP or RRIF, as the case may be, will be subject to penalty taxes in respect of the Units if such Units are a “prohibited investment” for the RESP, RDSP, TFSA, FHSA, RRSP or RRIF, as applicable. The Units will not generally be a prohibited investment provided that the subscriber, holder or annuitant, as applicable, deals at arm’s length with the Trust for purposes of the Tax Act and does not have a “significant interest” in the Trust. Generally, a subscriber, holder or annuitant, as the case may be, will not have a “significant interest” in the Trust unless the subscriber, holder, or annuitant, as the case may be, either alone or together with persons with which the subscriber, holder or annuitant, as the case may be, does not deal at arm’s length, owns interests as a beneficiary under the Trust that have a fair market value of 10% or more of the fair market value of the interests of all beneficiaries under the Trust. In addition, the Units will not be a “prohibited investment” if such Units are “excluded property” as defined in the Tax Act for a trust governed by a TFSA, RRSP, RRIF, RESP, FHSA, or RDSP. Individuals who hold or intend to hold Units in a TFSA, RRSP, RRIF, RESP, FHSA, or RDSP should consult their own tax advisors regarding the potential application of the prohibited investment rules to their particular circumstances.

ORGANIZATION AND MANAGEMENT DETAILS OF THE TRUST

Manager of the Trust

Pursuant to the management agreement between the Trust and Sprott Asset Management LP dated as of May 10, 2024 (the “**Management Agreement**”), the Manager will act as the manager of the Trust. The Manager is a limited partnership formed and organized under the laws of the Province of Ontario, Canada, pursuant to the *Limited Partnerships Act* (Ontario) by declaration dated September 17, 2008. The general partner of the Manager is Sprott Asset Management GP Inc. (“**Manager GP**”), which is a corporation incorporated under the laws of the Province of Ontario, Canada, on September 17, 2008. The Manager GP is a wholly-owned subsidiary of Sprott, which is a corporation incorporated under the laws of the Province of Ontario, Canada, on February 13, 2008. Sprott is also the sole limited partner of the Manager.

The Manager is registered as a portfolio manager in Ontario, an investment fund manager in Ontario, Quebec, and Newfoundland and Labrador and an exempt market dealer in all provinces of Canada.

As of March 31, 2024, the Manager, together with its affiliates and related entities, had assets under management totaling approximately US\$29.4 billion, and provided management and investment advisory services to many entities, including private investment funds, exchange-listed products, mutual funds and

discretionary managed accounts. The Manager also acts as: (a) manager of (i) the Sprott Physical Uranium Trust,⁷³ a non-redeemable investment fund whose trust units are listed and posted for trading on the TSX that invests and holds substantially all of its assets in physical uranium; (ii) the Sprott Physical Gold Trust,⁷⁴ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical gold bullion; (iii) the Sprott Physical Silver Trust,⁷⁵ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical silver bullion; (iv) the Sprott Physical Gold and Silver Trust,⁷⁶ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical gold and silver bullion; and (v) the Sprott Physical Platinum and Palladium Trust,⁷⁷ a closed-end mutual fund trust whose trust units are listed and posted for trading on the TSX and the NYSE Arca that invests and holds substantially all of its assets in physical platinum and palladium bullion; and (b) sub-advisor for certain funds managed by Ninepoint LP. The Manager also provides management and investment advisory services to certain U.S. funds. These include Sprott Uranium Miners ETF on the NYSE and, in partnership with HanETF, the Sprott Uranium Miners UCITS ETF of European markets and, more recently, the Manager launched the Sprott Energy Transition Materials ETF, Sprott Lithium Miners ETF, Sprott Junior Uranium Miners ETF and Sprott Junior Copper Miners ETF and Sprott Nickel Miners ETF on the NYSE.

⁷³ Formed in 2021; Approximately \$5.6 billion in NAV as of March 31, 2024

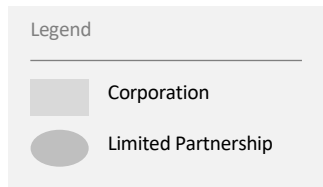
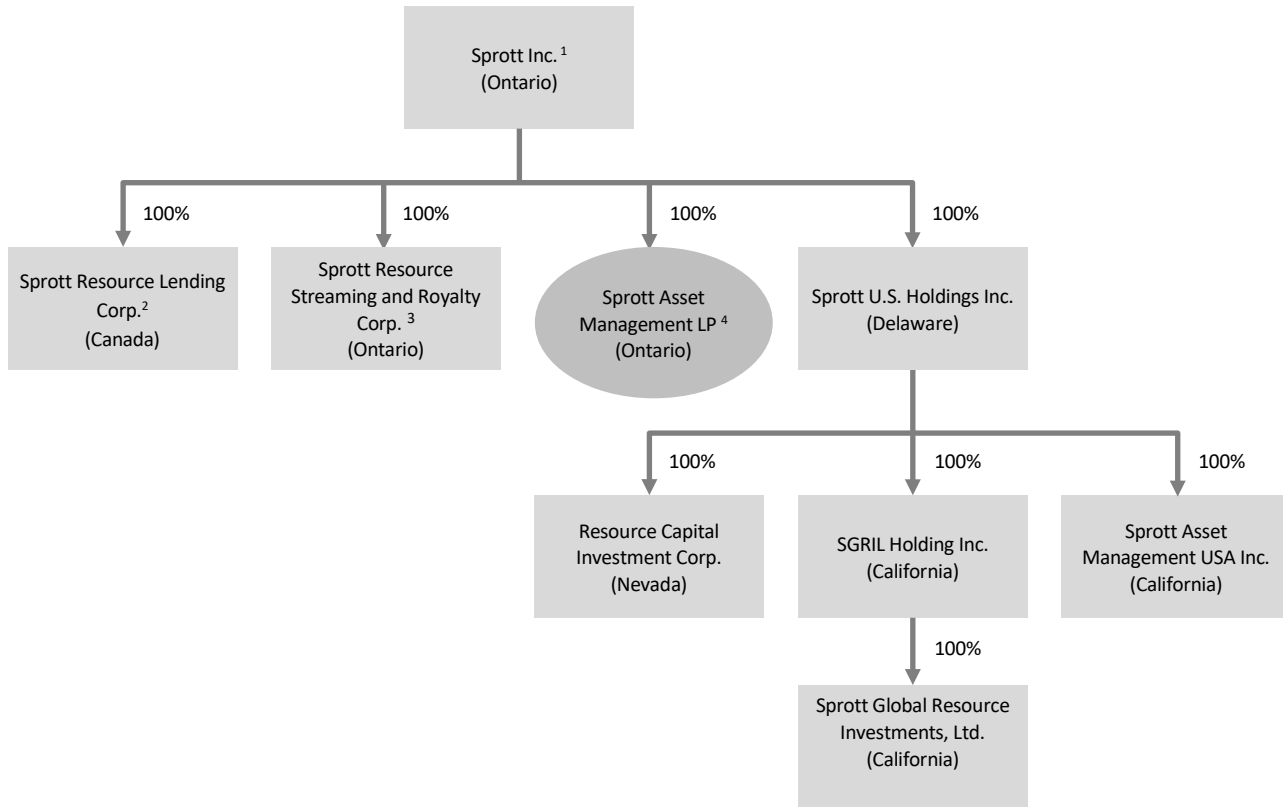
⁷⁴ Formed in 2010; Approximately \$6.9 billion in NAV as of March 31, 2024

⁷⁵ Formed in 2010; Approximately \$4.2 billion in NAV as of March 31, 2024

⁷⁶ Formed in 2018; Approximately \$4.4 billion in NAV as of March 31, 2024

⁷⁷ Formed in 2012; Approximately \$0.1 billion in NAV as of March 31, 2024

The corporate structure of Sprott and its material subsidiaries are as indicated in the following chart:



Notes:

- (1) Sprott Inc. is the publicly traded parent with its common shares listed on the TSX and New York Stock Exchange.
- (2) Sprott Resource Lending Corp. is the general partner of Sprott Private Resource Lending Funds and Sprott Private Resource Lending Fund II.
- (3) Sprott Resource Streaming and Royalty Corp. is the general partner of the Sprott Private Resource Streaming and Royalty Fund and Sprott Private Resource Streaming and Royalty Annex Fund.
- (4) Sprott Asset Management GP Inc. which is incorporated under the laws of the Province of Ontario, is the general partner of the Manager.

The registered office of the Manager is located at Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1. Further contact information of the Manager is as follows:

Tel: (416) 943 8099
 Fax: (416) 943 6497
 Email: invest@sprott.com
 Website: www.sprott.com
 Toll free number: 1-855-943-8099

Duties and Services Provided by the Manager

The Manager is responsible for the day-to-day business and administration of the Trust, including management of the Trust's portfolio and all clerical, administrative and operational services. The Trust maintains a public website that contains information about the Trust and the Units. The internet address of the Trust's Website is <https://sprott.com/investment-strategies/physical-commodity-funds/copper/>. This internet address is provided here only as a convenience to you, and the information contained on or connected to the Trust's Website is not incorporated into, and does not form part of, this prospectus.

The long-time experience in the commodity industries of the Manager, its predecessor, Sprott Asset Management Inc., and its affiliates has permitted them to gain an extensive knowledge base in the business of commodities, including buying, selling, valuing, pricing, securing or storing commodity-related assets.

Powers and Duties of the Manager

Pursuant to the Trust Agreement and Management Agreement, the Manager reserves and retains full authority and exclusive power to manage and direct the undertaking and affairs of the Trust including, without limitation, to provide the Trust with all necessary investment management services to the Trust Property and all clerical, administrative and operational services to the Trust as set forth in the Trust Agreement or in the Management Agreement, including the power to further delegate certain investment management, clerical, administrative and operational services of the Trust (including without limitation to the Technical Advisor and/or Investment Manager), where in the sole discretion of the Manager, it would be in the best interests of the Trust.

The Manager shall have the following duties with respect to the Trust and shall, subject to the provisions of the Trust Agreement, be able to delegate such duties to one or more Technical Advisors, at the Manager's sole discretion:

- (a) to determine the investment objectives and strategies, including any restrictions on investments, which it deems advisable to implement the Investment Policy, as may be amended from time to time;
- (b) to ensure that the Trust complies with applicable laws including those relating to the investment of the Trust Property, the distribution of the Units and applicable stock exchange listing requirements;
- (c) to comply with applicable laws in connection with its duties and actions as manager of the Trust, including applicable anti-bribery and anti-corruption laws;
- (d) to monitor the performance of Copper and other Trust Property;
- (e) to provide investor relations, sales and marketing support for the Trust, as well as client service support;
- (f) to arrange for, and complete, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of Copper at the best prices available over a prudent period of time, and to enter into any contracts or commitments related thereto;
- (g) obtain brokerage and other services (including without limitation from the Technical Advisor) with respect to the purchase and sale of Copper, as well as other services aimed at optimizing the value of the Trust's portfolio;
- (h) to provide services in respect of the Trust's daily operations, including the processing of and determination of procedures applicable to subscriptions of Units (including the acceptance and rejection of subscriptions) and to submit such subscriptions to the Registrar and Transfer Agent for processing, and any other services not otherwise specifically contemplated by the Trust Agreement;

- (i) to offer Units for sale to prospective purchasers including the power and authority to enter into arrangements regarding the distribution and sale of Units and other arrangements relating to the right to charge fees of any nature or kind (including, without limitation, sales commissions, distribution fees and transfer fees) in connection with the distribution or sale of Units. Any such fees may be deducted from the amount of a subscription or a distribution if not paid separately by a Unitholder;
- (j) to determine from time to time the form of unit certificates;
- (k) to conduct or cause to be conducted the day-to-day correspondence and administration of the Trust;
- (l) to provide to the Trust, adequate for carrying on the undertaking of the Trust, all requisite office accommodation, office facilities and personnel, telephone and telecommunication services, stationery, office supplies, statistical and research services, record-keeping services, bookkeeping and internal accounting and audit services in respect of the operations of the Trust and other usual and ordinary office services that may be required to properly and efficiently carry out its duties set forth in the Trust Agreement and the Management Agreement;
- (m) to provide for the Trust all other administrative and other services and facilities required by the Trust in relation to the Unitholders and be responsible for all aspects of the Trust's relationship with Unitholders, including the preparation for and holding of meetings of Unitholders, and other services for the provision of information to Unitholders;
- (n) to establish general matters of policy and governance of the Trust subject, where specifically provided in the Trust Agreement, to the approval of the Trustee;
- (o) to establish the Trust's operating expense budgets and to authorize the payment of actual operating expenses incurred;
- (p) to appoint the Auditor and to change the Auditor (with the prior consent of the Trustee and the Independent Review Committee, and after providing notice to the Unitholders);
- (q) to maintain the accounting records for the Trust and to cause the financial statements of the Trust to be audited for each Fiscal Year;
- (r) to appoint an advisor, Technical Advisor, consultant, or other service provider to provide certain services to the Trust, pursuant to an advisory, consultant or other agreement in respect of matters relating to the Trust's holding, purchases and sales of Copper;
- (s) to appoint the bankers of the Trust and to establish banking procedures to be implemented by the Trustee;
- (t) to appoint a Facility or Facilities pursuant to Storage Agreements with respect to the movement and safe storage of Copper, and appoint the Custodian to hold the Trust Property other than Copper, all of which appointments shall be subject to the approval of any applicable Securities Authorities having jurisdiction over the Trust, and for greater certainty, the appointment of the Custodian shall also be subject to the approval of the Trustee;
- (u) provide for the Trust delivery and payment particulars in respect of each purchase and sale of Copper and arrange with the Facilities for the storage of Copper held by or for the account of the Trust;
- (v) to maintain market standard insurance coverage for 100% of the full value of the Copper owned by the Trust for loss of, theft of and damage to the Copper stored with Warehouse Providers;

- (w) to conduct due diligence on, and create a risk profile for, each Warehouse Provider before entering into any Storage Agreement, which analysis will include the following in respect of such Warehouse Provider:
 - (i) a business profile of the Facility detailing its corporate history, reputation in the market, location of facilities and ownership structure;
 - (ii) a financial profile of the Warehouse Provider that includes a review of available financial statements and financial ratios, an assessment of the Facility's credit worthiness and a review of financial news;
 - (iii) confirmation of the CME-approved or LME-approved status of the respective facility the Warehouse Provider and the Manager agree are acceptable to use for the purpose of storing Copper on behalf of the Trust, pursuant to Storage Agreements;
- (x) to request audited financial statements of the Facility as part of the due diligence process before entering into any Storage Agreement;
- (y) to ensure that each Storage Agreement contains provisions as to who bears the responsibility for the loss that is consistent with industry practice and covenants with respect to maintaining the necessary insurance policies;
- (z) to use reasonable commercial efforts to ensure that, pursuant to each Storage Agreement, the terms with respect to liability of the parties thereto continue to apply after the termination of the Storage Agreement until all the Copper stored is transferred from the Trust's account;
- (aa) to negotiate a requirement that each respective Facility maintain its CME or LME-approved status, as well as inspection and information rights to, among other things, maintain proper visibility on the financial standing of the Facility;
- (bb) to use reasonable commercial efforts to ensure that the Storage Agreements it enters into impose a standard of care on each Facility such that each Facility is required to exercise: (i) the degree of care, diligence and skill in safeguarding the Copper as any reasonably prudent person acting as custodian of the Copper would exercise in the circumstances; or (ii) at least the same degree of care as they exercise with respect to the property of CME or LME warehouse receipt holders, if this is a higher degree of care than the degree of care referred to in (i);
- (cc) to negotiate a condition in each Storage Agreement that the relevant Warehouse Provider will not be entitled to an indemnity from the Trust in the event the Warehouse Provider breaches the standard of care;
- (dd) to include industry standard termination provisions in each Storage Agreement, including for termination in the event of a material breach of the Storage Agreement by the Facility that is not cured within a prescribed number of days following the giving of written notice to the Facility of such material breach;
- (ee) as part of the ongoing due diligence activities, to ensure that the Copper stored with Facilities will be subject to a physical count by a representative of the Manager or the Technical Advisor periodically on a spot-inspection basis as well as subject to audit procedures by the Trust's external auditors (which audit procedures may include a site inspection);
- (ff) to ensure that the Storage Agreements will restrict a Warehouse Provider from transferring Copper without the Trust's consent and/or assigning any of the Warehouse Provider's obligations under the Storage Agreements;

- (gg) to monitor relationships with the Facilities (and any other service providers) that have been appointed to hold and store Copper that is owned by the Trust;
- (hh) to calculate the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit, to appoint the Valuation Agent, to review the valuation of the Trust Property as calculated by such Valuation Agent on each Valuation Date and, from time to time, consider the appropriateness of the valuation policies adopted by the Trust;
- (ii) to appoint a Registrar and Transfer Agent and distribution agent (which may be the Registrar and Transfer Agent or an affiliate thereof) to make distributions of net income and net realized capital gains and other distributions in accordance with the Trust Agreement;
- (jj) to authorize, negotiate, enter into and execute all agreements, instruments or other documents relating to the affairs of the Trust including, without limitation, any loan agreement, granting of a security interest and supporting documentation, or to perform any act or deed which the Manager deems necessary or advisable in the best interests of the Trust;
- (kk) to apply for listing of the Units on the TSX, to, if deemed appropriate, apply for listing of the Units on a U.S. stock exchange and to prepare, execute and file with the appropriate Securities Authorities or stock exchanges any other documents that are required or appropriate under relevant Securities Legislation or stock exchange rules and regulations in respect of the Trust;
- (ll) to prepare, execute and file with the appropriate Securities Authorities the Disclosure Documents, annual information forms, management reports of fund performance or such other continuous disclosure documents relating to the Trust, and any amendments thereto, as may be required under applicable Securities Legislation;
- (mm) to prepare, certify, execute and distribute to Unitholders and file with the Securities Authorities and applicable tax authorities all such documents as may be necessary or desirable in connection with the issue, sale and distribution of Units, including such interim financial statements, audited annual financial statements, reports to Unitholders and other disclosure as may be required under applicable Securities Legislation, and to make all designations, elections, determinations, allocations and applications under the Tax Act as the Manager considers to be reasonable in the circumstances;
- (nn) to determine and compute for distribution purposes the net income and net realized capital gains of the Trust and determine when, to what extent, and in what manner distributions shall be made payable to Unitholders, as well as determine whether distributions are payable out of the income, dividends received from taxable Canadian corporations, capital gains, capital or otherwise of the Trust;
- (oo) to authorize the issuance of additional Units and the consolidation of the Units outstanding after such a distribution;
- (pp) to direct the Registrar and Transfer Agent regarding the allotment and issue of Units;
- (qq) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, to prepare and deliver to Unitholders the information pertaining to the Trust, including all distributions and allocations which is required by the Tax Act or which is necessary to permit Unitholders to complete their individual tax returns for the preceding year;
- (rr) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, and such other date(s) in each year, to prepare and deliver to the appropriate taxation authorities in Canada and the United States, all relevant tax filings and/or returns for the Trust that are required by applicable laws;

- (ss) within 60 days from the end of each taxable year of the Trust, to provide Unitholders with all information necessary to enable Unitholders or beneficial owners of Units, as applicable, to elect to treat the Trust as a QEF for U.S. federal income tax purposes, including a completed "PFIC Annual Information Statement";
- (tt) to keep proper records relating to the performance of its duties as Manager hereunder, which records shall be accessible for inspection by the Trustee, its agents, or the Manager's agents, including an Investment Manager, the Technical Advisor and the Auditor, at any time, upon reasonable notice, during ordinary business hours;
- (uu) to determine and compute any pro rata amount of Units to be redeemed pursuant to the provisions of the Trust Agreement in accordance with the limitations set out in the Trust Agreement;
- (vv) on or before 90 days following December 31 in each year, to provide the Trustee with a certificate of compliance and a copy of the audited annual financial statements of the Trust, together with the report of the Auditor thereon;
- (ww) on or before 90 days following June 30 in each year, to provide the Trustee with an interim certificate of compliance; and
- (xx) to do all such other acts and things as are incidental to the foregoing, and to exercise all powers which are necessary or useful to carry on the undertaking of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of the Trust Agreement and the Management Agreement.

The Manager may act as the Investment Manager to the Trust with responsibility for implementing the Investment Policy, including providing investment advisory and portfolio management services to the Trust, or arrange for the implementation of such Investment Policy or portfolio management services by appointing, on behalf of the Trust, one or more Investment Managers, and delegating any of its investment advisory responsibilities to such Investment Managers. The Manager, on behalf of the Trust, shall enter, in its sole discretion, into an investment management agreement with any such Investment Manager to act for all or part of the portfolio investments of the Trust and shall advise the Trustee of such appointment. The appointment of any such Investment Manager shall be deemed to be effective upon the later of the date of receipt by the Trustee of a direction notifying the Trustee of such appointment or the effective date specified therein and such appointment shall continue in force until receipt by the Trustee of a direction containing notice to the contrary. Any instructions from an Investment Manager shall be deemed to be instructions of the Manager pursuant to the provisions of the Trust Agreement. The Trustee shall also be entitled to rely conclusively on and shall be fully protected in acting in accordance with the direction of the Investment Manager in the exercise of powers conferred by the Trust Agreement. The Investment Manager will be a Person or Persons who, if required by applicable laws, will be duly registered and qualified as a portfolio manager under applicable Securities Legislation and will determine, in its sole discretion, which portfolio securities and other assets of the Trust shall be purchased, held or sold and shall execute or cause the execution of purchase and sale orders in respect such determinations. The Manager shall ensure that any Investment Manager appointed hereunder shall act in accordance with the Investment Policy and applicable laws.

Any Investment Manager shall have the right to resign as Investment Manager of the Trust by giving notice in writing to the Manager and the Trustee not less than 60 days prior to the date on which such resignation is to take effect. The Manager may at any time terminate the appointment of any Investment Manager of the Trust by giving notice in writing to the Trustee and the Investment Manager not less than 60 days prior to the date on which such resignation is to take effect. The Manager, in its sole discretion, may appoint a successor Investment Manager of the Trust. If prior to the effective date of the Investment Manager's resignation, a successor Investment Manager is not appointed, the Manager shall assume the duties and responsibilities of such Investment Manager until such time as a successor shall be appointed and/or approved, as the case may be.

The Manager may from time to time employ or retain any other Person where the Manager has determined, in its sole discretion, that it would be in the best interests of the Trust to do so (including without limitation any Technical Advisor or Investment Manager), to perform any of the duties of the Manager set out in the Trust Agreement (including without limitation any technical advisor or Investment Manager).

Details of the Management Agreement

General

Pursuant to the Management Agreement, the Manager is appointed to provide or engage others to provide all necessary or advisable investment management and administrative services and facilities for the Trust. The Manager will manage the Trust Property, including Copper owned by the Trust, and will have full discretionary power to act on behalf of the Trust without consulting the Trustee. The Manager will follow the objective, strategy and investment and operating restrictions described in this prospectus.

Under the Management Agreement, the Manager will manage the Trust Property by taking such action from time to time as the Manager, in its sole discretion, deems necessary or desirable for the proper investment management of the Trust Property at all times in compliance with the Investment Policy, and the Manager's investment discretion will, subject to the Investment Policy, be absolute. Subject to the Trust Agreement, the Management Agreement grants to the Manager all power and authority necessary to give effect to the foregoing, including, without limitation, the power to:

- (a) provide or arrange to be provided research, information, data, advice, opportunities and recommendations with respect to the making, acquiring (by purchase, investment, re-investment, exchange or otherwise), holding and disposing (through sale, exchange or otherwise) of the Trust Property in the name of, on behalf of, and at the risk of, the Trust;
- (b) obtain for the Trust such services as may be required in acquiring, disposing of and owning Trust Property including, but not limited to, the placing of orders with brokers and investment dealers to purchase, sell and otherwise trade in or deal with any Trust Property in the name of, on behalf of, and at the risk of, the Trust;
- (c) implement purchases and sales for the Trust of futures contracts, warrants, warehouse receipts, and other derivative contracts that complement the Trust's Copper procurement strategy and investment policy, including the selection of brokers and dealers and, where applicable, negotiating compensation of such brokers and dealers in respect of such purchases and sales;
- (d) give such directions and instructions to the Custodian, Facilities and others as may be necessary and appropriate to carry out the investment management mandate;
- (e) direct the delivery of the Trust Property sold, exchanged or otherwise disposed of from the Trust's account and to direct the payment for Trust Property acquired for the Trust's account upon delivery to a Facility or the custodian of the Trust's assets other than Copper, as the case may be;
- (f) direct the holding of all or any part of the Trust Property in cash or cash equivalents from time to time available for investment in Copper (whether in Copper or through Financial Instruments that represent Copper), which cash or cash equivalents is to be invested or held on deposit with a Canadian chartered bank, trust company, custodian or prime broker appointed by the Trust from time to time, and investing all or any part of said cash or cash equivalents from time to time available for investment in short-term debt obligations of or guaranteed by the Government of Canada or a province thereof, or the Government of the United States or a state thereof, or such other short-term investment grade debt obligations as the Manager, in its discretion, deems advisable;
- (g) arrange for, and complete, for and on behalf of the Trust, the purchase and sale of Copper, at the best available prices available over a prudent period of time;

- (h) provide to the Trust and the Facilities delivery and payment particulars in respect of each purchase and sale of Copper;
- (i) arrange or cause to be arranged with the Facilities for the storage of Copper which are owned by the Trust, including arrangements regarding indemnities or insurance in favor of the Trust for the loss of such Copper in accordance with industry practices;
- (j) monitor relationships with the Facilities and any other custodian that has been appointed by the Trust to hold and store Copper owned by the Trust;
- (k) exercise, or direct the exercise of, any and all rights, powers and discretion in connection with the Trust Property, including the power to vote the securities at meetings of securityholders or executing proxies or other instruments on behalf of the Trust for that purpose, and to consent to any reorganization or similar transaction;
- (l) maintain the accounting records for the Trust and to cause the financial statements of the Trust to be audited for each fiscal year;
- (m) make any election to be made in connection with any mergers, acquisitions, tender offers, take-over bids, arrangements, bankruptcy proceedings or other similar occurrences which may affect the Trust Property;
- (n) execute any prospectus, registration statement or similar document relating to the offering of securities of the Trust filed with the Canadian securities authorities on behalf of the Trust; and
- (o) generally perform any other act necessary to enable it to carry out its obligations under the Management Agreement and the Trust Agreement.

The Manager will be required to provide monthly reports to the Trust with respect to transactions affecting the property of the Trust (if any such transactions took place during that month) and quarterly reports describing the Trust property (even if no transactions took place during that quarter).

The Manager may provide investment management and other services to other Person or Persons provided that the Manager will act in good faith and follow a policy of allocating investment opportunities to the Trust on a basis that is, in the Manager's reasonable opinion, fair and equitable to the Trust relative to investment opportunities allocated to other Persons for which the Manager is responsible, and of which the Manager has knowledge.

Term of the Management Agreement

The Management Agreement will continue until May 10, 2029 and will be automatically renewed from time to time thereafter for additional terms of one year unless otherwise terminated by either party giving at least 90 days' prior written notice (or such shorter period upon which the parties may mutually agree in writing) to the other party of such termination.

The Trust may immediately terminate the Management Agreement if the Manager is, in the opinion of the Trustee, in material default of its obligations under the Management Agreement or 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 pursuant to the Trust Agreement.

In addition, the Trust may immediately terminate the Management Agreement where (i) the Manager has been declared bankrupt or insolvent or has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reconstruction); (ii) the Manager makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or (iii) the assets of the Manager have become subject to seizure or confiscation by any public or governmental authority.

Any change of Manager (other than to its affiliate) requires the approval of the Unitholders and, to the extent required, the approval of Securities Authorities in accordance with applicable Securities Legislation.

For a detailed description of the Trust Agreement, see “Overview of the Structure of the Trust – Overview of the Trust Agreement”.

Officers and Directors of the Manager

The names, places of residence and present positions held by the directors and officers of the Manager and/or of the Manager GP are listed below.

Name and Municipality of Residence	Position with the Manager	Position with Manager GP	Principal Occupation
John Ciampaglia Caledon, Ontario, Canada	Chief Executive Officer and Director	Chief Executive Officer and Director	Chief Executive Officer of the Manager and Manager GP
Kevin Hibbert Toronto, Ontario, Canada	Director	Director	Chief Financial Officer of Sprott
Whitney George Darien, Connecticut, USA	Director	Director	President and Chief Executive Officer of Sprott
Maria Smirnova, Toronto, Ontario, Canada	Chief Investment Officer	Chief Investment Officer	Chief Investment Officer of the Manager and Manager GP
Varinder Bhathal Toronto, Ontario, Canada	Chief Financial Officer	Chief Financial Officer and Secretary	Chief Controller of Sprott
Lara Misner, Toronto, Ontario, Canada	Chief Compliance Officer	Chief Compliance Officer	Chief Compliance Officer of the Manager and Manager GP

John Ciampaglia

Mr. Ciampaglia has over 30 years of investment industry experience and since 2017 serves as Chief Executive Officer of Sprott Asset Management and as Senior Managing Partner of Sprott Inc. He is responsible for overseeing Sprott’s public market investment strategies and is also the Portfolio Manager for the company’s physical commodity funds. Mr. Ciampaglia plays an active role in the development of new investment strategies, acquisitions, marketing and strategic partnerships. Before joining Sprott in 2010, he was a Senior Executive at Invesco Canada and held the position of Senior Vice President, Product Development. Prior to joining Invesco Canada, he spent more than four years at TD Asset Management. Mr. Ciampaglia earned a Bachelor of Arts in Economics from York University, is a CFA charterholder and a Fellow of the Canadian Securities Institute.

Kevin Hibbert

Mr. Hibbert serves as Chief Financial Officer and Senior Managing Director at Sprott. In this role, Mr. Hibbert is the co-head of Sprott’s Enterprise Shared Services Group with specific responsibility for external financial reporting, investment operations, tax, treasury, financial planning and analysis, investor relations and corporate communications, information technology, office facilities and administration. Mr. Hibbert was previously recognized by Report on Business Magazine and the Globe & Mail as one of Canada’s 50 Best Executives. In addition to his duties at Sprott, Mr. Hibbert serves as a board member of UHN Foundation, Canada’s largest hospital foundation and is past Vice-chairman and treasurer of Dixon Hall Neighbourhood Services, one of the largest providers of housing, employment and elder care services to at-risk communities in Toronto. Mr. Hibbert was awarded the Vice Chancellor’s Award from the University of the West Indies, is a ‘Fellow’, CPA Ontario, and is a graduate (high distinction) from the University of Toronto.

Whitney George

Mr. George was named Chief Executive Officer of Sprott Inc. in 2022. He is also a Senior Portfolio Manager at Sprott Asset Management USA. Mr. George joined Sprott in 2015 and previously spent 23 years in senior roles at Royce & Associates LLC ("**Royce**") in New York. He was Co-Chief Investment Officer of Royce from 2009 to 2013 and played a key role in the firm's growth and evolution into a leading U.S. small-cap manager with peak assets of more than \$40 billion. At Sprott, Mr. George is also senior portfolio manager of Sprott Focus Trust (FUND), a closed-end equity investment fund that seeks to provide long-term growth of capital through a focused portfolio of value stocks of companies across all market capitalizations. Prior to joining Royce, Mr. George held positions with Dominick & Dominick, Inc., WR Lazard & Laidlaw, Inc., Laidlaw, Adams & Peck, and Oppenheimer & Co. Inc. Mr. George holds a bachelor's degree from Trinity College.

Maria Smirnova

Maria Smirnova has over 20 years of investment experience. She first joined the Manager in 2005 as a research associate supporting the metals and mining team. She currently serves as Lead Portfolio Manager of a Sprott Sub-Advised Silver Equities Fund and Co-Portfolio Manager of another Sprott Sub-Advised Gold and Precious Minerals Fund. Maria is also a Portfolio Manager on the investment team for Sprott Gold Equity Fund (SGDLX). Prior to joining Sprott, Maria served as a Product Development Analyst at Fidelity Investments. Ms. Smirnova holds a Master of Business Administration degree and a Bachelor of Commerce degree from the Rotman School of Management, University of Toronto. She has been a CFA charterholder since 2002.

Varinder (Vinny) Bhathal

Ms. Bhathal is Managing Partner, Chief Controller and Treasurer of Sprott and is the Chief Financial Officer for Sprott's subsidiaries and funds. In this role, Ms. Bhathal manages Sprott's financial control and investment operations teams. In her spare time, Ms. Bhathal is active on Women Get On Board, and serves as Audit Chair, The Neighbourhood Group. Ms. Bhathal holds a Bachelor of Commerce degree from Toronto Metropolitan University and is a CPA, CMA (Ontario).

Lara Misner

Lara Misner is Managing Partner, Enterprise Risk Management at Sprott and Chief Compliance Officer of the Manager. Ms. Misner has over 30 years of investment experience in various roles in compliance, portfolio management, equity research, client services and operations. Prior to joining Sprott in 2020, Ms. Misner was Chief Compliance Officer at WisdomTree Asset Management Canada, Purpose Investments and Marret Asset Management. Previously, she worked with BMO Harris as a portfolio manager for private client accounts. Ms. Misner has served as a Director of Montreal CFA Society and Toronto CFA Society. She received a Bachelor of Commerce from McGill University, an MBA from HEC Montreal at University of Montreal and is a CFA charterholder.

Standard of Care and Indemnification of the Manager

The Manager shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Trust and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent professional manager would exercise in comparable circumstances.

The Manager may employ or engage, and rely and act on information or advice received from any Technical Advisor, any Investment Manager, Auditor, the Underwriters, other distributors, brokers, depositories, a Facility, the Custodian, electronic data processors, advisers, counsel and others and shall not be responsible or liable for the acts or omissions of such Persons or for any other matter, including any loss or depreciation in the Net Asset Value of the Trust or any particular asset of the Trust, provided that the Manager acted in good faith in accordance with its standard of care in relying on such information or advice.

The Manager shall be entitled to assume that any information received from the Trustee, any Technical Advisor, a Facility, any Custodian or any sub-custodian, or their respective authorized representatives associated with the day-to-day operation of the Trust is accurate and complete and no liability shall be incurred by the Manager

as a result of any error in such information or any failure to receive any notices required to be delivered pursuant to the Trust Agreement, except to the extent that any such information provided to, or failure to receive any notices by, the Manager arises or results from the Manager's failure to comply with the terms of the Trust Agreement or the Management Agreement in providing any required directions or information related thereto.

In the event that the Manager, its partners, employees, associates and affiliates or any of them now or hereafter carry on activities competitive with those of the Trust or buy, sell or trade in assets and portfolio securities of the Trust or of other investment funds, none of them shall be under any liability to the Trust or to Unitholders for so acting. The Manager is not required to devote its efforts exclusively to or for the benefit of the Trust and may engage in other business interests and may engage in other activities similar or in addition to those relating to the activities to be performed for the Trust.

The Manager, its affiliates and agents, and their respective directors, partners, officers and employees are indemnified and held harmless by the Trust from and against all legal fees, judgments and amounts paid in settlement, actually and reasonably incurred by them in connection with the Manager's services provided to the Trust pursuant to the Trust Agreement and the Management Agreement, provided that the Trust has reasonable grounds to believe that the action or inaction that caused the payment of the legal fees, judgments and amounts paid in settlement was in the best interests of the Trust and provided that such person(s) shall not be indemnified by the Trust where:

- (a) there has been negligence, willful misconduct, willful neglect, default, bad faith or dishonesty on the part of the Manager or such other Person;
- (b) a claim is made as a result of a misrepresentation contained in any current Disclosure Documents or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of Units or under applicable Securities Legislation; or
- (c) the Manager has failed to fulfill its standard of care or its other obligations in accordance with applicable laws or the provisions set forth in the Trust Agreement and the Management Agreement,

unless in an action brought against the Manager or such Persons they have achieved complete or substantial success as a defendant.

In order for the Trust, acting through the Trustee, to satisfy itself as to whether the indemnification provided for in the Trust Agreement is in the best interests of the Trust, before paying out any such indemnity, the Trust, acting through the Trustee, may obtain a satisfactory legal opinion that the Trust has reasonable grounds to believe that the indemnification is in the best interests of the Trust, and instead of or in addition to the obtainment of such a legal opinion, the Trustee in its sole discretion and at the expense of the Trust, may call a meeting of Unitholders pursuant to the Trust Agreement to direct the Trustee as to any such payments out of the Trust.

Conflicts of Interest of the Manager

The Manager is responsible for the management, administration and investment management of the portfolio held by the Trust. The Manager provides, and may in the future provide, management and/or investment advisory services to other corporations, limited partnerships or other investment funds or managed accounts in addition to the Trust. In the event that the Manager elects to undertake such activities and other business activities in the future, the Manager and its principals may be subject to conflicting demands in respect of allocating management time, services and other functions. The Manager and its principals and affiliates endeavor to treat each client, investment pool and managed account fairly and not to favor one client, investment pool or managed account over another.

To avoid any conflict of interest, or the appearance of a conflict of interest, the Manager has adopted a policy pursuant to which any entity or account that is: (a) managed; or (b) for whom investment decisions are made, directly or indirectly, by a Person that is involved in the decision-making process of, or has non-public information about, follow-on offerings of the Trust is prohibited from investing in the Trust, and no such decision-making Person is permitted to invest in the Trust for that decision-making Person's benefit, directly or indirectly. In

addition, the policy requires that any sales of Units owned by such Persons must be precleared by the Independent Review Committee.

In executing its duties on behalf of the Trust, the Manager is subject to the provisions of the Trust Agreement, the Management Agreement and the Manager’s Code of Ethics (a copy of which is available for review upon request at the offices of the Manager), which provide that the Manager will execute its duties in good faith and with a view to the best interests of the Trust and Unitholders.

Independent Review Committee

In accordance with applicable Securities Legislation, the Manager has established an Independent Review Committee for all investment funds managed by the Manager, which includes the Trust. The Independent Review Committee is composed of three members, each of whom is independent of the Manager and its affiliates, and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of an Independent Review Committee member’s judgment.

The mandate of the Independent Review Committee is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the mutual funds and non-redeemable investment funds managed by the Manager. The Manager refers all conflict of interest matters to the Independent Review Committee for its review and/or approval. The Manager has established a written charter for the Independent Review Committee, which includes its mandate, responsibilities and functions, and the written policies and procedures it will follow when performing its functions, including dealing with conflict of interest matters. The Manager maintains records in respect of these matters and provides assistance to the Independent Review Committee in carrying out its functions. The Independent Review Committee conducts regular assessments and provides reports, at least annually, to the Trust and to Unitholders in respect of its functions. The report prepared by the Independent Review Committee is made available on the Trust’s Website or, at a Unitholder’s request, sent to the Unitholder at no cost.

All fees and expenses of the Independent Review Committee incurred in connection with its duties with respect to the Trust shall be paid by the Trust and the Independent Review Committee shall have the authority to retain, at the expense of the Trust, independent counsel or other advisors if the Independent Review Committee deems it appropriate to do so. The members of the Independent Review Committee shall be indemnified by the Trust, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care.

The current members of the Independent Review Committee and their principal occupations are as follows:

Name and Municipality of Residence	Principal Occupation
Michele D. McCarthy Toronto, Ontario, Canada	Consultant
Kevin Drynan Toronto, Ontario, Canada	Consultant
Fraser Howell Toronto, Ontario, Canada	Consultant

Trustee

Pursuant to the Trust Agreement, RBC Investor Services Trust is the trustee of the Trust. The Trustee is a trust company existing under the laws of Canada. The principal office of the Trustee is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3.

Facilities

The Trust will store its Copper with Facilities that are reputable and exclusively in warehouses that are CME or LME-approved, which is the main global market standard for physical metal warehousing services that is accepted by market participants and financiers. The LME approves warehouses pursuant to its *LME Policy on*

Approval of Locations at Delivery Points. To obtain such approval, the Facility must satisfy the LME that the proposed warehouse location is safe, well managed, politically and economically stable, commercially sensible, fiscally appropriate, legally sound, not subject to corruption, and that the metal belonging to the owner can be removed in case of bankruptcy or insolvency of the Facility. Similar to the LME, the CME applies and audits the CME Group Delivery Facilities and Procedures policies for approving and maintaining such approval. By virtue of LME and CME policies, an individual warehouse location cannot simultaneously have both LME and CME approved status. Further, the Trust will only store Copper with such Facilities located in Storage Jurisdictions. The Storage Jurisdictions are all advanced economies with regulations for the storage of metals that are similar to those in Canada. The Facilities are not generally expected to meet the capitalization requirements in Section 6.3 of NI 81-102, the Manager will mitigate risks associated with such lack of capitalization by maintaining, at all times, a separate, market standard insurance policy that insures the Copper held with the Facilities for loss, theft or damage. This arrangement is in accordance with the industry standards for transactions in, and the storage of, Copper. In addition, in connection with becoming an LME or CME approved warehouse, Facilities must have market standard insurance in place for fraud and gross negligence that insures the Copper they are storing.

The Facilities, Storage Jurisdictions and Warehouse Providers, as well as the maintenance of market standard insurance, are requirements of the Exemptive Relief. To the extent the Exemptive Relief is amended, modified or supplemented, including by any subsequent exemptive relief order, the Manager and the Trust may, in the future, be required to use only certain of the Facilities, Storage Jurisdictions or Warehouse Providers, or permitted to utilize different storage facilities for Copper, including in other jurisdictions and or owned by different warehouse service providers.

Technical Advisor

WMC was engaged as the technical advisor to the Manager pursuant to a technical advisory agreement dated as of May 10, 2024 between the Manager and WMC (the “**Technical Advisory Agreement**”).

WMC was established in 2016 to provide supply chain solutions to the nuclear industry. The team brings experience with sourcing, storing, financing, and arranging deliveries of physical commodities worldwide, particularly with respect to Copper. In 2021, WMC became the technical advisor to Sprott Asset Management LP for the Sprott Physical Uranium Trust.

The WMC procurement team has purchased over \$2.2 billion of physical uranium for the Sprott Physical Uranium Trust. WMC’s lead buyers have been responsible for both procurement and sales of Copper in senior management positions. WMC has established relationships with both producers and traders to execute all inception and future quantities of Copper.

Fees payable to the Technical Advisor will be paid by, and be the sole responsibility of, the Manager. In addition, the Manager will reimburse the Technical Advisor for out-of-pocket expenditures (including, legal costs, costs for marketing materials and market data and travel expenses) that are directly related to the Technical Advisory Services and which the Manager can recover from the Trust, including any such expenditures incurred prior to signing the Technical Advisory Agreement.

The Technical Advisor will provide the Technical Advisory Services, which include, but are not limited to: (a) arranging, co-ordinating and confirming all purchases of Copper for the Trust; (b) arranging, co-ordinating and directing execution of all other transactions involving Copper, such as lending and exchanges of Copper, for the Trust; (c) advising on and arranging any (temporary) necessary financial hedges, such as futures or warrants, associated with (a) or (b) above, by the Manager; (d) advising on and co-ordinating all matters related to storage, logistics and safekeeping of the Copper, such as setting up warehouse accounts, direct incoming and outgoing transfers (both in warehouse and between warehouses), arranging logistics and insurance (inventory and/or marine), which for greater certainty, shall include assisting with due diligence, selection, and auditing of logistics providers and Warehouse Providers, including for the purposes of allowing the Trust and the Manager to comply with applicable securities laws; (e) generally co-ordinating communications between the Manager and third-parties active in the Copper market; (f) assisting with setting-up, maintaining and evaluating an appropriate valuation framework (including the selection of price reporting agencies) to accurately, regularly, determine the fair market value of the Copper the Trust holds; (g) providing the Manager with periodic updates on the Copper

market; (h) supporting the Manager with investor relations for the Trust, such support includes assisting with preparation of marketing material, accompanying the Manager on roadshows and participating on investor calls; (i) assisting the Manager with the Trust's operational and administrative requirements; and (j) providing reasonable assistance and support in connection with the Manager's preparation of Net Asset Value, financial and other public disclosures with respect to the Trust.

In the event that WMC is no longer able to serve as a Technical Advisor, the Manager may appoint such other Person(s), from time to time, pursuant to the provisions of the Trust Agreement and any technical advisory, consulting or other similar agreement, to provide advisory services to the Manager in respect of some or all of the Technical Advisory Services.

The Manager has appointed SAM US to provide advice to the Trust with respect to copper futures and certain other financial instruments. SAM US is relying on the "international adviser" exemption from the adviser registration requirements in the *Commodity Futures Act* (Ontario). SAM US is not registered as an adviser under Canadian securities or commodity legislation and, as such, is not required to comply with the same requirements that an adviser so registered would be subject to, such as those concerning proficiency, capital, insurance and other matters.

SAM US is an affiliate of the Manager. SAM US has its office, and all or substantially all of its assets, located outside of Canada. The Manager and the Trust may have difficulty enforcing any legal rights against SAM US.

Auditor

KPMG LLP was appointed as the Trust's auditor effective as of April 19, 2024. KPMG LLP's principal office is located at 333 Bay Street, Suite 4600, Toronto, Ontario, Canada, M5H 2S5.

The Auditor will annually audit the financial statements of the Trust to determine whether they fairly represent, in all material respects, the Trust's financial position, financial performance and cash flows in accordance with IFRS.

Transfer Agent and Registrar

TSX Trust Company will serve as the transfer agent and registrar for the Units. TSX Trust Company's principal office is located at 301-100 Adelaide St. W, Toronto, Ontario, Canada M5H 4H1, and the register of Units are kept at such address. TSX Trust Company will receive fees for the transfer agent and registrar related services provided to the Trust.

Valuation Agent

The Valuation Agent is responsible for providing valuation services to the Trust and calculating the value of the net assets of the Trust and NAV pursuant to the terms of the valuation services agreement. See "Calculation of Net Asset Value".

In carrying out its duties as valuation agent, the Valuation Agent is required to exercise the powers and discharge the duties of its office honestly and in good faith and, in connection therewith, must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Valuation Agent receives fees for the valuation services provided to the Trust.

Promoter

The Manager, which is located in Toronto, Canada may be considered a promoter of the Trust within the meaning of the securities legislation of certain of the provinces and territories of Canada by reason of its initiative in organizing the Trust. See "Organization and Management Details of the Trust – The Manager of the Trust". The Manager does not own any Units. The Manager will be entitled to ongoing management fees payable by the Trust. See "Organization and Management Details of the Trust – Details of the Management Agreement".

Custodian for the Trust's Copper

Copper owned by the Trust will be stored at Facilities with which the Trust will enter into Storage Agreements. Each Storage Agreement entered into with a Facility is expected to require, among other things, that the Facilities exercise their services with great care and skill, which is the same degree and care, diligence and skill that a reasonably prudent person would exercise in the circumstances, and to have the required insurance in place. Additionally, under each Storage Agreement, the applicable Facility will receive the Copper owned by the Trust and, after verification, issue a "warehouse receipt" that confirms the amount, weight, type, form, origin, characteristics and packaging condition of the Copper that are to be stored with the Facility. In the event of discrepancy arising during the verification process, the Facility will be required to promptly notify the Manager. The Copper owned by the Trust and stored at the Facilities will be segregated and identifiable at all times as belonging to the Trust. Under each Storage Agreement, the Facility for the Trust will be required to provide a written settlement statement no less frequently than each quarter indicating the type and amount of the Copper owned by the Trust that are being stored at the Facility. The Manager and Technical Advisor expect to have inspection and audit rights, including with respect to the Facility's inventory management system that keeps track of the Trust's inventory of Copper. Pursuant to each Storage Agreement, title to stored Copper will remain with the Trust, as the owner, and does not form part of the applicable Facility's assets. As such, in the event of an insolvency or other event at a Facility, ownership of the Copper are expected to remain with the Trust.

Custodian for the Trust's Assets other than Copper

Pursuant to the Trust Agreement, RBC Investor Services Trust will act as the custodian of the Trust's assets other than Copper. As compensation for the custodial services rendered to the Trust, RBC Investor Services Trust will receive such fees as mutually agreed upon with the Manager from time to time. These fees will be paid by the Trust out of the cash reserve held for ongoing expenses. RBC Investor Services Trust will be responsible for the safekeeping of all of the assets of the Trust delivered to it and will act as the custodian of such assets. The Manager, in accordance with applicable law and with the consent of the Trustee, will have the authority to change the custodial arrangement described above including, but not limited to, the appointment of a replacement custodian or additional custodians. RBC Investor Services Trust carries such insurance as it deems appropriate for its businesses and its position as custodian of the Trust's assets. The Trust Agreement does not require RBC Investor Services Trust to carry insurance in connection with any claims the Trust or Unitholders may have against RBC Investor Services Trust in its capacity as custodian of the Trust's assets other than Copper.

CALCULATION OF NET ASSET VALUE

The calculation of the Net Asset Value of the Trust shall be the responsibility of the Manager, who may consult with the valuation agent, which is RBC Investor Services Trust (the “**Valuation Agent**”), any Investment Manager, any Technical Advisor, the Facilities and the Custodian and/or the Auditor. The Net Asset Value of the Trust shall be determined for the purposes of subscriptions as at the time (the “**Valuation Time**”) and the date (the “**Valuation Date**”) as the Manager determines, in U.S. dollars. The Net Asset Value of the Trust determined on the last Valuation Date of each year shall include all income, common expenses, class expenses or any other items to be accrued to December 31 of each year and since the last calculation of the Net Asset Value per Unit (as defined below) or the Class Net Asset Value per Unit for the purpose of the distribution of net income and net realized capital gains of the Trust to Unitholders.

The “Net Asset Value of the Trust” as at the Valuation Time on each Valuation Date shall be the amount obtained by deducting from the aggregate fair market value of the assets of the Trust as of such Valuation Date an amount equal to the value of the liabilities of the Trust as of such Valuation Date. The “Net Asset Value per Unit” shall be determined by dividing the Net Asset Value of the Trust on a Valuation Date by the total number of Units then outstanding. The Net Asset Value of the Trust as at the Valuation Time on a Valuation Date shall be determined in accordance with the following:

- (a) The assets of the Trust shall be deemed to include the following property:
 - (i) all Copper owned by or contracted for the Trust;
 - (ii) all cash on hand or on deposit, including any interest accrued thereon adjusted for accruals deriving from trades executed but not yet settled;
 - (iii) all bills, notes and accounts receivable;
 - (iv) all interest accrued on any interest-bearing securities owned by the Trust other than interest, the payment of which is in default; and
 - (v) prepaid expenses.
- (b) The market value of the assets of the Trust shall be determined as follows:
 - (i) the fair market value of the Copper held by the Trust will be determined based on reported Copper spot prices from one, or more, Price Reporters that are most commonly used by the market subject to adjustment, as described below. The Price Reporters are private business organizations that offer subscription services to which most Copper market participants subscribe and the spot prices reported by such Price Reporters are used by such market participants as a basis on which to negotiate or settle contracted prices for Copper. The LME, the largest base metals commodity exchange in the world, is a regulated commodities exchange in the United Kingdom and provides public pricing information for base prices on Copper. COMEX (owned by CME) is the leading market venue for Copper in the United States. The Manager and Technical Advisor may use the LME or CME prices for Copper or may determine to use a different Price Reporter (or Price Reporters), depending on any changes in market conditions. If the Trust purchases Copper in a location or with other characteristics for which none of the Price Reporters report a spot price, the Trust will use the best available alternative spot price, as determined by the Manager and the Technical Advisor, to determine the fair market value of such Copper;
 - (ii) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the Manager shall have determined that any such deposit, bill, demand note, account receivable, prepaid expense or interest is not worth the full

- amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the fair value thereof;
- (iii) short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
 - (iv) the value of any security or other property for which no price quotations are available or, in the opinion of the Manager, to which the above valuation principles cannot or should not be applied, shall be the fair value thereof determined from time to time in such manner as the Manager shall from time to time provide; and
 - (v) the value of all assets and liabilities of the Trust valued in terms of a currency other than the currency used to calculate the Net Asset Value of the Trust shall be converted to the currency used to calculate the Net Asset Value of the Trust by applying the rate of exchange obtained from the best available sources to the Valuation Agent as agreed upon by the Manager including, but not limited to, the Trustee or any of its affiliates.
- (c) The liabilities of the Trust shall be calculated on a fair value basis and shall be deemed to include the following:
- (i) all bills, notes and accounts payable;
 - (ii) all fees (including Management Fees (as defined in the above section "Fees and Expenses Payable by the Trust")) and administrative and operating expenses and applicable taxes payable and/or accrued by the Trust;
 - (iii) all contractual obligations for the payment of money or property, including distributions of net income and net realized capital gains, if any, declared, accrued or credited to Unitholders but not yet paid on the day before the Valuation Date as of which the Net Asset Value of the Trust is being determined;
 - (iv) all allowances authorized or approved by the Manager or the Trustee for taxes or contingencies; and
 - (v) all other liabilities of the Trust of whatsoever kind and nature.
- (d) For the purposes of determining the market value of any security or property pursuant to (b) above which, in the opinion of the Valuation Agent in consultation with the Manager, the above valuation principles cannot be applied (because no price or yield equivalent quotations are available as provided above, or the current pricing option is not appropriate, or for any other reason), shall be the fair value as determined in such manner by the Valuation Agent in consultation with the Manager and generally adopted by the marketplace from time to time, provided that any change to the standard pricing principles as set out above shall require prior consultation and written agreement with the Manager. For greater certainty, fair valuing an investment comprising the Trust Property may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close.
- (e) Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the Net Asset Value of the Trust made after the date on which the transaction becomes binding.
- (f) The Net Asset Value of the Trust and Net Asset Value per Unit on the first Business Day following a Valuation Date shall be deemed to be equal to the Net Asset Value of the Trust (or the Net

Asset Value per Unit, as the case may be) on such Valuation Date after payment of all fees and applicable taxes, including Management Fees, and after processing of all subscriptions of Units in respect of such Valuation Date.

- (g) The Net Asset Value of the Trust and the Net Asset Value per Unit determined by the Manager in accordance with the provisions of this section shall be conclusive and binding on all Unitholders.

Calculation of Class Net Asset Value and Class Net Asset Value per Unit

- (a) The Net Asset Value for a particular class or series of a class of units of the Trust (the “**Class Net Asset Value**”) as at the Valuation Time on a Valuation Date shall be determined for the purposes of subscriptions in accordance with the following calculation:
- (i) the Class Net Asset Value last calculated for that class or series of a class; plus
 - (ii) the increase in the assets attributable to that class or series of a class as a result of the issue of Units of that class or series of a class or the redesignation of Units into that class or series of a class since the last calculation; minus
 - (iii) the decrease in the assets attributable to that class or series of a class as a result of the redesignation of Units out of that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - (iv) the proportionate share of the net change in non-portfolio assets attributable to that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - (v) the proportionate share of market appreciation or depreciation of the portfolio assets attributable to that class or series of a class since the last calculation; minus
 - (vi) the proportionate share of the common expenses and applicable taxes allocated to that class or series of a class since the last calculation; minus
 - (vii) any class expenses and applicable taxes allocated to that class or series of a class since the last calculation.
- (b) A Unit of a class or series of a class being issued or a Unit that has been redesignated as a part of that class or series of a class shall be deemed to become outstanding as of the next calculation of the applicable Class Net Asset Value immediately following the Valuation Date at which the applicable Class Net Asset Value per Unit that is the issue price or redesignation basis of such Unit is determined and the issue price received or receivable for the issuance of the Unit shall then be deemed to be an asset of the Trust attributable to the applicable class or series of a class.
- (c) A Unit of a class or series of a class that has been redesignated as no longer being a part of that class or series of a class shall be deemed to remain outstanding as part of that class or series of a class until immediately following the Valuation Date as of which the applicable Class Net Asset Value per Unit that is the redesignation basis of such Unit is determined; thereafter, the Unit which has been redesignated will be deemed to be outstanding as a part of the class or series of a class into which it has been redesignated.
- (d) On any Valuation Date that a distribution is paid to Unitholders of a class or series of a class, a second Class Net Asset Value shall be calculated for that class or series of a class, which shall be equal to the first Class Net Asset Value calculated on that Valuation Date minus the amount of the distribution. For greater certainty, the second Class Net Asset Value shall be used for

determining the Class Net Asset Value per Unit on such Valuation Date for purposes of determining the issue price for Units on such Valuation Date, as well as the redesignation basis for Units being redesignated into or out of such class or series of a class, and Units redesignated out of that class or series of a class as at such Valuation Date shall participate in such distribution while Units subscribed for or redesignated into such class or series of a class as at such Valuation Date shall not.

- (e) The Class Net Asset Value per Unit of a particular class or series of a class of units as at any Valuation Date is the quotient obtained by dividing the applicable Class Net Asset Value as at such Valuation Date by the total number of Units of that class or series of a class outstanding at such Valuation Date. This calculation shall be made without taking into account any issuance or redesignation of Units of that class or series of a class to be processed by the Trust immediately after the Valuation Time of such calculation on that Valuation Date. The Class Net Asset Value per Unit for each class or series of a class of Units for the purpose of the issue of Units shall be calculated on each Valuation Date by or under the authority of the Manager as at the Valuation Time on every Valuation Date as shall be fixed from time to time by the Manager and the Class Net Asset Value per Unit so determined for each class or series of a class shall remain in effect until the Valuation Time as of which the Class Net Asset Value per Unit for that class or series of a class is next determined.

Suspension of Calculation of Net Asset Value Per Unit

During any period in which the right of Unitholders to request a redemption of their Units for Copper and/or cash is suspended, the Manager, on behalf of the Trust, will direct the Valuation Agent to suspend the calculation of the Net Asset Value, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit for each class or series of a class of Units. During any such period of suspension, the Trust shall not issue or redeem any Units. As noted in “Redemption of Units – Suspension of Redemptions”, in the event of any such suspension or termination thereof, the Manager shall issue a press release announcing the suspension or the termination of such suspension, as the case may be.

Reporting of Net Asset Value of the Trust

The value of the net assets of the Trust and the NAV is updated on each Business Day or as determined by the Manager in accordance with the Trust Agreement and is made available as soon as practicable at no cost on the Trust’s Website. Information contained in, or connected to, the Manager’s website is not incorporated into, and does not form part of, this prospectus.

DESCRIPTION OF THE UNITS

General

The Trust is authorized to issue an unlimited number of units in one or more classes and series of a class. Currently, the Trust has issued only one class of Units. Subject to amendment in accordance with the Trust Agreement, the Manager shall have sole discretion in determining whether the capital of the Trust is divided into one or more classes of units and into one or more series of each such class of units, the attributes that shall attach to each class or series of units and whether any class or series of units should be redesignated as a different class or series from time to time.

Each unit of a class or series of a class represents a beneficial interest in the net assets of the Trust attributable to that class or series of a class of units. Units are transferable and redeemable at the option of the Unitholder in accordance with the provisions set forth in the Trust Agreement. All units of the same class or series of a class have equal rights and privileges with respect to all matters, including voting, receipt of distributions from the Trust, liquidation and other events in connection with the Trust. Units and fractions thereof are issued only as fully paid and non-assessable. Units have no preference, conversion, exchange or pre-emptive rights. Each whole unit of a particular class or series of a class entitles the holder thereof to a vote at meetings of unitholders where all classes vote together, or to a vote at meetings of unitholders where that particular class or series of a class of unitholders votes separately as a class.

Voting

Subject to the restrictions described above, each Unitholder shall be entitled to one vote for each whole Unit held.

SECURITYHOLDER MATTERS

Meeting of Unitholders

Meetings of Unitholders shall be held by the Manager or the Trustee at such time and on such day as the Manager or the Trustee may from time to time determine for the purpose of considering the matters required to be placed before such meetings in accordance with the Trust Agreement or applicable laws and for the transaction of such other related matters as the Manager or the Trustee determines. Unitholders representing not less than 50% of the Net Asset Value of the Trust (as defined below) may requisition a meeting of Unitholders by giving a written notice to the Manager or the Trustee setting out in detail the reason(s) for calling and holding such a meeting. The Trustee shall, upon the written request of the Manager or Unitholders representing not less than 50% of the Net Asset Value of the Trust, requisition a meeting of Unitholders, provided that in the event of a request to call a meeting of Unitholders made by such Unitholders, the Trustee shall not be obligated to call any such meeting until it has been satisfactorily indemnified by such Unitholders against all costs of calling and holding such meeting. Unless otherwise required under applicable laws or stock exchange rules, the Trust need only to hold meetings of Unitholders as described above and is not required to hold annual or other periodic meetings.

Meetings of Unitholders are to be held at the principal office of the Trust or elsewhere in the municipality in which its office is located or, if the Manager so determines, at any other place in Canada.

Subject to the Trust Agreement, notice of the time and place of each meeting of Unitholders shall be given not less than 21 days before the day on which the meeting is to be held to each Unitholder of record at 4:00 p.m. (Toronto time) on the day on which the notice is given. Notice of a meeting of Unitholders shall state the general nature of the matters to be considered by the meeting. The Trustee, the Auditor, any Technical Advisor and any Investment Manager are entitled to receive all notices and other communications relating to any meeting of Unitholders that any Unitholder is entitled to receive and shall be entitled to attend at any meeting of Unitholders.

A quorum for the transaction of business at any meeting of Unitholders shall be at least two Unitholders holding not less than 5% of the outstanding Units on such date present in person or represented by proxy and entitled to vote thereat. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened on the requisition of Unitholders, shall be cancelled but in any other case shall be adjourned to such place and time on a date fixed by the chairman of the meeting not later than 14 days thereafter (which, for greater certainty, can be at a later time on the date of the originally scheduled meeting) at which adjourned meeting Unitholders present in person or represented by proxy shall be deemed to constitute a quorum.

At any meeting of Unitholders, every person shall be entitled to vote who, as at the end of the Business Day immediately preceding the date of the meeting, is entered in the register maintained in accordance with the Trust Agreement, unless in the notice of meeting and accompanying materials sent to Unitholders in respect of the meeting a record date is established for persons entitled to vote thereat.

For the purpose of determining Unitholders who are entitled to receive notice of and to vote at any meeting, or any adjournment thereof, or for the purpose of any action other than as provided in the Trust Agreement, the Manager may fix a date not more than 60 days nor fewer than 30 days prior to the date of any meeting of Unitholders, or other action, as a record date for the determination of Unitholders entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to receive such distributions, or to be treated as Unitholders of record for purposes of such other action, and any Unitholder who was a Unitholder at the time so fixed shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Unitholder of record for purposes of such other action, even though the Unitholder has since that date disposed of their Units and no Unitholder becoming such after that date shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Unitholder of record for purposes of such other action.

At any meeting of Unitholders, any Unitholder entitled to vote thereat may vote by proxy and a proxy need not be a Unitholder, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Manager, or with such other agent of the Trust as the Manager may direct, prior to the commencement

of such meeting. If approved by the Manager, proxies may be solicited naming the Manager as proxy and the cost of such solicitation shall be paid out of the property of the Trust (the “**Trust Property**”). When any Unit is held jointly by several persons, any one of them may vote at any meeting in person or by proxy in respect of such Unit, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote shall not be received in respect of such Unit. The instrument appointing any proxy shall be in such form and executed in such manner as the Manager may from time to time determine.

At any meeting of Unitholders every question shall, unless otherwise required by the Trust Agreement or applicable laws, be determined by an “ordinary resolution” approved, in person or by proxy, by Unitholders representing not less than 50% of the Net Asset Value of the Trust, or in the case of a separate vote by a particular class or series of a class of units, 50% of the Class Net Asset Value, as determined in accordance with the Trust Agreement, at a duly constituted meeting of Unitholders, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Unitholders holding Units representing not less than 50% of the Net Asset Value of the Trust, or in the case of a separate vote by a particular class or series of a class of Units, 50% of the Class Net Asset Value, as determined in accordance with the Trust Agreement;

Subject to the provisions of the Trust Agreement or applicable laws, any question at a meeting of Unitholders shall be decided by a show of hands unless a poll thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a poll thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima face evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of Unitholders upon the said question.

A resolution in writing forwarded to all Unitholders entitled to vote on such resolution at a meeting of Unitholders and signed by the requisite number of Unitholders required to obtain approval of the matter addressed in such resolution is as valid as if it had been passed at a meeting of Unitholders in accordance with the Trust Agreement.

Any resolution passed in accordance with the provisions of the Trust Agreement shall be binding on all Unitholders and their respective heirs, executors, administrators, other legal representatives, successors and assigns, whether or not such Unitholder was present or represented by proxy at the meeting at which such resolution was passed and whether or not such Unitholder voted against such resolution.

Amendments to the Trust Agreement

Any provision of the Trust Agreement may be amended, deleted, expanded or varied by the Manager, with the approval of the Trustee, upon notice to Unitholders, if the amendment, in the opinion of counsel for either the Trustee or the Manager, does not constitute a material change and does not relate to any of the matters that require Unitholder approval, but no amendment shall be made which adversely affects the pecuniary value of the interest of any Unitholder or restricts any protection provided to the Trustee or increases the responsibilities of the Trustee under the Trust Agreement.

The Trust Agreement may also be amended by the Manager without the approval of, or notice to, Unitholders for the following purposes:

- (a) to remove any conflicts or other inconsistencies which may exist between any terms of the Trust Agreement and any provisions of any applicable law affecting the Trust;
- (b) to make any change or correction in the Trust Agreement which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;

- (c) to bring the Trust Agreement into conformity with applicable laws, rules and policies of Securities Authorities, stock exchanges on which the Units are listed or with current practice within the securities industry, provided that any such amendment does not adversely affect the rights, privileges or interests of any Unitholder;
- (d) where the Exemptive Relief has been amended, modified, supplemented or replaced, to reflect any changes to the definitions of “Facility”, “Storage Agreements”, “Storage Jurisdictions” or “Warehouse Provider”, to the extent permitted by such amended, modified, supplemented or replaced Exemptive Relief;
- (e) to add or amend a redemption feature for any class of units that is necessary or advisable in connection with the Trust undertaking to list such class of units on a U.S. stock exchange, or so that the Trust may qualify as a “unit trust” for purposes of the Tax Act, in either case as determined by the Manager in its discretion; or
- (f) to provide added protection or benefit to Unitholders.

Unitholder Approval

Subject to the provisions of the Trust Agreement, certain matters relating to the Trust and the Trust Agreement require approval by Unitholders. Such approval must be given at a meeting duly called for that purpose or by written resolution. Any provision of the Trust Agreement may be amended, deleted, expanded or varied with the approval of Unitholders for the following purposes by resolution passed by an ordinary resolution, other than (a) and (b) below which require approval of Unitholders by an extraordinary resolution:

- (a) a change in the investment objective of the Trust or the investment strategy;
- (b) a change in the Investment and Operating Restrictions of the Trust, unless such change or changes are necessary to ensure compliance with Applicable Laws or other requirements imposed from time to time by stock exchanges on which the Units are listed;
- (c) any change in the basis of calculating a fee or expense that is charged to the Trust or directly to Unitholders by the Trust or the Manager in connection with the holding of Units which could result in an increase in charges to the Trust or to Unitholders;
- (d) the introduction of a fee or expense to be charged to the Trust or directly to Unitholders by the Trust or the Manager in connection with the holding of Units which could result in an increase in charges to the Trust or to Unitholders;
- (e) a reduction in the frequency of calculating the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value or the Class Net Asset Value per Unit;
- (f) a change in the Manager, unless the successor manager is an affiliate of the current Manager or the successor manager occurs primarily as a result of a Manager reorganization;
- (g) the Trust undertakes a reorganization with, or transfers its assets to, another investment fund, if
 - (i) the Trust ceases to continue after the reorganization or transfer of assets, and
 - (ii) the transaction results in Unitholders becoming unitholders in the other investment fund;
or
- (h) the Trust undertakes a reorganization with, or acquires assets from, another investment fund, if
 - (i) the Trust continues after the reorganization or acquisition of assets,

- (ii) the transaction results in the unitholders of the other investment fund becoming Unitholders, and
- (iii) the transaction would be a material change to the Trust.

Despite the foregoing, the approval of Unitholders is not required to be obtained for a change referred to in (c) above if

- (a) the Trust is at arm's length to the Person charging the fee or expense to the Trust which is changed;
- (b) the Disclosure Documents disclose that, although the approval of Unitholders will not be obtained before making the change, Unitholders will be sent a written notice at least 60 days before the effective date of the change that is to be made which could result in an increase in charges to the Trust; and
- (c) the notice referred to above is sent 60 days before the effective date of the change.

Despite the foregoing, the approval of Unitholders is not required to be obtained for a change referred to in (g) above if

- (a) the Independent Review Committee has approved the change in accordance with NI 81-107;
- (b) the Trust is being reorganized with, or its assets are being transferred to, another investment fund to which NI 81-102 and NI 81-107 apply and that is managed by the Manager or its affiliate;
- (c) the reorganization or transfer of assets of the Trust complies with the criteria set forth in NI 81-102;
- (d) the Disclosure Documents disclose that, although the approval of Unitholders will not be obtained before making the change, Unitholders will be sent a written notice at least 60 days before the effective date of the change; and
- (e) the notice to Unitholders referred to above is sent 60 days before the effective date of the change.

Any reorganization or transfer of assets pursuant to (g) or (h) above, including a transaction approved by the Independent Review Committee, must satisfy certain additional criteria as set forth in the Trust Agreement.

In addition, any material amendment, modification or variation in the provisions of, or rights attaching to, a particular class or series of a class of units must be approved by an extraordinary resolution of the unitholders of that class or series of a class of units, as the case may be.

The approval of Unitholders of any amendment, deletion, expansion or variation of the Trust Agreement reasonably required or advisable (as determined by the Manager acting in good faith) for, or in connection with, the listing or potential listing of the Units on a U.S. stock exchange shall only require a resolution approved, in person or by proxy, by Unitholders representing not less than 50% of the Units or a written resolution signed by Unitholders holding not less than 50% of the Units.

Notice of any amendment shall be given in writing to Unitholders and any such amendment shall take effect on a date to be specified therein, which date shall be not less than 60 days after notice of the amendment is given to Unitholders, except that the Manager and the Trustee may agree that any amendment shall become effective at an earlier date if, in the opinion of the Manager and the Trustee, an earlier date is desirable, provided such amendment does not adversely affect the rights, privileges or interests of any Unitholder.

Unitholder Reporting

The Manager shall cause an audit of the financial statements of the Trust for each Fiscal Year to be made by the Auditor. A copy of such statements, together with the Auditor's report thereon, shall be filed with the appropriate Securities Authorities pursuant to applicable laws. The Manager will provide to Unitholders a copy of the audited annual financial statements of the Trust within 90 days of each fiscal year-end as well as unaudited semi-annual interim financial statements of the Trust, within the timelines required under applicable Securities Legislation. The Manager will also prepare, file and deliver to Unitholders (if required) all management reports of fund performance and other continuous disclosure documents required by applicable Securities Legislation.

TERMINATION OF THE TRUST

The Trust does not have a fixed termination date but will be terminated in the event there are no Units outstanding; the Trustee resigns or is removed and no successor trustee is appointed by the Manager by the time the resignation or removal becomes effective; the Manager resigns and no successor manager is appointed by the Manager and approved by Unitholders by the time the resignation becomes effective; the Manager is, in the opinion of the Trustee, 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 Unitholders; the Manager experiences certain insolvency events; or the assets of the Manager are seized or confiscated by a public or governmental authority. In addition, the Manager may, in its discretion, terminate the Trust, without Unitholder approval, if, in the opinion of the Manager, after consulting with the Independent Review Committee, the value of the net assets of the Trust has been reduced such that it is no longer economically feasible to continue the Trust and it would be in the best interests of the Unitholders to terminate the Trust, by giving the Trustee and each holder of Units at the time 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 Securities Legislation, the matter will be referred by the Manager to Independent Review Committee for its recommendation. In connection with the termination of the Trust, the Trust will, to the extent possible, convert its assets into cash and, after paying or making adequate provision for all of the Trust's liabilities, distribute the net assets of the Trust to Unitholders, on a pro rata basis, as soon as practicable after the termination date.

USE OF PROCEEDS

The estimated net proceeds from the Offering, after deducting the Underwriters' commissions and the estimated expenses of the offering, will be US\$94 million (or US\$108.25 million if the Underwriters fully exercise their Over-Allotment Option).

The Trust will use the net proceeds of the Offering to acquire Copper in accordance with the Trust's investment objective and subject to the Trust's investment and operating restrictions described herein. The Trust intends to use approximately 90% of the net proceeds of the Offering to acquire the Copper as soon as practicable following the Closing. See "Fees and Expenses".

REDEMPTION OF UNITS

Subject to the terms of the Trust Agreement and the Manager's right to suspend redemptions in the circumstances described below, and the other limitations to which redemptions are subject as described below, Units may be redeemed at the option of a Unitholder on a semi-annual basis for physical Copper or cash. All redemptions will be determined using U.S. dollars, regardless of whether the redeemed Units were acquired on the TSX or another exchange or trading facility.

Redemptions for Copper

Unitholders whose Units are redeemed for Copper will be entitled to receive a redemption price equal to the aggregate value of the Class Net Asset Value per Unit of the redeemed Units as at the Valuation Time on the applicable Redemption Date for the Notice Period during which the redemption request is received. Except as provided under "Redemption of Units—Semi-annual Limitation on Redemptions" below, redemption requests must be for amounts that are at least equivalent to the value of one Minimum Physical Redemption Lot or an integral multiple thereof, plus applicable expenses. A "Minimum Physical Redemption Lot" means the equivalent of 100 metric tonnes of Copper. Any fractional amount of redemption proceeds (adjusted for applicable expenses) payable in excess of a Minimum Physical Redemption Lot or an integral multiple thereof, but below an incremental Minimum Physical Redemption Lot (or, if reduced pursuant to the limitations described below in "Redemption of Units—Semi-annual Limitation on Redemptions" to a fractional amount that is less than a Minimum Physical Redemption Lot), will, in the Manager's sole discretion, be paid in Copper or the equivalent value in cash at a rate equal to 100% of the Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date that represents such excess amount. A Unitholder redeeming Units for Copper will be responsible for the expenses incurred in connection with effecting the redemption including, to the extent required, sales or other value-added taxes (as determined by the Manager in its sole discretion) and applicable transfer and delivery expenses, including the handling, logistical requirements and administration of the Copper Redemption Notice, the transfer of the Copper for the Units that are being redeemed and the applicable fees charged by the Designated Facility in connection with such redemption, including but not limited to ownership transfer fees.

Procedure to Redeem for Copper

Except as provided under "Redemption of Units—Semi-annual Limitation on Redemptions" below, a Unitholder that owns a sufficient number of Units who desires to exercise redemption privileges for physical Copper must do so by instructing his, her or its broker, who must be a CDS participant, to deliver to the Registrar and Transfer Agent on behalf of the Unitholder a Copper Redemption Notice. A Copper Redemption Notice must be received by the Registrar and Transfer Agent between 9:00 a.m. on the first day of the applicable Notice Period and 4:00 p.m. on the last day of the applicable Notice Period. Any Copper Redemption Notice received outside of a Notice Period will not be processed, will be void and, in order to be processed, must be re-submitted during the next Notice Period. Any Copper Redemption Notice must include a valid signature guarantee to be deemed valid by the Trust.

Except as provided under "Redemption of Units—Suspension of Redemptions" below, by instructing a broker, who must be a CDS participant, to deliver to the Registrar and Transfer Agent a Copper Redemption Notice, the Unitholder will be deemed to have irrevocably surrendered his, her or its Units for redemption and appointed such broker to act as his, her or its exclusive settlement agent with respect to the exercise of such redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Once a Copper Redemption Notice is received by the Registrar and Transfer Agent, the Registrar and Transfer Agent, together with the Manager, will determine whether such Copper Redemption Notice complies with the applicable requirements, is, subject to the limitations described in "Redemption of Units—Semi-annual Limitation on Redemptions" below, for an amount of Copper that is equal to at least one Minimum Physical Redemption Lot plus applicable expenses, contains "in warehouse" transfer and delivery instructions that are acceptable to the Designated Facility (including an identified account in good standing with the Designated Facility), and, to the extent required (as determined by the Manager in its sole discretion), any tax identification information, resale certificate or other sales or value-added tax related information. If the Registrar and Transfer Agent and the

Manager determine that the Copper Redemption Notice complies with all applicable requirements, the Registrar and Transfer Agent will provide a notice to such redeeming Unitholder's broker, who must be a CDS participant, confirming that the Copper Redemption Notice was received and determined to be complete.

Any Copper Redemption Notice delivered to the Registrar and Transfer Agent regarding a Unitholder's intent to redeem Units that the Registrar and Transfer Agent or the Manager, in their sole discretion, determines to be incomplete, not in proper form, not duly executed or, subject to the limitations described in "Redemption of Units—Semi-annual Limitation on Redemptions" below, for an amount (taking into account applicable expenses) of Copper less than at least one Minimum Physical Redemption Lot shall for all purposes be void and of no effect, and the redemption privilege to which it relates shall be considered for all purposes not to have been exercised thereby. If the Registrar and Transfer Agent and the Manager determine that the Copper Redemption Notice does not comply with the applicable requirements, the Registrar and Transfer Agent will provide a notice explaining the deficiency to the Unitholder's broker. If the Copper Redemption Notice is determined to have complied with the applicable requirements, the Registrar and Transfer Agent and the Manager will determine as at the Valuation Time on the applicable Redemption Date the amount of Copper and the amount of cash that will be delivered to the redeeming Unitholder. Also on such applicable Redemption Date, the redeeming Unitholder's broker, who must be a CDS participant, will deliver the redeemed Units to CDS for cancellation.

Based on instructions from the Manager, the Designated Facility will arrange for "in warehouse" transfer and delivery of the requisite amount of Copper from the Trust's holdings of Copper at the Designated Facility to the Unitholder's account at the Designated Facility. As directed by the Manager, any cash to be received by a redeeming Unitholder in connection with a redemption of Units for Copper will be delivered or caused to be delivered by the Manager to the Unitholder's brokerage account within approximately 15 Business Days of the applicable Redemption Date.

Redemption of Units – Transfer of Copper to the Redeeming Unitholder

On or before the fifth Business Day of April of each year and on or before the fifth Business Day of October of each year, the Manager shall designate the Facility where the transfer of Copper will occur for, and which shall be the Designated Facility for the purposes of, the nearest following Redemption Date. Such designation shall be made available on the website established by the Manager from time to time for the Trust, which as of the date hereof is: <https://sprott.com/investment-strategies/physical-commodity-funds/copper/> (the "**Trust's Website**").

A Unitholder redeeming Units for Copper will receive the Copper via an "in warehouse" transfer and delivery from the Trust's holdings of Copper at the Designated Facility to the Unitholder's account at the Designated Facility. Copper received by a Unitholder as a result of a redemption of Units will be transferred pursuant to delivery instructions provided by the Unitholder and shall only be delivered to an account established by the Unitholder at the Designated Facility. The Designated Facility shall be engaged by, or on behalf of, the redeeming Unitholder.

Costs associated with the redemption of Units and the transfer of Copper will be borne by the redeeming Unitholder. The redeeming Unitholder will also be responsible for any and all fees charged by the Designated Facility, including any transfer or setup fees. Upon request, the Manager will provide Unitholders interested in redeeming Units for Copper with an estimate of the current costs associated with the transfer of Copper pursuant to the Unitholder's transfer and delivery instructions.

The transfer of Copper in connection with a redemption of Units will occur as soon as practicable and, in any event, approximately 15 Business Days after the applicable Redemption Date, subject to the timelines, policies and procedures at any Designated Facility.

Exceptions to Redemption for Copper

Unitholders that are constituted and authorized as undertakings for collective investment in transferable securities (UCITS) or are otherwise prohibited by their investment policies, guidelines or restrictions from receiving Copper may only redeem Units for cash pursuant to the Trust Agreement.

Redemptions for Cash

Unitholders whose Units are redeemed for cash will be entitled to receive a redemption price per Unit equal to 95% of the lesser of (i) the volume-weighted average trading price (in U.S. dollars) of the Units traded on the TSX, for the five trading days ending on the applicable Redemption Date; and (ii) the Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date, less an administration fee payable to the Trust equal to the out-of-pocket fees, costs and expenses of the Trust associated with such redemption, including amounts payable under the Management Agreement in connection with the sale of Copper to fund the cash redemption amount, and a further administration fee payable to the Manager equal to 1.0% of the aggregate Class Net Asset Value of the redeemed Units as at the Valuation Time on the applicable Redemption Date to offset the handling, logistical requirements and administration in connection with a redemption of Units for cash.

Cash proceeds from the redemption of Units will be transferred to a redeeming Unitholder approximately 15 Business Days following the applicable Redemption Date, subject to the terms of and conditions of the sales of Copper by the Trust to fund the cash redemption amount.

Procedure to Redeem for Cash

To redeem Units for cash, a Unitholder must instruct the Unitholder's broker, who must be a CDS participant, to deliver a Cash Redemption Notice to the Registrar and Transfer Agent. A Cash Redemption Notice must be received by the Registrar and Transfer Agent between 9:00 a.m. on the first day of the applicable Notice Period and 4:00 p.m. on the last day of the applicable Notice Period. Any Cash Redemption Notice received outside of a Notice Period will not be processed, will be void and, in order to be processed, must be re-submitted during a Notice Period. Any Cash Redemption Notice must include a valid signature guarantee to be deemed valid by the Trust.

Except as provided under "Redemption of Units—Suspension of Redemptions" below, by instructing his, her or its broker, who must be a CDS participant, to deliver to the Registrar and Transfer Agent a Cash Redemption Notice, the redeeming Unitholder will be deemed to have irrevocably surrendered his, her or its Units for redemption and appointed such broker to act as his, her or its exclusive settlement agent with respect to the exercise of such redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Any Cash Redemption Notice delivered to the Registrar and Transfer Agent regarding a Unitholder's intent to redeem Units that the Registrar and Transfer Agent or the Manager determines to be incomplete, not in proper form or not duly executed will for all purposes be void and of no effect and the redemption privilege to which it relates will be considered for all purposes not to have been exercised thereby. For each Cash Redemption Notice, the Registrar and Transfer Agent will notify the redeeming Unitholder's broker, who must be a CDS participant, that such Cash Redemption Notice has been deemed insufficient or accepted and duly processed, as the case may be.

The Registrar and Transfer Agent and the Manager will determine as at the Valuation Time on the applicable Redemption Date the amount of cash that will be delivered to the redeeming Unitholder. Also on such Redemption Date, the redeeming Unitholder's broker, who must be a CDS participant, will deliver the redeemed Units to CDS for cancellation.

Canadian Tax Implications of Redemption

Pursuant to the Trust Agreement, the Manager, in its sole discretion, may allocate and, where applicable, designate to a Unitholder who has redeemed Units during a year an amount equal to any net income or net realized capital gains realized by the Trust for the year as a result of the disposition of any of the Trust's property to satisfy the Copper Redemption Notice or the Cash Redemption Notice, as the case may be, given by such Unitholder or such other amount that is determined by the Manager to be reasonable. See "Material Canadian Federal Income Tax Considerations".

Suspension of Redemptions

The Manager, on behalf of the Trust, may suspend the right of Unitholders to request a redemption of their Units or postpone the date of delivery or payment of the redemption proceeds (whether Copper and/or cash, as the case may be) with the prior approval of Canadian securities regulatory authorities having jurisdiction, where required, for any period during which the Manager determines that conditions exist which render impractical the sale of assets of the Trust or which impair the ability of the Manager to determine the Net Asset Value of the Trust and the Net Asset Value per Unit.

In the event of any such suspension, the Manager shall issue a press release announcing the suspension and shall advise the Trustee, the Trust's valuation agent and any other agents appointed by the Manager, as applicable. The suspension may apply to all requests for redemption received prior to the suspension, but as for which payment has not been made, as well as to all requests received while the suspension is in effect. All Unitholders making such requests will be advised by the Manager of the suspension and that the redemption shall be effected at a price determined on the first Valuation Date that the Net Asset Value per Unit is calculated following the termination of the suspension. All such Unitholders will have, and will be advised that during such suspension of redemptions that they have, the right to withdraw their requests for redemption. The suspension will terminate in any event on the first Business Day on which the condition giving rise to the suspension has ceased to exist or when the Manager has determined that such condition no longer exists, provided that no other condition under which a suspension is authorized then exists, at which time the Manager shall issue a press release announcing the termination of the suspension and will advise the Trustee, the Trust's valuation agent and any other agents appointed by the Manager, as applicable. Subject to applicable Canadian and U.S. securities laws, any declaration of suspension made by the Manager, on behalf of the Trust, will be conclusive.

Suspension of Calculation of Net Asset Value Per Unit

During any period in which the right of Unitholders to request a redemption of their Units for Copper and/or cash is suspended, the Manager, on behalf of the Trust, will direct the Trust's valuation agent to suspend the calculation of the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit. During any such period of suspension, the Trust will not issue or redeem any Units. In the event of any such suspension or termination thereof, the Manager shall issue a press release announcing the suspension or the termination of such suspension, as the case may be. See "Calculation of Net Asset Value – Suspension of Calculation of Net Asset Value Per Unit".

Semi-annual Limitation on Redemptions

Pursuant to the terms of the Trust Agreement, the aggregate number of Units that may be redeemed on any Redemption Date shall not exceed 1.5% of the number of Units outstanding as at the close of business on the last day of the applicable Notice Period. In the event that the aggregate number of Units originally set out in valid Copper Redemption Notices and valid Cash Redemption Notices received during the applicable Notice Period exceeds 1.5% of the number of Units outstanding as at the close of business on the last day of the applicable Notice Period, then the number of Units to be redeemed pursuant to any valid Copper Redemption Notice or valid Cash Redemption Notice received during the applicable Notice Period shall be deemed for all purposes (other than determining the validity of a Copper Redemption Notice on the basis of such Copper Redemption Notice being for an amount of Copper that is equal to at least one Minimum Physical Redemption Lot plus applicable expenses) to be a pro rata amount (rounded down to the nearest whole number of Units) of an amount equal to 1.5% of the number of Units outstanding at the close of business on the last day of the applicable Notice Period. Such pro-rationing will be equal to the product (rounded down to the nearest whole number) of (i) the number of Units originally set out in such valid Copper Redemption Notice or valid Cash Redemption Notice received during the applicable Notice Period, multiplied by (ii) the quotient of (A) the number of Units originally set out in such valid Copper Redemption Notice or valid Cash Redemption Notice, divided by (B) the aggregate number of Units originally set out in valid Copper Redemption Notices and valid Cash Redemption Notices received during the applicable Notice Period. The applicable pro rata amounts shall be calculated by the Manager and be subject to adjustment at the discretion of the Manager acting in good faith to give effect to the intention of this provision of the Trust Agreement.

PLAN OF DISTRIBUTION

General

Pursuant to an underwriting agreement dated May 31, 2024 among the Trust, the Manager, and the Underwriters (the “**Underwriting Agreement**”), the Trust has agreed to sell and the Underwriters have severally agreed to purchase on Closing an aggregate of 10 million Units pursuant to the Offering at a price of US\$10.00 per Unit for aggregate gross proceeds of US\$100,000,000 payable in cash to the Trust, against delivery of the Units on the Closing Date or such later date as the Trust and the Underwriters agree, but no later than June 20, 2024, subject to and in compliance with all of the necessary legal requirements and conditions contained in the Underwriting Agreement.

In consideration for their services in connection with the Offering, the Trust has agreed to pay the Underwriters a fee equal to US\$0.50 per Unit (being 5.0% of the Offering Price), including any Units forming part of the Over-Allotment Option, but excluding any Units sold to purchasers on the President’s List in respect of which no fee shall be payable. It is estimated that the total expenses of the Offering, not including the Underwriters’ Fee, will be approximately US\$1 million. All such expenses of the Offering will be paid by the Trust. The Underwriters may form a selling group including other qualified investment dealers and determine the fee payable to the members of such group, which fee will be paid by the Underwriters out of their fees.

Prior to the Offering, there was no public market for the Units. The Offering Price was determined by negotiation among the Trust, the Manager, and the Underwriters and the Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the price specified on the cover page of this prospectus, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than that set out on the cover page of this prospectus, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Units is less than the price paid by the Underwriters to the Trust. Any such reduction will not affect the net proceeds received by the Trust. The Underwriters may form a selling group including other qualified investment dealers and determine the fee payable to the members of such group, which fee will be paid by the Underwriters out of their fees.

Pursuant to the Underwriting Agreement, the Trust has granted to the Underwriters the Over-Allotment Option, which is exercisable, in whole or in part, at any time for a period of 30 days after Closing to purchase from the Trust up to an additional 1.5 million Units (representing 15% of the aggregate number of Units sold pursuant to the Offering) on the same terms as set forth above for the purpose of covering the Underwriters’ over-allocation position, if any, and consequential market stabilization. If the Over-Allotment Option is exercised in full, the total Price to the Public will be US\$115 million, the Underwriters’ Fee will be US\$5.75 million, and the Net Proceeds to the Trust will be US\$109.25 million (before deducting the expenses of the Offering). This prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Units to be delivered upon the exercise of the Over-Allotment Option. A purchaser who acquires Units forming part of the Underwriters’ over-allocation position acquires such Units under this prospectus, regardless of whether the Underwriters’ over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Under the terms of the Underwriting Agreement, the Underwriters may, at their discretion, terminate the Underwriting Agreement upon the occurrence of certain events, including “material change out” and “market out” clauses. The Underwriters are, however, severally obligated to take up and pay for all of the Units that they have agreed to purchase if any of the Units are purchased under the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Trust has agreed that it will not, directly or indirectly, without the prior written consent of the Joint Bookrunners, issue, sell, grant any option for the sale of, or otherwise dispose or monetize, or offer to announce any intention to do so, in a public offering or by way of private placement or otherwise, any Unit, retained interest securities, or any securities convertible or exchangeable into Unit for a period of 90 days after the date of Closing.

We have severally agreed to indemnify the Underwriters and each of their affiliates and their respective directors, officers, employees and agents against certain liabilities, including, without restriction, civil liabilities under

Securities Legislation, and to contribute to any payments that the Underwriters may be required to make in respect thereof.

The TSX has conditionally approved the listing of the Units on the TSX under the symbols “COP.U” (U.S. dollar denominated) and “COP.UN” (Canadian dollar denominated). Listing is subject to the Trust’s fulfilment of all of the initial listing requirements and conditions of the TSX, and there can be no guarantee that the Trust will do so. Closing is conditional on the Units being listed on the TSX.

There is currently no market through which the Units may be sold. This may affect the pricing of the Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Units and the extent of issuer regulation. See “Risk Factors”. Subscriptions for Units will be received subject to rejection or allocation in whole or in part and the right is reserved to close the subscription books at any time without notice. The Closing is expected to occur on June 6, 2024 or such other date as the Trust and the Underwriters may agree, but in any event not later than June 20, 2024.

The Offering is being made in each of the provinces and territories of Canada. The Units will be offered in each of the provinces and territories of Canada through the Underwriters or their affiliates who are registered to offer the Units for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters.

The Units have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Each Underwriter has agreed that it will not offer or sell Units within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriting Agreement provides that the Underwriters may re-offer and re-sell the Units that they have acquired pursuant to the Underwriting Agreement in the United States to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in accordance with Rule 144A under the U.S. Securities Act. The Trust may also offer and sell the Units in the United States, through the U.S. registered broker-dealer affiliates of the Underwriters, as placement agents, to a limited number of “accredited investors” (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act), on a substituted purchaser basis pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof and pursuant to similar exemptions under applicable state securities laws.

The Underwriting Agreement also provides that the Underwriters may offer and sell the Units outside the United States in accordance with Rule 903 of Regulation S under the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act.

Price Stabilization, Short Positions and Passive Market Making

In connection with the Offering, the Underwriters may, subject to applicable law, over-allocate or effect transactions which stabilize or maintain the market price of the Units at levels other than those which otherwise might prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Units while the Offering is in progress. These transactions may also include over-allocating or making short sales of the Units, which involves the sale by the Underwriters of a greater number of Units than they are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount.

The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Units in the open market. In making this determination, the Underwriters will consider, among other things, the price of Units available for purchase in the open market compared with the price at which they may purchase Units from the Trust through the Over-Allotment Option.

The Underwriters must close out any naked short position by purchasing Units in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Units in the open market. Any naked short sales will form part of the Underwriters' over-allocation position. A purchaser who acquires Units forming part of the Underwriters' over-allocation position resulting from any covered short sales or naked short sales will, in each case, acquire such Units under this prospectus, regardless of whether the Underwriters' over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In addition, in accordance with rules and policy statements of certain Canadian securities regulatory authorities and the Universal Market Integrity Rules for Canadian Marketplaces ("**UMIR**"), the Underwriters may not, at any time during the period of distribution, bid for or purchase Units. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of the Units. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSX, including UMIR, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Units may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Units are listed, in the over-the-counter market, or otherwise.

Non-Certificated Inventory System

No certificates representing the Units to be sold in the Offering will be issued to purchasers under this prospectus. Registration will be made in the depository service of CDS, or to its nominee, and electronically deposited with CDS on the Closing Date. Each purchaser of Units will receive only a customer confirmation of purchase from the participants in the CDS depository service ("**CDS Participants**") from or through which such Units are purchased, in accordance with the practices and procedures of such CDS Participant. Transfers of ownership of Units in Canada will be effected through records maintained by the CDS Participants, which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS book entry system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly.

PRINCIPAL UNITHOLDERS OF THE TRUST

Prior to the Offering, the Trust has issued on April 12, 2024 one Unit, in exchange for the purchase price of US\$10.00, in connection with the formation of the Trust. This Unit is owned by and registered in the name of the settlor of the Trust, Lara Misner, who is the Chief Compliance Officer of Manager GP, and will be presented for cancellation upon the completion of the Offering. No other Units have been issued by the Trust.

LEGAL PROCEEDINGS

The Manager is not aware of any legal or administrative proceedings outstanding, threatened or pending as of the date hereof by or against the Trust or the Manager or relating to the business that would be material to a purchaser of Units.

LEGAL MATTERS

The matters referred to under “Eligibility Under the Tax Act for Investment by Canadian Exempt Plans” and “Material Canadian Federal Income Tax Considerations”, as well as certain other legal matters relating to the issue and sale of the Units, will be passed upon on our behalf by Stikeman Elliott LLP and on behalf of the Underwriters by McCarthy Tétrault LLP. As at the date of this prospectus, the partners and associates of each of Stikeman Elliott LLP and McCarthy Tétrault LLP beneficially own, directly and indirectly, less than 1% of our outstanding securities or other property, or our affiliates. See “Principal Unitholders of the Trust”.

As a non-redeemable investment fund, the Trust is required to post certain regulatory disclosure documents on the Trust’s Website. The internet address of the Trust’s Website is <https://sprott.com/investment-strategies/physical-commodity-funds/copper/>. This internet address is provided here only as a convenience to you, and the information contained on or connected to the Trust’s Website is not incorporated into, and does not form part of, this prospectus.

MATERIAL CONTRACTS

The only material contracts entered into by the Trust to which it is or will become a party on or prior to the Closing are as follows:

1. the Trust Agreement described under “Overview of the Structure of the Trust – Overview of the Trust Agreement”;
2. the Management Agreement referred to under “Organization and Management Details of the Trust – Manager of the Trust”; and
3. the Underwriting Agreement referred to under “Plan of Distribution”.

Copies of these material contracts will also be filed under the Trust’s SEDAR+ profile at www.sedarplus.com. You may also obtain copies of these material contracts by requesting them in writing or by telephone at the following address and phone number: Royal Bank Plaza, South Tower, Suite 2600, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and (416) 943-8099.

EXEMPTIONS AND APPROVALS

The Manager has applied for, and expects to receive, Exemptive Relief from the Canadian securities regulatory authorities for relief from NI 81-102 to permit the Trust to appoint the Warehouse Providers as custodians of the Trust's Copper.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To Sprott Asset Management LP and the Unitholder of Sprott Physical Copper Trust

Opinion

We have audited the financial statements of Sprott Physical Copper Trust (the Entity), which comprise:

- the statement of financial position as at April 19, 2024
- the statement of changes in unitholder's equity for the period from inception on April 12, 2024 to April 19, 2024
- the statement of cash flows for the period from inception on April 12, 2024 to April 19, 2024
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at April 19, 2024 and its financial performance and its cash flows for the period from inception on April 12, 2024 to April 19, 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants, Licenced Public Accountants

Toronto, Canada

May 10, 2024

SPROTT PHYSICAL COPPER TRUST

FINANCIAL STATEMENTS

Sprott Physical Copper Trust

Statement of Financial Position

(in U.S. dollars)

As at April 19, 2024

Assets

Cash \$10

Unitholder's equity

Unitholder's capital (Note 1):

Units (1 Unit) \$10

The accompanying notes are an integral part of these financial statements

Sprott Physical Copper Trust

Statement of Changes in Unitholder's Equity

(in U.S. dollars, except unit amounts)

**For the period from inception on April 12, 2024
to April 19, 2024**

	<u>Number</u>	<u>Amount (\$)</u>
Unitholder's equity – beginning of period	-	-
Issuance of trust unit	<u>1</u>	<u>\$10</u>
Unitholder's equity – end of period	<u>1</u>	<u>\$10</u>

The accompanying notes are an integral part of these financial statements

Sprott Physical Copper Trust

Statement of Cash Flows

(in U.S. dollars)

**For the period from inception on April 12, 2024
to April 19, 2024**

Financing activities

Issuance of trust unit	<u>\$10</u>
Cash flow from financing activities	\$10
Cash, beginning of period	<u>-</u>
Cash, end of period	<u>\$10</u>

The accompanying notes are an integral part of these financial statements

SPROTT PHYSICAL COPPER TRUST

NOTES TO THE FINANCIAL STATEMENTS

As at and for the period ended April 19, 2024

(in U.S. dollars, unless otherwise noted)

1. Organization of the Trust

Sprott Physical Copper Trust (the ‘**Trust**’) is a closed-end trust established under the laws of the Province of Ontario, Canada pursuant to an amended and restated trust agreement dated as of May 10, 2024 (“Trust Agreement”). Sprott Asset Management LP (the “**Manager**”) is the manager of the Trust and the initial trustee. The Manager is a registered investment fund manager, portfolio manager and wholly-owned subsidiary of Sprott Inc. (“**Sprott**”), a public company whose common shares are listed on the Toronto Stock Exchange (the “**TSX**”) and the New York Stock Exchange. The Trust is authorized to issue an unlimited number of units (“**Units**”) in one or more classes and series of Units. Each Unit of a class represents an equal, fractional, beneficial interest in the net assets of the Trust attributable to that class or series of a class of Units. Units are transferable or redeemable (on a limited, semi-annual basis), at the option of the Unitholder in accordance with the provisions set forth in the Trust Agreement. The aggregate number of units that may be redeemed shall not exceed 1.5% of the number of Units outstanding at each redemption period. The Trust’s registered office is located at Suite 2600, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada, M5J 2J1.

For the period from April 12, 2024 to April 19, 2024, the Trust had no operations.

The Trust will be managed by Sprott Asset Management LP utilizing WMC Group B.V. to advise and assist with all activities involving copper. RBC Investor Services Trust, a trust company organized under the laws of Canada, acts as the sole Trustee of the Trust effective May 10, 2024. RBC Investor Services Trust also acts as custodian for the Trust’s assets other than physical copper. The Copper owned by the Trust will be stored at London Metals Exchange or Chicago Mercantile Exchange approved storage or similar facilities for Copper. The Trust will enter into storage agreements to store such Copper.

The Trust will apply to list the Units on the TSX under the symbols “COP.U” (U.S. dollar denominated) and “COP.UN” (Canadian dollar denominated). Listing is subject to approval by the TSX of the listing application and the Trust fulfilling all of the initial listing requirements and conditions of the TSX. The TSX has not conditionally approved the listing of the Units on the TSX and there is no assurance that it will do so.

2. Basis of preparation

The Trust’s financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (“IFRS”). These are the first set of financial statements of the Trust prepared under IFRS. As there have been no operations during the period, a statement of income and comprehensive income has not been prepared. Going forward, the Trust’s financial reporting year end will be December 31.

Use of estimates

In preparing these financial statements, management has made estimates. In developing these estimations, management has made judgements and assumptions about the future that affect the application of the Trust’s accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

These financial statements are presented in U.S. dollars, which is the Trust’s functional currency.

These financial statements were authorized for issue by the Manager on May 10, 2024.

3. Material accounting policy

Financial assets and liabilities

Cash includes deposits held with banks. Cash is recorded at amortized cost, which is equivalent to its fair value.

4. Management fee and additional fees

The Trust will pay the Manager, a monthly management fee equal to $\frac{1}{12}$ of 0.50% of the value of the net assets of the Trust (determined in accordance with the Trust's trust agreement), plus any applicable sales taxes. The management fee will be calculated and accrued daily and payable monthly in arrears on the last day of each month.

Pursuant to the management agreement dated May 10, 2024, the Manager will be entitled to (i) a procurement fee which is equal to 1% of the total purchase price of the copper purchased or sold, less brokerage costs, plus applicable taxes; and (ii) an enhancement fee equal to 50% of the profit of all other transactions involving Copper, which are not outright purchases or sales of Copper.

5. Operating expenses

The Trust pays its own expenses incurred in connection with the ongoing operation and administration of the Trust, which include, but are not limited to, audit, legal, and trustee fees, unitholder reporting expenses, general and administrative fees, filing and listing fees payable to applicable securities regulatory authorities and stock exchanges, storage fees for the physical copper bullion, and any expenses associated with the Independent Review Committee of the Trust.

6. Related party transactions

On April 12, 2024, the Trust issued one Unit for \$10 cash to an employee of the Manager, as a first settlor of the Trust.

CERTIFICATE OF THE TRUST AND THE MANAGER

Dated: May 31, 2024

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

SPROTT PHYSICAL COPPER TRUST

By its manager, **SPROTT ASSET MANAGEMENT LP**
by its general partner, **SPROTT ASSET MANAGEMENT GP INC.**

(signed) JOHN CIAMPAGLIA
CHIEF EXECUTIVE OFFICER

(signed) VARINDER BHATHAL
CHIEF FINANCIAL OFFICER

On behalf of the Board of Directors of
SPROTT ASSET MANAGEMENT GP INC.

(signed) WHITNEY GEORGE
DIRECTOR

(signed) KEVIN HIBBERT
DIRECTOR

CERTIFICATE OF THE PROMOTER

Dated: May 31, 2024

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

SPROTT ASSET MANAGEMENT LP
by its general partner, **SPROTT ASSET MANAGEMENT GP INC.**

(signed) JOHN CIAMPAGLIA
CHIEF EXECUTIVE OFFICER

(signed) VARINDER BHATHAL
CHIEF FINANCIAL OFFICER

On behalf of the Board of Directors of
SPROTT ASSET MANAGEMENT GP INC.

(signed) WHITNEY GEORGE
DIRECTOR

(signed) KEVIN HIBBERT
DIRECTOR

CERTIFICATE OF THE UNDERWRITERS

Dated: May 31, 2024

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces and territories of Canada.

**CANACCORD GENUITY
CORP.**

(signed) David Sadowski

BMO NESBITT BURNS INC.

(signed) Joshua Goldfarb

**CANTOR FITZGERALD
CANADA CORPORATION**

(signed) Elan Shevel

RBC DOMINION SECURITIES INC.

(signed) Valerie Tan

TD SECURITIES INC.

(signed) Vivian Sze