



Sprott Asset Management LP

SPROTT CANADIAN EQUITY FUND
SPROTT GOLD AND PRECIOUS MINERALS FUND
SPROTT ENERGY FUND
SPROTT GROWTH FUND
SPROTT SMALL CAP EQUITY FUND
SPROTT ALL CAP FUND
SPROTT GOLD BULLION FUND
SPROTT TACTICAL BALANCED FUND
SPROTT DIVERSIFIED YIELD FUND
SPROTT SHORT TERM BOND FUND
SPROTT SILVER BULLION FUND

Unaudited Interim Financial Statements

JUNE 30

2011

Contents

1	Sprott Canadian Equity Fund
20	Sprott Gold and Precious Minerals Fund
32	Sprott Energy Fund
38	Sprott Growth Fund
45	Sprott Small Cap Equity Fund
54	Sprott All Cap Fund
66	Sprott Gold Bullion Fund
71	Sprott Tactical Balanced Fund
78	Sprott Diversified Yield Fund
87	Sprott Short-Term Bond Fund
93	Sprott Silver Bullion Fund
98	Notes to Financial Statements

Sprott Canadian Equity Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value (note 2, 14)	1,677,409,935	1,975,991,229
Cash	7,348,551	15,420,212
Due from broker	–	225,462
Subscriptions receivable	1,841,713	2,031,655
Dividends receivable	132,618	84,755
Interest receivable	136,704	155,112
	1,686,869,521	1,993,908,425
Liabilities		
Due to broker	929,573	45,848
Redemptions payable	3,500,924	2,027,898
Dividends payable	–	17,470
Securities borrowing fees payable	–	20,550
Accrued expenses	935,393	727,761
Management fees payable	3,783,960	–
	9,149,850	2,839,527
Total net assets representing unitholders' equity (note 2)	1,677,719,671	1,991,068,898
Total net assets representing unitholders' equity		
Series A	1,498,052,282	1,807,568,200
Series F	166,661,724	180,150,655
Series I	13,005,665	3,350,043
Net assets per unit (note 5, 9)		
Series A	44.644	52.546
Series F	43.550	50.976
Series I	44.491	52.010

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Canadian Equity Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Interest <i>(note 2)</i>	7,856,108	2,269,571
Dividends (net of withholding taxes of \$239,513; 2010 – \$8,971) <i>(note 2)</i>	623,162	540,049
	8,479,270	2,809,620
Expenses		
Management fees <i>(note 6)</i>	25,220,572	17,656,319
Unitholder reporting costs	1,246,852	1,113,332
Custodial fees	296,634	418,417
Administrative fees	72,174	35,644
Legal fees	40,898	9,539
Audit fees	16,387	16,349
Independent Review Committee fees	9,938	22,480
Trustee fees	2,767	2,600
Securities borrowing expense	(8,942)	276,690
Incentive fees <i>(note 6)</i>	–	7,896
Dividend expense	–	1,338,639
	26,897,280	20,897,905
Net investment loss	(18,418,010)	(18,088,285)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	98,196,624	45,142,719
Net realized losses on foreign exchange	(341,114)	(638,285)
Change in unrealized appreciation (depreciation) in the value of investments	(376,210,004)	11,490,359
Transaction costs <i>(note 2, 8)</i>	(744,264)	(1,189,222)
Net realized and unrealized gains (losses) on investments	(279,098,758)	54,805,571
Increase (Decrease) in net assets from operations	(297,516,768)	36,717,286
Increase (Decrease) in net assets from operations		
Series A	(268,114,068)	33,086,904
Series F	(27,821,476)	3,599,909
Series I	(1,581,224)	30,473
Increase (Decrease) in net assets from operations per unit <i>(note 2)</i>		
Series A	(7.886)	0.883
Series F	(7.568)	1.007
Series I	(10.688)	0.781

See accompanying notes

Sprott Canadian Equity Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	1,807,568,200	1,283,362,769
Series F	180,150,655	115,306,221
Series I	3,350,043	627,097
	1,991,068,898	1,399,296,087
Increase (Decrease) in net assets from operations		
Series A	(268,114,068)	33,086,904
Series F	(27,821,476)	3,599,909
Series I	(1,581,224)	30,473
	(297,516,768)	36,717,286
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	125,344,324	49,986,993
Series F	29,960,282	9,802,861
Series I	11,389,088	1,096,831
Amounts paid for redemption of units		
Series A	(166,746,174)	(133,520,455)
Series F	(15,627,737)	(13,313,074)
Series I	(152,242)	(109,004)
	(15,832,459)	(86,055,848)
Increase (Decrease) in net assets for the period		
Series A	(309,515,918)	(50,446,558)
Series F	(13,488,931)	89,696
Series I	9,655,622	1,018,300
	(313,349,227)	(49,338,562)
Net assets, end of period		
Series A	1,498,052,282	1,232,916,211
Series F	166,661,724	115,395,917
Series I	13,005,665	1,645,397
	1,677,719,671	1,349,957,525

See accompanying notes

Sprott Canadian Equity Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 0.98 (December 31, 2010 – 0.97) for this fund, if the S&P/TSX Composite Total Return Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$16,442,000 (December 31, 2010 – \$19,313,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	548,094	32.67	601,051	30.19
Australian Dollar	91,050	5.43	111,545	5.60
Pound Sterling	18,118	1.08	41,527	2.09
	657,262	39.18	754,123	37.88

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$6,507,000 (December 31, 2010 – \$7,541,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Canadian Equity Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	SECURED NOTES [0.55%]		
1,470,161	Golden Band Resources Inc. Private Note, January 1, 2049	1,548,815	2,454,097
4,681,570	Yukon-Nevada Gold Corp. Private Note, March 31, 2013	4,898,782	6,781,292
Total Secured Notes		6,447,597	9,235,389
	CONVERTIBLE DEBENTURES [0.35%]		
1,599,000	High River Gold Mines Ltd., 8%, December 31, 2011	1,599,000	1,599,000
467,000	NEMI Northern Energy & Mining Inc., 8%, March 20, 2013	467,000	467,000
810,000	Orbit Group Partners Inc.**, 10%, August 2, 2012	810,000	405,000
2,000,000	Pivot Acquisition Corp.**, 12%, April 14, 2013	2,000,000	2,000,000
1,320,000	Pinetree Capital Ltd. 8%, May 31, 2016	1,320,000	1,320,000
Total Convertible Debentures		6,196,000	5,791,000
OUNCES	BULLION [30.28%]		
85,161	Gold Bullion	44,979,768	123,229,676
11,504,155	Silver Bullion	145,643,084	384,725,599
Total Bullion		190,622,852	507,955,275
SHARES	EQUITIES [68.80%]		
	MINING AND PRECIOUS METALS [48.25%]		
236,200	Aeroquest International Limited	664,908	125,186
714,500	Aberdeen International Inc.	571,600	557,310
357,250	Aberdeen International Inc., Warrants, June 6, 2012	–	51,801
883,100	African Gold Group, Inc.	529,860	397,395
200,000	Aldridge Minerals Inc.	300,000	174,000
100,000	Aldridge Minerals Inc., Warrants, February 18, 2013	–	–
3,039,950	Alexco Resource Corp.	13,268,654	21,006,055
630,605	Alexis Minerals Corp.	565,370	50,448
1,912,433	Alhambra Resources Ltd.	1,854,370	1,204,833
10,000	Allied Nevada Gold Corp.	259,143	340,100
4,045,100	Alturas Minerals Corp.	2,262,428	566,314
1,459,865	American Bonanza Gold Corp.	1,160,474	503,653
1,175,100	American Consolidated Minerals Corp.	528,795	94,008
293,333	Amerix Precious Metals Corp.	220,000	55,733
2,638,100	Andean American Gold Corp.	2,374,290	1,160,764
332,640	AndeanGold Ltd.	422,875	43,243
1,427,082	AndeanGold Ltd., July 4, 2011*	313,958	184,665
1,427,082	AndeanGold Ltd., Warrants, March 3, 2013	–	–
221,900	Andina Minerals Inc.	458,559	259,623
3,845,067	Apogee Silver Ltd.	719,891	826,693
6,907,100	Apogee Silver Ltd., August 29, 2011*	1,933,988	1,425,625
3,714,367	Apogee Silver Ltd., Warrants, December 3, 2012	–	–
1,902,800	Argentum Silver Corp., September 21, 2011*	665,980	384,557
951,400	Argentum Silver Corp., Warrants, May 20, 2012	–	–
22,676,288	Arian Silver Corporation	2,171,464	10,204,330
1,637,000	Atac Resources Ltd.	2,738,393	11,900,990

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
7,796,720	Atlanta Gold Inc.	3,535,329	506,788
1,271,100	Atlanta Gold Inc., Warrants, August 26, 2012	—	—
203,380	Aldanta Gold Inc., Warrants, November 26, 2012	—	—
230,050	Atna Resources Ltd.	326,408	119,626
1,771,400	Augen Gold Corp.	177,140	407,422
1,771,400	Augen Gold Corp., Warrants, October 27, 2014	—	354,280
500,000	Aura Silver Resources Inc.	115,920	110,000
18,275,880	Aurcana Corp.	5,665,523	10,782,769
9,137,940	Aurcana Corp., Warrants, December 7, 2013	—	1,644,829
3,569	Aurico Gold Inc.	36,140	37,724
100,000	Auryx Gold Corp.	72,675	57,000
1,437,100	Avino Silver & Gold Mines Ltd.	1,939,050	2,989,168
1,217,600	Avino Silver & Gold Mines Ltd., Warrants, November 10, 2013	—	681,856
219,500	Avino Silver & Gold Mines Ltd., Warrants, December 22, 2013	—	—
26,932,300	Avion Gold Corporation	12,207,709	52,248,662
200,000	Azumah Resources Limited	87,177	111,708
20,000	Banro Corporation	41,003	73,200
1,028,990	Barkerville Gold Mines Ltd.	817,133	1,883,052
6,000	Barrick Gold Corp.	274,025	262,020
3,348,700	Bear Creek Mining Corporation	23,509,557	12,725,060
89,500	Beaufield Resources Inc.	35,519	25,508
366,570	Bellhaven Copper & Gold Inc.	227,217	166,789
108,285	Bellhaven Copper & Gold Inc., Warrants, April 17, 2012	—	—
100,000	Belo Sun Mining Corp.	95,505	104,000
1,943,364	Bitterroot Resources Ltd.	1,068,850	145,752
2,879,878	Brigus Gold Corp.	3,600,096	4,550,207
323,750	Brigus Gold Corp., Warrants, November 19, 2014	235,690	213,675
6,450,600	CGA Mining Limited	8,953,766	19,158,282
273,300	CMC Metals Ltd.	106,568	62,859
4,168,800	Caldera Resources Inc.	416,880	333,504
7,544,705	Campbell Resources Inc.	604,601	—
30,000	Canaco Resources Inc.	88,454	99,600
3,182,600	Canadian Orebodies Inc.	397,825	1,050,258
323,528	Cancana Resources Corp.	1,132,348	152,058
2,627,978	Carpathian Gold Inc.	2,391,277	1,090,611
1,599,366	Cassidy Gold Corp.	1,304,166	247,902
436,500	Cassidy Gold Corp., Warrants, December 15, 2011	—	—
180,900	Cayden Resources Inc.	72,360	434,160
4,318,510	Central Rand Gold Limited	1,058,314	55,480
50,000	Centurion Minerals Ltd., Warrants, December 8, 2011	—	—
538,087	Chesapeake Gold Corp.	5,761,980	5,832,863
4,029,375	CIC Mining Resources Ltd.	2,280,715	20,147
15,100	Clifton Star Resources Inc.	102,895	38,052
2,461,200	Cluff Gold PLC	1,778,131	3,314,311

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
8,000	Coeur d'Alene Mines Corp.	163,749	187,258
2,540,900	Colibri Resource Corporation	750,960	533,589
688,500	Colibri Resources Corporation, August 7, 2011*	137,700	139,009
688,500	Colibri Resources Corporation, Warrants, March 3, 2013	—	—
3,537,300	Colossus Minerals Inc.	8,072,755	24,725,727
1,971,800	Colombia Crest Gold Corp.	680,120	433,798
442,900	Colombia Crest Gold Corp., Warrants, December 24, 2011	—	—
1,528,900	Colombia Crest Gold Corp., Warrants, December 30, 2012	—	—
1,706,300	Commander Resources Ltd.	631,331	255,945
175,000	Continental Gold Ltd., Warrants, September 16, 2012	—	269,500
1,983,500	Continental Gold Limited	5,334,382	14,558,890
5,842,500	Cream Minerals Ltd.	937,546	876,380
5,385,600	Cream Minerals Ltd., Warrants, December 21, 2012	—	—
627,375	DNI Metals Inc.	818,370	166,254
40,000	Dalradian Resources Inc.	91,805	59,200
4,333	Detour Gold Corp.	103,995	120,977
1,327,800	Dorato Resources Inc.	663,900	292,116
312,890	Dragon Mining Limited	272,105	398,067
3,598,350	Dynasty Metals & Mining Inc.	19,979,195	10,039,397
6,539,900	East Asia Minerals Corp.	20,699,517	19,946,695
2,332,528	Eastmain Resources Inc.	1,206,024	2,682,407
1,948,800	El Tigre Silver Corp.	487,200	691,826
1,948,800	El Tigre Silver Corp., Warrants, December 14, 2012	—	—
514,450	Elissa Resources Ltd.**	—	174,913
270,704	Emgold Mining Corp.	769,595	31,131
437,162	Endeavour Mining Corp.	1,101,648	1,001,101
223,800	Endeavour Silver Corp.	819,930	1,810,542
1,402,700	Energizer Resources Inc.	805,500	393,810
3,606,900	Eskay Mining Corp.	2,452,745	378,725
535,000	Etruscan Diamonds Ltd.**	1,070,000	74,900
438,949	Eurogold Ltd.	108,087	72,643
2,850,250	Evolving Gold Corp.	2,305,255	1,852,663
14,678,577	Excellon Resources Inc.	17,253,427	10,275,004
1,521,700	Exeter Resource Corporation	4,263,502	6,102,017
2,272,450	Extorre Gold Mines Limited	6,038,512	27,996,581
2,732,024	Fire River Gold Corp.	1,176,131	1,147,452
1,400,000	Fire River Gold Corp., July 18, 2011*	700,000	576,240
112,900	Fire River Gold Corp., Warrants, January 21, 2012	—	—
502,862	Fire River Gold Corp., Warrants, May 18, 2012	—	—
700,000	Fire River Gold Corp., Warrants, September 17, 2012	—	—
1,509,700	First Majestic Silver Corp.	7,952,877	26,857,563
8,061,800	First Uranium Corporation	22,130,446	4,111,518
1,100,000	Formation Metals Inc.	1,518,000	1,078,000
550,000	Formation Metals Inc., Warrants, March 10, 2014	132,000	154,000

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
4,491,136	Fortuna Silver Mines Inc.	6,790,462	22,590,414
4,375,000	Franco-Nevada Corp., Warrants, May 26, 2014	1,750,000	4,243,190
530,500	Franco-Nevada Corp., Warrants, November 26, 2014	549,397	548,122
993,434	Freegold Ventures Ltd.	1,208,332	605,995
679,650	Freegold Ventures Ltd., Warrants, October 1, 2012	–	142,727
3,435,000	Full Metal Minerals Ltd.	1,920,959	858,750
231,800	Galliard Resources Corp., Warrants, January 10, 2013	–	–
2,143,900	Galway Resources Ltd.	669,017	1,993,827
655,600	Galway Resources Ltd., Warrants, September 29, 2011	–	118,008
4,019,000	Garibaldi Resources Corp.	505,375	1,125,320
2,352,500	Glass Earth Gold Limited.	470,500	588,128
2,540,700	Glass Earth Gold Limited, Warrants, May 5, 2012	–	–
4,980,234	Gold Canyon Resources Inc.	3,095,850	13,496,434
190,700	Gold Canyon Resources Inc., September 4, 2011*	581,635	502,800
3,218,900	Gold Canyon Resources Inc., Warrants, January 25, 2012	–	7,596,604
411,267	Gold Canyon Resources Inc., Warrants, September 24, 2012	–	847,210
10,628,229	Golden Band Resources Inc.	3,449,691	3,294,753
1,276,050	Golden Band Resources Inc., Warrants, February 4, 2012	–	–
1,389,129	Golden Band Resources Inc., Warrants, August 31, 2013	–	–
4,969,932	Golden Goliath Resources Ltd.	1,471,962	1,391,581
465,600	Golden Minerals Co.	9,431,605	7,962,025
1,766,100	Golden Predator Corp.	1,059,660	1,713,117
883,050	Golden Predator Corp., Warrants, November 4, 2012	–	150,119
7,186,900	Golden Queen Mining Co., Ltd.	3,960,853	19,763,975
1,375,900	Golden Tag Resources Ltd.	687,950	591,638
806,582	Golden Tag Resources Inc., August 21, 2011*	443,620	332,957
1,375,900	Golden Tag Resources Ltd., Warrants, November 30, 2012	–	–
403,291	Golden Tag Resources Inc., Warrants, April 20, 2013	–	–
2,317,900	Goldex Resources Corporation	584,233	162,253
2,680,122	Goldgroup Mining Inc.	1,778,617	3,028,538
7,360,200	Goldrush Resources Ltd.	1,802,060	993,627
2,555,600	Gossan Resources Limited	1,022,240	434,452
1,403,300	Grandview Gold Inc.	561,320	91,215
740,100	Grayd Resource Corporation	406,250	1,258,170
2,969,700	Great Western Minerals Group Ltd.	950,304	2,049,093
1,484,850	Great Western Minerals Group Ltd., Warrants, October 19, 2012	29,697	356,364
707,800	Gryphon Gold Corporation	768,350	102,631
20,000	Guyana Goldfields Inc.	206,800	136,600
4,073,400	Harte Gold Corp.	407,340	1,507,158
2,077,450	Harte Gold Corp., Warrants, November 25, 2011	–	457,039
201,300	Hecla Mining Company	519,503	1,491,025
12,874,455	High River Gold Mines Ltd.	11,225,367	15,063,112
25,000	Hochschild Mining PLC	207,834	177,847
922,300	Huldra Silver	535,780	1,097,537

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
220,000	Huldra Silver Inc., Warrants, June 22, 2012	–	96,800
702,300	Huldra Silver Inc., Warrants, December 22, 2012	–	309,012
18,000	IAMGOLD Corp.	331,803	325,980
5,437,650	Impact Silver Corp.	7,703,338	10,222,782
3,169,200	International Northair Mines, July 18, 2011*	950,760	1,616,292
1,584,600	International Northair Mines, Warrants, March 17, 2012	–	31,692
819,378	Intrepid Mines Limited	1,043,454	1,188,098
726,000	James Bay Resources Limited	907,500	406,560
363,000	James Bay Resources Limited, Warrants, July 24, 2011	–	–
826,200	Kimber Resources, Inc.	1,243,886	1,288,872
259,450	Kimber Resources, Inc., Warrants, December 23, 2012	–	–
1,559,100	Kirkland Lake Gold Inc.	11,605,135	23,604,774
2,804,282	Kootenay Gold Inc.	2,589,662	2,804,283
173,150	Kootenay Gold Inc., Warrants, February 28, 2012	–	–
1,091,741	Kootenay Gold Inc., Warrants, December 22, 2012	–	–
1,374,000	La Mancha Resources Inc.	768,146	3,050,280
2,333,000	Landdrill International Inc.	699,900	629,911
1,166,500	Landdrill International Inc., Warrants, August 17, 2012	–	–
36,800	Latin American Minerals Inc.	37,258	6,808
2,495,900	Lincoln Mining Corp.	424,303	374,386
1,247,950	Lincoln Mining Corp., Warrants, August 18, 2011	–	–
2,032,000	Lion Energy Corp.	1,166,430	538,480
213,300	Lion Energy Corp., Warrants, July 4, 2011	–	–
809,700	Luir Gold Limited	404,850	89,067
1,255,178	MAG Silver Corp.	7,321,415	12,062,261
107,800	MDN Inc.	86,827	32,879
821,300	Madison Minerals Inc.	569,752	69,811
12,882,100	Mandalay Resources Corp.	4,326,522	10,048,038
1,509,500	Manitou Gold Inc., July 30, 2011*	830,225	717,164
754,750	Manitou Gold Inc., Warrants, March 29, 2013	–	–
1,348,102	Medusa Mining Limited	1,610,885	9,175,030
267,400	Mega Precious Metals Inc.	267,400	118,993
8,955,900	Metanor Resources Inc.	4,475,522	2,059,858
720,750	Metanor Resources Inc., Warrants, December 12, 2011	–	–
2,574,300	Midlands Minerals Corp.	901,005	386,146
1,287,150	Midlands Minerals Corp., Warrants, January 29, 2012	–	–
88,800	Midway Gold Corp.	88,725	165,168
2,711,110	Minaurum Gold Inc.	1,365,938	1,436,888
238,188	Minco Gold Corporation	336,819	345,373
2,631,306	Minco Silver Corporation	13,373,781	11,630,373
89,500	Minefinders Corporation Ltd.	876,996	1,118,750
54,100	Mines Management Inc.	355,616	109,571
353,400	Mirasol Resources Ltd.	1,353,115	1,501,950
102,100	Mirasol Resources Ltd., Warrants, December 6, 2011	–	25,525

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
4,929,850	Moneta Porcupine Mines Inc.	1,092,658	1,207,813
2,556,200	Monument Mining Ltd.	993,020	1,405,910
2,217,000	Monument Mining Ltd., Warrants, July 21, 2011	–	110,850
1,391,078	Mountain Lake Resources Inc.	857,574	639,896
1,934,600	Nevada Sunrise Gold Corporation	483,650	96,730
526,290	New Gold Inc.	5,141,846	5,220,797
1,424,600	New Gold Inc., Warrants, April 3, 2012	341,904	78,353
9,180,471	New Guinea Gold Corporation	3,089,390	688,535
56,000	New Pacific Metals	75,600	87,920
28,000	New Pacific Metals, Warrants, June 22, 2012	–	–
2,575,500	New World Resource Corp.	1,106,824	901,425
1,178,200	Newstrike Capital Inc.	2,753,533	2,768,770
764,246	Niblack Mineral Development Inc.	2,139,942	202,525
778,800	Niogold Mining Corp.	272,580	295,944
9,440,800	Norseman Gold PLC	4,506,442	2,353,214
764,246	North Country Gold Corp.	191,062	1,169,296
416,200	Northern Freegold Resources Ltd.	208,100	126,941
5,417,228	Northern Shield Resources Inc.	1,261,442	1,273,049
1,141,347	Northern Star Mining Corp.	630,963	22,827
35,960,497	Norton Gold Fields Limited	11,273,317	4,835,350
463,600	Novo Resources Corp.	115,900	185,440
1,150,000	OceanaGold Corporation	2,477,171	3,036,000
6,206,000	Oremex Resources Inc.	629,875	1,334,290
2,995,500	Oremex Resources Inc., Warrants, September 27, 2012	–	224,663
1,461,000	Orko Silver Corp.	3,558,612	4,032,360
5,550,000	Orsu Metals Corporation	1,359,184	915,753
2,775,000	Orsu Metals Corporation., Warrants, April 16, 2012	28,316	–
50,000	Orvana Minerals Corp.	64,934	118,000
116,000	Osisko Mining Corp.	1,468,149	1,734,200
770,085	Oxus Gold PLC	1,330,843	10,132
1,800,200	PC Gold Inc.	2,340,260	1,206,134
13,091,420	Pacific Niugini Minerals Ltd.	1,189,225	5,280,928
13,997	Panoramic Resources Ltd.	24,963	25,191
1,258,170	Paramount Gold and Silver Corp.	1,774,019	3,938,072
7,187,215	Pelangio Exploration Inc.	2,747,903	4,024,840
1,645,800	Pele Mountain Resources Inc.	598,490	304,473
1,146,200	Perseus Mining Limited	2,063,160	3,071,816
900,000	Petaquilla Minerals Ltd.	900,000	567,001
900,000	Petaquilla Minerals Ltd., Warrants, December 30, 2013	–	–
810,000	Premium Exploration Inc.	270,054	364,500
25,900	Pretium Resources Inc.	249,440	236,208
1,754,000	Probe Mines Ltd., August 22, 2011*	2,367,900	2,017,101
877,000	Probe Mines Ltd., Warrants, April 21, 2013	–	–
1,716,400	Prodigy Gold Inc.	2,002,931	926,856

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
179,511	Prophecy Platinum Corp.	222,592	113,092
285,025	Prosperity Goldfields Corp.	42,754	109,735
2,850,700	Puma Exploration Inc.	570,140	498,876
2,850,700	Puma Exploration Inc., Warrants, December 16, 2012	—	—
5,617,100	RX Exploration Inc.	3,128,057	2,640,039
2,266,000	RX Exploration Inc., Warrants, May 13, 2012	—	—
1,261,200	Radius Gold Inc.	441,420	668,436
630,600	Radius Gold Inc., Warrants, June 1, 2012	—	18,918
20,485,447	Ramelius Resources Limited	11,662,005	26,697,762
778,000	Rebgold Corp	328,066	46,680
23,986,486	Red 5 Ltd.	3,474,631	2,853,142
1,917,100	Redhill Resources Corp.	1,188,602	134,197
434,400	Resolute Mining Ltd.	253,305	518,956
410,000	Reunion Gold Corporation	330,542	627,300
132,900	Richmont Mines Inc.	664,504	903,720
63,900	Riverside Resources, Inc., July 5, 2011*	60,705	57,772
63,900	Riverside Resources Inc., Warrants, March 4, 2013	—	—
2,740,600	Rochester Resources Ltd.	1,475,975	95,921
1,071,900	Rockhaven Resources Ltd.	750,330	1,200,528
535,950	Rockhaven Resources Ltd., Warrants, December 2, 2012	—	64,314
35,000	Romarco Minerals Inc.	21,696	56,350
398,593	Ross River Minerals Inc.	173,745	25,909
5,813,097	Royal Standard Minerals Inc.	3,234,890	364,417
5,559,900	Rusoro Mining Ltd.	3,335,940	1,167,579
116,195	SAMEX Mining Corp.	86,895	134,786
326,000	Salazar Resources Ltd.	358,600	270,580
163,000	Salazar Resources Ltd., Warrants, September 10, 2012	—	—
1,298,200	San Gold Corporation	1,766,267	4,206,168
13,694,874	Saracen Mineral Holdings Ltd.	3,879,130	7,436,631
449,000	Scorpio Gold Corp.	294,100	296,340
2,088,000	Scorpio Mining Corp.	2,622,549	2,672,640
1,761,700	Seafield Resources Ltd.	533,010	554,936
761,700	Seafield Resources Inc., Warrants, Decemeber 21, 2012	—	60,936
202,300	Silver Bear Resources Inc., September 12, 2011*	161,840	152,130
2,214,543	Silver Bull Resources Inc.	1,063,952	1,409,639
7,318,900	Silver Lake Resources Inc.	3,667,887	15,140,307
1,204,777	Silver Predator Corp.	2,386,420	903,583
224,250	Silver Predator Corp., Warrants, September 29, 2011	—	44,850
362,200	Silver Quest Resources Ltd.	277,914	416,530
10,000	Silver Wheaton Corp.	160,827	318,200
2,737,000	Silvercrest Mines Inc.	4,379,205	3,640,210
8,194,221	Silvermex Resources Inc.	5,097,705	4,916,537
3,797,450	Silvermex Resources Inc., Warrants, December 16, 2013	—	—
1,259,791	Solitario Exploration & Royalty Corp.	2,589,199	3,325,848

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
224,400	Soltoro Ltd.	214,487	184,008
2,154,100	South American Silver Corp.	4,518,933	4,200,495
1,050,000	Southern Arc Minerals Inc.	1,680,000	1,795,500
7,031,280	South Boulder Mines Ltd.	7,717,522	17,381,656
5,218,510	Southeast Asia Mining Corp.**	3,005,870	260,926
14,324,610	St. Andrew Goldfields Ltd.	11,988,770	11,602,935
1,046,050	St. Andrew Goldfields Ltd., Warrants, January 28, 2012	—	—
6,779,200	Starcore International Mines Ltd., August 8, 2011*	745,712	683,346
3,389,600	Starcore International Mines Ltd., Warrants, April 7, 2013	—	—
363,640	Stronghold Metals Inc.	200,002	141,820
181,820	Stronghold Metals Inc., Warrants, June 14, 2012	—	—
14,000	Tahoe Resources Inc.	91,418	250,740
790,900	Tanqueray Resources Ltd.	197,725	15,818
90,800	Teuton Resources Corp.	21,570	42,676
6,000	Tigray Resources Inc.**	—	—
236,414	Timberline Resources Corporation	248,639	171,007
160,700	Timberline Resources Corporation., Warrants, July 18, 2011	—	—
6,763,667	Timmins Gold Corp.	4,249,095	15,759,344
905,333	Timmins Gold Corp., Warrants, January 26, 2012	449,739	1,385,159
190,000	Torex Gold Resources Inc.	276,082	328,700
2,293,650	Trade Winds Ventures Inc.	382,275	539,008
375,052	Treasury Metals Inc.	525,073	472,566
3,564,900	Trelawney Mining and Exploration Inc.	10,688,556	15,685,560
1,066,900	Tri Origin Exploration Ltd.	681,653	122,694
320,070	TriAusMin Ltd.	25,830	40,009
1,627,226	Tumi Resources Limited	724,925	227,813
1,108,800	Tumi Resources Limited., September 4, 2011*	221,760	145,918
258,200	Tumi Resources Limited, Warrants, February 18, 2012	—	—
554,400	Tumi Resources Limited., Warrants, May 13, 2013	—	—
5,413,600	Tyhee Gold Corp.	1,315,787	784,972
241,085	U.S. Gold Canadian Acquisition Corporation	1,116,970	1,395,882
186,100	U.S. Gold Corporation	964,547	1,082,290
9,894,600	US Silver Corp.	3,893,591	5,145,192
2,594,750	US Silver Corp., Warrants, September 29, 2012	18,483	441,108
7,164,642	Vatukoula Gold Mines PLC	8,009,517	10,452,087
200,000	Victoria Gold Corp.	232,010	118,000
96,153	Volta Resources Inc.	125,049	155,768
144,600	Vulcan Minerals Inc.	139,067	31,089
2,080,700	War Eagle Mining Company Inc.	847,133	93,632
139,420	White Pine Resources Inc.	832,521	68,316
1,298,700	Wildcat Silver Corp.	3,308,450	2,090,907
4,751,500	Xtierra Inc.	1,330,420	1,568,000
4,751,500	Xtierra Ltd., Warrants, Decemeber 29, 2012	—	—

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
53,587,908	Yukon-Nevada Gold Corp.	21,595,452	22,238,979
315,300	Yukon-Nevada Gold Corp., Warrants, June 20, 2012	–	4,730
		590,451,994	809,439,803
OIL AND GAS [11.49%]			
50,000	Alberta Oilsands Inc.	71,655	12,250
2,162,900	Altai Resources Inc.	879,606	410,951
3,802,400	Altima Resources Ltd.	1,140,720	171,108
4,030,649	Americas Petrogas Inc.	3,244,410	7,900,072
230,000	Angle Energy Inc.	1,771,005	2,300,000
1,327,000	Anterra Energy Inc.	1,127,950	258,765
200,600	Antrim Energy Inc.	643,308	218,654
450,000	Arcan Resources Ltd.	1,125,000	2,443,500
610,200	Aurelian Oil & Gas PLC	597,511	538,362
744,560	Azabache Energy Inc.	510,952	469,073
337,000	Bellatrix Exploration Ltd.	1,112,110	1,529,980
2,724,925	BNK Petroleum Inc.	5,133,310	12,589,154
3,001,400	Brownstone Energy Inc.	3,417,348	2,371,107
992,300	Brownstone Energy Inc., July 12, 2011*	942,685	768,239
150,000	Brownstone Energy Inc., Warrants, April 13, 2012	–	6,000
496,150	Brownstone Energy Inc., Warrants, September 11, 2012	–	–
10,185,700	Canacol Energy Ltd.	5,677,411	10,694,985
301,500	Canadian Quantum Energy Corporation	467,131	49,748
2,123,818	Canadian Spirit Resources Inc.	5,505,210	2,654,773
75,000	Candax Energy Inc.	18,750	3,750
794,000	Canoro Resources Ltd.	1,329,449	15,880
4,294,742	CGX Energy Inc.	4,397,915	2,748,635
325,150	Coastal Energy Company	1,130,025	2,607,703
2,381,400	Contact Exploration Inc.	513,035	404,839
1,134,400	Contact Exploration Inc., Warrants, October 15, 2012	–	–
6,641,334	Corridor Resources Inc.	21,370,646	19,658,347
1,698,900	Cygam Energy Ltd.	1,698,900	509,670
1,554,400	Delphi Energy Corp.	2,959,822	3,310,872
748,610	Eastern Star Gas Limited	167,205	460,714
830,800	Energulf Resources Inc.	964,847	672,948
146,655	Enquest PLC	312,598	279,209
969,000	Enterprise Oilfield Group, Inc.	726,750	111,435
569,910	Euromax Resources Ltd.	303,531	145,327
159,200	Fairborne Energy Ltd.	1,108,586	756,200
146,000	Frontera Resources Corporation	508,847	6,780
85,000	Galleon Energy Inc.	423,555	256,700
3,628,200	Gastem Inc.	5,363,134	507,948
1,323,538	Global Energy Services Ltd.	452,925	277,943
829,541	Gran Tierra Energy Inc.	3,731,376	5,242,699

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
314,440	Gravis Oil Corp.	117,889	75,815
548,968	HRT Participacoes em Petroleo SA, GDR	3,842,550	4,830,918
784,700	ILI Technologies 2002 Corp.	380,193	78,470
108,700	Insignia Energy Ltd.	252,539	186,964
1,178,000	Iskander Energy Corp.**	883,500	883,500
3,172,415	Ithaca Energy Inc.	7,015,963	6,566,899
3,994,700	Junex Inc.	5,273,046	3,595,230
1,677,800	Kinetex Resources Corporation	209,780	218,114
534,100	Kodiak Oil & Gas Corp.	922,728	2,967,049
114,576	Legacy Oil + Gas Inc.	18,499,217	1,340,539
320,000	Lipari Engery Inc.	930,909	640,000
160,000	Lipari Energy Inc., Warrants, March 11, 2014	109,091	15,200
1,849,100	Lynden Energy Corp.	1,858,696	887,569
640,600	Lynden Energy Corp., Warrants, June 11, 2012	–	–
1,351,800	Madalena Ventures Inc.	892,277	729,972
774,500	NiMin Energy Corp.	968,125	1,301,160
4,845,261	Oilsands Quest Inc.	20,061,125	1,486,019
1,297,873	Pacific Energy Resources Ltd.	2,828,647	–
88,000	Pacific Rubiales Energy Corp.	2,601,110	2,274,800
287,500	Painted Pony Petroleum Ltd., Class A	2,008,050	3,202,750
39,920	PanTerra Resource Corp.	483,037	6,986
68,706	Paramount Resources Ltd., Class A	1,742,778	1,894,911
50,100	Patch International Inc.	64,674	63
463,111	Pengrowth Energy Corp.	5,071,065	5,608,274
4,051,963	PetroWorth Resources Inc.	993,221	121,559
754,300	PetroWorth Resources Inc., Warrants, June 30, 2012	–	–
2,502,409	Porto Energy Corp.	3,268,275	1,951,879
84,700	Progress Energy Resources Corp.	1,330,239	1,162,931
22,004,500	Quetzal Energy Ltd.	3,445,229	1,760,371
11,341,400	Quetzal Energy Ltd., Warrants, October 26, 2011	–	–
218,700	Richards Oil & Gas Limited	109,350	–
5,274,200	Rodinia Oil Corp.	5,677,215	6,329,040
2,337,100	Rodinia Oil Corp., Warrants, May 28, 2012	233,710	1,402,260
24,800	Salamander Energy PLC	42,872	107,367
3,390,000	Sea Dragon Energy Inc.	1,925,168	457,650
3,109,660	Serica Energy PLC	2,491,209	1,119,478
1,697,800	Southern Pacific Resource Corp.	3,156,165	2,597,634
2,906,900	Stealth Ventures Ltd.	2,966,811	174,414
11,295,840	Sterling Resources Ltd.	21,401,897	18,525,178
5,300,110	Stroud Resources Ltd.	954,020	556,512
489,500	Sunshine Oilsands Ltd.**	1,335,000	3,426,500
116,200	TAG Oil Ltd.	23,295	709,375
37,900	Talisman Energy Inc.	353,657	748,904
1,388,333	Terra Energy Corp.	2,499,004	1,318,916

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
450,000	Terrawest Energy Corp.**	225,000	22,500
6,209,700	Tethys Petroleum Limited	5,669,896	6,706,476
264,180	Triangle Petroleum Corp.	3,706,287	1,638,290
1,068,500	UC Resources Ltd.	480,825	69,453
2,500,000	Uranium North Resources Corp.	698,953	337,501
1,250,000	Uranium North Resources Corp., Warrants, August 8, 2012	51,047	—
740,098	US Energy Corp Wyoming	4,540,604	3,047,874
123,300	Valiant Petroleum PLC	1,353,163	1,125,056
88,800	Vero Energy Inc.	697,873	483,960
3,026,800	Wavefront Technology Solutions Inc.	4,756,427	2,603,049
732,905	Wavefront Technology Solutions Inc., Warrants, April 26, 2012	—	—
22,891	Western Energy Services Corp.	38,088	165,956
828,244	Westfire Energy Ltd.	5,383,928	5,615,494
391,200	X-Terra Resources Corporation	391,200	174,084
391,200	X-Terra Resources Corporation, Warrants, July 11, 2013	—	—
1,827,400	Xcite Energy Limited	2,554,505	3,965,458
2,881,500	Zodiac Exploration Inc.	3,198,475	2,189,940
		243,818,815	192,770,581
URANIUM [1.08%]			
1,125,000	Cue Resources Ltd.	656,250	56,250
1,115,200	Ditem Explorations Inc.	501,840	72,488
303,170	Energy Fuels Inc.	408,114	109,141
3,328,797	Fission Energy Corp.	1,231,705	1,897,414
1,038,300	Hathor Exploration Limited	2,829,030	2,793,027
77,600	International Enesco Limited	116,400	20,564
1,530,100	Laramide Resources Ltd.	7,090,196	1,530,100
246,700	Mawson Resources Limited	315,213	414,456
992,414	Mega Uranium Ltd.	1,526,237	332,459
70,350	Mega Uranium Ltd., Warrants, February 22, 2012	—	—
53,171	Mesa Exploration Corp.	111,659	31,903
1,740,660	Pancontinental Uranium Corporation	775,976	330,725
16,512	Quest Rare Minerals Ltd.	—	109,805
2,642,900	Rockgate Capital Corporation	3,271,861	3,224,338
505,350	Rockgate Capital Corporation, Warrants, July 28, 2011	—	338,585
333,700	Rockgate Capital Corporation, Warrants, September 16, 2012	—	140,154
443,952	Rodinia Lithium Inc.	328,524	133,186
3,659,900	Southern Andes Energy Inc.	2,357,772	768,582
2,700,000	Southern Andes Energy Inc., Warrants, December 17, 2012	—	—
2,145,400	Strateco Resources Inc.	4,419,838	1,008,338
6,150,632	Strathmore Minerals Corp.	9,026,973	3,136,822
361,148	U308 Corp.	271,384	102,927
118,950	U308 Corp., Warrants, February 15, 2013	10,999	—
1,230,800	Ucore Rare Metals Inc.	816,000	726,172

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
425,000	Ucore Rare Metals Inc., Warrants, December 9, 2012	–	17,000
1,293,300	Uracan Resources Ltd.	1,033,669	96,998
2,784,600	Uranium Equities Ltd.	1,286,903	207,374
400,274	Uru Metals Ltd.	–	66,603
925,320	Virginia Energy Resources, Inc.	1,051,500	152,678
714,500	Wealth Minerals Ltd.	235,830	364,395
2,320	Sky Digital Stores Corp.	482,919	5,594
		40,156,792	18,188,078
BASE METALS [1.49%]			
1,400,000	Black Bull Resources Inc.	700,000	14,000
9,149,133	Canadian Zinc Corporation	6,524,997	7,044,832
103,335	Constellation Copper Corporation	232,504	517
6,809,600	Copper Mesa Mining Corporation	2,894,230	–
2,218,730	Dynacor Gold Mines Inc.	980,349	2,196,550
1,176,500	Exploration Orbite VSPA Inc., Warrants, November 5, 2012	–	2,941,250
1,150,000	Exploration Orbite VSPA Inc.	456,707	3,737,500
143,000	HudBay Minerals Inc.	2,254,947	2,059,200
3,600,000	Kingsview Iron Ore Ltd.**	900,000	900,000
3,782,513	MBMI Resources Inc.	7,976,094	264,776
1,477,800	MagIndustries Corp.	410,390	332,505
8,772,200	Malaga Inc.	1,008,858	2,061,467
4,529,895	Melkior Resources Inc.	552,128	792,734
470,828	Melkior Resources Inc., Warrants, June 30, 2012	–	–
367,533	Melkior Resources Inc., Warrants, December 15, 2011	–	–
2,428,300	Melkior Resources Inc., Warrants, June 9, 2013	–	–
47,637	Minco Base Metals Corporation**	58,973	59,546
3,046,300	Nord Resources Corporation	1,777,220	337,872
1,523,150	Nord Resources Corporation, Warrants, June 5, 2012	259,138	–
3,640,036	Noront Resources Ltd.	4,166,671	2,111,221
58,989	Noront Resources Ltd., Warrants, December 14, 2014	–	3,834
420,134	Roca Mines Inc.	334,892	96,631
		31,488,098	24,954,435
COMMUNICATIONS AND MEDIA [1.74%]			
3,346,225	DHX Media Ltd.	3,577,317	3,011,604
546,875	DHX Media Ltd., Warrants, January 26, 2012	–	–
84,000	InterDigital Inc.	3,281,297	3,299,693
1,832,600	Route1 Inc.	465,022	329,868
2,903,600	Wi-Lan Inc.	10,693,904	22,531,934
		18,017,540	29,173,099

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
	OTHER [0.00%]		
87,840	Blue Zen Memorial Parks Inc.	1,086,146	18,446
20,000	Rare Method Interactive Corp.	5,660	700
1,080,300	Raydan Manufacturing Inc.	1,088,182	59,417
		2,179,988	78,563
	TECHNOLOGY [0.62%]		
592,500	Aimetis Corp.**	1,125,750	675,450
1,018,893	blutip Power Technologies Ltd.	2,509,572	117,173
5,037,500	Cortex Business Solutions Inc.	2,487,184	1,763,125
1,476,067	Echoworx Corporation**	1,633,283	516,623
497,000	Galvanic Applied Sciences Inc.	379,585	218,680
2,281,900	Intrinsyc Software International Inc.	279,820	285,238
582,800	Kobo Inc.**	2,249,608	2,249,608
3,077,000	Sensio Technologies Inc.	1,315,023	1,415,420
3,332,967	SmartCool Systems Inc.	999,890	916,568
1,666,483	Smartcool Systems Inc., Warrants, February 22, 2013	-	-
544,000	Sylogist Ltd.	1,097,520	1,039,040
10,000	Synopsys, Inc.	230,139	247,960
2,552,500	The Medipattern Corporation	1,415,326	765,750
520,000	TurboSonic Technologies, Inc.	664,463	160,485
13,100	VIQ Solutions Inc.	11,891	6,288
228,300	VRX Worldwide Inc.	127,325	18,264
		16,526,379	10,395,672
	CONSUMER PRODUCTS [0.57%]		
46,600	Amaya Gaming Group Inc.	135,763	130,480
283,000	Amaya Gaming Group Inc., October 16, 2011*	877,300	729,008
110,000	Atrium Innovations Inc.	1,715,884	1,735,800
1,130,100	Azure Dynamics Corporation	960,585	305,127
382,000	Bioxel Pharma Inc.	129,880	-
60,000	Dorel Industries, Inc., Class B	2,161,529	1,609,200
209,000	Flexible Solutions International, Inc.	1,029,712	522,067
30,000	Foot Locker Inc.	716,670	687,460
69,000	Magna International Inc.	3,269,910	3,594,900
443,000	Nuvo Research Inc.	228,810	35,440
3,397,700	United Protection Security Group Inc.	362,054	152,897
		11,588,097	9,502,379

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
COAL [0.38%]			
430,700	Aviva Corporation Limited	375,154	95,779
1,565,366	Elgin Mining Inc.	7,439,086	2,457,625
3,986,916	NEMI Northern Energy & Mining Inc., Class A	3,915,355	2,711,103
1,893,176	Prophecy Coal Corp.	1,065,247	1,098,042
		12,794,842	6,362,549
AGRICULTURE AND FOREST PRODUCTS [1.12%]			
3,019,300	Allana Potash Corp.	4,679,915	4,580,580
1,533,500	Confederation Minerals Ltd., July 4, 2011*	1,027,445	903,693
766,750	Confederation Minerals Ltd., Warrants, July 3, 2012	–	–
2,883,875	Ethiopian Potash Corp.	1,123,017	2,364,778
374,325	Ethiopian Potash Corp., July 12, 2011*	18,716	255,402
2,759,100	Ethiopian Potash Corp., Warrants, September 9, 2012	262,771	841,526
1,730,000	Forterra Environmental Corp.	254,410	17,300
5,568,800	Holle Potash Corp.**	1,392,200	1,392,200
2,784,400	Holle Potash Corp., Warrants, May 2, 2013	–	–
1,762,100	IC Potash Corp.	2,224,141	1,938,310
13,737,416	Phoscan Chemical Corp.	14,025,296	6,387,901
400,000	Plains Creek Phosphate Corp.	52,000	44,000
6,000	Verde Potash PLC	49,315	39,660
		25,109,226	18,765,350
FINANCIALS [0.98%]			
85,000	Home Capital Group Inc.	3,565,229	4,386,000
1,128,300	Juno Special Situations Corporation**	564,150	564,150
311,700	Iron Creek Capital Corp.	202,710	149,616
153,850	Iron Creek Capital Corp., Warrants, November 9, 2012	–	–
4,826,040	Pinetree Capital Ltd.	20,978,170	10,955,111
387,200	Pinetree Capital Ltd., Warrants, April 16, 2012	–	5,808
253,500	Pinetree Capital Ltd., Warrants, October 23, 2012	–	55,770
642,750	Pinetree Capital Ltd., Warrants, July 11, 2013	–	392,078
		25,310,259	16,508,533
HEALTH CARE [0.19%]			
1,425,900	BioExx Specialty Proteins Ltd.	2,372,629	1,425,900
50,000	Refocus Group Inc.**	147,070	482
6,453,292	Sonomax Technologies Inc.	1,593,846	451,730
390,500	SQI Diagnostics Inc.	614,473	1,312,080
		4,728,018	3,190,192
INDUSTRIAL PRODUCTS [0.46%]			
160,000	Celestica Inc.	1,278,602	1,344,000
25,000	Gulf Resources Inc.	165,379	73,780
175,000	MOSAID Technologies Incorporated	3,828,936	4,884,250

Sprott Canadian Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
745,000	Omni-Lite Industries Canada Inc.	1,601,750	1,393,150
372,500	Omni-Lite Industries Canada Inc., Warrants, February 16, 2013	–	–
		6,874,667	7,695,180
MERCHANDISING AND LODGING [0.33%]			
35,000	Alimentation Couche Tard Inc., Class B	841,405	981,400
145,000	The Finish Line Inc., Class A	2,502,481	2,989,892
125,000	Indigo Books & Music Inc.	2,067,500	1,601,250
		5,411,386	5,572,542
BUSINESS SERVICES [0.10%]			
31,000	MacDonald Dettwiler & Associates Ltd.	1,638,984	1,686,710
		1,638,984	1,686,710
BIOTECHNOLOGY [0.01%]			
630,700	GeneNews Limited	975,580	110,373
		975,580	110,373
ENVIRONMENTAL SERVICES [0.00%]			
155,600	Bachtech Environmental Corp	17,116	34,232
709,792	Unisphere Waste Conversion Ltd.	257,904	–
		275,020	34,232
Total Equities		1,037,345,685	1,154,428,271
Transaction costs (<i>note 2</i>)		(2,101,580)	
Total Investments Owned [99.98%]		1,238,510,554	1,677,409,935
Cash and Other Assets Less Liabilities [0.02%]			309,736
Total Net Assets [100%]			1,677,719,671

* Securities that are restricted from resale until the date indicated.

** Private Company

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Mining and Precious Metals	48.25%	48.62%
Gold and Silver Bullion	30.28%	27.43%
Oil and Gas	11.49%	13.50%
Other	9.06%	8.51%
Secured Notes	0.55%	1.05%
Convertible Debentures	0.35%	0.13%
Cash and Other Assets Less Liabilities	0.02%	0.76%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Gold and Precious Minerals Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value <i>(note 2, 14)</i>	685,213,554	904,614,242
Cash	12,350,222	—
Subscriptions receivable	438,208	953,139
Dividends receivable	129,276	93,137
	<hr/> 698,131,260	<hr/> 905,660,518
Liabilities		
Bank indebtedness	—	5,013,353
Redemptions payable	1,900,207	715,184
Management fees payable	1,472,640	—
Accrued expenses	371,153	302,082
Due to broker	1,386,096	—
	<hr/> 5,130,096	<hr/> 6,030,619
Total net assets representing unitholders' equity <i>(note 2)</i>	<hr/> 693,001,164	<hr/> 899,629,899
Total net assets representing unitholders' equity		
Series A	516,937,371	652,809,680
Series F	176,063,793	246,820,219
Net assets per unit <i>(note 5, 9)</i>		
Series A	74.368	89.134
Series F	77.426	92.281

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Gold and Precious Minerals Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Dividends <i>(note 2)</i>	770,342	478,322
Interest <i>(note 2)</i>	8,696	2,921
Other income	–	1,998,762
	779,038	2,480,005
Expenses		
Management fees <i>(note 6)</i>	9,903,833	6,204,628
Unitholder reporting costs	387,703	321,048
Custodial fees	82,171	48,748
Administrative fees	45,705	25,587
Audit fees	6,520	16,739
Independent Review Committee fees	4,503	12,976
Trustee fees	2,833	2,715
Legal fees	2,106	2,104
Filing fees	–	17,686
	10,435,374	6,652,231
Net investment loss	(9,656,336)	(4,172,226)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	114,712,570	27,567,991
Net realized losses on foreign exchange	(20,974)	(1,905)
Change in unrealized appreciation (depreciation) in the value of investments	(245,832,088)	23,967,586
Transaction costs <i>(notes 2, 8)</i>	(1,487,997)	(998,562)
Net realized and unrealized gains (losses) on investments	(132,628,489)	50,535,110
Increase (Decrease) in net assets from operations	(142,284,825)	46,362,884
Increase (Decrease) in net assets from operations		
Series A	(105,886,319)	33,574,820
Series F	(36,398,506)	12,788,064
Increase (Decrease) in net assets from operations per unit <i>(note 2)</i>		
Series A	(14.823)	4.509
Series F	(14.617)	4.932

See accompanying notes

Sprott Gold and Precious Minerals Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	652,809,680	385,700,959
Series F	246,820,219	130,883,459
	899,629,899	516,584,418
Increase (Decrease) in net assets from operations		
Series A	(105,886,319)	33,574,820
Series F	(36,398,506)	12,788,064
	(142,284,825)	46,362,884
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	45,635,372	36,167,973
Series F	8,085,927	17,386,025
Amounts paid for redemption of units		
Series A	(75,621,362)	(49,501,008)
Series F	(42,443,847)	(7,090,519)
	(64,343,910)	(3,037,529)
Increase (Decrease) in net assets for the period		
Series A	(135,872,309)	20,241,785
Series F	(70,756,426)	23,083,570
	(206,628,735)	43,325,355
Net assets, end of period		
Series A	516,937,371	405,942,744
Series F	176,063,793	153,967,029
	693,001,164	559,909,773

See accompanying notes

Sprott Gold and Precious Minerals Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 0.91 (December 31, 2010 – 0.90) for this fund, if the S&P/TSX Global Gold Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$6,306,000 (December 31, 2010 – \$8,097,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	58,316	8.41	55,967	6.22
Pound Sterling	7,650	1.10	9,939	1.10
Australian Dollar	2,532	0.37	–	–
	68,498	9.88	65,906	7.32

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$677,000 (December 31, 2010 – \$659,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
OUNCES	BULLION [5.00%]		
2,416	Gold Bullion	2,178,278	3,496,143
931,440	Silver Bullion	9,327,568	31,149,520
Total Bullion		11,505,846	34,645,663
SHARES	EQUITIES [93.88%]		
	MINING AND PRECIOUS METALS [93.88%]		
2,500,000	Abacus Mining & Exploration Corp., Warrants December 29, 2012	–	–
5,555,556	Abcourt Mines Inc., Class B	1,000,000	611,117
5,555,556	Abcourt Mines Inc., Warrants, April 21, 2013	–	–
6,782,286	African Gold Group, Inc.	4,929,434	3,052,033
600,000	African Gold Group, Inc., Warrants, December 17, 2012	–	–
200	Agnico-Eagle Mines Limited	12,643	12,164
22,428	Agnico-Eagle Mines Limited, Warrants, December 2, 2013	–	451,649
303,800	Alexco Resource Corp.	1,121,116	2,099,258
24,654,670	Alexis Minerals Corporation	4,383,254	1,972,379
1,000,000	Alexis Minerals Corporation, Warrants, July 9, 2011	50,000	–
1,450,000	Alexis Minerals Corporation, Warrants, September 10, 2011	–	–
3,333,335	Alexis Minerals Corporation, Warrants, September 2, 2013	66,667	–
395,000	Allied Gold Mining PLC	836,475	1,209,338
1,000	Allied Nevada Gold Corp.	5,875	34,055
1,650,000	Amanta Resources Ltd.	544,550	82,500
1,833,800	Amarillo Gold Corp.	1,955,206	2,328,926
1,333,334	Amarillo Gold Corp., August 30, 2011*	2,000,001	1,625,602
666,667	Amarillo Gold Corp., Warrants, October 29, 2012	–	–
2,272,000	Amerix Precious Metals Corp., October 23, 2011*	499,840	413,959
1,136,000	Amerix Precious Metals Corp., Warrants, December 22, 2013	–	–
2,661,800	Andina Minerals Inc.	4,340,217	3,114,306
1,500,000	Andina Minerals Inc., Warrants, November 24, 2011	225,000	135,000
2,222,222	Ansue Capital Corp., October 1, 2011*	1,000,000	1,000,000
8,310,000	Apogee Silver Ltd.	1,110,496	1,786,654
2,991,000	Apogee Silver Ltd., August 29, 2011*	837,480	617,342
5,000,000	Apogee Silver Ltd., Warrants, May 12, 2012	–	75,000
3,994,000	Apogee Silver Ltd., Warrants, December 3, 2012	–	–
167,500	Argonaut Gold Inc., Warrants, December 29, 2012	–	231,150
8,651,457	Armistice Resources Corp.	1,921,611	3,028,010
2,850,000	Atna Resources Ltd.	2,361,339	1,482,000
80,500	Aura Minerals Inc.	221,375	161,000
3,125,000	Aura Silver Resources Inc.	500,000	687,503
3,125,000	Aura Silver Resources Inc., Warrants, October 15, 2012	–	–
2,300,000	Aureus Mining Inc.	2,990,005	2,300,000
70,600	Aurizon Mines Ltd.	292,228	379,828
2,000,000	Auryx Gold Corp.	1,370,005	1,140,000
500,000	Avion Gold Corporation	755,000	970,000
8,596,000	Axmin Inc.	1,483,208	644,708

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
7,750,000	Axmin Inc., Warrants, November 25, 2012	—	—
523,341	B2Gold Corp.	961,561	1,695,625
1,842,000	Banro Corporation	4,151,105	6,741,720
930,000	Barrick Gold Corp.	42,293,620	40,613,100
559,000	Batero Gold Corp.	894,400	1,408,680
500,000	Batero Gold Corp., Warrants, October 14, 2012	—	85,000
2,119,100	Bear Creek Mining Corporation	12,677,477	8,052,580
1,540,158	Bear Lake Gold Ltd.	490,864	207,921
333,500	Bearing Resources Ltd.**	—	200,100
3,750,000	Bell Copper Corp., September 7, 2011*	750,000	646,879
3,750,000	Bell Copper Corp., Warrants, November 6, 2012	—	—
1,059,030	Bellhaven Copper & Gold Inc.	635,418	481,860
542,165	Bellhaven Copper & Gold Inc., Warrants, April 17, 2012	—	—
14,538,100	Belo Sun Mining Corp.	4,411,180	15,119,624
8,679,351	Brigus Gold Corp.	11,700,638	13,713,375
1,399,625	Brigus Gold Corp., Warrants, November 19, 2014	864,827	895,003
7,730,051	Carpathian Gold Inc.	2,867,282	3,207,972
757,576	Carpathian Gold Inc., Warrants, December 3, 2011	—	—
2,175,000	Carpathian Gold Inc., Warrants, May 6, 2012	—	184,875
3,300,000	Castillian Resources Corp.	198,000	511,500
2,500,000	Castillian Resources Corp., Warrants, July 16, 2012	—	137,500
4,321,250	Castle Resources Inc.	1,291,533	2,722,388
3,160,000	Castle Resources Inc., Warrants, January 31, 2012	—	1,042,800
1,171,875	Castle Resources Inc., Warrants, October 7, 2012	—	152,344
250,000	Centurion Minerals Ltd., Warrants, December 8, 2011	—	—
700,000	Chesser Resources Ltd.	426,793	390,977
1,700,000	China Opportunity Inc., August 30, 2011*	1,020,000	1,134,070
6,388,550	Claude Resources Inc.	6,187,346	11,691,047
650,000	Claude Resources Inc., Warrants, December 30, 2011	—	52,000
786,500	Clifton Star Resources Inc.	3,279,797	1,981,980
400,000	Colorado Resources Ltd., August 15, 2011*	360,000	362,560
200,000	Colorado Resources Ltd., Warrants, August 15, 2011	—	—
3,071,250	Colossus Minerals Inc.	9,887,389	21,468,038
3,364,033	Constantine Metal Resources Ltd.	514,900	555,067
1,632,016	Constantine Metal Resources Ltd., Warrants, Dec 13, 2012	—	—
160,700	Continental Gold Ltd., Warrants, September 16, 2012	—	247,478
3,463,000	Dalradian Resources Inc.	5,395,545	5,125,240
1,416,500	Dalradian Resources Inc., Warrants, August 10, 2011	56,660	70,825
1,740,500	Darnley Bay Resources Ltd.	308,320	165,350
250,000	Darnley Bay Resources Ltd., Warrants, August 25, 2012	—	—
1,650,000	Darnley Bay Resources Ltd., Warrants, December 29, 2012	—	—
28,454	Detour Gold Corporation	33,553	794,436
151,242	Dia Bras Exploration Inc	614,057	423,478
500,000	Dorato Resources Inc.	325,000	110,000

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
85,950	Dorato Resources Inc., Warrants, July 26, 2011	—	—
667,000	Dunav Resources Ltd., October 4, 2011*	400,200	262,665
333,500	Dunav Resources Ltd., Warrants, June 3, 2013	—	—
865,200	Dundee Precious Metals Inc.	2,124,950	6,748,560
445,000	Dundee Precious Metals Inc., Warrants, November 20, 2015	265,220	2,118,200
646,000	ECU Silver Mining Inc.	467,616	594,320
625,000	Edgewater Exploration Ltd., October 17, 2011*	500,000	497,500
312,500	Edgewater Exploration Ltd., Warrants, June 16, 2013	—	—
1,314,888	Eldorado Gold Corporation	20,970,527	18,658,262
800,000	Elgin Mining Inc.	1,556,282	1,256,000
1,448,000	Endeavour Financial Corporation	2,444,319	3,315,920
566,500	Endeavour Financial Corporation, Warrants, February 4, 2014	90,640	339,900
555,500	Evergreen International Holdings Ltd., Warrants, October 27, 2012	—	—
1,600,000	Everton Resources Inc.	400,000	456,001
1,000,000	Everton Resources Inc., Warrants, April 15, 2012	—	—
2,081,300	Evolving Gold Corp.	1,691,578	1,352,846
1,111,500	Evolving Gold Corp., Warrants, November 24, 2011	—	—
656,500	Exeter Resource Corp.	4,070,304	2,632,565
100,000	Extorre Gold Mines Ltd.	445,000	1,232,000
5,122,220	Fire River Gold Corp.	2,404,077	2,151,335
1,000,000	Fire River Gold Corp., Warrants, June 21, 2012	—	—
250,000	Fire River Gold Corp., Warrants, October 21, 2011	—	—
500,000	Fire River Gold Corp., Warrants, January 21, 2012	—	—
611,110	Fire River Gold Corp., Warrants, May 18, 2012	—	—
100,000	Fortuna Silver Mines Inc.	400,005	503,000
470,000	Fortune Minerals Ltd., Warrants, December 3, 2011	37,600	272,600
76,090	Franco Nevada Corp., Warrants, July 8, 2013	17,695	10,272
3,797,028	Full Metal Minerals Ltd.	1,900,910	949,258
1,388,889	Full Metal Minerals Ltd., Warrants, July 9, 2012	—	—
2,811,000	GMV Minerals Inc.	722,809	1,264,950
1,000,000	GMV Minerals Inc., Warrants, June 16, 2012	—	200,000
79,898	Goldcorp Inc.	3,592,387	3,716,855
1,050,000	Golden Predator Corp., July 5, 2011*	787,500	1,012,306
525,000	Golden Predator Corp., Warrants, September 8, 2012	—	—
1,932,700	Golden Star Resources Ltd.	7,186,886	4,097,324
1,200,000	Goldeye Explorations Ltd.	120,000	54,001
1,200,000	Goldeye Explorations Ltd., Warrants, September 29, 2012	—	—
99,999	Goldstone Resources Inc.	78,695	87,999
1,320,000	Gran Colombia Gold Corp.	1,866,010	1,042,800
550,000	Gran Colombia Gold Corp., Warrants, August 24, 2015	—	167,750
1,611,500	Grayd Resource Corporation	1,796,884	2,739,550
200,000	Great Panther Silver Limited	180,000	640,000
14,500	Great Panther Silver Limited, Warrants, November 17, 2011	—	33,350
2,191,400	Greystar Resources Ltd.	6,002,618	5,982,522

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
3,000,000	Grizzly Discoveries Inc., August 1, 2011*	1,500,000	1,324,802
1,500,000	Grizzly Discoveries Inc., Warrants, October 18, 2012	—	—
1,714,522	Guyana Goldfields Inc.	10,096,690	11,710,185
1,830,000	Harte Gold Corp.	183,000	677,100
2,315,000	Harte Gold Corp., Warrants, November 25, 2011	—	509,300
1,200,000	Hecla Mining Co.	10,647,823	8,888,375
257,500	Hecla Mining Company, Warrants, August 10, 2014	—	1,286,432
4,138,500	Helio Resource Corp.	2,262,725	1,572,631
700,000	Helio Resource Corp., Warrants, February 15, 2013	—	—
695,000	Hochschild Mining PLC	5,602,704	4,944,154
3,900,000	Hunt Mining Corp.	1,107,000	1,794,000
4,500,000	Hunt Mining Corp., October 15, 2011*	2,025,000	2,011,502
2,250,000	Hunt Mining Corp., Warrants, June 14, 2013	—	—
1,750,000	Hunt Mining Corp., Warrants, November 30, 2013	95,445	192,500
1,025,500	IAMGOLD Corporation	14,309,407	18,571,803
1,000,000	ICN Resources Ltd.	300,000	460,000
2,188,800	Jaguar Mining Inc.	14,784,361	10,068,480
104,900	Keegan Resources Inc.	599,148	784,652
5,463,500	KILO Goldmines Ltd.	1,312,859	983,434
762,500	KILO Goldmines Ltd., Warrants, September 24, 2011	—	—
500,000	KILO Goldmines Ltd., Warrants, August 25, 2012	—	—
500,000	KILO Goldmines Ltd., Warrants, October 7, 2012	—	—
1,250,000	KILO Goldmines Ltd., Warrants, May 13, 2013	100,000	—
3,796,900	Kimber Resources, Inc.	5,526,369	5,923,164
283,000	Kimber Resources, Inc., Warrants, December 23, 2012	—	—
396,521	Kinross Gold Corporation	6,445,518	6,027,119
382,257	Kinross Gold Corporation, Warrants, September 3, 2013	1,337,900	435,773
7,700	Kinross Gold Corporation, Warrants, September 17, 2014	37,730	18,480
2,012,666	Kirkland Lake Gold Inc.	16,989,862	30,471,763
1,100,000	Kiska Metals Corp.	1,067,000	748,000
300,000	Kiska Metals Corp., Warrants, August 10, 2012	—	—
250,000	Kiska Metals Corp., Warrants, March 23, 2013	—	40,000
301,500	Klondex Mines Ltd.	267,240	934,650
892,833	Lachlan Star Ltd.	775,935	535,620
3,275	Lake Shore Gold Corp.	9,509	9,170
1,965,000	Levon Resources Ltd.	1,791,832	3,340,500
275,000	Lucara Diamond Corp.	275,000	321,750
455,300	Lydian International Ltd.	1,017,136	1,028,978
6,723,620	Magellan Minerals Ltd.	5,723,296	5,916,787
1,285,710	Magellan Minerals Ltd., Warrants, December 23, 2011	—	—
720,000	Magma Metals Ltd.	453,605	190,800
693,622	Magma Metals Ltd., August 20, 2011*	197,468	156,903
1,092,378	Magma Metals Ltd., September 25, 2011*	325,776	238,969
5,178,466	Malbex Resources Inc.	2,197,930	2,071,390

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
1,667,000	Malbex Resources Inc., Warrants, June 21, 2012	90,918	—
1,500,000	Malbex Resources Inc., Warrants, May 8, 2013	—	—
1,167,400	Manitou Gold Inc., July 30, 2011*	642,070	554,633
583,700	Manitou Gold Inc., Warrants, March 29, 2013	—	—
34,700	Mansfield Minerals Inc.	38,939	60,031
83,500	Mansfield Minerals Inc., Warrants, May 18, 2012	—	—
1,250,000	Metalex Ventures Ltd.	1,000,000	662,501
625,000	Metalex Ventures Ltd., Warrants, October 6, 2011	—	—
6,226,500	Midlands Minerals Corporation	1,513,934	933,978
1,667,500	Midlands Minerals Corporation, Warrants, November 9, 2011	—	—
1,430,000	Midlands Minerals Corporation, Warrants, January 29, 2012	—	—
700,000	Minco Base Metals Corporation**	866,500	875,000
46,400	Minefinders Corporation Ltd.	438,902	580,000
7,606,750	Minera Andes Inc.	5,920,115	18,408,333
2,211,500	Mundoro Capital Inc.	4,411,125	1,006,233
7,143,000	Murgor Resources Inc., October 15, 2011*	1,000,020	854,307
3,571,500	Murgor Resources Inc., Warrants, June 14, 2013	—	—
32,300	Nautilus Minerals Inc.	99,650	81,396
21,500	Nevsun Resources Ltd.	42,453	125,560
4,500,000	New Guinea Gold Corporation	1,926,445	337,500
559,500	New Pacific Metals Corp.	755,325	878,415
279,750	New Pacific Metals Corp., Warrants, June 22, 2012	—	—
459,600	Newstrike Capital Inc.	1,156,449	1,080,060
1,015,000	North Country Gold Corp.	462,598	1,552,950
175,000	North Country Gold Corp., July 10, 2011*	236,250	266,735
500,000	North Country Gold Corp., Warrants, November 19, 2012	—	465,000
5,467,000	Northern Freegold Resources Ltd.	2,143,744	1,667,436
2,857,142	Northern Freegold Resources Ltd., October 31, 2011*	1,000,000	1,000,000
833,500	Northern Freegold Resources Ltd., Warrants, October 31, 2011	—	—
650,000	Northern Gold Mining Inc.	260,000	217,751
650,000	Northern Gold Mining Inc., Warrants, November 1, 2012	—	—
1,230,000	Oceana Gold Corporation	4,036,892	3,247,200
12,700	Orezone Gold Corporation	10,524	41,529
4,824,800	Orko Silver Corp.	12,482,414	13,316,448
2,193,200	Oromin Explorations Ltd.	1,940,302	1,930,016
3,500,000	Orosur Mining Inc.	2,115,571	3,535,000
1,850,000	Orosur Mining Inc., October 21, 2011*	1,936,497	1,824,343
1,773,900	Orvana Minerals Corp.	1,886,928	4,186,404
2,717,412	Osisko Mining Corporation	28,382,335	40,625,309
2,166,667	Pacific Northwest Capital Corp., July 16, 2011*	650,000	605,151
1,000,000	Pacific Northwest Capital Corp., October 31, 2011*	300,000	300,000
1,083,333	Pacific Northwest Capital Corp., Warrants, March 15, 2012	—	—
5,000,000	Pacific Rim Mining Corp.	850,000	800,006
5,000,000	Pacific Rim Mining Corp., September 3, 2011*	1,050,000	780,500

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
2,500,000	Pacific Rim Mining Corp., Warrants, October 8, 2012	—	—
2,500,000	Pacific Rim Mining Corp., Warrants, May 2, 2013	—	—
297,000	Pan American Silver Corp.	10,616,099	8,833,864
99,800	Pan American Silver Corp., Warrants, October 22, 2011	1,644,704	1,967,058
1,785,900	PC Gold Inc.	1,421,616	1,196,553
3,121,315	Pelangio Exploration Inc.	1,520,920	1,747,937
685,000	Pelangio Exploration Inc., Warrants, August 24, 2012	—	—
2,000,000	Pembroke Resources Corp.**	2,000,000	4,000,000
500,000	Peregrine Metals Ltd.	437,505	425,000
1,090,000	Perseus Mining Limited	1,268,626	2,921,200
300,000	Platinum Group Metals Ltd.	615,003	504,000
495,100	Polar Star Mining Corp.	274,731	336,668
597,900	Premier Gold Mines Limited	1,212,711	3,390,093
7,000,000	Premium Exploration Inc.	2,024,799	3,150,000
3,000,000	Premium Exploration Inc., Warrants, December 17, 2011	—	300,000
300,000	Pretium Resources Inc	3,000,000	2,736,000
150,000	Pretium Resources Inc., Warrants, April 7, 2012	—	130,500
1,350,000	Primero Mining Corp.	6,053,990	4,279,500
200,000	Primero Mining Corp., Warrants, July 20, 2015	5,000	106,000
50,000	Prodigy Gold Inc.	90,033	27,000
278,130	Prosperity Goldfields Corp.	—	107,080
12,500	Quadra FNX Mining Ltd.	15,500	39,125
445,000	Queenston Mining Inc.	2,133,500	3,039,350
800,000	Red Eagle Mining Corp.	1,000,000	800,000
400,000	Red Eagle Mining Corp., Warrants, June 24, 2013	—	20,000
6,346,400	Reunion Gold Corporation	991,625	9,709,992
999,700	Rio Novo Gold Inc.	1,819,065	1,399,580
312,500	Rio Novo Gold Inc., Warrants, March 8, 2015	93,750	140,625
400,000	Riverstone Resources Inc.	80,000	204,000
4,667,000	Rochester Resources Ltd.	700,050	163,350
4,667,000	Rochester Resources Ltd., Warrants, November 25, 2011	—	—
138,833	Rockgate Capital Corporation	62,475	169,376
427,767	Rockgate Capital Corporation, Warrants, July 28, 2011	—	286,604
231,700	Romarco Minerals Inc.	190,743	373,037
2,667,000	Roxgold Inc., September 11, 2011*	2,000,250	1,065,468
1,333,500	Roxgold Inc., Warrants, May 10, 2013	—	—
588,240	Rugby Mining Ltd.	500,004	623,534
2,527,000	Rupestris Mines Inc., Warrants, December 22, 2012**	631,750	631,750
300,000	Ryan Gold Corp., September 13, 2011*	600,000	516,060
150,000	Ryan Gold Corp., Warrants, May 12, 2013	—	—
88,700	Sabina Gold & Silver Corp.	379,496	523,330
375,000	Sacre-Coeur Minerals Ltd., Warrants, August 17, 2011	—	—
7,231,100	San Gold Corporation	20,486,604	23,428,764
1,550,100	Sandspring Resources Ltd.	2,444,859	3,115,701

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
1,083,900	Sandstorm Gold Ltd.	791,247	1,279,002
845,975	Sandstorm Gold Ltd., Warrants, October 19, 2015	—	473,746
2,000,000	Seafield Resources Ltd.	482,260	630,000
909,000	Serabi Mining PLC	499,950	409,050
454,500	Serabi Mining PLC, Warrants, December 2, 2012	—	15,908
441,100	Serengeti Resources Inc.	459,824	110,275
2,307,690	Shear Diamonds Ltd.	1,499,999	646,155
2,307,690	Shear Diamonds, Warrants, August 27, 2014	—	—
169,000	Silver Bear Resources Inc., September 12, 2011*	135,200	127,088
1,071,152	Silver Bull Resources Inc.	701,478	681,828
1,950,000	Silver Quest Resources Ltd.	1,539,085	2,242,500
100,000	Silver Standard Resources Inc.	2,293,153	2,572,189
704,300	Silver Wheaton Corp.	6,192,346	22,410,823
52,500	Silver Wheaton Corp., Warrants, September 5, 2013	—	772,163
4,526,260	Silvermex Resources Inc.	3,119,470	2,715,757
1,527,900	Silvermex Resources Inc., Warrants, February 12, 2012	—	291,690
935,000	Silvermex Resources Ltd., Warrants, May 8, 2012	—	263,500
806,500	Silvermex Resources Inc., Warrants, December 16, 2013	—	—
1,000,000	Smash Minerals Corp.	800,005	1,160,000
1,400,000	Solitario Exploration & Royalty Corp.	1,918,866	3,696,000
996,300	South American Silver Corp.	687,452	1,942,785
1,587,500	South American Silver Corp., Warrants, July 15, 2012	—	1,587,500
965,000	Southern Andes Energy Inc.	386,000	202,651
965,000	Southern Andes Energy Inc., Warrants, December 17, 2012	—	—
3,000,000	Southern Silver Exploration Corporation	1,134,307	480,000
1,449,333	St Augustine Gold and Copper Ltd.	434,800	927,573
100,000	Stornoway Diamond Corp.	262,072	225,000
2,727,260	Stronghold Metals Inc.	1,499,993	1,063,632
1,363,630	Stronghold Metals Inc., Warrants, June 14, 2012	—	—
1,446,000	Sulliden Gold Corp., Ltd.	1,166,046	2,487,120
900	Tahoe Resources Inc.	5,400	16,119
4,000,000	Takara Resources Inc.	1,000,000	620,002
2,000,000	Takara Resources Inc., Warrants, July 14, 2012	—	—
1,350,000	Tanzania Minerals Corp.	742,500	600,751
675,000	Tanzania Minerals Corp., Warrants, December 7, 2012	—	—
1,200,000	Tatmar Ventures Inc.	600,000	450,001
600,000	Tatmar Ventures Inc., Warrants, November 24, 2012	—	—
4,406,930	Temex Resources Corp.	1,892,044	1,145,803
625,000	Temex Resources Corp., Warrants, November 19, 2012	—	—
3,950,000	Torex Gold Resources Inc.	5,335,527	6,833,500
500,000	Torex Gold Resources Inc., Warrants, November 12, 2011	60,000	217,500
2,272,210	Touchstone Gold Ltd., October 11, 2011*	983,609	881,718
7,000,000	Tournigan Energy Ltd.	4,075,295	805,000
1,900,000	Trade Winds Ventures Inc.	508,250	446,500

Sprott Gold and Precious Minerals Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
1,553,500	Treasury Metals Inc.	976,500	1,957,410
455,000	Treasury Metals Inc., Warrants, June 2, 2012	—	254,800
118,100	Trelawney Mining and Exploration Inc.	259,820	519,640
1,582,983	TriStar Gold Inc.	425,721	997,279
1,615,400	TriStar Gold Inc., Warrants, December 20, 2015	—	533,082
9,500,000	Tyhee Gold Corp.	950,000	1,377,500
10,000,000	Tyhee Gold Corp., Warrants, July 15, 2011	—	10
12,036,000	Unigold Inc.	4,792,500	1,083,243
3,000,000	Unigold Inc., Warrants, December 1, 2011	—	—
650,000	US Silver Corp.	296,855	338,000
1,800,000	Verena Minerals Corporation, Warrants, March 3, 2012	—	972,000
21,100	Victoria Gold Corp.	19,413	12,449
1,500,000	Visible Gold Mines Inc.	480,000	322,502
1,500,000	Visible Gold Mines Inc., Warrants, October 21, 2011	—	—
3,519,870	Volta Resources Inc.	3,361,486	5,702,189
6,385,800	Wesdome Gold Mines Ltd.	12,793,174	15,198,201
6,666,667	Wildcat Exploration Ltd.	400,000	300,007
6,666,667	Wildcat Exploration Ltd., Warrants, October 29, 2012	—	—
2,250,000	Xmet Inc.	450,000	258,752
2,250,000	Xmet Inc., Warrants, May 31, 2012	—	—
1,024,400	Yamana Gold Inc.	11,504,603	11,483,524
Total Equities		545,174,828	650,567,891
Transaction costs <i>(note 2)</i>		(1,212,907)	
Total Investments Owned [98.88%]		555,467,767	685,213,554
Cash and Other Assets Less Liabilities [1.12%]			7,787,610
Total Net Assets [100%]			693,001,164

* Securities that are restricted from resale until the date indicated.

** Private Company

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Mining and Precious Metals	93.88%	96.98%
Gold and Silver Bullion	5.00%	3.57%
Cash and Other Assets Less Liabilities	1.12%	—0.55%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Energy Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value (note 2, 14)	147,208,974	125,356,822
Cash	6,715,804	22,780,781
Due from broker	1,413,547	659,360
Subscriptions receivable	97,941	636,051
Dividends receivable	–	15,000
	155,436,266	149,448,014
Liabilities		
Investments sold short, at fair value (note 2, 14)	–	12,290,567
Due to broker	3,585,934	1,186,908
Redemptions payable	261,876	77,740
Management fees payable	315,418	–
Dividends payable	–	14,776
Securities borrowing fees payable	–	8,973
Accrued expenses	226,560	203,377
	4,389,788	13,782,341
Total net assets representing unitholders' equity (note 2)	151,046,478	135,665,673
Total net assets representing unitholders' equity		
Series A	110,473,814	102,771,827
Series F	27,368,660	25,262,089
Series I	13,204,004	7,631,757
Net assets per unit (note 5, 9)		
Series A	18.238	19.628
Series F	19.085	20.429
Series I	21.007	22.491

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Energy Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Interest <i>(note 2)</i>	13,683	20,273
Dividends (net of withholding taxes of \$nil; 2010 – \$276) <i>(note 2)</i>	43,313	225,776
	56,996	246,049
Expenses		
Management fees <i>(note 6)</i>	2,004,891	1,407,654
Unitholder reporting costs	141,299	132,334
Administrative fees	35,623	25,570
Dividend expense	27,000	9,167
Securities borrowing expense	19,137	7,184
Custodial fees	15,679	5,681
Audit fees	9,654	14,430
Trustee fees	2,866	2,594
Legal fees	2,112	1,964
Independent Review Committee fees	680	8,816
Interest expense	234	–
Filing fees	–	23,154
	2,259,175	1,638,548
Net investment loss	(2,202,179)	(1,392,499)
Realized and unrealized gains (losses) on investments		
Net realized gains (losses) on sales of investments	14,325,384	(5,580,230)
Net realized gains (losses) on foreign exchange	(18)	5,234
Change in unrealized appreciation (depreciation) in the value of investments	(23,768,030)	8,183,795
Transaction costs <i>(notes 2, 8)</i>	(1,737,545)	(744,342)
Net realized and unrealized gains (losses) on investments	(11,180,209)	1,864,457
Increase (Decrease) in net assets from operations	(13,382,388)	471,958
Increase (Decrease) in net assets from operations		
Series A	(10,105,371)	286,399
Series F	(2,216,149)	153,647
Series I	(1,060,868)	31,912
Increase (Decrease) in net assets from operations per unit <i>(note 2)</i>		
Series A	(1.677)	0.049
Series F	(1.600)	0.123
Series I	(2.283)	0.105

See accompanying notes

Sprott Energy Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	102,771,827	86,723,138
Series F	25,262,089	19,136,202
Series I	7,631,757	5,103,360
	135,665,673	110,962,700
Increase (Decrease) in net assets from operations		
Series A	(10,105,371)	286,399
Series F	(2,216,149)	153,647
Series I	(1,060,868)	31,912
	(13,382,388)	471,958
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	33,171,331	9,753,220
Series F	5,423,817	1,307,921
Series I	6,671,641	–
Amounts paid for redemption of units		
Series A	(15,363,973)	(16,237,872)
Series F	(1,101,097)	(2,037,854)
Series I	(38,526)	–
	28,763,193	(7,214,585)
Increase (Decrease) in net assets for the period		
Series A	7,701,987	(6,198,253)
Series F	2,106,571	(576,286)
Series I	5,572,247	31,912
	15,380,805	(6,742,627)
Net assets, end of period		
Series A	110,473,814	80,524,885
Series F	27,368,660	18,559,916
Series I	13,204,004	5,135,272
	151,046,478	104,220,073

See accompanying notes

Sprott Energy Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 1.17 (December 31, 2010 – 1.18) for this fund, if the S&P/TSX Capped Energy Total Return Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$1,767,000 (December 31, 2010 – \$1,601,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	2,583	1.71	(6,974)	(5.14)

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$26,000 (December 31, 2010 – \$70,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Energy Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
SHARES	EQUITIES [97.46%]		
	OIL AND GAS [97.31%]		
300,000	Advantage Oil & Gas Ltd.	2,441,690	2,292,000
1,200,000	Arcan Resources Ltd.	6,225,174	6,516,000
1,100,000	Bankers Petroleum Ltd.	8,244,825	7,568,000
50,000	Brigham Exploration Co.	1,344,672	1,442,339
207,000	Brownstone Energy Inc, Warrants, April 13, 2012	—	8,280
2,000,000	Canadian Spirit Resources Inc.	3,107,910	2,500,000
150,000	Canyon Services Group Inc.	1,956,573	1,996,500
350,000	Celtic Exploration Ltd.	6,987,391	7,458,500
275,000	Cequence Energy Ltd.	848,106	913,000
2,500,000	Contact Exploration Inc., Warrants, October 15, 2012	—	—
2,200,000	Crocotta Energy Inc.	4,941,007	6,380,000
2,500,000	Delphi Energy Corp.	4,948,797	5,325,000
200,000	Gasfrac Energy Services Inc.	2,037,203	1,756,000
975,000	Legacy Oil + Gas Inc.	13,383,515	11,407,500
425,000	Longford Energy Inc., Warrants, July 7, 2011	—	—
7,441,500	Novus Energy Inc.	7,329,330	6,771,765
38,860	Oasis Petroleum Inc.	1,098,758	1,112,738
1,650,000	Open Range Energy Corp.	5,387,345	7,887,000
504,800	Pacific Energy Resources Ltd.	1,054,759	—
875,000	Painted Pony Petroleum Ltd.	6,612,420	9,747,500
1,060,000	Palliser Oil & Gas Corp.	2,014,000	1,399,200
105,400	Patch International Inc.	194,823	132
21,000,000	Petroamerica Oil Corp.	6,915,156	3,255,000
2,900,750	Petroamerica Oil Corp., Warrants, November 19, 2012	—	130,534
4,000,000	Petrodorado Energy Ltd.	2,276,576	1,200,000
150,000	Petrofrontier Corp.	300,000	423,000
2,000,000	PetroNova Inc.	2,761,146	2,220,000
1,500,000	PetroToro Inc.**	750,000	750,000
163,300	PetroWorth Resources Inc., Warrants, June 30, 2012	—	—
500,000	Porto Energy Corp.	653,026	390,000
1,094,000	PRD Energy Inc.	865,836	711,100
308,500	Quetzal Energy Ltd., Warrants, October 26, 2011	—	—
1,781,200	Renegade Petroleum Ltd.	6,597,443	5,450,473
179,200	Rodinia Oil Corp., Warrants, May 28, 2012	17,920	107,520
700,000	Second Wave Petroleum Inc.	1,987,368	1,813,000
4,000,000	Sonoro Energy Ltd.	1,000,000	800,002
2,000,000	Sonoro Energy Ltd., Warrants, January 20, 2012	—	—
800,000	Spartan Oil Corp.	1,991,615	2,096,000
3,000,000	Strategic Oil & Gas Ltd.	2,704,834	2,790,000
125,000	Stream Oil & Gas Ltd., Warrants, November 24, 2012	—	—
120,000	Suncor Energy Inc.	4,454,522	4,524,000
3,831,500	Suroco Energy Inc.	2,413,903	2,069,010

Sprott Energy Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
250,000	Talisman Energy Inc.	4,894,076	4,940,000
6,000,000	Tarim Resources Co. Ltd. **	1,500,000	30,000
50,000	Terrawest Energy Corp.**	25,000	2,500
130,400	Turnkey E&P Inc.	652,000	130
1,300,000	Vero Energy Inc.	7,957,393	7,085,000
125,000	Wavefront Technology Solutions Inc., Warrants, April 26, 2012	–	–
1,500,000	Westfire Energy Ltd.	10,000,828	10,170,000
1,000,000	Whitecap Resources Inc.	6,942,020	6,250,000
140,000	X-Terra Resources Corporation, Warrants, July 11, 2013	–	–
6,600,000	Yangarra Resources Ltd.	4,692,502	4,092,000
1,000,000	Yoho Resources Inc.	4,106,715	3,200,000
		156,618,177	146,980,723
URANIUM [0.15%]			
13	Kalahari Minerals PLC	34	47
115,000	Mega Uranium Ltd., Warrants, February 22, 2012	–	–
900	Sky Digital Stores Corporation	187,263	2,170
793,100	U308 Corp.	637,467	226,034
396,550	U308 Corp., Warrants, February 15, 2013	36,668	–
		861,432	228,251
Total Equities		157,479,609	147,208,974
Transaction costs (note 2)		(602,652)	
Total Investments Owned [97.46%]		156,876,957	147,208,974
Cash and Other Assets Less Liabilities [2.54%]			3,837,504
Total Net Assets [100%]			151,046,478

* Securities that are restricted from resale until the date indicated.

** Private Company

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Oil and Gas	97.31%	90.70%
Uranium	0.15%	1.70%
Cash and Other Assets Less Liabilities	2.54%	16.66%
Short Positions	–	–9.06%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Growth Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value <i>(note 2, 14)</i>	43,701,251	80,264,564
Cash	7,156,816	–
Unrealized appreciation on forward currency contracts <i>(note 10, 14)</i>	128,320	464,765
Due from broker	540,187	–
Subscriptions receivable	–	12,650
Dividends receivable	14,140	9,250
Interest receivable	51,851	95,685
	51,592,565	80,846,914
Liabilities		
Bank indebtedness	–	82,496
Redemptions payable	325,062	107,660
Accrued expenses	258,341	222,562
Management fees payable	116,083	–
	699,486	412,718
Total net assets representing unitholders' equity <i>(note 2)</i>	50,893,079	80,434,196
Total net assets representing unitholders' equity		
Series A	46,473,803	73,827,543
Series F	4,419,276	6,606,653
Net assets per unit <i>(note 5, 9)</i>		
Series A	9.009	10.866
Series F	9.517	11.414

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Growth Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Dividends (net of withholding taxes of \$653; 2010 – \$nil) (note 2)	33,072	87,722
Interest (note 2)	26,744	24,599
	59,816	112,321
Expenses		
Management fees (note 6)	901,742	1,243,862
Unitholder reporting costs	156,110	189,295
Administrative fees	34,857	34,660
Audit fees	9,640	14,346
Custodial fees	8,040	7,449
Trustee fees	2,874	2,710
Legal fees	2,109	1,988
Independent Review Committee fees	403	8,562
Interest expense	–	5,834
Filing fees	–	18,054
	1,115,775	1,526,760
Net investment loss	(1,055,959)	(1,414,439)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	1,108,757	4,541,614
Net realized gains on forward currency contracts	964,627	–
Net realized gains (losses) on foreign exchange	(4,550)	12,838
Change in unrealized depreciation in the value of investments	(12,103,840)	(16,340,162)
Change in unrealized depreciation on forward currency contracts (note 10)	(336,445)	–
Transaction costs (notes 2, 8)	(459,922)	(986,091)
Net realized and unrealized losses on investments	(10,831,373)	(12,771,801)
Decrease in net assets from operations	(11,887,332)	(14,186,240)
Decrease in net assets from operations		
Series A	(10,927,063)	(12,941,217)
Series F	(960,269)	(1,113,021)
Series I	–	(132,002)
Decrease in net assets from operations per unit (note 2)		
Series A	(1.805)	(1.298)
Series F	(1.834)	(1.286)
Series I	–	(1.339)

See accompanying notes

Sprott Growth Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	73,827,543	101,318,315
Series F	6,606,653	9,426,379
Series I	–	446,119
	80,434,196	111,190,813
Decrease in net assets from operations		
Series A	(10,927,063)	(12,941,217)
Series F	(960,269)	(1,113,021)
Series I	–	(132,002)
	(11,887,332)	(14,186,240)
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	1,590,646	3,729,609
Series F	116,321	345,845
Series I	–	736,003
Amounts paid for redemption of units		
Series A	(18,017,323)	(20,641,021)
Series F	(1,343,429)	(2,376,567)
Series I	–	(69,213)
	(17,653,785)	(18,275,344)
Increase (decrease) in net assets for the period		
Series A	(27,353,740)	(29,852,629)
Series F	(2,187,377)	(3,143,743)
Series I	–	534,788
	(29,541,117)	(32,461,584)
Net assets, end of period		
Series A	46,473,803	71,465,686
Series F	4,419,276	6,282,636
Series I	–	980,907
	50,893,079	78,729,229

See accompanying notes

Sprott Growth Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 1.42 (December 31, 2010 – 1.42) for this fund, if the S&P/TSX Composite Total Return Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$723,000 (December 31, 2010 – \$1,142,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011				December 31, 2010			
	Fair Value	Forward Currency Contract	Net Exposure	% of Net Assets	Fair Value	Forward Currency Contract	Net Exposure	% of Net Assets
U.S. Dollar	16,505	(10,863)	5,642	11.09	25,143	(19,000)	6,143	7.64

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$56,000 (December 31, 2010 – \$61,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Growth Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	CONVERTIBLE DEBENTURES [0.49%]		
500,000	Orbit Group Partners Inc., 10%, August 17, 2012**	500,000	250,000
Total Convertible Debentures		500,000	250,000
SHARES	EQUITIES [85.38%]		
	MINING AND PRECIOUS METALS [19.27%]		
355,600	Alexco Resource Corp.	3,030,450	2,457,196
40,000	Atac Resources Ltd.	269,542	290,800
556,100	Canaco Resources Inc.	1,727,086	1,846,252
250,000	Extorre Gold Mines Limited	1,887,443	3,080,000
1,527,400	Global Minerals Ltd.	804,155	1,176,098
545,200	Global Minerals Ltd., Warrants, November 22, 2012	–	119,944
111,220	Tigray Resources Inc.**	–	–
190,000	Trelawney Mining and Exploration Inc.	973,912	836,000
		8,692,588	9,806,290
	OIL AND GAS [16.78%]		
560,000	Arcan Resources Ltd.	2,681,260	3,040,800
10,000	Athabasca Oil Sands Corp.	184,403	151,500
214,000	Bankers Petroleum Ltd.	1,981,062	1,472,320
37,000	Ensign Energy Services Inc.	687,168	707,440
300,000	Evergreen Energy Inc.	730,320	512,123
33,000	Flotek Industries Inc.	296,686	271,484
625,000	Longford Energy Inc., Warrants, July 7, 2011	–	–
300,000	Parex Resources Inc.	1,594,925	2,364,000
490,500	Petroamerica Oil Corp., Warrants, November 19, 2012	–	22,073
1,755,000	Quetzal Energy Ltd., Warrants, October 26, 2011	–	–
		8,155,824	8,541,740
	COMMUNICATIONS AND MEDIA [10.01%]		
250,000	DHX Media Ltd., Warrants, January 26, 2012	–	–
116,800	EXFO Inc.	856,362	857,312
21,000	InterDigital Inc.	852,024	824,925
400,000	Intertainment Media Inc.	390,835	276,000
404,000	Wi-Lan Inc.	1,959,472	3,135,040
		4,058,693	5,093,277
	HEALTH CARE [13.83%]		
200,000	Cleveland Biolabs Inc.	1,321,027	653,897
10,000	Hanger Orthopedic Group Inc.	207,528	235,712
23,000	Illumina Inc.	1,570,976	1,666,782
77,000	Impax Laboratories Inc.	1,895,007	1,615,956
170,000	Imris Inc.	1,283,731	1,119,823
519,528	SQI Diagnostics Inc.	912,922	1,745,614
36,364	SQI Diagnostics Inc., Warrants, December 4, 2011	–	–
		7,191,191	7,037,784

Sprott Growth Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
TECHNOLOGY [8.73%]			
500,000	Cortex Business Solutions Inc.	250,000	175,000
40,000	Entropic Communications Inc.	488,463	342,573
196,900	Groove Media Inc.**	501,200	–
36,000	Integrated Silicon Solution, Inc.	373,981	335,050
36,000	OSI Systems Inc.	1,333,205	1,491,928
100,000	Sensio Technologies Inc.	40,000	46,000
157,000	SMTC Manufacturing Corporation of Canada	628,056	307,380
28,000	Travelzoo Inc.	2,375,925	1,744,228
		5,990,830	4,442,159
CONSUMER PRODUCTS [4.56%]			
68,000	Amaya Gaming Group Inc.	183,141	190,400
270,300	Swisher Hygiene Inc.	465,219	1,456,917
125,000	Swisher Hygiene Inc., June 21, 2012*	593,750	673,750
		1,242,110	2,321,067
INDUSTRIAL PRODUCTS [10.95%]			
841,500	Jig-A-Loo World Inc.**	688,500	189,338
62,000	LSB Industries Inc.	2,154,256	2,564,049
84,000	OmniVision Technologies Inc.	2,560,702	2,819,281
		5,403,458	5,572,668
BASE METALS [1.25%]			
171,475	Century Iron Mines Corp.	500,000	507,566
30,000	Great Western Minerals Group Ltd.	15,718	20,700
450,000	Great Western Minerals Group Ltd., Warrants, October 19, 2012	9,000	108,000
		524,718	636,266
Total Equities		41,259,412	43,451,251
Transaction costs (<i>note 2</i>)		(121,211)	
Total Investments Owned [85.87%]		41,638,201	43,701,251
Cash and Other Assets Less Liabilities [14.13%]			7,191,828
Total Net Assets [100%]			50,893,079

* Securities that are restricted from resale until the date indicated.

** Private Company

Sprott Growth Fund

Statement of Investment Portfolio *continued*

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Mining and Precious Metals	19.27%	29.32%
Oil and Gas	16.78%	12.89%
Health Care	13.83%	12.41%
Communication and Media	10.01%	12.42%
Technology	8.73%	9.76%
Consumer Products	4.56%	7.74%
Other	1.25%	6.63%
Industrial Products	10.95%	2.69%
Convertible Debentures	0.49%	0.31%
Cash and Other Assets Less Liabilities	14.13%	0.21%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Small Cap Equity Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value (note 2, 14)	168,675,543	191,306,612
Cash	24,210,579	–
Short-term investments (note 2, 14)	11,971,956	11,992,097
Due from broker	1,551,385	891,998
Subscriptions receivable	144,026	939,705
Dividends receivable	27,853	19,141
Prepaid expenses	38,215	42,437
Interest receivable	63,288	–
	206,682,845	205,191,990
Liabilities		
Investments sold short, at fair value (note 2, 14)	9,049,387	7,897,829
Bank indebtedness	–	685,610
Due to broker	340,964	471,931
Redemptions payable	214,123	248,641
Securities borrowing fees payable	17,054	11,831
Accrued expenses	263,327	220,046
Management fees payable	427,307	–
	10,312,162	9,535,888
Total net assets representing unitholders' equity (note 2)	196,370,683	195,656,102
Total net assets representing unitholders' equity		
Series A	165,746,829	169,594,066
Series F	24,018,132	24,562,775
Series I	6,605,722	1,499,261
Net assets per unit (note 5, 9)		
Series A	12.475	13.364
Series F	12.940	13.784
Series I	12.522	13.335

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Small Cap Equity Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Dividends (net of withholding taxes of \$9,297; 2010 – \$nil) (note 2)	466,663	492,307
Interest (note 2)	1,136,980	18,878
	1,603,643	511,185
Expenses		
Management fees (note 6)	2,747,284	1,720,299
Unitholder reporting costs	175,639	149,313
Securities borrowing expense	90,462	29,997
Dividend expense	36,566	96,318
Administrative fees	31,024	23,165
Custodial fees	21,460	17,488
Audit fees	13,973	13,133
Trustee fees	2,777	2,685
Legal fees	2,107	1,951
Independent Review Committee fees	980	3,825
Filing fees	–	23,412
Incentive fees (note 6)	–	2,849
	3,122,272	2,084,435
Net investment loss	(1,518,629)	(1,573,250)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	14,268,679	14,814,314
Net realized losses on foreign exchange	(138)	(2,343)
Change in unrealized depreciation in the value of investments	(27,459,252)	(10,440,511)
Transactions costs (notes 2, 8)	(452,715)	(318,795)
Net realized and unrealized gains (losses) on investments	(13,643,426)	4,052,665
Increase (Decrease) in net assets from operations	(15,162,055)	2,479,415
Increase (Decrease) in net assets from operations		
Series A	(13,063,674)	2,016,767
Series F	(1,643,351)	471,190
Series I	(455,030)	(8,542)
Increase (Decrease) in net assets from operations per unit (note 2)		
Series A	(0.967)	0.157
Series F	(0.876)	0.258
Series I	(1.595)	(0.081)

See accompanying notes

Sprott Small Cap Equity Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	169,594,066	108,705,135
Series F	24,562,775	17,042,607
Series I	1,499,261	452,625
	195,656,102	126,200,367
Increase (Decrease) in net assets from operations		
Series A	(13,063,674)	2,016,767
Series F	(1,643,351)	471,190
Series I	(455,030)	(8,542)
	(15,162,055)	2,479,415
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	34,306,788	17,621,668
Series F	3,923,107	1,846,308
Series I	5,678,332	821,556
Amounts paid for redemption of units		
Series A	(25,090,351)	(13,216,863)
Series F	(2,824,399)	(3,350,547)
Series I	(116,841)	(80,334)
	15,876,636	3,641,788
Increase (Decrease) in net assets for the period		
Series A	(3,847,237)	6,421,572
Series F	(544,643)	(1,033,049)
Series I	5,106,461	732,680
	714,581	6,121,203
Net assets, end of period		
Series A	165,746,829	115,126,707
Series F	24,018,132	16,009,558
Series I	6,605,722	1,185,305
	196,370,683	132,321,570

See accompanying notes

Sprott Small Cap Equity Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 0.99 (December 31, 2010 – 0.99) for this fund, if the S&P/TSX Small Cap Total Return Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$1,944,000 (December 31, 2010 – \$1,937,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
Australian Dollar	3,786	1.93	6,063	3.10
U.S. Dollar	8,569	4.36	5,006	2.56
	12,355	6.29	11,069	5.66

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$122,000 (December 31, 2010 – \$111,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Small Cap Equity Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	SHORT-TERM INVESTMENTS [6.10%]		
12,000,000	Canadian Treasury Bill, 0.90%, September 29, 2011	11,972,040	11,971,956
Total Short-Term Investments		11,972,040	11,971,956
	CONVERTIBLE DEBENTURES [1.27%]		
2,500,000	Pivot Acquisition Corp., 12%, April 14, 2013	2,500,000	2,500,000
Total Convertible Debentures		2,500,000	2,500,000
SHARES	EQUITIES [84.62%]		
	MATERIALS [27.70%]		
215,500	Alexco Resource Corp.	1,767,105	1,489,106
970,000	Alexis Minerals Corporation, Warrants, July 9, 2011	48,500	–
798,900	Apogee Silver Ltd., August 29, 2011*	223,692	164,893
1,600,000	Argex Mining Inc.	480,000	640,004
4,000,000	Argex Mining Inc., Warrants, September 29, 2014	–	–
3,110,000	Avion Gold Corporation	273,775	6,033,400
535,000	Bralorne Gold Mines Ltd., Warrants, September 28, 2011	–	–
1,850,000	Brigus Gold Corp.	2,360,393	2,923,000
218,750	Brigus Gold Corp., Warrants, November 19, 2014	159,250	144,376
600,000	CGA Mining Limited	828,570	1,782,000
555,000	Canaco Resources Inc.	777,000	1,842,600
1,112,000	Cap-Ex Ventures Ltd., July 31, 2011*	1,167,600	678,655
556,000	Cap-Ex Ventures Ltd., Warrants, March 30, 2013	–	–
855,000	Claude Resources Inc.	2,137,505	1,564,650
1,850,000	Dacha Capital Inc., Warrants, June 16, 2014	–	925,000
300,000	Dynasty Metals & Mining Inc.	2,476,078	837,000
325,000	Exploration Orbite VSPA Inc.	243,750	1,056,250
752,500	Exploration Orbite VSPA Inc., Warrants, November 5, 2012	–	1,881,250
1,500,000	Formation Metals Inc.	2,070,000	1,470,000
750,000	Formation Metals Inc., Warrants, March 10, 2014	180,000	210,000
3,100,000	General Magnesium Corp.**	1,550,000	232,500
60,000	Golden Minerals Co.	1,145,408	1,027,140
100,000	Grande Cache Coal Corporation	530,505	877,000
1,850,000	Great Western Minerals Group Ltd.	592,000	1,276,500
1,607,500	Great Western Minerals Group Ltd., Warrants, October 19, 2012	32,150	385,800
50,000	HudBay Minerals Inc.	643,505	720,000
350,700	International Northair Mines, July 18, 2011*	105,210	178,857
175,350	International Northair Mines, Warrants, March 17, 2012	–	3,507
4,315,000	La Camera Mining Inc.**	1,848,500	604,100
40,400	Mandalay Resources Corp.	19,377	31,512
1,280,000	Mongolia Minerals Corporation**	896,000	1,600,000
295,000	Neo Material Technologies Inc.	1,324,880	2,731,700
559,500	New Pacific Metals Corp.	755,325	878,415
279,750	New Pacific Metals Corp., Warrants, June 22, 2012	–	–
1,830,169	Norton Gold Fields Limited	581,680	246,090

Sprott Small Cap Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
700,000	Oceana Gold Corporation	1,435,000	1,848,000
5,000,000	Orex Exploration Inc., Warrants, October 23, 2012	—	—
1,413,600	Orko Silver Corp.	3,044,475	3,901,541
3,020,000	Orsu Metals Corporation	739,592	498,302
2,400,000	Orsu Metals Corporation, Warrants, April 16, 2012	24,490	—
990,000	Perseus Mining Limited	1,500,033	2,653,200
1,800,000	Petaquilla Minerals Ltd.	1,934,010	1,134,001
1,100,000	Petaquilla Minerals Ltd., Warrants, December 30, 2013	—	—
1,500,000	Quantum Rare Earth Developments Corp.	415,177	390,001
1,088,350	Quantum Rare Earth Developments Corp., Warrants, November 5, 2013	—	—
2,000,000	Ramelius Resources Ltd.	1,502,551	2,606,510
7,843,500	Red 5 Ltd.	1,332,223	932,968
200,000	Sacre-Coeur Minerals Ltd., Warrants, August 17, 2011	—	—
2,369,500	Scorpio Gold Corporation	1,066,275	1,563,870
2,525,000	Scorpio Gold Corporation, Warrants, September 10, 2011	—	151,500
393,000	Stina Resources Ltd.	275,100	155,235
400,000	Stina Resources Ltd., Warrants, September 28, 2012	—	—
111,000	Tigray Resources Inc.**	—	—
740,800	Trelawney Mining and Exploration Inc.	853,510	3,259,521
1,225,000	Typhoon Exploration Inc., Warrants, March 21, 2012	—	—
1,400,000	Ucore Rare Metals Inc.	560,000	826,000
1,050,000	Ucore Rare Metals Inc., Warrants, December 9, 2012	—	42,000
		39,900,194	54,397,954
ENERGY [25.29%]			
925,000	Americas Petrogas Inc., July 12, 2011*	2,294,000	1,776,740
320,000	Angle Energy Inc.	1,848,420	3,200,000
235,000	Arcan Resources Ltd.	359,731	1,276,050
1,990,000	Arsenal Energy Inc.	1,743,510	1,373,100
400,000	Bellatrix Exploration Ltd.	1,124,396	1,816,000
2,650,000	Canacol Energy Ltd.	530,000	2,782,500
905,000	Crosshair Exploration & Mining Corp.	633,500	633,501
1,105,000	Crosshair Exploration & Mining Corp., Warrants, November 23, 2012	—	—
1,750,000	Delphi Energy Corp.	3,837,472	3,727,501
340,000	Fairborne Energy Ltd.	2,052,158	1,615,000
313,007	Gran Tierra Energy Inc.	1,015,125	1,978,204
725,000	Insignia Energy Ltd.	1,616,043	1,247,000
825,000	Ithaca Energy Inc.	1,428,410	1,707,750
1,875,000	Longford Energy Inc.	714,227	356,253
3,075,000	Longford Energy Inc., Warrants, July 7, 2011	—	—
362,500	Longford Energy Inc., Warrants, October 14, 2011	—	—
1,923,900	Madalena Ventures Inc.	1,279,724	1,038,906
1,483,000	Manitok Energy Inc.	2,372,805	2,313,480
495,300	Open Range Energy Corp.	2,189,751	2,367,534

Sprott Small Cap Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
385,000	Painted Pony Petroleum Ltd., Class A	2,857,017	4,288,900
16,000,000	Quetzal Energy Ltd.	2,222,638	1,280,000
14,350,000	Quetzal Energy Ltd., Warrants, October 26, 2011	—	—
486,000	Renegade Petroleum Ltd.	1,603,805	1,487,174
545,000	Rodinia Oil Corp.	517,750	654,000
2,300,000	Southern Andes Energy Inc.	920,000	483,002
2,300,000	Southern Andes Energy Inc., Warrants, December 17, 2012	—	—
3,500,000	Stetson Oil & Gas Ltd.	700,000	140,000
5,000,000	Stetson Oil & Gas Ltd., Preferred	—	50,000
1,595,000	Terra Energy Corp.	2,871,005	1,515,250
3,600,000	Touchstone Exploration Inc.	2,016,000	2,022,120
7,769,500	United Hunter Oil & Gas Corp.	1,168,346	1,010,039
4,089,750	United Hunter Oil & Gas Corp., Warrants, April 23, 2012	—	—
440,000	Vero Energy Inc.	2,298,605	2,398,000
620,000	Westfire Energy Ltd.	4,213,118	4,203,600
1,487,500	Yangarra Resources Ltd.	964,270	922,250
		47,391,826	49,663,854
	CONSUMER DISCRETIONARY [12.06%]		
965,400	Amaya Gaming Group Inc.	980,674	2,703,120
486,500	Amaya Gaming Group Inc., Warrants, July 21, 2011	4,865	632,450
90,000	Destination Maternity Corporation	1,448,860	1,731,671
1,100,000	DHX Media Ltd.	1,430,000	990,000
85,000	Dorel Industries Inc., Class B	2,261,418	2,279,700
559,600	Glentel Inc.	3,051,275	9,932,900
100,000	Indigo Books & Music Inc.	1,650,000	1,281,000
200,000	The Finish Line Inc., Class A	3,524,182	4,123,990
		14,351,274	23,674,831
	INFORMATION TECHNOLOGY [12.79%]		
156,400	Bridgewater Systems Corporation	769,287	1,274,660
300,000	Celestica Inc.	2,422,319	2,520,000
100,000	China Security & Surveillance Technology Inc.	626,185	506,336
70,000	InterDigital Inc.	2,640,075	2,749,744
582,700	Kobo Inc.**	2,249,222	2,249,222
61,000	MacDonald Dettwiler & Associates Ltd.	3,224,682	3,319,010
189,000	MOSAID Technologies Incorporated	3,845,158	5,274,990
279,300	SENSIO Technologies Inc.	663,230	128,478
678,000	Sylogist Ltd.	1,367,865	1,294,980
746,900	Wi-Lan Inc.	1,909,895	5,795,944
		19,717,918	25,113,364

Sprott Small Cap Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
FINANCIALS [3.84%]			
112,500	Home Capital Group Inc.	4,655,304	5,805,000
113,000	Melcor Developments Ltd.	2,652,521	1,740,200
		7,307,825	7,545,200
INDUSTRIALS [1.07%]			
45,900	Ag Growth International Inc.	1,035,479	2,102,220
297,500	Wavefront Technology Solutions Inc., Warrants April 27, 2012	–	–
		1,035,479	2,102,220
HEALTH CARE [0.24%]			
302,000	Cangene Corporation	1,520,982	471,120
		1,520,982	471,120
CONSUMER STAPLES [1.20%]			
150,000	Atrium Innovations Inc.	2,186,598	2,367,000
		2,186,598	2,367,000
UTILITIES [0.43%]			
140,000	GWR Global Water Resources Corp.	1,050,005	840,000
		1,050,005	840,000
Total Equities		134,462,101	166,175,543
Transaction costs (<i>note 2</i>)		(281,535)	
Total Investments Owned [91.99%]		148,652,606	180,647,499
SHORT POSITIONS			
INDICES [-2.41%]			
(59,500)	iShares CDN S&P/TSX 60 Index Fund	(1,019,245)	(1,138,830)
(130,000)	iShares CDN S&P/TSX Capped Energy Index Fund	(2,607,365)	(2,570,100)
(45,000)	iShares S&P/TSX Global Gold Index Fund	(1,191,597)	(1,023,750)
		(4,818,207)	(4,732,680)
CONSUMER DISCRETIONARY [-0.47%]			
(5,500)	Blue Nile Inc.	(291,626)	(233,397)
(30,000)	Westport Innovations Inc.	(683,464)	(694,800)
		(975,090)	(928,197)
INDUSTRIALS [-0.89%]			
(19,000)	Owens Corning	(676,184)	(684,422)
(40,000)	Ritchie Bros. Auctioneers Incorporated	(942,092)	(1,062,400)
		(1,618,276)	(1,746,822)

Sprott Small Cap Equity Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
	MATERIALS [-0.84%]		
(14,000)	Molycorp Inc.	(884,924)	(824,586)
(22,000)	Vulcan Materials Co.	(809,535)	(817,102)
		(1,694,459)	(1,641,688)
Transaction costs (<i>note 2</i>)		(10,255)	
Total Investments Sold Short [-4.61%]		(9,116,287)	(9,049,387)
Net Investments [87.38%]		139,536,319	171,598,112
Cash and Other Assets Less Liabilities [12.62%]			24,772,571
Total Net Assets [100%]			196,370,683

* Securities that are restricted from resale until the date indicated.

** Private Company

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Materials	27.70%	41.38%
Energy	25.29%	26.55%
Information Technology	12.79%	9.71%
Consumer Discretionary	12.06%	10.58%
Other	5.71%	7.01%
Industrials	1.07%	2.55%
Short-Term Investments	6.10%	6.13%
Convertible Debentures	1.27%	0.00%
Cash and Other Assets Less Liabilities	12.62%	0.13%
Short Positions	- 4.61%	- 4.04%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott All Cap Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value (note 2, 14)	11,778,748	15,193,529
Cash	5,138,853	2,996,672
Short-term investments (note 2, 14)	1,995,326	1,998,264
Receivable from manager	81,163	37,325
Subscriptions receivable	60,354	19,365
Dividends receivable	59,010	4,837
Other receivable	26,586	26,586
	19,140,040	20,276,578
Liabilities		
Investments sold short, at fair value (note 2, 14)	2,640,922	2,956,494
Due to broker	41,005	39,330
Redemptions payable	14,187	3,054
Dividends payable	54,089	2,394
Securities borrowing fees payable	4,106	-
Accrued expenses	135,083	120,414
Management fees payable	35,086	-
	2,924,478	3,121,686
Total net assets representing unitholders' equity (note 2)	16,215,562	17,154,892
Total net assets representing unitholders' equity		
Series A	13,698,413	16,343,004
Series F	2,517,149	811,888
Series I	-	-
Net assets per unit (note 5, 9)		
Series A	12.366	14.258
Series F	12.691	14.555
Series I	-	-

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott All Cap Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Dividends (net of withholding taxes of \$135; 2010 – \$172) (note 2)	35,499	27,875
Interest (note 2)	10,168	1,323
	45,667	29,198
Expenses		
Management fees (note 6)	221,205	111,240
Unitholder reporting costs	32,942	14,271
Administrative fees	25,099	23,267
Dividend expense	24,596	12,677
Audit fees	14,055	13,316
Securities borrowing expense	12,588	4,118
Custodial fees	6,121	6,080
Trustee fees	2,855	2,498
Legal fees	2,119	1,991
Interest expense	1,225	108
Independent Review Committee fees	87	7,601
Incentive fees (note 6)	–	3,881
Filing fees	–	23,154
	342,892	224,202
Expenses waived/absorbed by the Manager (note 7)	(43,838)	(54,931)
Net expenses	299,054	169,271
Net investment loss	(253,387)	(140,073)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	900,653	732,733
Net realized losses on foreign exchange	(25,103)	(34,393)
Change in unrealized depreciation in the value of investments	(2,982,424)	(298,825)
Transactions costs (notes 2, 8)	(33,516)	(26,096)
Net realized and unrealized gains (losses) on investments	(2,140,390)	373,419
Increase (Decrease) in net assets from operations	(2,393,777)	233,346
Increase (Decrease) in net assets from operations		
Series A	(2,130,990)	187,849
Series F	(262,787)	13,974
Series I	–	31,523
Increase (Decrease) in net assets from operations per unit (note 2)		
Series A	(1.892)	0.269
Series F	(2.047)	0.214
Series I	–	0.355

See accompanying notes

Sprott All Cap Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	16,343,004	7,505,376
Series F	811,888	1,013,593
Series I	–	468,041
	17,154,892	8,987,010
Increase (Decrease) in net assets from operations		
Series A	(2,130,990)	187,849
Series F	(262,787)	13,974
Series I	–	31,523
	(2,393,777)	233,346
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	1,807,344	1,347,333
Series F	2,080,372	11,671
Series I	–	811,020
Amounts paid for redemption of units		
Series A	(2,320,945)	(1,636,345)
Series F	(112,324)	(578,037)
Series I	–	(79,764)
	1,454,447	(124,122)
Increase (decrease) in net assets for the period		
Series A	(2,644,591)	(101,163)
Series F	1,705,261	(552,392)
Series I	–	762,779
	(939,330)	109,224
Net assets, end of period		
Series A	13,698,413	7,404,213
Series F	2,517,149	461,201
Series I	–	1,230,820
	16,215,562	9,096,234

See accompanying notes

Sprott All Cap Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

Using the historical Beta measurement of 0.39 (December 31, 2010 – 0.37) for this fund, if the S&P/TSX Composite Total Return Index were to fluctuate by 1%, net assets would increase or decrease by approximately \$63,000 (December 31, 2010 – \$64,000). Beta is a measure of the relationship of a fund's performance against an index. The composition of Beta contains several subjective components that, although reasonably estimated, could alter the resulting estimate should these components be modified based on revised assumptions.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	3,331	20.54	3,225	18.80
Euro	501	3.09	478	2.78
Swiss Franc	36	0.22	204	1.19
Australian Dollar	73	0.45	141	0.82
Pound Sterling	219	1.35	50	0.29
	4,160	25.65	4,098	23.88

If the Canadian dollar strengthened or weakened by 1% in relation to all other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$41,000 (December 31, 2010 – \$41,000).

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott All Cap Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	SHORT-TERM INVESTMENTS [12.31%]		
2,000,000	Canada Treasury Bills, 0.90%, September 29, 2011	1,995,340	1,995,326
Total Short-Term Investments		1,995,340	1,995,326
OUNCES	BULLION [18.02%]		
2,020	Gold Bullion	2,431,043	2,922,713
Total Bullion		2,431,043	2,922,713
SHARES	EQUITIES [54.63%]		
	MATERIALS [29.76%]		
272	Agnico-Eagle Mines Limited, Warrants, December 2, 2013	–	5,477
5,000	Andina Minerals Inc.	9,830	5,850
50,000	Arcus Development Group Inc.	9,130	13,000
100,000	Argentex Mining Corp.	140,415	73,298
40,000	Armistice Resources Corp.	14,063	14,000
4,000	Barrick Gold Corp.	199,116	174,680
30,000	Bear Creek Mining Corp.	226,464	114,000
3,875	Bearing Resources Ltd.**	–	2,325
53,959	Brigus Gold Corp.	66,140	85,255
38,200	Canada Lithium Corp.	25,381	23,302
9,100	Canada Lithium Corp., Warrants, September 30, 2011	–	637
20,000	Claude Resources Inc.	42,305	36,600
23,100	Colossus Minerals Inc.	162,893	161,469
250,000	Concordia Resource Corp.	258,120	217,500
319,300	Constantine Metal Resources Ltd.	68,578	52,685
34,650	Constantine Metal Resources Ltd., Warrants, December 13, 2012	–	–
20,000	Cuoro Resources Corp.	49,439	39,000
50,000	Cuoro Resources Corp., Warrants, September 26, 2011	100,000	95,793
20,000	Dalradian Resources Inc.	47,715	29,600
16,700	Darnley Bay Resources Ltd., Warrants, December 29, 2012	–	–
10,000	Dundee Precious Metals Inc.	86,453	78,000
7,000	Eldorado Gold Corp.	117,114	99,330
60,000	Electric Metals Inc.	15,000	5,400
200,000	Elgin Mining Inc.	389,087	314,000
7,000	Energold Drilling Corp.	25,900	27,650
13,500	Energold Drilling Corp., Warrants, December 23, 2012	–	–
14,850	Ethiopian Potash Corp., March 11, 2012*	743	10,132
109,400	Ethiopian Potash Corp., Warrants, September 9, 2012	10,940	33,367
111,800	Fire River Gold Corp.	49,743	46,956
30,900	Fire River Gold Corp., Warrants, May 18, 2012	–	–
70,000	Fission Energy Corp.	56,000	39,900
35,000	Fission Energy Corp., Warrants, February 24, 2013	–	–
70,000	Golden Valley Mines Ltd.	27,130	27,300
400,000	Goldeye Explorations Limited	18,305	18,000
200,000	Goldeye Explorations Limited, Warrants, September 29, 2012	20,000	–

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
16,666	Goldstone Resources Inc.	15,130	14,666
35,000	Grayd Resource Corp.	64,000	59,500
10,000	Greystar Resources Ltd.	25,535	27,300
1,430	Guyana Goldfields Inc.	12,837	9,767
32,500	Hecla Mining Co., Warrants, August 10, 2014	236,566	162,365
50,000	Helio Resource Corp.	21,515	19,000
5,000	Hochschild Mining PLC	40,176	35,569
800	HudBay Minerals Inc.	9,129	11,520
100,000	Hunt Mining Corp.	36,056	46,000
4,900	IAMGOLD Corporation	37,681	88,739
50,000	IC Potash Corp.	70,505	55,000
1,000	Imperial Metals Corp.	21,605	19,350
24,800	Jaguar Mining Inc.	167,629	114,080
3,400	Keegan Resources Inc.	30,804	25,432
4,800	Kirkland Lake Gold Inc.	55,601	72,672
10,000	Lakeside Steel Inc.	2,600	4,200
167,000	Landdrill International Inc.	50,100	45,090
83,500	Landdrill International Inc., Warrants, August 17, 2012	–	–
17,100	Laramide Resources Ltd.	29,925	17,100
8,550	Laramide Resources Ltd., Warrants, March 5, 2012	–	–
20,000	Levon Resources Ltd.	18,400	34,000
30,000	Lithium Americas Corp.	58,931	50,100
7,083	MBAC Fertilizer Corp.	22,465	19,478
200,000	Macusani Yellowcake Inc.	50,000	36,000
200,000	Macusani Yellowcake Inc., Warrants, November 9, 2012	–	–
38,680	Magellan Minerals Ltd.	28,641	34,038
8,190	Magellan Minerals Ltd., Warrants, December 23, 2011	–	–
300,000	Moss Lake Gold Mines Ltd.	100,175	79,500
24,500	Newstrike Capital Inc.	62,906	57,575
100,000	Northern Freegold Resources Ltd.	37,304	30,500
55,100	Orko Silver Corp.	142,774	152,076
45,500	Oromin Explorations Ltd.	41,005	40,040
15,200	Osisko Mining Corporation	219,768	227,240
3,000	Pan American Silver Corp.	99,257	89,231
160,600	Peregrine Metals Ltd.	150,644	136,510
5,300	Peregrine Metals Ltd., Warrants, September 11, 2011	106	53
67,732	Perseus Mining Ltd.	215,388	181,522
100	Potash Corporation of Saskatchewan Inc.	4,015	5,496
3,793	Prophecy Platinum Corp.	4,702	2,389
200,000	Rochester Resources Ltd.	25,715	7,000
16,650	Rockgate Capital Corporation, Warrants, July 28, 2011	–	11,156
50,000	San Gold Corporation	140,542	162,000
11,400	Sandspring Resources Ltd.	14,913	22,914
10,275	Sandstorm Gold Ltd., Warrants, October 19, 2015	–	5,754

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
2,758	Silver Bull Resources Inc.	3,252	1,756
50,000	Silver Quest Resources Ltd.	39,030	57,500
5,400	Silver Wheaton Corp.	111,777	171,828
100,000	Stronghold Metals Inc.	41,255	39,000
700	The Mosaic Co.	26,277	45,712
12,500	Titanium Corp., Inc., Warrants, June 15, 2012	—	7,500
50,000	Torex Gold Resources Inc.	82,816	86,500
266,600	Tournigan Energy Ltd.	79,980	30,659
133,300	Tournigan Energy Ltd., Warrants, December 30, 2012	—	—
25,000	Volta Resources Inc.	29,455	40,500
49,550	Western Potash Corp.	54,505	70,361
24,775	Western Potash Corp., Warrants, June 21, 2012	—	—
500,000	Wildcat Exploration Ltd.	33,005	22,500
16,900	Yamana Gold Inc.	199,566	189,449
20,000	Zincore Metals Inc.	9,000	6,100
		5,310,967	4,825,793
ENERGY [14.16%]			
10,000	Alter NRG Corp.	19,105	10,000
3,400	Angle Energy Inc.	19,895	34,000
1,625	Arcan Resources Ltd.	7,174	8,824
90,909	Azabache Energy Inc., September 13, 2011*	50,000	53,064
3,900	Bankers Petroleum Ltd.	34,240	26,832
11,600	Biox Corp.	23,200	5,742
100	Bonterra Energy Corp.	2,554	5,678
80,000	CGX Energy Inc.	40,000	51,200
500	Cameco Corporation	15,041	12,690
5,000	Canacol Energy Ltd.	3,751	5,250
500	Canadian Oil Sands Ltd.	18,585	13,895
10,000	Cathedral Energy Services Inc.	47,141	71,400
5,000	Corridor Resources Inc.	28,803	14,800
150,000	Enseco Energy Services Corp.	30,000	15,000
75,000	Enseco Energy Services Corp., Warrants, September 9, 2011	—	—
14,520	Estrella International Energy Services Ltd.	13,898	7,841
6,600	Estrella International Energy Services Ltd., Warrants, March 3, 2015	—	—
4,000	Gasfrac Energy Services Inc.	20,000	35,120
1,375	Gran Tierra Energy Inc., Warrants, August 28, 2011	—	14
5,114	Gran Tierra Energy Inc.	38,110	32,320
30,000	Hathor Exploration Ltd.	98,936	80,700
2,500	Imperial Oil Limited	98,965	112,225
29,100	Insignia Energy Ltd.	57,832	50,052
100,000	Kivalliq Energy Corp	70,445	34,000
1,333	Legacy Oil + Gas Inc.	9,998	15,596
8,900	Longview Oil Corp.	89,005	102,795

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
2,500	Nexen Inc.	52,871	54,200
28,200	Paladin Energy Ltd.	136,275	73,212
1,000	Pason Systems Inc.	11,240	14,480
2,500	Penn West Petroleum Ltd.	47,349	55,550
535,000	Petroamerica Oil Corp.	108,810	82,925
235,000	Petroamerica Oil Corp., Warrants, May 9, 2014	11,190	10,575
32,500	Petroamerica Oil Corp., Warrants, November 19, 2012	—	1,463
4,100	Petrohawk Energy Ltd.	90,831	97,591
5,000	PHX Energy Services Corp.	42,693	54,450
40,600	Pinecrest Energy Inc.	55,468	98,658
2,000	Progress Energy Resources Corp.	20,303	27,460
40,000	Prophecy Coal Corp.	17,298	23,200
20,000	Prophecy Resource Corp., Warrants, March 23, 2012	—	—
195,000	Quetzal Energy Ltd.	27,300	15,600
195,000	Quetzal Energy Ltd., Warrants, October 26, 2011	—	—
5,000	Rock Energy Inc.	19,698	20,600
200	Schlumberger Limited	18,610	16,656
125,000	Southern Andes Energy Inc.	50,000	26,250
125,000	Southern Andes Energy Inc., Warrants, December 17, 2012	—	—
157,600	Strateco Resources Inc.	123,810	74,072
35,000	Strateco Resources Inc., Warrants, December 23, 2012	—	—
7,840	Suncor Energy Inc.	312,151	295,568
1,000	Talisman Energy Inc.	12,971	19,760
23,500	Terra Energy Corp.	42,305	22,325
5,200	Tethys Petroleum Limited	8,060	5,616
41,550	Torquay Oil Corp., Class A	51,975	65,649
131,000	Tuscany International Drilling Inc.	200,430	117,900
20,000	Uex Corporation	35,255	20,000
40,000	Ur-Energy Inc.	54,468	61,600
100,000	Uranium North Resources Corp.	30,000	13,500
50,000	Uranium North Resources Corp., Warrants, August 8, 2012	—	—
10,000	Uranium One Inc.	27,568	26,500
4,745	Westfire Energy Ltd.	26,714	32,171
11,200	Whitecap Resources Inc.	50,400	70,000
		2,522,721	2,296,569
INFORMATION TECHNOLOGY [4.36%]			
1,800	Aastra Technologies Limited	37,491	34,056
2,100	Bridgewater Systems Corporation	19,270	17,115
40,300	Cortex Business Solutions Inc	20,407	14,105
35,700	Enablence Technologies Inc.	14,285	2,856
2,000	Evertz Technologies Ltd.	26,888	26,200
1,500	InterDigital Inc.	51,100	58,923
10,000	Miranda Technologies Inc.	56,736	75,400

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
6,700	MOSAID Technologies Incorporated	160,393	186,997
4,400	Pure Technologies Ltd.	21,912	16,808
2,900	Research In Motion Ltd.	179,091	80,649
25,000	Wi-Lan Inc.	50,035	194,000
		637,608	707,109
HEALTH CARE [1.90%]			
5,000	BioExx Specialty Proteins Ltd.	6,668	5,000
6,400	Burcon NutraScience Corporation	44,855	50,176
19,100	CML Healthcare Inc.	212,960	178,203
400	Johnson & Johnson	29,321	25,639
7,800	Labopharm Inc., Warrants, February 18, 2013	–	–
2,200	Oncolytics Biotech Inc., Warrants, November 8, 2012	–	–
20,450	Spectral Diagnostics Inc., Warrants, February 1, 2014	–	–
13,200	SQI Diagnostics Inc.	36,300	44,352
6,600	SQI Diagnostics Inc., Warrants, December 4, 2011	–	–
		330,104	303,370
CONSUMER STAPLES [1.13%]			
1,000	Corby Distilleries Limited, Class A	16,758	16,110
500	Saputo Inc.	12,118	23,200
900	SunOpta Inc.	1,913	6,111
13,200	Viterra Inc.	121,128	137,808
		151,917	183,229
INDUSTRIALS [1.34%]			
6,300	Aecon Group Inc.	65,485	50,905
265,385	ARISE Technologies Corporation	58,500	22,558
115,385	ARISE Technologies Corporation, Warrants, June 11, 2012	–	5,192
150,000	ARISE Technologies Corporation, Warrants, December 20, 2012	–	8,250
27,000	Bennett Environmental Inc.	64,289	57,510
6,000	Bennett Environmental Inc., Warrants, May 7, 2012	1,321	600
200	Black Diamond Group Limited	3,771	6,298
1,000	GLV Inc., Class A	10,338	6,610
22,000	Legend Power Systems Inc.	11,000	1,870
500	McDermott International Inc.	7,141	9,548
5,000	Rocky Mountain Dealerships Inc.	23,380	48,600
		245,225	217,941
CONSUMER DISCRETIONARY [1.36%]			
23,700	Amaya Gaming Group Inc.	70,134	66,361
54,400	DHX Media Ltd.	62,825	48,960
1,100	Dorel Industries, Inc., Class B	35,816	29,502
10,000	easyhome Ltd.	91,575	75,500
17,000	Liquidation World Inc.	14,450	935
		274,800	221,258

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
FINANCIAL [0.50%]			
5,127	Carfinco Income Fund	20,599	32,967
1,100	TMX Group Inc.	31,137	47,850
		51,736	80,817
UTILITIES [0.12%]			
2,000	Borex Inc.	13,748	15,860
8,700	Ram Power Corporation	26,100	4,089
		39,848	19,949
Total Equities		9,564,926	8,856,035
Total Investments Owned before Short-Term Investments		11,995,969	11,778,748
Transaction costs (<i>note 2</i>)		(27,902)	
Total Investments Owned [84.96%]		13,963,407	13,774,074
SHORT POSITIONS			
CONSUMER DISCRETIONARY [-5.92%]			
(10,800)	Beazer Homes USA Inc.	(52,310)	(35,310)
(3,000)	Brunswick Corp.	(70,877)	(59,053)
(2,300)	Carnival Corporation	(100,404)	(83,517)
(2,200)	Clear Channel Outdoor Holdings Inc.	(31,258)	(27,880)
(4,400)	DR Horton Inc.	(52,467)	(48,929)
(1,400)	Ethan Allen Interiors Inc.	(23,701)	(28,760)
(1,700)	Gaylord Entertainment Co., Class A	(54,058)	(49,187)
(2,700)	The Home Depot, Inc.	(82,602)	(94,265)
(8,100)	KB Home	(110,590)	(76,480)
(2,700)	Lamar Advertising Co.	(95,947)	(71,272)
(1,400)	Macy's, Inc.	(33,812)	(39,467)
(2,827)	Pulte Homes Inc.	(32,706)	(20,912)
(2,600)	Royal Caribbean Cruises Ltd.	(127,584)	(94,410)
(19,500)	Standard Pacific Corp.	(84,948)	(62,815)
(1,800)	Starwood Hotels & Resorts Worldwide Inc.	(102,248)	(97,321)
(300)	Tiffany & Co.	(17,028)	(22,716)
(600)	Whirlpool Corp.	(50,850)	(47,040)
		(1,123,390)	(959,334)
FINANCIALS [-4.34%]			
(4,000)	AGF Management Limited	(69,350)	(74,960)
(1,500)	American Express Co.	(65,064)	(74,793)
(2,800)	Associated Banc-Corp.	(38,854)	(37,563)
(3,700)	Bank of America Corporation	(51,341)	(39,110)
(1,000)	Bank of Montreal	(58,455)	(61,350)
(1,000)	The Bank of Nova Scotia	(60,765)	(58,100)
(1,000)	BB&T Corp.	(23,818)	(25,895)
(1,600)	IGM Financial Inc.	(68,441)	(80,880)

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
(1,300)	JPMorgan Chase & Co.	(51,479)	(51,305)
(700)	Royal Bank of Canada	(42,884)	(38,591)
(826)	Simon Property Group Inc.	(83,529)	(92,617)
(200)	The Toronto-Dominion Bank	(14,747)	(16,396)
(1,900)	Wells Fargo & Co.	(62,933)	(51,419)
		(691,660)	(702,979)
INDUSTRIALS [-4.23%]			
(1,500)	Canadian National Railway Company	(108,085)	(115,711)
(2,400)	Con-way Inc.	(95,591)	(89,810)
(700)	FedEx Corporation	(63,910)	(64,035)
(1,800)	GATX Corporation	(61,695)	(64,475)
(1,200)	J.B. Hunt Transport Services, Inc.	(50,720)	(54,511)
(5,200)	Masco Corporation	(69,222)	(60,282)
(5,300)	R.R. Donnelley & Sons Company	(100,841)	(100,187)
(1,700)	Ryder System Inc.	(76,739)	(93,258)
(3,100)	USG Corp.	(48,755)	(42,844)
		(675,558)	(685,113)
MATERIALS [-1.04%]			
(7,600)	International Forest Products Ltd., Class A	(51,347)	(39,292)
(1,100)	Martin Marietta Materials Inc.	(95,404)	(84,882)
(1,200)	Vulcan Materials Co.	(50,622)	(44,569)
		(197,373)	(168,743)
INDICES [-0.24%]			
(300)	SPDR Trust Series 1	(36,491)	(38,184)
		(36,491)	(38,184)
TELECOMMUNICATION SERVICES [-0.53%]			
(2,200)	Crown Castle International Corp.	(90,058)	(86,569)
		(90,058)	(86,569)
Transaction costs (<i>note 2</i>)		(1,011)	
Total Investments Sold Short [-16.30%]		(2,815,541)	(2,640,922)
Net Investments [68.66%]		11,147,866	11,133,152
Cash and Other Assets Less Liabilities [31.34%]			5,082,410
Total Net Assets [100%]			16,215,562

* Securities that are restricted from resale until the date indicated.

** Private Company

Sprott All Cap Fund

Statement of Investment Portfolio *continued*

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Equities:		
Materials	29.76%	40.86%
Gold Bullion	18.02%	16.68%
Energy	14.16%	17.56%
Other	10.71%	13.46%
Short-Term Investments	12.31%	11.65%
Cash and Other Assets Less Liabilities	31.34%	17.02%
Short Positions	- 16.30%	- 17.23%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Gold Bullion Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value (note 2, 14)	173,245,654	162,296,667
Cash	789,532	554,868
Subscriptions receivable	419,601	121,609
	<hr/>	<hr/>
	174,454,787	162,973,144
Liabilities		
Accrued expenses	100,716	137,712
Redemptions payable	173,563	136,551
Management fees payable	105,601	—
	<hr/>	<hr/>
	379,880	274,263
Total net assets representing unitholders' equity (note 2)	<hr/>	<hr/>
	174,074,907	162,698,881
Total net assets representing unitholders' equity		
Series A	88,870,694	87,730,166
Series F	84,237,374	74,968,715
Series I	966,839	—
	<hr/>	<hr/>
Net assets per unit (note 5, 9)		
Series A	12.308	12.117
Series F	12.394	12.182
Series I	9.593	—

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Gold Bullion Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Interest <i>(note 2)</i>	836	212
	836	212
Expenses		
Management fees <i>(note 6)</i>	590,447	371,856
Unitholder reporting costs	67,280	52,831
Custodial fees	15,513	25,464
Audit fees	15,400	13,015
Filing fees	10,574	13,298
Administrative fees	4,519	21,036
Legal fees	2,116	41,142
Trustee fees	2,053	2,686
Independent Review Committee fees	818	4,566
	708,720	545,894
Net investment loss	(707,884)	(545,682)
Realized and unrealized gains (losses) on investments		
Net realized gains on sales of investments	321,673	83,437
Net realized losses on foreign exchange	(1,314)	(127,681)
Change in unrealized appreciation in the value of investments	2,878,132	15,653,507
Net realized and unrealized gains on investments	3,198,491	15,609,263
Increase in net assets from operations	2,490,607	15,063,581
Increase (Decrease) in net assets from operations		
Series A	917,819	7,974,451
Series F	1,613,833	7,089,130
Series I	(41,045)	—
Increase (Decrease) in net assets from operations per unit <i>(note 2)</i>		
Series A	0.132	1.437
Series F	0.247	1.428
Series I	(0.408)	—

See accompanying notes

Sprott Gold Bullion Fund

Statement of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	87,730,166	48,504,738
Series F	74,968,715	47,506,570
Series I	—	—
	162,698,881	96,011,308
Increase (Decrease) in net assets from operations		
Series A	917,819	7,974,451
Series F	1,613,833	7,089,130
Series I	(41,045)	—
	2,490,607	15,063,581
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	14,900,695	29,732,321
Series F	9,194,483	7,371,479
Series I	1,007,884	—
Amounts paid for redemption of units		
Series A	(14,677,986)	(9,374,727)
Series F	(1,539,657)	(623,712)
Series I	—	—
	8,885,419	27,105,361
Increase in net assets for the period		
Series A	1,140,528	28,332,045
Series F	9,268,659	13,836,897
Series I	966,839	—
	11,376,026	42,168,942
Net assets, end of period		
Series A	88,870,694	76,836,783
Series F	84,237,374	61,343,467
Series I	966,839	—
	174,074,907	138,180,250

See accompanying notes

Sprott Gold Bullion Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

If the price of gold bullion were to fluctuate by 1%, with all other variables held constant, this fund's net assets would increase or decrease by approximately \$1,732,000 (December 31, 2010 – \$1,623,000).

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	173,246	99.52	162,297	99.75

This fund does not hedge its foreign currency exposure. If the Canadian dollar strengthened or weakened by 1% in relation to the US dollar, net assets would have decreased or increased, respectively, by approximately \$1,741,000 (December 31, 2010 – \$1,623,000)

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Gold Bullion Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
OUNCES	BULLION [99.52%]		
119,726	Gold Bullion	141,521,867	173,245,654
Total Investments		141,521,867	173,245,654
Cash and Other Assets Less Liabilities [0.48%]			829,253
Total Net Assets [100%]			174,074,907

See accompanying notes

Sprott Tactical Balanced Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments, at fair value (note 2, 14)	51,023,408	10,949,630
Cash	–	143,072
Subscriptions receivable	174,001	351,531
Receivable from manager	102,112	62,439
Dividends receivable	14,983	1,270
Interest receivable	24,691	1,125
Due from broker	934,259	–
	52,273,454	11,509,067
Liabilities		
Bank indebtedness	5,274,174	–
Due to broker	1,063,185	100,000
Redemptions payable	36,931	52,330
Management fees payable	98,078	–
Accrued expenses	99,802	62,531
	6,572,170	214,861
Total net assets representing unitholders' equity (note 2)	45,701,284	11,294,206
Total net assets representing unitholders' equity		
Series A	38,460,132	10,544,014
Series D	161,287	76,380
Series F	5,539,191	673,812
Series T	1,540,674	–
Net assets per unit (note 5, 9)		
Series A	14.512	15.284
Series D	14.614	15.396
Series F	14.632	15.324
Series T	9.212	–

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Tactical Balanced Fund

Statements of Operations

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Investment income		
Interest <i>(note 2)</i>	222,089	–
Dividends (net of withholding taxes of \$1,009; 2010 – \$nil) <i>(note 2)</i>	243,966	–
	466,055	–
Expenses		
Management fees <i>(note 6)</i>	346,419	32,346
Administrative fees	36,695	25,205
Unitholder reporting costs	24,207	10,195
Audit fees	11,148	10,634
Filing fees	10,481	28,896
Custodial fees	3,620	2,940
Trustee fees	2,834	2,778
Interest expense	83	–
Independent Review Committee fees	56	3,687
Legal fees	–	1,951
	435,543	118,632
Expenses waived/absorbed by the Manager <i>(note 7)</i>	(90,133)	(86,286)
Net expenses	345,410	32,346
Net investment income (loss)	120,645	(32,346)
Realized and unrealized gains (losses) on investments		
Net realized gains (losses) on sales of investments	(24,363)	2,271
Net realized losses on foreign exchange	(15,713)	–
Change in unrealized depreciation in the value of investments	(2,595,867)	(105,977)
Transaction costs <i>(notes 2, 8)</i>	(14,006)	–
Net realized and unrealized losses on investments	(2,649,949)	(103,706)
Decrease in net assets from operations	(2,529,304)	(136,052)
Decrease in net assets from operations		
Series A	(2,097,528)	(120,983)
Series D	(5,932)	(2,892)
Series F	(325,802)	(12,177)
Series T	(100,042)	–
Decrease in net assets from operations per unit <i>(note 2)</i>		
Series A	(1.250)	(0.304)
Series D	(0.923)	(0.655)
Series F	(1.698)	(0.372)
Series T	(0.934)	–

See accompanying notes

Sprott Tactical Balanced Fund

Statements of Changes in Net Assets

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Net assets, beginning of period		
Series A	10,544,014	2,248,409
Series D	76,380	30,333
Series F	673,812	323,224
Series T	-	-
	11,294,206	2,601,966
Decrease in net assets from operations		
Series A	(2,097,528)	(120,983)
Series D	(5,932)	(2,892)
Series F	(325,802)	(12,177)
Series T	(100,042)	-
	(2,529,304)	(136,052)
Distributions to unitholders (note 4)		
From net investment income		
Series A	-	-
Series D	-	-
Series F	-	-
Series T	(34,543)	-
	(34,543)	-
Capital unit transactions (note 5)		
Proceeds from issue of units		
Series A	37,113,023	4,404,418
Series D	100,046	61,619
Series F	5,359,853	174,037
Series T	1,932,504	-
Units issued from reinvested distributions		
Series A	818	-
Series D	-	-
Series F	-	-
Series T	55	-
Amounts paid for redemption of units		
Series A	(7,100,195)	(609,729)
Series D	(9,207)	(6,342)
Series F	(168,672)	(25,584)
Series T	(257,300)	-
	36,970,925	3,998,419

Sprott Tactical Balanced Fund

Statements of Changes in Net Assets *continued*

<i>For the six-month periods ended June 30 (unaudited)</i>	2011	2010
	\$	\$
Increase in net assets for the period		
Series A	27,916,118	3,673,706
Series D	84,907	52,385
Series F	4,865,379	136,276
Series T	1,540,674	—
	<hr/>	<hr/>
	34,407,078	3,862,367
	<hr/>	<hr/>
Net assets, end of period		
Series A	38,460,132	5,922,115
Series D	161,287	82,718
Series F	5,539,191	459,500
Series T	1,540,674	—
	<hr/>	<hr/>
	45,701,284	6,464,333
	<hr/>	<hr/>

See accompanying notes

Sprott Tactical Balanced Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

This Fund is indirectly exposed to market risk through its investment in underlying funds. As at June 30, 2011, 101% (December 31, 2010 – 90%) of the Fund's net assets were invested in mutual fund units.

Currency Risk *(note 11)*

The table below summarizes the Fund's direct exposure to currency risk as at June 30, 2011 and December 31, 2010.

Currency	June 30, 2011		December 31, 2010	
	Fair Value (\$'000)	% of Net Assets	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	1,379	3.02	147	1.30
Euro	–	–	53	0.47
Pound Sterling	–	–	48	0.43
	1,379	3.02	248	2.20

If the Canadian dollar strengthened or weakened by 1% in relation to other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$8,000 (December 31, 2010 – \$2,000).

The Fund is also indirectly exposed to the risk that the value of foreign currency denominated financial instruments held by the underlying funds will fluctuate due to changes in exchange rates.

For more information regarding the market risk and the currency risk of underlying funds, refer to each underlying fund's financial statements.

Interest Rate Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to interest rate risk.

Credit Risk *(note 11)*

As of June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Tactical Balanced Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	CORPORATE BONDS [1.56%]		
100,000	Ames National Corp., 6.75%, March 31, 2016	100,000	101,150
100,000	Anderson Energy Ltd., 7.50%, January 31, 2016	103,115	100,500
200,000	Progress Energy Resources Corp., 5.75%, June 30, 2016	200,000	206,500
300,000	Sea Trucks Group, 10.00%, January 31, 2015	297,619	305,249
Total Corporate Bonds		700,734	713,399
	CONVERTIBLE DEBENTURES [1.52%]		
300,000	Brigus Gold Corp., 6.50%, March 31, 2016	296,566	289,364
100,000	Estrella International Energy Services Ltd., 12.00%, December 31, 2015	100,000	100,000
100,000	Just Energy Group Inc., 6.00%, June 30, 2017	100,368	99,510
200,000	Southern Pacific Resource Corp., 6.00%, June 30, 2016	214,104	204,500
Total Convertible Debentures		711,038	693,374
SHARES	EQUITIES [7.71%]		
	CONSUMER DISCRETIONARY [1.16%]		
5,300	Magna International Inc.	245,224	276,130
12,400	The Finish Line Inc., Class A	246,784	255,687
		492,008	531,817
	FINANCIALS [3.18%]		
8,400	Canadian Western Bank	251,609	258,552
23,500	Extendicare Real Estate Investment Trust	260,560	243,695
5,000	Home Capital Group Inc.	275,774	258,000
4,000	Laurentian Bank of Canada	177,149	177,680
3,300	National Bank of Canada	257,360	257,829
5,100	IGM Financial Inc.	235,678	257,601
		1,458,130	1,453,357
	MATERIALS [0.55%]		
91,200	Orko Silver Corp.	262,214	251,712
		262,214	251,712
	COMMUNICATIONS AND MEDIA [0.57%]		
4,900	TELUS Corp.	239,049	260,092
		239,049	260,092
	INFORMATION TECHNOLOGY [0.58%]		
9,400	Mosaid Technologies Inc.	282,569	262,354
		282,569	262,354
	UTILITIES [0.53%]		
31,200	Capstone Infrastructure Corp.	251,637	243,984
		251,637	243,984

Sprott Tactical Balanced Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
INDUSTRIALS [0.57%]			
12,100	Exchange Income Corp.	251,543	259,182
		251,543	259,182
OIL AND GAS [0.57%]			
1	Estrella International Energy Services Ltd., Warrants, March 3, 2015	–	–
22,600	Longview Oil Corp.	240,615	261,030
		240,615	261,030
Total Equities		3,477,765	3,523,528
NO. OF UNITS	FUNDS [100.86%]		
292,324	Sprott Canadian Equity Fund, Series I	13,637,965	13,097,567
1,614,756	Sprott Diversified Yield Fund, Series I	16,361,255	16,243,642
324,154	Sprott Energy Fund, Series I	7,370,373	6,860,985
100,791	Sprott Gold Bullion Fund, Series I	1,007,884	966,841
227,677	Sprott Short Term Bond Fund, Series I	2,267,253	2,268,278
527,547	Sprott Small Cap Equity Fund, Series I	6,606,521	6,655,794
Total Funds		47,251,251	46,093,107
Transaction Costs <i>(note 2)</i>		(5,527)	
Total Investments Owned [111.63%]		52,135,261	51,023,408
Liabilities Less Other Assets [-11.63%]			(5,322,124)
Total Net Assets [100%]			45,701,284

The Fund's investment portfolio is concentrated in the following segments as at:

	June 30, 2011	December 31, 2010
Mutual Fund Units	100.86%	99.06%
Equities	7.71%	–
Corporate Bonds and Convertible Debentures	3.08%	–
Cash and Other Assets Less Liabilities	– 11.65%	0.94%
Total Net Assets	100.00%	100.00%

See accompanying notes

Sprott Diversified Yield Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value (note 2, 14)	91,863,612	26,327,422
Cash	12,189,057	1,798,905
Unrealized appreciation on forward currency contracts (note 10, 14)	764,705	96,032
Due from broker	1,053,560	–
Receivable from manager	112,237	64,069
Subscriptions receivable	1,659,646	320,394
Interest receivable	1,510,314	348,753
	109,153,131	28,955,575
Liabilities		
Due to broker	479,753	1,300,000
Accrued expenses	63,702	33,694
Redemptions payable	84,986	14,946
Securities borrowing fees payable	–	407
Incentive fees payable	6,517	–
Management fees payable	113,822	–
	748,780	1,349,047
Total net assets representing unitholders' equity (note 2)	108,404,351	27,606,528
Total net assets representing unitholders' equity		
Series A	54,871,268	19,241,440
Series F	24,060,444	1,754,340
Series I	16,178,754	3,180,563
Series T	13,293,885	3,430,185
Net assets per unit (note 5, 9)		
Series A	10.140	10.033
Series F	10.147	10.037
Series I	10.019	9.896
Series T	10.010	9.953

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Diversified Yield Fund

Statement of Operations

For the six-month period ended June 30 (unaudited)

	2011
	\$
Investment income	
Interest (note 2)	1,998,719
	<u>1,998,719</u>
Expenses	
Management fees (note 6)	426,479
Interest expense	44,476
Administrative fees	30,834
Unitholder reporting costs	27,816
Audit fees	22,175
Custodial fees	8,463
Filing fees	7,054
Incentive fees (note 6)	6,517
Legal fees	5,462
Trustee fees	2,951
Securities borrowing expense	2,282
Independent Review Committee fees	188
	<u>584,697</u>
Expenses waived/absorbed by the Manager (note 7)	(81,031)
Net expenses	<u>503,666</u>
Net investment income	<u>1,495,053</u>
Realized and unrealized gain (loss) on investments	
Net realized losses on sales of investments	(324,726)
Net realized gains on forward currency contracts	150,198
Net realized gains on foreign exchange	47,071
Change in unrealized depreciation in the value of investments	(757,893)
Change in unrealized appreciation on forward currency contracts (note 10)	668,674
Transaction costs (notes 2 & 8)	(655)
Net realized and unrealized loss on investments	<u>(217,331)</u>
Increase in net assets from operations	<u>1,277,722</u>
Increase in net assets from operations	
Series A	717,225
Series F	161,102
Series I	207,998
Series T	191,397
	<u>1,277,722</u>
Increase in net assets from operations per unit (note 2)	
Series A	0.229
Series F	0.140
Series I	0.237
Series T	0.242

See accompanying notes

Sprott Diversified Yield Fund

Statement of Changes in Net Assets

For the six-month period ended June 30 (unaudited)

2011

	\$
Net assets, beginning of period	
Series A	19,241,440
Series F	1,754,340
Series I	3,180,563
Series T	3,430,185
	<u>27,606,528</u>
Increase in net assets from operations	
Series A	717,225
Series F	161,102
Series I	207,998
Series T	191,397
	<u>1,277,722</u>
Distributions to unitholders (note 4)	
From net investment income	
Series A	(1,045,367)
Series F	(442,855)
Series I	(355,468)
Series T	(336,132)
	<u>(2,179,822)</u>
Capital unit transactions (note 5)	
Proceeds from issue of units	
Series A	39,648,119
Series F	22,637,070
Series I	12,790,194
Series T	10,067,466
Units issued from reinvested distributions	
Series A	1,006,582
Series F	425,482
Series I	355,467
Series T	36,393
Amounts paid for redemption of units	
Series A	(4,696,731)
Series F	(474,695)
Series I	-
Series T	(95,424)
	<u>81,699,923</u>

Sprott Diversified Yield Fund

Statement of Changes in Net Assets *continued*

For the six-month period ended June 30 (unaudited)

	2011
	\$
Increase in net assets for the period	
Series A	35,629,828
Series F	22,306,104
Series I	12,998,191
Series T	9,863,700
	<hr/> 80,797,823
Net assets, end of period	
Series A	54,871,268
Series F	24,060,444
Series I	16,178,754
Series T	13,293,885
	<hr/> 108,404,351

See accompanying notes

Sprott Diversified Yield Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk (note 11)

As at June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to market price risk.

Currency Risk (note 11)

The table below summarizes this fund's exposure to currency risk at June 30, 2011 and December 31, 2010.

Currency	Fair Value (\$'000)	June 30, 2011		
		Forward Currency Contract (\$'000)	Net Exposure (\$000)	% of Net Assets
U.S. Dollar	42,327	(30,445)	11,882	10.96
Euro	7,029	(6,853)	176	0.16
Australian Dollar	1,049	(1,034)	15	0.01
Pound Sterling	9,627	(9,403)	224	0.21
	60,032	(47,735)	12,297	11.34

Currency	Fair Value (\$'000)	December 31, 2010		
		Forward Currency Contract (\$'000)	Net Exposure (\$000)	% of Net Assets
U.S. Dollar	12,759	(10,633)	2,126	7.70
Euro	968	(958)	10	0.01
Brazilian Real	520	–	520	1.88
Mexican Peso	301	–	301	1.09
Australian Dollar	406	(350)	56	0.20
Pound Sterling	2,677	(2,632)	45	0.16
	17,631	(14,573)	3,058	11.04

If the Canadian dollar strengthened or weakened by 1% in relation to all other currencies held in the investment portfolio, net assets would have decreased or increased, respectively, by approximately \$123,000 (December 31, 2010 – \$31,000).

Sprott Diversified Yield Fund

Financial Risk Management *continued*

Interest Rate Risk *(note 11)*

The below table summarizes this fund's exposure to interest rate risk, categorized by earlier of contractual re-pricing or maturity dates.

June 30, 2011	1 - 5 years	More than 5 years	Total
Debt Instruments (\$'000)	32,430	58,433	90,863

December 31, 2010	1 - 5 years	More than 5 years	Total
Debt Instruments (\$'000)	5,339	20,988	26,327

As at June 30, 2011, had interest rates increased or decreased by 1% with all other variables remaining constant, net assets would have decreased or increased, respectively, by approximately \$3,180,000 or 11.5% (December 31, 2010 – \$1,132,000 or 4.1%). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Credit Risk *(note 11)*

This fund invests in debt instruments, which have a credit rating as rated primarily by Dominion Bond Rating Services, Standard & Poor's or Moody's. This fund will generally invest in high-quality fixed income securities issued or generated by the Canadian government or its agencies, other Canadian issuers, foreign governments or their agencies, other foreign issuers, and supranational organizations. Ratings for securities that subject this fund to credit risk at June 30, 2011 and December 31, 2010 are noted below:

Debt Instruments by Rating Category

Rating	As a % of Net Assets June 30, 2011	As a % of Net Assets December 31, 2010
AAA/Aaa	1.87%	–
AA/Aa	1.35%	0.71%
A/A	5.73%	9.06%
BBB/Baa	11.08%	12.12%
BB/Ba	22.43%	20.85%
B	28.49%	34.80%
Not Rated	12.87%	17.83%
Total	83.82%	95.37%

See accompanying notes

Sprott Diversified Yield Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
	BONDS [83.82%]		
	GOVERNMENT BONDS [1.87%]		
PAR VALUE			
2,000,000	Canadian Government Bond, 3.25%, June 1, 2021	2,057,000	2,023,267
		2,057,000	2,023,267
	CORPORATE BONDS [81.95%]		
2,000,000	Ally Financial Inc., 0.00%, December 1, 2012	1,856,526	1,803,522
750,000	Ames National Corp., 6.75%, March 31, 2016	767,287	758,625
500,000	AMGH Merger Sub Inc., 9.25%, November 1, 2018	520,459	508,748
425,000	Anderson Energy Ltd., 7.50%, January 31, 2016	440,531	427,125
500,000	Barclays Bank PLC, 6.75%, August 17, 2015	475,678	508,166
250,000	Barclays Bank PLC, 7.38%, December 31, 2049	264,297	242,487
1,500,000	Beazley Group Ltd., FRN, 7.25%, October 17, 2026	1,970,559	1,875,987
1,000,000	Brigus Gold Corp., 6.50%, March 31, 2016	1,000,000	964,547
300,000	Brookfield Asset Management Inc., 5.30%, March 1, 2021	299,856	301,518
250,000	Brookfield Renewable Power Inc., 5.14%, October 13, 2020	249,903	250,207
500,000	BRT ESCROW CORP SPA, 8.00%, August 18, 2018	494,125	453,832
250,000	Calcipar SA, 6.88%, May 1, 2018	242,813	241,715
300,000	CBA Capital Trust II, FRN, 6.02%, March 15, 2016	308,021	285,880
1,000,000	CDRT Merger Sub Inc., 8.13%, June 1, 2019	989,414	964,450
1,000,000	CityCenter Holdings LLC / CityCenter Finance Corp., 10.75%, January 15, 2017	1,040,522	1,046,429
1,000,000	Connacher Oil and Gas Ltd., 8.75%, August 1, 2018	1,000,000	985,000
2,000,000	Converium Holdings North America Inc., 7.13%, October 15, 2023	2,164,362	2,061,898
450,000	DISH DBS Corp., 7.75%, May 31, 2015	490,184	469,808
1,250,000	eAccess Ltd., 8.25%, April 1, 2018	1,240,929	1,202,549
1,650,000	Enterprise Inns PLC, 6.50%, December 6, 2018	2,326,063	2,181,578
250,000	Enterprise Inns PLC, 6.88%, May 09, 2025	332,896	310,033
400,000	Enterprise Inns PLC, 6.38%, September 26, 2031	494,814	458,719
500,000	Estrella International Energy Services Ltd., 12.00%, December 31, 2015	500,000	500,000
5	Estrella International Energy Services Ltd., Warrants, March 3, 2015	-	-
200,000	Fairfax Financial Holdings Ltd., 7.50%, August 19, 2019	214,250	218,328
1,500,000	Fairfax Financial Holdings Ltd., 6.40%, May 25, 2021	1,512,750	1,494,529
300,000	FCE Bank PLC, 5.13%, November 16, 2015	478,733	455,484
1,000,000	Fiat Finance & Trade SA, 6.38%, April 1, 2016	1,368,297	1,395,284
500,000	First Capital Realty Inc., 5.70%, June 30, 2017	505,625	506,750
1,500,000	Flint Energy Services Ltd., 7.50%, June 15, 2019	1,485,000	1,483,308
1,000,000	FMG Resources August 2006 Pty Ltd., 7.00%, November 1, 2015	997,144	983,739
1,000,000	Foodcorp Ltd., 8.75%, March 1, 2018	1,346,493	1,369,968
200,000	Ford Credit Canada Ltd., 7.50%, August 18, 2025	201,750	215,833
1,500,000	Global Geophysical Services Inc., 10.50%, May 1, 2017	1,558,172	1,519,009
3,000,000	Home Capital Group Inc., 5.20%, May 4, 2016	3,000,000	3,036,852
1,000,000	Hong Kong & Shanghai Banking Corp., Ltd., 5.00%, August 29, 2049	972,361	957,217
150,000	Interline Brands Inc., 7.00%, November 15, 2018	150,352	146,476
1,000,000	Investec Bank PLC, 9.63%, February 17, 2022	1,571,826	1,535,925

Sprott Diversified Yield Fund

Statement of Investment Portfolio *continued*

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
510,000	Iron Mountain Inc., 6.75%, October 15, 2018	667,306	691,979
1,000,000	JMC Steel Group, 8.25%, March 15, 2018	981,475	978,917
500,000	LifePoint Hospitals Inc., 6.63%, October 1, 2020	509,897	496,692
500,000	Linn Energy LLC/Linn Energy Finance Corp., 6.50%, May 15, 2019	481,878	477,403
650,000	Linn Energy LLC/Linn Energy Finance Corp., 7.75%, February 1, 2021	670,245	651,968
1,100,000	Livingston International Inc., 10.13%, November 9, 2015	1,113,500	1,159,125
1,500,000	Lloyds TSB Bank PLC, 5.28%, April 19, 2016	1,499,805	1,499,428
1,000,000	MedAssets Inc., 8.00%, November 15, 2018	1,007,963	954,806
1,500,000	MEG Energy Corp., 6.50%, March 15, 2021	1,491,221	1,453,909
500,000	MetroPCS Wireless Inc., 6.63%, November 15, 2020	477,947	477,403
2,000,000	Mirabela Nickel Ltd., 8.75%, April 15, 2018	1,963,110	1,919,256
760,000	Newalta Corp., 7.63%, November 23, 2017	800,650	794,055
1,570,000	Northern Rock Asset Management PLC, 4.57%, January 13, 2015	1,940,158	1,966,935
1,600,000	Northgroup Preferred Capital Corp., 6.38%, January 29, 2049	1,539,896	1,455,255
1,000,000	NRG Energy Inc., 7.63%, May 15, 2019	956,648	959,628
1,250,000	Orco Property Group, 1.00%, April 30, 2020	1,060,961	1,066,463
1,000,000	Park-Ohio Industries Inc., 8.13%, April 1, 2021	978,833	964,450
500,000	Pembina Pipeline Corp., 5.75%, November 30, 2020	500,000	517,550
1,000,000	Penn Virginia Corp., 7.25%, April 15, 2019	959,512	933,106
500,000	Petrohawk Energy Corp., 7.25%, August 15, 2018	504,922	494,884
250,000	PHI Inc., 8.63%, October 15, 2018	256,613	251,963
500,000	Pinetree Capital Ltd., 8.00%, May 31, 2016	500,000	500,000
1,000,000	Pivot Acquisition Corp., 12.00%, April 14, 2013	1,000,000	1,000,000
1,500,000	Plains Exploration & Production Co., 6.63%, May 1, 2021	1,466,777	1,446,676
1,000,000	Precision Drilling Corp., 6.50%, March 15, 2019	1,000,000	1,007,800
1,200,000	Progress Energy Resources Corp., 5.75%, June 30, 2016	1,205,625	1,239,000
333,000	Prudential plc, 8.50%, June 30, 2049	554,220	534,967
250,000	Reynolds Group Issuer Inc., 9.00%, April 15, 2019	263,902	238,099
1,250,000	Reynolds Group Issuer Inc., 8.25%, February 15, 2021	1,163,657	1,127,201
2,000,000	Rogers Communications Inc., 5.38%, November 4, 2019	2,102,000	2,073,604
1,000,000	Savanna Energy Services Corp., 7.00%, May 25, 2018	1,010,000	995,000
3,000,000	Sea Trucks Group, 10.00%, January 31, 2015	3,053,949	3,052,485
500,000	Sensata Technologies BV, 6.50%, May 15, 2015	480,298	481,020
1,000,000	Sesi LLC, 6.38%, May 1, 2019	960,516	954,806
1,500,000	Skylink Aviation Inc., 12.25%, March 15, 2016	1,503,750	1,496,875
1,000,000	Southern Pacific Resource Corp., 6.00%, June 30, 2016	1,070,521	1,022,500
1,750,000	Styrolution Group, 7.63%, May 15, 2016	2,397,091	2,409,681
250,000	SunGard Data Systems Inc., 7.63%, November 15, 2020	253,362	243,524
1,000,000	Tenneco Inc., 7.75%, August 15, 2018	1,037,740	1,010,262
1,000,000	The Goldman Sachs Group Inc., 5.00%, May 3, 2018	998,420	998,054
2,500,000	Trident Exploration Corp., 8.25%, April 13, 2018	2,500,000	2,437,500
500,000	UBS AG/Australia, 6.25%, August 26, 2013	479,954	517,961
1,300,000	Vedanta Resources PLC, 6.75%, June 7, 2016	1,275,110	1,251,278
500,000	Vedanta Resources PLC, 8.25%, June 7, 2021	490,427	485,842

Sprott Diversified Yield Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
795,000	Vermilion Energy Inc., 6.50%, February 10, 2016	803,850	808,616
1,000,000	Virgolino de Oliveira Finance Ltd., 10.50%, January 28, 2018	1,016,468	1,031,962
500,000	Viterra Inc., 5.95%, August 1, 2020	487,277	490,375
400,000	Westpac Capital Trust III, 5.82%, September 30, 2013	406,512	380,958
1,000,000	Windstream Corp., 7.75%, October 1, 2021	966,429	1,007,851
500,000	WPE International Cooperatief UA, 10.38%, September 30, 2020	501,846	504,311
1,750,000	Xplornet Communications Inc., 13.00%, May 15, 2017	1,750,000	1,750,000
2,000,000	Yasar Holdings SA Via Willow No. 2, 9.63%, October 7, 2015	2,068,174	2,055,437
		89,962,407	88,840,345
Total Bonds		92,019,407	90,863,612
SHARES	EQUITIES [0.92%]		
	INFORMATION TECHNOLOGY [0.92%]		
1,000,000	Logistics Holdings International**	1,000,000	1,000,000
Total Equities		1,000,000	1,000,000
Transaction costs (note 2)		(625)	
Total Investments [84.74%]		93,018,782	91,863,612
Cash and Other Assets Less Liabilities [15.26%]			16,540,739
Total Net Assets [100%]			108,404,351

* Securities that are restricted from resale until the date indicated.

** Private Company

See accompanying notes

Sprott Short-Term Bond Fund

Statements of Net Assets

As at June 30, 2011 (unaudited) and December 31, 2010

	2011	2010
	\$	\$
Assets		
Investments owned, at fair value (note 2, 14)	19,858,464	3,161,957
Short-term investments (note 2, 14)	349,191	1,021,072
Receivable from manager	117,033	77,627
Cash	73,171	–
Due from broker	–	52,430
Subscriptions receivable	–	50,000
Interest receivable	101,235	29,123
	20,499,094	4,392,209
Liabilities		
Bank indebtedness	–	31,070
Redemptions payable	7,000	–
Accrued expenses	75,986	51,755
Management fees payable	11,502	–
	94,488	82,825
Total net assets representing unitholders' equity (note 2)	20,404,606	4,309,384
Total net assets representing unitholders' equity		
Series A	16,253,877	1,787,215
Series F	1,885,225	1,228,654
Series I	2,265,504	1,293,515
Net assets per unit (note 5, 9)		
Series A	9.868	9.848
Series F	9.875	9.852
Series I	9.951	9.926

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Short-Term Bond Fund

Statement of Operations

<i>For the six-month period ended June 30 (unaudited)</i>	2011
	\$
Investment income	
Interest <i>(note 2)</i>	181,439
	<hr/> 181,439
Expenses	
Management fees <i>(note 6)</i>	35,738
Administrative fees	15,287
Audit fees	16,447
Legal fees	5,416
Custodial fees	4,116
Trustee fees	2,927
Filing fees	2,808
Independent Review Committee fees	70
	<hr/> 82,809
Expenses waived/absorbed by the Manager <i>(note 7)</i>	(47,849)
Net expenses	<hr/> 34,960
Net investment income	<hr/> 146,479
Realized and unrealized gain (loss) on investments	
Net realized gains on sales of investments	11,584
Change in unrealized depreciation in the value of investments	(153)
Net realized and unrealized gain on investments	<hr/> 11,431
Increase in net assets from operations	<hr/> 157,910
Increase in net assets from operations	
Series A	113,339
Series F	21,404
Series I	23,167
	<hr/>
Increase in net assets from operations per unit <i>(note 2)</i>	
Series A	0.143
Series F	0.151
Series I	0.189

See accompanying notes

Sprott Short-Term Bond Fund

Statement of Changes in Net Assets

For the six-month period ended June 30 (unaudited)

	2011
	\$
Net assets, beginning of period	
Series A	1,787,215
Series F	1,228,654
Series I	1,293,515
	<hr/> 4,309,384
Increase in net assets from operations	
Series A	113,339
Series F	21,404
Series I	23,167
	<hr/> 157,910
Distributions to unitholders (note 4)	
From net investment income	
Series A	(106,477)
Series F	(19,205)
Series I	(19,566)
	<hr/> (145,248)
Capital unit transactions (note 5)	
Proceeds from issue of units	
Series A	20,946,620
Series F	1,052,562
Series I	3,516,880
Units issued from reinvested distributions	
Series A	106,458
Series F	19,206
Series I	19,566
Amounts paid for redemption of units	
Series A	(6,593,278)
Series F	(417,396)
Series I	(2,568,058)
	<hr/> 16,082,560
Increase in net assets for the period	
Series A	14,466,662
Series F	656,571
Series I	971,989
	<hr/> 16,095,222
Net assets, end of period	
Series A	16,253,877
Series F	1,885,225
Series I	2,265,504
	<hr/> 20,404,606

See accompanying notes

Sprott Short-Term Bond Fund

Financial Risk Management

As at June 30, 2011 (unaudited) and December 31, 2010

Market Price Risk *(note 11)*

As at June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to market price risk.

Interest Rate Risk *(note 11)*

The below table summarizes this fund's exposure to interest rate risk, categorized by the earlier of contractual re-pricing or maturity dates.

June 30, 2011	3 months - 1 year	1 - 5 years	More than 5 years	Total
Debt instruments (\$'000)	5,038	11,284	3,886	20,208

December 31, 2010	3 months - 1 year	1 - 5 years	More than 5 years	Total
Debt instruments (\$'000)	1,326	2,543	314	4,183

As at June 30, 2011, had interest rates increased or decreased by 1% with all other variables remaining constant, net assets would have decreased or increased, respectively, by approximately \$242,000 or 5.63% (December 31, 2010 – \$63,000 or 1.5%). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Currency Risk

As at June 30, 2011 and December 31, 2010, this fund did not have a significant exposure to currency risk.

Credit Risk *(note 11)*

This fund invests in debt instruments, which have a credit rating as rated primarily by Dominion Bond Rating Services, Standard & Poor's or Moody's. This fund will generally invest in high-quality fixed income securities issued or generated by the Canadian government or its agencies, other Canadian issuers, foreign governments or their agencies, other foreign issuers, and supranational organizations. Ratings for securities that subject this fund to credit risk at June 30, 2011 and December 31, 2010 are noted below:

Debt Instruments by Rating Category

Rating	As a % of Net Assets June 30, 2011	As a % of Net Assets December 31, 2010
AAA/Aaa	23.76%	40.65%
AA/Aa	19.34%	13.30%
A/A	39.34%	34.55%
BBB/Baa	16.59%	8.57%
Total	99.03%	97.07%

See accompanying notes

Sprott Short-Term Bond Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

		Average Cost	Fair Value
		\$	\$
PAR VALUE	SHORT-TERM INVESTMENTS [1.70%]		
350,000	Bank of Nova Scotia, 1.16%, September 6, 2011	348,985	349,191
		348,985	349,191
	BONDS [94.29%]		
	GOVERNMENT BONDS [15.70%]		
2,600,000	Canadian Government Bond, 1.25%, December 1, 2011	2,602,626	2,602,121
600,000	Canadian Government Bond, 1.50%, December 1, 2012	601,608	600,600
		3,204,234	3,202,721
	CORPORATE BONDS [78.59%]		
1,000,000	BMO Capital Trust, 6.69%, December 31, 2049	1,026,050	1,022,356
500,000	Bank of Montreal, 5.05%, September 3, 2013	529,750	530,835
250,000	Bank of Nova Scotia, 5.04%, April 8, 2013	263,075	263,270
500,000	bcIMC Realty Corp., 5.25%, September 19, 2012	521,000	519,427
500,000	Bell Canada, 6.25%, April 12, 2012	520,050	517,120
700,000	Caisse Centrale Desjardins du Quebec, 3.11%, December 4, 2014	702,980	708,607
450,000	Canadian Imperial Bank of Commerce, 3.05%, June 3, 2013	457,175	458,244
300,000	Canadian Imperial Bank of Commerce, 3.10%, March 2, 2015	299,850	303,694
500,000	Canadian Natural Resources Ltd., 4.50%, January 23, 2013	520,040	517,985
550,000	Caterpillar Financial Services Ltd., 2.64%, December 3, 2013	550,185	553,882
500,000	Daimler Canada Finance Inc., 3.16%, April 14, 2014	499,945	505,176
500,000	Finning International Inc., 4.64%, December 14, 2011	510,850	506,548
900,000	First Capital Realty Inc., 5.49%, December 1, 2011	917,312	912,318
150,000	GE Capital Canada Funding Co., 6.25%, July 24, 2012	159,935	156,965
300,000	GE Capital Canada Funding Co., 5.15%, June 6, 2013	316,665	315,885
150,000	HSBC Financial Corp., Ltd., 4.35%, October 6, 2011	152,781	150,995
500,000	Honda Canada Finance Inc., 5.08%, May 9, 2013	525,250	524,101
600,000	Hydro One Inc., 3.13%, November 19, 2014	607,740	611,369
300,000	John Deere Credit Inc., 2.30%, January 14, 2013	299,778	301,366
500,000	John Deere Credit Inc., 2.40%, February 1, 2013	503,750	502,952
150,000	John Deere Credit Inc., 3.90%, July 29, 2013	154,815	155,133
900,000	National Bank of Canada, FRN, 4.46%, November 2, 2016	912,915	908,212
150,000	OMERS Realty Corp., 5.48%, December 31, 2012	160,535	157,925
500,000	OMERS Realty Corp., 4.09%, June 4, 2013	518,500	518,795
300,000	Royal Bank of Canada, 1.64%, January 21, 2014	300,000	300,162
500,000	Royal Bank of Canada, FRN, 5.00%, June 6, 2018	525,000	525,304
440,000	Scotiabank Subordinated Notes Trust, FRN, 5.25%, November 1, 2017	462,412	458,428
300,000	Shaw Communications Inc., 6.10%, November 16, 2012	321,618	315,703
100,000	Shaw Communications Inc., 7.50%, November 20, 2013	110,750	110,768
950,000	Sun Life Capital Trust, 6.87%, December 31, 2049	980,756	972,087

Sprott Short-Term Bond Fund

Statement of Investment Portfolio *continued*

<i>As at June 30, 2011 (Unaudited)</i>		Average Cost	Fair Value
		\$	\$
250,000	Toyota Credit Canada Inc, 3.55%, February 22, 2016	249,728	253,497
350,000	VW Credit Canada Inc., 2.55%, November 18, 2013	348,659	351,433
450,000	Wells Fargo Financial Canada Corp., 4.40%, December 12, 2012	465,341	464,504
650,000	Westpac Banking Corp., 3.75%, December 1, 2014	657,330	661,193
		16,052,520	16,036,239
Total Bonds		19,256,754	19,238,960
MORTGAGE BACKED SECURITIES [3.04%]			
100,000	Canadian Capital Auto Receivables Assets Trust, 2.63%, August 17, 2014	100,000	101,497
513,000	Ford Auto Securitization Trust, 2.43%, June 15, 2013	513,000	518,007
Total Mortgage Backed Securities		613,000	619,504
Total Investments [99.03%]		20,218,739	20,207,655
Cash and Other Assets Less Liabilities [0.97%]			196,951
Total Net Assets [100%]			20,404,606

See accompanying notes

Sprott Silver Bullion Fund

Statement of Net Assets

As at June 30, 2011 (unaudited) 2011

Assets	\$
Investments, at fair value <i>(note 2, 14)</i>	47,803,883
Subscriptions receivable	713,154
	<hr/> 48,517,037

Liabilities	
Bank indebtedness	86,219
Accrued expenses	27,942
Redemptions payable	140
Management fees payable	41,805
	<hr/> 156,106

Total net assets representing unitholders' equity *(note 2)* **48,360,931**

Total net assets representing unitholders' equity	
Series A	17,649,680
Series F	30,711,251
	<hr/>

Net assets per unit <i>(note 5, 9)</i>	
Series A	8.959
Series F	8.965
	<hr/>

See accompanying notes

On behalf of the Manager, Sprott Asset Management LP,
by its General Partner, Sprott Asset Management GP Inc.



Eric Sprott
DIRECTOR



Steven Rostowsky
DIRECTOR

Sprott Silver Bullion Fund

Statement of Operations

<i>For the period from May 10, 2011 to June 30, 2011 (unaudited)</i>	2011
	\$
Expenses	
Management fees (<i>note 6</i>)	58,958
Administrative fees	8,865
Unitholder reporting costs	7,727
Custodial fees	5,796
Audit fees	3,979
Trustee fees	785
Legal fees	613
Independent Review Committee fees	176
	<hr/> 86,899
Net investment loss	<hr/> (86,899)
Realized and unrealized losses on investments	
Net realized losses on foreign exchange	(234,003)
Change in unrealized depreciation in the value of investments	(3,232,899)
Net realized and unrealized losses on investments	<hr/> (3,466,902)
Decrease in net assets from operations	<hr/> (3,553,801)
Decrease in net assets from operations	
Series A	(1,184,362)
Series F	(2,369,439)
	<hr/> (3,553,801)
Decrease in net assets from operations per unit (<i>note 2</i>)	
Series A	(0.877)
Series F	(0.941)

See accompanying notes

Sprott Silver Bullion Fund

Statement of Changes in Net Assets

	2011
	\$
Net assets, beginning of period	
Series A	-
Series F	-
	-
Decrease in net assets from operations	
Series A	(1,184,362)
Series F	(2,369,439)
	(3,553,801)
Capital unit transactions (note 5)	
Proceeds from issue of units	
Series A	19,142,965
Series F	33,080,690
Amounts paid for redemption of units	
Series A	(308,923)
Series F	-
	51,914,732
Increase in net assets for the period	
Series A	17,649,680
Series F	30,711,251
	48,360,931
Net assets, end of period	
Series A	17,649,680
Series F	30,711,251
	48,360,931

See accompanying notes

Sprott Silver Bullion Fund

Financial Risk Management

As at June 30, 2011 (unaudited)

Market Price Risk *(note 11)*

If the price of silver bullion were to fluctuate by 1%, with all other variables held constant, this fund's net assets would increase or decrease by approximately \$478,000.

Currency Risk *(note 11)*

The table below summarizes this fund's exposure to currency risk as at June 30, 2011.

Currency	June 30, 2011	
	Fair Value (\$'000)	% of Net Assets
U.S. Dollar	47,041	97.27

This fund does not hedge its foreign currency exposure. If the Canadian dollar strengthened or weakened by 1% in relation to the US dollar, net assets would have decreased or increased, respectively, by approximately \$466,000.

Interest rate risk *(note 11)*

As of June 30, 2011, this fund did not have a significant exposure to interest rate risk.

Credit risk *(note 11)*

As of June 30, 2011, this fund did not have a significant exposure to credit risk.

See accompanying notes

Sprott Silver Bullion Fund

Statement of Investment Portfolio

As at June 30, 2011 (Unaudited)

	Average Cost	Fair Value
	\$	\$
OUNCES		
1,429,443		
BULLION [98.85%] Silver Bullion	51,037,297	47,803,883
Total Investments	51,037,297	47,803,883
Cash and Other Assets Less Liabilities [1.15%]		557,048
Total Net Assets [100%]		48,360,931

See accompanying notes

Notes to Financial Statements *June 30, 2011 (unaudited)*

1. Establishment of the Funds

Sprott Canadian Equity Fund, Sprott Gold and Precious Minerals Fund, Sprott Energy Fund, Sprott Growth Fund, Sprott Small Cap Equity Fund, Sprott All Cap Fund, Sprott Gold Bullion Fund, Sprott Tactical Balanced Fund (formerly Sprott Multi-Manager Fund), Sprott Diversified Yield Fund, Sprott Short-Term Bond Fund and Sprott Silver Bullion Fund (collectively, the “Funds” and each, a “Fund”) are open-ended mutual fund trusts established under the laws of the Province of Ontario pursuant to a trust agreement dated September 9, 1997, as amended and restated on October 16, 2001 and February 13, 2004, and as further amended on November 1, 2007, January 16, 2009, July 16, 2010 and August 5, 2010, together with amended and restated Schedules “A” and “B” each dated as of May 3, 2011 (the “Trust Agreement”).

Prior to November 30, 2010, Sprott Tactical Balanced Fund was known as Sprott Multi-Manager Fund and prior to November 2, 2009, it was known as FNSSC-Multi Manager Fund. On November 2, 2009, Series A units issued and outstanding were redesignated as Series D units, and new Series A, F and I units were introduced. On November 30, 2010 new series T units were introduced. No Series I have been issued as at June 30, 2011.

On November 30, 2010, consenting unitholders of Sprott Global Equity Fund (the “Terminating Fund”) were moved into Sprott All Cap Fund (the “Continuing Fund”), on a taxable basis. Pursuant to this, the Continuing Fund acquired the investment portfolio and other assets of the Terminating Fund in exchange for units of the Continuing Fund. The Continuing Fund did not assume the liabilities of the Terminating Fund. The units of the Continuing Fund were distributed to unitholders of the Terminating Fund on a dollar-for-dollar and series-by-series basis in exchange for their units in the Terminating Fund. The Terminating Fund has since been wound up.

Sprott Silver Bullion Fund was created on April 29, 2011 offering Series, A, F and I units.

Notes to Financial Statements *June 30, 2011 (unaudited)*

The date of inception and series structure of each of the Funds is as follows:

Name of the Fund	Date of Inception	Series Information
Sprott Canadian Equity Fund	September 9, 1997 (publicly launched on September 26, 1997)	Became multi-series in October 2004. The existing units were designated as Series A and new Series F and I were introduced.
Sprott Gold and Precious Minerals Fund	October 16, 2001 (publicly launched on November 15, 2001)	Became multi-series in October 2004. The existing units were designated as Series A and new Series F and I were introduced.
Sprott Energy Fund	March 24, 2004 (publicly launched on April 15, 2004)	A multi-series fund since inception, having three series, Series A, F and I.
Sprott Growth Fund	April 28, 2005 (publicly launched on January 16, 2006)	A multi-series fund since inception with Series A and F. Introduced Series I on March 1, 2007.
Sprott Small Cap Equity Fund	August 18, 2007 (publicly launched on August 23, 2007)	A multi-series fund since inception, having three series, Series A, F and I.
Sprott All Cap Fund	June 19, 2008 (publicly launched on September 18, 2008)	A multi-series fund since inception, having three series, Series A, F and I.
Sprott Gold Bullion Fund	March 10, 2009 (publicly launched on March 17, 2009)	A multi-series fund since inception, having three series, Series A, F and I.
Sprott Tactical Balanced Fund	January 16, 2009 (publicly launched on April 2, 2009)	Became multi-series in November 2009. On November 2, 2009, the existing units were designated as Series D and new Series A, F and I were introduced. On November 30, 2010, new Series T were introduced.
Sprott Diversified Yield Fund	July 16, 2010 (publicly launched on August 5, 2010)	A multi-series fund since inception, having four series, Series A, F, T and I.
Sprott Short-Term Bond Fund	July 16, 2010 (publicly launched on August 5, 2010)	A multi-series fund since inception, having three series, Series A, F and I.
Sprott Silver Bullion Fund	April 29, 2011 (publicly launched on May 10, 2011)	A multi-series fund since inception, having three series, Series A, F and I.

The differences among the series of units are the different eligibility criteria, fee structures and administrative expenses associated with each series.

RBC Dexia Investor Services Trust acts as the trustee and custodian of the Funds. Sprott Asset Management LP (the “Manager”) acts as the manager and portfolio advisor of the Funds.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) and include estimates and assumptions made by the Manager that may affect the reported amounts of assets, liabilities, income, expenses and the reported amounts of changes in net assets during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Funds.

Notes to Financial Statements *June 30, 2011 (unaudited)*

VALUATION OF INVESTMENTS

Investments are recorded at fair value for financial statement purposes. The fair value of investments as at the financial reporting period end is determined as follows:

1. Securities listed upon a recognized public stock exchange are valued at their bid prices for investments owned and ask prices for investments sold short at the period end. Securities with no available bid/ask prices are valued at the last closing price.
2. Common shares of unlisted companies are priced at fair value as determined by the Manager. Fair value typically is equal to cost and is adjusted based on the last known transaction. In times of extreme volatility in the public equity markets, the Manager may review the value of the private companies relative to the changes in the value of listed companies in similar industries and may adjust the value of the unlisted investment accordingly.
3. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers. Unlisted convertible debentures are valued at cost, if the underlying security is less than the conversion price; or if the underlying security is greater than the conversion price, at the market value of the underlying security multiplied by the number of shares to be received. Secured gold-linked notes are valued at the present value of the future stream of gold payments based on the COMEX futures price of gold.
4. For warrants that are not traded on an exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, a valuation technique is used; if no such market inputs are available, the warrants are valued at intrinsic value, which is equal to the higher of the market value of the underlying securities less the exercise price of the warrant, or zero.
5. Equity securities that are restricted from resale are valued by amortizing the purchase discount, if any, to a maximum of 12%, over the length of the restricted holding period. Where the security's acquisition cost is greater than or equal to the fair value of the security, a 2% discount per month is applied over the length of the restricted holding period.
6. Physical gold bullion and silver bullion are measured at fair market value based on the price provided by a widely recognized pricing service.
7. Mutual fund units held as investments are valued at their respective Net Asset Value per unit on the relevant valuation dates, as these values are most readily and regularly available.

The difference between the fair value of investments and the cost of investments represents the unrealized appreciation or depreciation in the value of investments. The cost of investments for each security is determined on an average cost basis.

EIC-173 – Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued Emerging Issues Committee Abstract 173: Credit Risk and the Fair Value of Financial Assets and Financial Liabilities (“EIC-173”). EIC-173 supplements Section 3855 wherein it states that fair value takes into account the credit quality of a financial instrument. The EIC affirms that an entity's own credit risk (in the case of financial liabilities) and a counterparty's credit risk (in the case of financial assets) should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments.

The Manager has reviewed its policies for the valuation of assets and liabilities and believes that the fair values ascribed to financial assets and financial liabilities in these financial statements incorporate appropriate levels of credit risk. The adoption of EIC-173 did not have any impact on the Funds' financial statements.

TRANSACTION COSTS

Transaction costs are expensed and are included in “Transaction costs” in the Statements of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

Notes to Financial Statements *June 30, 2011 (unaudited)*

INVESTMENT TRANSACTIONS AND INCOME RECOGNITION

Investment transactions are accounted for on the business day following the date the order to buy or sell is executed, with the exception of short-term investments, which are accounted for on the date the order to buy or sell is executed. Realized gains and losses arising from the sale of investments and unrealized appreciation and depreciation on investments are calculated with reference to the average cost of the related investments.

Dividend income is recognized on the ex-dividend date and interest income is recognized daily on an accrual basis.

Distributions from royalty or income trusts that are treated as a return of capital for income tax purposes reduce the average cost of the underlying royalty or income trusts in the investment portfolios and are included as a reduction of investments purchased during the year for the purpose of calculating the realized gain on sale of investments or the change in unrealized appreciation/depreciation of investments.

FOREIGN CURRENCY TRANSLATION

The fair values of foreign-currency-denominated investments are translated into Canadian dollars using the prevailing rate of exchange on each valuation date. Income, expenses and investment transactions in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on the respective dates of such transactions.

The Funds do not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in "Change in unrealized appreciation (depreciation) in the value of investments" in the Statements of Operations. Realized foreign exchange gains or losses from sales of foreign currencies are included in "Net realized gains (losses) on foreign exchange" in the Statements of Operations. Any difference between the recorded amounts of dividends, interest and foreign withholding taxes and the Canadian dollar equivalent of the amounts actually received is reported as part of the investment income in the Statements of Operations.

FORWARD CURRENCY CONTRACT

The value of a forward currency contract is the gain or loss that would be realized if, on the date that valuation is made, the position were closed out. It is reflected in the Statements of Operations as part of "Change in unrealized appreciation (depreciation) on forward currency contracts" and in the Statements of Net Assets as part of "Unrealized appreciation or depreciation on forward currency contracts". When the forward currency contracts are closed out, gains and losses are realized and are included in "Net realized gains (losses) on forward currency contracts" in the Statements of Operations.

CALCULATION OF UNIT VALUE

The unit value of a series is based on the fair value of the series' proportionate share of the assets and liabilities of the Fund common to all series, less any liabilities of the Fund attributable only to that series, divided by the total outstanding units of that series. Income, non-series specific expenses, realized and unrealized gains (losses) of investments and transaction costs are allocated to each series of a Fund based on the series' pro-rata share of net assets of that Fund. Expenses directly attributable to a series are charged directly to that series.

INCOME TAXES

The Funds qualify as mutual fund trusts under the Income Tax Act (Canada), and accordingly, are not taxed on that portion of taxable income that is paid to or allocated to unitholders. The Funds may also retain some net capital gains by utilizing the capital gains refund mechanism available to mutual fund trusts without incurring any income taxes. No provision for income taxes has been recorded in the Funds as sufficient income and net realized capital gains have been distributed to unitholders.

For tax purposes, the Sprott Gold Bullion Fund and Sprott Silver Bullion Fund generally treat gains from the disposition of gold bullion and silver bullion respectively as capital gains, rather than income, as the Sprott Gold Bullion Fund and Sprott Silver Bullion Fund intend to be long-term passive holders of gold and silver bullion, and generally dispose of their holdings in bullion only for the purposes of meeting redemptions. The Canada Revenue Agency has, however, expressed its opinion that gains (or losses) of mutual fund trusts resulting from transactions in commodities should generally be treated for tax purposes as ordinary income rather than as capital gains, although the treatment in each particular case remains a question of fact to be determined having regard to all the circumstances.

Notes to Financial Statements *June 30, 2011 (unaudited)*

INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS PER UNIT

“Increase (decrease) in net assets from operations per unit” in the Statements of Operations represents the increase (decrease) in net assets from operations attributable to each series, divided by the average number of units of the series outstanding during the period.

SHORT SELLING

When a Fund processes a short sale, it borrows that security from a prime broker to complete the sale. The cost of entering into short positions is recorded in the Statement of Operations under “Securities borrowing expenses”. Short selling can provide the Fund with opportunities for gains when markets are volatile or declining. The Fund will engage in short selling only within certain limits and conditions including: (i) the Fund will short sell only liquid securities that are traded on a stock exchange, (ii) the Fund will limit its short sale exposure to any single issuer to 5% of the Fund’s total net asset value and an aggregate short exposure to 20% of its total net asset value, (iii) the Fund will hold cash cover in an amount (including the Fund’s assets deposited with lenders and short-term investments) that is at least 150% of the aggregate fair value of all securities sold short. The Fund can realize a gain on a short sale, if the price of the security decreases from the date the security was sold short until the date at which the Fund closes out its short position, by buying that security at a lower price. A loss will be incurred if the price of the security increases.

3. Future Accounting Policy Changes

In January 2011, the Canadian Accounting Standards Board confirmed that the use of International Financial Reporting Standards (“IFRS”) will be required commencing January 1, 2013 for investment funds. The Manager plans to defer the adoption of IFRS until this time for the Funds.

The Manager has developed an IFRS changeover plan and has identified key issues and likely impacts resulting from the adoption of IFRS. Based on management’s current evaluation of the differences between Canadian GAAP and IFRS, the adoption of IFRS is not expected to have a significant impact on the calculation of net asset value per unit as the Funds’ assets are currently stated at fair value, which is consistent with the requirements under IFRS. IFRS is expected to affect the overall presentation of financial statements and results and additional disclosure in the notes to financial statements will be required. The Manager will continue to monitor new standards and amendments to existing IFRS standards and evaluate their impact on the Funds.

4. Distribution of Income and Capital Gains

Net investment income and net realized capital gains are distributed to unitholders annually at the end of the calendar year, with the exception of Sprott Diversified Yield Fund and Sprott Tactical Balanced Fund, both of which make monthly distributions on Series T units. All distributions allocated to unitholders are either paid in cash or reinvested automatically in additional units of the Funds. The reinvested amounts are reflected on the Statement of Changes in Net Assets as part of “Units issued from reinvested distributions”.

5. Units of the Funds

Each Fund is permitted to issue an unlimited number of series of units and an unlimited number of units in each series. Series A units are available to all investors. Series F units are available to investors who participate in fee-based programs through their dealers and whose dealer has signed a Series F agreement with the Manager, or individual investors approved by the Manager. Series I units are available to institutional investors at the discretion of the Manager.

For Sprott Tactical Balance Fund, Series D units are available exclusively to members of the member societies that make up the Federation of National Specialty Societies of Canada (“FNSSC”), and any other persons as determined in accordance with the referral agreement between the Manager and the FNSSC. Series T units are intended for investors who seek monthly distributions at a target annual distribution rate consisting of net income, capital gains and/or returns of capital.

Notes to Financial Statements *June 30, 2011 (unaudited)*

For Sprott Diversified Yield Fund, Series T units are available to all investors. Series T units are designed to provide tax-efficient cash flow to investors by making monthly distributions in cash.

Units of the Funds are redeemable at the option of the unitholders, in accordance with the provisions of the Trust Agreement, at their net asset value per unit.

There were no Series I units issued or outstanding during the period for Sprott Gold and Precious Minerals Fund, Sprott Growth Fund, Sprott All Cap Fund, Sprott Tactical Balanced Fund and Sprott Silver Bullion Fund.

Changes in outstanding units of the Funds for the periods ended June 30, 2011 and year ended December 31, 2010 were as follows:

Sprott Canadian Equity Fund	2011			2010		
	Series A	Series F	Series I	Series A	Series F	Series I
Units, beginning of period	34,400,049	3,534,003	64,412	38,545,019	3,597,498	18,857
Subscription	2,472,673	614,908	231,106	3,073,152	661,594	50,929
Redemptions	(3,317,211)	(321,971)	(3,194)	(7,218,122)	(725,089)	(5,374)
Units, end of period	33,555,511	3,826,940	292,324	34,400,049	3,534,003	64,412

Sprott Gold and Precious Minerals Fund	2011		2010	
	Series A	Series F	Series A	Series F
Units, beginning of period	7,323,914	2,674,653	7,593,460	2,501,583
Subscription	546,015	92,947	1,373,501	530,077
Redemptions	(918,885)	(493,647)	(1,643,047)	(357,007)
Units, end of period	6,951,044	2,273,953	7,323,914	2,674,653

Sprott Energy Fund	2011			2010		
	Series A	Series F	Series I	Series A	Series F	Series I
Units, beginning of period	5,235,929	1,236,570	339,333	5,865,284	1,256,718	304,388
Subscription	1,591,675	250,582	290,928	1,110,608	147,896	34,945
Redemptions	(770,192)	(53,143)	(1,719)	(1,739,963)	(168,044)	–
Units, end of period	6,057,412	1,434,009	628,542	5,235,929	1,236,570	339,333

Sprott Growth Fund	2011			2010		
	Series A	Series F	Series I	Series A	Series F	Series I
Units, beginning of period	6,794,379	578,811	–	10,737,471	961,397	47,651
Subscription	150,642	10,842	–	562,311	69,596	103,447
Redemptions	(1,786,461)	(125,311)	–	(4,505,403)	(452,182)	(151,098)
Units, end of period	5,158,560	464,342	–	6,794,379	578,811	–

Sprott Small Cap Equity Fund	2011			2010		
	Series A	Series F	Series I	Series A	Series F	Series I
Units, beginning of period	12,690,187	1,781,934	112,434	12,257,048	1,875,584	51,170
Subscription	2,502,779	278,760	424,125	3,256,192	405,524	107,718
Redemptions	(1,906,714)	(204,626)	(9,012)	(2,823,053)	(499,174)	(46,454)
Units, end of period	13,286,252	1,856,068	527,547	12,690,187	1,781,934	112,434

Notes to Financial Statements June 30, 2011 (unaudited)

Sprott All Cap Fund	2011		2010		
	Series A	Series F	Series A	Series F	Series I
Units, beginning of period	1,146,249	55,781	689,009	91,870	42,872
Subscription	132,387	150,561	190,888	6,479	133,031
Transfers in ¹	–	–	531,753	17,991	–
Redemptions	(170,918)	(8,008)	(265,401)	(60,559)	(175,903)
Units, end of period	1,107,718	198,334	1,146,249	55,781	–

¹ Transfers as a result of termination of Sprott Global Equity Fund as discussed in Note 1.

Sprott Gold Bullion Fund	2011			2010	
	Series A	Series F	Series I	Series A	Series F
Units, beginning of period	7,240,541	6,153,914	–	4,860,345	4,749,749
Subscription	1,222,079	770,597	100,791	4,610,916	1,747,370
Redemptions	(1,241,890)	(127,968)	–	(2,230,720)	(343,205)
Units, end of period	7,220,730	6,796,543	100,791	7,240,541	6,153,914

Sprott Tactical Balanced Fund	2011				2010		
	Series A	Series D	Series F	Series T	Series A	Series D	Series F
Units, beginning of period	689,872	4,961	43,972	–	180,830	2,438	25,984
Subscription	2,446,430	6,664	346,090	192,501	574,918	4,912	27,243
Reinvested distributions	53	–	–	5	25,690	167	2,079
Redemptions	(486,067)	(589)	(11,493)	(25,251)	(91,566)	(2,556)	(11,334)
Units, end of period	2,650,288	11,036	378,569	167,255	689,872	4,961	43,972

Sprott Diversified Yield Fund	2011				2010			
	Series A	Series F	Series I	Series T	Series A	Series F	Series I	Series T
Units, beginning of period	1,917,780	174,791	321,398	344,654	–	–	–	–
Subscription	3,854,059	2,201,252	1,258,303	989,130	1,977,361	200,821	316,650	359,154
Reinvested distributions	97,958	41,374	35,055	3,555	36,487	3,307	4,748	41
Redemptions	(458,395)	(46,284)	–	(9,321)	(96,068)	(29,337)	–	(14,541)
Units, end of period	5,411,402	2,371,133	1,614,756	1,328,018	1,917,780	174,791	321,398	344,654

Sprott Short-Term Bond Fund	2011			2010		
	Series A	Series F	Series I	Series A	Series F	Series I
Units, beginning of period	181,475	124,714	130,312	–	–	–
Subscription	2,122,315	106,502	353,477	438,358	129,449	2,202,684
Reinvested distributions	10,789	1,945	1,967	3,668	2,272	937
Redemptions	(667,432)	(42,250)	(258,079)	(260,551)	(7,007)	(2,073,309)
Units, end of period	1,647,147	190,911	227,677	181,475	124,714	130,312

Notes to Financial Statements *June 30, 2011 (unaudited)*

Sprott Silver Bullion Fund	2011	
	Series A	Series F
Units, beginning of period	–	–
Subscription	2,001,778	3,425,660
Redemptions	(31,704)	–
Units, end of period	1,970,074	3,425,660

6. Related-Party Transactions

MANAGEMENT FEES

With the exception of Sprott Gold Bullion Fund, Sprott Tactical Balanced Fund, Sprott Diversified Yield Fund, Sprott Short-Term Bond Fund and Sprott Silver Bullion Fund, the Funds pay management fees to the Manager, which accrue daily and are payable monthly, at an annual rate of up to 2.5% of the average Net Asset Value (as defined in Note 9) of Series A and up to 1.5% of Series F. The management fee for Series I units is negotiated by the unitholder and may be paid by the Fund or directly by the unitholder.

The annual management fee payable by Sprott Gold Bullion Fund to the Manager is 0.8% for Series A units and 0.5% for Series F units.

The annual management fee payable by Sprott Tactical Balanced Fund is 2.25% for Series A units, 1.25% for Series F units, 2.25% for Series T units and 2.25% for Series D units (prior to November 30, 2010, the management fees for Series A and Series F units was 2.5% and 1.5% respectively). The management fee for Series I units is negotiated by the unitholder and may be paid by the Fund or directly by the unitholder. To the extent that an underlying fund that is a Sprott mutual fund and pays a management fee to the Manager, Sprott Tactical Balanced Fund does not duplicate management fees with respect to the investment in the underlying Sprott funds.

The annual management fee payable by Sprott Diversified Yield Fund is 1.65% for Series A units and Series T units, 1.00% for Series F units and negotiated by the unitholder for Series I units and may be paid directly by the Fund or directly by the unitholder, and would not exceed the management fees for Series A units of the Fund.

The annual management fee payable by Sprott Short-Term Bond Fund is 0.75% for Series A units, 0.50% for Series F units and negotiated by the unitholder for Series I units and may be paid directly by the Fund or directly by the unitholder, and would not exceed the management fees for Series A units of the Fund.

The annual management fee payable by Sprott Silver Bullion Fund to the Manager is 1.30% for Series A units, 0.85% for Series F units and negotiated by the unitholder for Series I.

For the periods ended June 30, 2011 and 2010, management fees (including taxes) incurred by the Funds were as follows:

Fund	2011	2010
	\$	\$
Sprott Canadian Equity Fund	25,220,572	17,656,319
Sprott Gold and Precious Minerals Fund	9,903,833	6,204,628
Sprott Energy Fund	2,004,891	1,407,654
Sprott Growth Fund	901,742	1,243,862
Sprott Small Cap Equity Fund	2,747,284	1,720,299
Sprott All Cap Fund	221,205	111,240
Sprott Gold Bullion Fund	590,447	371,856
Sprott Tactical Balanced Fund	346,419	32,346
Sprott Diversified Yield Fund	426,479	–
Sprott Short-Term Bond Fund	35,738	–
Sprott Silver Bullion Fund	58,958	–

Notes to Financial Statements *June 30, 2011 (unaudited)*

INCENTIVE FEES

With the exception of Sprott Gold Bullion Fund, Sprott Tactical Balanced Fund, Sprott Short-Term Bond Fund and Sprott Silver Bullion Fund, the Funds pay the Manager annually an incentive fee that is equal to 10% of the difference by which the percentage return in the unit value of the applicable series of the Fund from January 1 to December 31 exceeds the percentage return of the benchmark index. The benchmark index for Sprott Canadian Equity Fund, Sprott Growth Fund and Sprott All Cap Fund is the S&P/TSX Composite Total Return Index; the benchmark index for Sprott Gold and Precious Minerals Fund is the S&P/TSX Global Gold Index; the benchmark index for Sprott Energy Fund is the S&P/TSX Capped Energy Total Return Index; the benchmark index for Sprott Small Cap Equity Fund is the S&P/TSX SmallCap Total Return Index; the blended benchmark index for Sprott Diversified Yield Fund is based on the Bank of America Merrill Lynch US High Yield Index and DEX Universe Bond Index return, weighted 75% and 25% respectively. If the performance of a series of a Fund in any year is less than the performance of the applicable index described above (the “Deficiency”), then no incentive fee will be payable in any subsequent year until the performance of the applicable series of the applicable Fund, on a cumulative basis calculated from the first of such subsequent years has exceeded the amount of the Deficiency. The Manager may reduce the incentive fee payable by a Fund with respect to a particular investor.

There are no incentive fees charged to Sprott Gold Bullion Fund, Sprott Short-Term Bond Fund and Sprott Silver Bullion Fund. Sprott Tactical Balanced Fund incurs incentive fees at the underlying fund level.

For the periods ended June 30, 2011 and 2010, the following Funds incurred incentive fees (including taxes):

Fund	2011	2010
	\$	\$
Sprott Canadian Equity Fund	–	7,896
Sprott Small Cap Equity Fund	–	2,849
Sprott All Cap Fund	–	3,881
Sprott Diversified Yield Fund	6,517	–

7. Operating Expenses and Sales Charges

Each Fund pays its own operating expenses, other than marketing costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, audit, legal, safekeeping, trustee, custodial, fund administration expenses and costs of financial statements and other reports to investors and independent review committee member fees and expenses. Operating expenses are charged to all Funds pro-rata, on the basis of Assets Under Management (“AUM”) or another measure that provides a fair and reasonable allocation.

At its sole discretion, the Manager may waive or absorb a portion of the operating expenses of certain Funds. Amounts waived or absorbed by the Manager are reported in the Statements of Operations. Waivers or absorptions can be terminated at any time without notice.

8. Soft Dollar Commissions

In addition to paying for the cost of brokerage services in respect of securities transactions, commissions paid to certain brokers may also cover research services provided to the portfolio manager. There were no such soft dollar commissions for the periods ended June 30, 2011 and 2010.

9. Comparison of Net Assets and Net Asset Value

Pursuant to National Instrument 81-106, each Fund reports two different net asset values: one for financial statement reporting purposes, which is referred to as “Net Assets”; and another for all other purposes, including unit pricing, which is referred to as “Net Asset Value”. Net Assets are determined based on the bid price for long positions and the ask price for short positions for securities listed on a recognized public

Notes to Financial Statements *June 30, 2011 (unaudited)*

exchange; while Net Asset Value is determined based on the closing price of the security. As a result, the Net Assets per unit for each series presented in the financial statements may differ from the Net Asset Value per unit for each series for the purpose of redemption and purchase of units of the Funds.

The Net Assets Per Unit and Net Asset Value Per unit for each of the Funds as at June 30, 2011 and December 31, 2010 were as follows:

	As at June 30, 2011		As at December 31, 2010	
	Net Assets Per Unit	Net Asset Value Per Unit	Net Assets Per Unit	Net Asset Value Per Unit
Sprott Canadian Equity Fund				
Series A	44.644	44.960	52.546	52.839
Series F	43.550	43.857	50.976	51.262
Series I	44.491	44.805	52.010	52.301
Sprott Gold and Precious Minerals Fund				
Series A	74.368	75.186	89.134	89.767
Series F	77.426	78.278	92.281	92.936
Sprott Energy Fund				
Series A	18.238	18.375	19.628	19.755
Series F	19.085	19.229	20.429	20.562
Series I	21.007	21.166	22.491	22.636
Sprott Growth Fund				
Series A	9.009	9.064	10.866	10.908
Series F	9.517	9.575	11.414	11.458
Sprott Small Cap Equity Fund				
Series A	12.475	12.570	13.364	13.461
Series F	12.940	13.039	13.784	13.884
Series I	12.522	12.617	13.335	13.431
Sprott All Cap Fund				
Series A	12.366	12.430	14.258	14.318
Series F	12.691	12.757	14.555	14.616
Sprott Gold Bullion Fund				
Series A	12.308	12.308	12.117	12.117
Series F	12.394	12.394	12.182	12.182
Series I	9.593	9.593	–	–
Sprott Tactical Balanced Fund				
Series A	14.512	14.519	15.284	15.288
Series D	14.614	14.622	15.396	15.401
Series F	14.632	14.639	15.324	15.328
Series T	9.212	9.216	–	–
Sprott Diversified Yield Fund				
Series A	10.140	10.181	10.033	10.075
Series F	10.147	10.188	10.037	10.079
Series I	10.019	10.060	9.896	9.937
Series T	10.010	10.051	9.953	9.994

Notes to Financial Statements *June 30, 2011 (unaudited)*

	As at June 30, 2011		As at December 31, 2010	
	Net Assets Per Unit	Net Asset Value Per Unit	Net Assets Per Unit	Net Asset Value Per Unit
Sprott Short-Term Bond Fund				
Series A	9.868	9.880	9.848	9.860
Series F	9.875	9.887	9.852	9.864
Series I	9.951	9.963	9.926	9.939
Sprott Silver Billion Fund				
Series A	8.959	8.963	–	–
Series F	8.965	8.969	–	–

10. Forward Currency Contract

The following forward currency contracts were held by the Sprott Growth Fund and Sprott Diversified Yield Fund at June 30, 2011.

Sprott Growth Fund

Contract	Face Value (Local)	Settlement Date	Notional Value (CAD)	Fair Market Value (CAD)	Unrealized Gain (Loss) (CAD)
Buy CAD, Sell USD	19,420,453	29-Jul-11	19,000,000	19,255,647	255,647
Buy USD, Sell CAD	8,156,607	29-Jul-11	8,156,607	8,029,280	(127,327)

Sprott Diversified Yield Fund

Contract	Face Value (Local)	Settlement Date	Notional Value (CAD)	Fair Market Value (CAD)	Unrealized Gain (Loss) (CAD)
Buy CAD, Sell AUD	1,000,000	29-Jul-11	1,023,423	1,015,691	(7,732)
Buy CAD, Sell GBP	500,000	29-Jul-11	782,133	790,048	7,915
Buy CAD, Sell GBP	800,000	29-Jul-11	1,258,488	1,278,217	19,729
Buy CAD, Sell GBP	4,775,000	29-Jul-11	7,516,194	7,638,540	122,346
Buy CAD, Sell EUR	1,000,000	29-Jul-11	1,400,364	1,402,201	1,837
Buy CAD, Sell EUR	500,000	29-Jul-11	694,105	688,955	(5,150)
Buy CAD, Sell EUR	3,400,000	29-Jul-11	4,802,425	4,849,801	47,376
Buy CAD, Sell USD	16,000,000	29-Jul-11	15,746,160	16,049,209	303,049
Buy CAD, Sell USD	2,000,000	29-Jul-11	1,968,808	2,007,226	38,418
Buy CAD, Sell USD	10,100,000	29-Jul-11	9,935,683	10,122,908	187,225
Buy CAD, Sell USD	2,500,000	29-Jul-11	2,451,948	2,490,921	38,973
Buy CAD, Sell USD	2,000,000	29-Jul-11	1,944,748	1,959,141	14,393
Buy USD, Sell CAD	1,032,278	29-Jul-11	1,032,278	1,028,605	(3,673)

11. Financial Risk Management

Each Fund is exposed to risks that are associated with its investment strategies, financial instruments and markets in which it invests. The extent of risk within a Fund is largely contingent upon the Fund's investment policy and guidelines as stated in the prospectus, and the management of such risks is contingent upon the qualification and diligence of the portfolio manager designated to manage the Fund. The Statement of Investment Portfolio groups securities by asset type, sector or geographic region. Significant risks that are relevant to the Funds are discussed below.

MARKET PRICE RISK

Market price risk is the risk that the fair value of a financial instrument will fluctuate due to a change in market price (other than those arising from interest rate risk or currency risk). The investments of a Fund are subject to normal market fluctuations and the risks inherent in the financial markets. The maximum risk resulting from purchased securities held by the Funds is limited to the fair value of these investments. The Manager moderates this risk through a careful selection of securities within specified limits, as well as through the diversification of the investment portfolio. Refer to the fund-specific discussion of Financial Risk Management for details related to each Fund.

SHORT SELLING RISK

Short selling risk is the risk of loss related to short selling transactions. There is no assurance that securities will decline in value during the period of the short sale and make a profit for the Funds, and securities sold short may instead appreciate in value resulting in a loss to the Funds. The Funds may experience difficulties repurchasing and returning the borrowed securities if a liquid market for the securities does not exist. The lender may also recall the borrowed securities at any time. The lender may go bankrupt and the Funds may lose the collateral it has deposited with the lender. The Funds mitigate such risk by short selling only liquid securities and by depositing collateral only with regulated financial institutions or dealers.

CURRENCY RISK

Currency risk is the risk that arises from the change in price of one currency against another. The Funds hold securities that are denominated in currencies other than the Canadian dollar. These securities are converted to the Funds' functional currency (Canadian dollar) in determining fair value, and fair values are subject to fluctuations relative to the strengthening or weakening of the functional currency. Refer to the fund-specific discussion of Financial Risk Management for details related to each Fund.

INTEREST RATE RISK

Interest rate risk is the risk borne by an interest-bearing financial instrument that is attributed to interest rate fluctuations. The majority of the Funds' investments are non-interest bearing. With the exception of Sprott Diversified Yield Fund and Sprott Short-Term Bond Fund, the Funds are not subject to a significant amount of risk related to fluctuations in prevailing market interest rate levels. Excess cash amounts and amounts held as collateral for securities sold short may be invested in Government of Canada treasury bills with maturities of less than three months. Refer to the fund-specific discussion of Financial Risk Management for details related to each Fund.

CREDIT RISK

Credit risk is the risk of loss due to the failure of a counterparty to satisfy its obligations. With the exception of Sprott Diversified Yield Fund and Sprott Short-term Bond Fund, the Funds limit their exposure to credit losses by investing short-term investments in Government of Canada treasury bills.

The credit risk relating to issuers of convertible bonds and debentures is reviewed periodically and adjustments may be made, as appropriate, to reflect an allowance for possible default. The credit risk relating to issuers of the secured notes receivable is managed by the terms of agreements, in particular, the notes are secured and the issuers are subject to a number of financial covenants, which are monitored on a regular basis.

Notes to Financial Statements June 30, 2011 (unaudited)

All transactions executed by a Fund in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as the delivery of those securities sold is made only when the broker has received payment. Payment is made on purchases only when the security is received by the broker. The trade will fail to consummate if either party fails to meet its obligations. Refer to the fund-specific discussion of Financial Risk Management for details related to each Fund.

LIQUIDITY RISK

Liquidity risk is the risk that a Fund will not be able to generate sufficient cash resources as to fulfill its payment obligations. The Funds predominantly invest in liquid securities that are readily tradable in an active market. Consequently, the Funds are able to readily dispose of securities if necessary to fund redemptions in the course of operations. Funds traditionally maintain a cash reserve in anticipation of normal redemption activity. Although each Fund may, from time to time, invest in illiquid or restricted securities such as private placements, private companies and warrants which are identified in the applicable Fund's Statement of Investment Portfolio, such investments do not comprise a significant portion of a Fund's investment portfolio.

FOREIGN INVESTMENT RISK

Foreign investment risk refers to the risk of investing in securities of foreign issuers, which may be affected by world economic factors. Obtaining complete information about potential investments from foreign markets may also be of greater difficulty. Political climates may differ, affecting stability and volatility in foreign markets. As a result, Funds that invest in foreign equities may fluctuate to a greater degree by investing in foreign equities than Funds that limit their investments to Canadian securities. As at June 30, 2011, the majority of the Funds did not have significant exposure in foreign securities, excluding bullion. The Sprott Diversified Yield Fund had approximately 15.9% (December 31, 2010 – 31.3%) of its net assets invested in securities of foreign issuers other than U.S. issuers.

12. Loss Carryforwards

As of the tax year ended December 31, 2010, the Funds had non-capital and net capital losses available for tax purposes as follows:

Fund	Capital losses	Non-capital losses	Year of Expiry
	\$	\$	
Sprott Canadian Equity Fund	–	26,112,036	2028
	49,716,782	–	
Sprott Gold and Precious Minerals Fund	–	3,849,078	2015
Sprott Energy Fund	–	4,749,955	2028
	–	2,083,078	2029
	–	2,896,020	2030
	33,737,464	–	
Sprott Growth Fund	–	3,377	2027
	–	6,055,803	2028
	–	2,503,500	2029
	105,718,404	–	
Sprott Small Cap Equity Fund	–	1,929,666	2027
	–	3,433,581	2028
	–	2,423,861	2029
	64,672,683	–	
Sprott All Cap Fund	–	157,795	2028
	–	399,928	2029
	59,559	–	
Sprott Short-Term Bond Fund	8,831	–	

Notes to Financial Statements *June 30, 2011 (unaudited)*

Non-capital losses have expiry periods of up to 20 years and can be offset against future taxable income. Capital losses can be carried forward indefinitely and offset against future taxable capital gains.

13. Capital Management

The capital of a Fund is represented by the issued and outstanding units and the Net Asset Value attributable to participating unitholders. The Manager utilizes the capital of the Fund in accordance with each Fund's investment objectives, strategies and restrictions, as outlined in the Funds' prospectus, while maintaining sufficient liquidity to meet normal redemptions. The Funds do not have any externally imposed capital requirements.

14. Fair Value Measurements

The Funds use a three-tier hierarchy as a framework for disclosing fair value based on inputs used to value the Funds' investments. The fair value hierarchy has the following levels:

- Level 1 Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities that the Funds have the ability to access at the measurement date;
- Level 2 Quoted prices which are not active, or inputs that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 Prices, inputs or complex modeling techniques which are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Funds' financial assets (liabilities) have been categorized based upon the fair value hierarchy in the tables below:

ASSETS (LIABILITIES) AT FAIR VALUE AS AT JUNE 30, 2011

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Sprott Canadian Equity Fund				
Equities – Long	1,093,330,300	24,570,962	11,026,385	1,128,927,647
Warrants	3,903,750	21,596,875	–	25,500,625
Gold and Silver Bullion	507,955,274	–	–	507,955,274
Bonds and Convertible Debentures	–	5,386,000	9,640,389	15,026,389
	1,605,189,324	51,553,837	20,666,774	1,677,409,935
Sprott Gold and Precious Minerals Fund				
Equities – Long	600,662,315	26,031,660	5,075,100	631,769,075
Warrants	7,133,989	11,033,077	631,750	18,798,816
Gold and Silver Bullion	34,645,663	–	–	34,645,663
	642,441,967	37,064,737	5,706,850	685,213,554
Sprott Energy Fund				
Equities – Long	146,177,701	2,433	782,500	146,962,634
Warrants	238,054	8,286	–	246,340
	146,415,755	10,719	782,500	147,208,974

Notes to Financial Statements *June 30, 2011 (unaudited)*

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Sprott Growth Fund				
Equities – Long	42,338,144	673,750	189,338	43,201,232
Warrants	250,019	–	–	250,019
Convertible Debentures	–	–	250,000	250,000
Forward Currency Contracts	–	128,320	–	128,320
	42,588,163	802,070	439,338	43,829,571
Sprott Small Cap Equity Fund				
Equities – Long	152,292,532	4,821,264	4,685,822	161,799,618
Equities – Short	(9,049,387)	–	–	(9,049,387)
Warrants	354,375	4,021,550	–	4,375,925
Short-Term Investments	–	11,971,956	–	11,971,956
Convertible Debentures	–	2,500,000	–	2,500,000
	143,597,520	23,314,770	4,685,822	171,598,112
Sprott All Cap Fund				
Equities – Long	8,402,417	198,889	2,325	8,603,631
Equities – Short	(2,640,922)	–	–	(2,640,922)
Warrants	78,229	174,175	–	252,404
Gold Bullion	2,922,713	–	–	2,922,713
Short-Term Investments	–	1,995,326	–	1,995,326
	8,762,437	2,368,390	2,325	11,133,152
Sprott Gold Bullion Fund				
Gold Bullion	173,245,654	–	–	173,245,654
Sprott Tactical Balanced Fund				
Equities – Long	3,523,528	–	–	3,523,528
Bonds and Convertible Debentures	–	1,406,773	–	1,406,773
Investments Funds	46,093,107	–	–	46,093,107
	49,616,635	1,406,773	–	51,023,408
Sprott Diversified Yield Fund				
Equities – Long	–	–	1,000,000	1,000,000
Bonds and Convertible Debentures	–	90,863,612	–	90,863,612
Forward Currency Contracts	–	764,705	–	764,705
	–	91,628,317	1,000,000	92,628,317
Sprott Short-Term Bond Fund				
Short-Term Investments	–	349,191	–	349,191
Bonds and Convertible Debentures	–	19,858,464	–	19,858,464
	–	20,207,655	–	20,207,655
Sprott Silver Bullion Fund				
Silver Bullion	47,803,883	–	–	47,803,883

Notes to Financial Statements *June 30, 2011 (unaudited)*

ASSETS (LIABILITIES) AT FAIR VALUE AS AT DECEMBER 31, 2010

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Sprott Canadian Equity Fund				
Equities – Long	1,255,472,623	85,572,158	6,663,388	1,347,708,169
Warrants	11,542,723	47,065,372	–	58,608,095
Gold and Silver Bullion	546,147,295	–	–	546,147,295
Bonds and Convertible Debentures	–	10,309,620	13,218,050	23,527,670
	1,813,162,641	142,947,150	19,881,438	1,975,991,229
Sprott Gold and Precious Minerals Fund				
Equities – Long	763,088,952	45,548,859	4,875,000	813,512,811
Warrants	22,827,576	35,554,396	631,750	59,013,722
Gold and Silver Bullion	32,087,709	–	–	32,087,709
	818,004,237	81,103,255	5,506,750	904,614,242
Sprott Energy Fund				
Equities – Long	112,074,970	8,226,940	3,262,445	123,564,355
Equities – Short	(12,290,567)	–	–	(12,290,567)
Warrants	1,169,302	623,165	–	1,792,467
	100,953,705	8,850,105	3,262,445	113,066,255
Sprott Growth Fund				
Equities – Long	78,786,368	513,804	289,832	79,590,004
Warrants	95,647	328,913	–	424,560
Convertible Debentures	–	–	250,000	250,000
Forward Currency Contracts	–	464,765	–	464,765
	78,882,015	1,307,482	539,832	80,729,329
Sprott Small Cap Equity Fund				
Equities – Long	161,271,611	19,034,281	2,785,400	183,091,292
Equities – Short	(7,897,829)	–	–	(7,897,829)
Warrants	194,688	8,020,632	–	8,215,320
Short-Term Investments	–	11,992,097	–	11,992,097
	153,568,470	39,047,010	2,785,400	195,400,880
Sprott All Cap Fund				
Equities – Long	11,217,228	665,377	–	11,882,605
Equities – Short	(2,956,494)	–	–	(2,956,494)
Warrants	46,144	402,819	–	448,963
Gold Bullion	2,861,961	–	–	2,861,961
Short-Term Investments	–	1,998,264	–	1,998,264
	11,168,839	3,066,460	–	14,235,299
Sprott Gold Bullion Fund				
Gold Bullion	162,296,667	–	–	162,296,667
Sprott Tactical Balanced Fund				
Equities – Long	690,874	–	–	690,874
Bonds and Convertible Debentures	–	100,000	–	100,000
Investments Funds	10,158,756	–	–	10,158,756
	10,849,630	100,000	–	10,949,630

Notes to Financial Statements *June 30, 2011 (unaudited)*

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Sprott Diversified Yield Fund				
Bonds and Convertible Debentures	–	26,327,422	–	26,327,422
Forward Currency Contracts	–	96,032	–	96,032
	–	26,423,454	–	26,423,454
Sprott Short-Term Bond Fund				
Short-Term Investments	–	1,021,072	–	1,021,072
Bonds and Convertible Debentures	–	3,161,957	–	3,161,957
	–	4,183,029	–	4,183,029

For the period ended June 30, 2011 and the year ended December 31, 2010, the majority of Level 2 securities consisted of private placement common shares subject to a hold period following the closing date of the purchase and warrants received in consideration of the private placement purchase. Upon the passing of the hold period on the private placement common shares during the period, the shares would be moved from Level 2 to Level 1. The warrants would be Level 2 until either the warrant expired at which time the security would be removed from the Level 2 balance, or the warrant was exercised, at which time the warrant would be converted into a Level 1 common share. There were no other material transfers between Level 1 and Level 2 during the period.

During the period ended June 30, 2011, the reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	Equities	Bonds and Convertible Debentures	Warrants	Total
	\$	\$	\$	\$
Sprott Canadian Equity Fund				
Balance at December 31, 2010	6,663,388	13,218,050	–	19,881,438
Purchases	5,425,308	–	–	5,425,308
Sales	–	(3,131,989)	–	(3,131,989)
Net transfers in (out)	(3,507,494)	–	–	(3,507,494)
Realized Gains/Losses	–	(257,705)	–	(257,705)
Change in Unrealized Gains	2,445,183	(187,967)	–	2,257,216
Balance at June 30, 2011	11,026,385	9,640,389	–	20,666,774
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	678,354	(187,967)	–	490,387
Sprott Gold and Precious Minerals Fund				
Balance at December 31, 2010	4,875,000	–	631,750	5,506,750
Purchases	200,100	–	–	200,100
Sales	–	–	–	–
Net transfers in (out)	–	–	–	–
Realized Gains/Losses	–	–	–	–
Change in Unrealized Gains	–	–	–	–
Balance at June 30, 2011	5,075,100	–	631,750	5,706,850
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	–	–	–	–

Notes to Financial Statements *June 30, 2011 (unaudited)*

	Equities	Bonds and Convertible Debentures	Warrants	Total
	\$	\$	\$	\$
Sprott Energy Fund				
Balance at December 31, 2010	3,262,445	—	—	3,262,445
Purchases	750,000	—	—	750,000
Sales	(1,085,040)	—	—	(1,085,040)
Net transfers in (out)	(2,905,975)	—	—	(2,905,975)
Realized Gains/Losses	591,840	—	—	591,840
Change in Unrealized Gains	169,230	—	—	169,230
Balance at June 30, 2011	782,500	—	—	782,500
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	1,000	—	—	1,000
Sprott Growth Fund				
Balance at December 31, 2010	289,832	250,000	—	539,832
Purchases	—	—	—	—
Sales	—	—	—	—
Net transfers in (out)	(218,750)	—	—	(218,750)
Realized Gains/Losses	—	—	—	—
Change in Unrealized Gains	118,256	—	—	118,256
Balance at June 30, 2011	189,338	250,000	—	439,338
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	—	—	—	—
Sprott Small Cap Equity Fund				
Balance at December 31, 2010	2,785,400	—	—	2,785,400
Purchases	2,249,222	—	—	2,249,222
Sales	—	—	—	—
Net transfers in (out)	(917,000)	—	—	(917,000)
Realized Gains/Losses	—	—	—	—
Change in Unrealized Gains	568,200	—	—	568,200
Balance at June 30, 2011	4,685,822	—	—	4,685,822
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	704,000	—	—	704,000
Sprott All Cap Fund				
Balance at December 31, 2010	—	—	—	—
Purchases	2,325	—	—	2,325
Sales	—	—	—	—
Net transfers in (out)	—	—	—	—
Realized Gains/Losses	—	—	—	—
Change in Unrealized Gains	—	—	—	—
Balance at June 30, 2011	2,325	—	—	2,325
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	—	—	—	—

Notes to Financial Statements *June 30, 2011 (unaudited)*

	Equities	Bonds and Convertible Debentures	Warrants	Total
	\$	\$	\$	\$
Sprott Diversified Yield Fund				
Balance at December 31, 2010	—	—	—	—
Purchases	1,000,000	—	—	1,000,000
Sales	—	—	—	—
Net transfers in (out)	—	—	—	—
Realized Gains/Losses	—	—	—	—
Change in Unrealized Gains	—	—	—	—
Balance at June 30, 2011	1,000,000	—	—	1,000,000
Total change in unrealized gains/(losses) during the period for assets held as at June 30, 2011	—	—	—	—

15. Independent Review Committee (“IRC”)

In accordance with National Instrument 81-107, “Independent Review Committee for Investment Funds” the Manager has established an IRC for all the Funds. The mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Funds. The IRC reports annually to unitholders of the Funds on its activities, and the annual report is available on and after March 31 in each year. The Manager charges compensation paid to the IRC members and the costs of the ongoing administration of IRC to the Funds. These amounts are shown in the Statements of Operations.

16. Comparative Financial Statements

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2011 interim financial statements.

17. Auditors’ Review

The interim financial statements for the six-month period ended June 30, 2011, were not reviewed by the Funds’ auditors.

Corporate Information

Corporate Address

Sprott Asset Management LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2700, P.O. Box 27
Toronto, Ontario M5J 2J1
T 416.943.6707
TOLL-FREE 866.299.9906
F 416.943.6497
E invest@sprott.com

For additional information visit our website:

www.sprott.com

Call our mutual fund information line for daily closing prices:

416.943.6707 or 866.299.9906

Auditors

Ernst & Young LLP
Ernst & Young Tower
P.O. Box 251, 222 Bay Street
Toronto-Dominion Centre
Toronto, Ontario M5K 1J7

Legal Counsel

Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3Y4

The opinions, estimates and projections (“information”) contained within this report are solely those of Sprott Asset Management LP (“SAM”) and are subject to change without notice. SAM makes every effort to ensure that the information has been derived from sources believed to be reliable and accurate. However, SAM assumes no responsibility for any losses or damages, whether direct or indirect, which arise out of the use of this information.

SAM is not under any obligation to update or keep current the information contained herein. The information should not be regarded by recipients as a substitute for the exercise of their own judgement. SAM is the investment manager to the Sprott Canadian Equity Fund, Sprott Gold and Precious Minerals Fund, Sprott Energy Fund, Sprott Growth Fund, Sprott Small Cap Equity Fund, Sprott All Cap Fund, Sprott Gold Bullion Fund, Sprott Short-Term Bond Fund, Sprott Diversified Yield Fund, Sprott Tactical Balanced Fund and Sprott Silver Bullion Fund (collectively, the “Funds”). Commissions, trailing commissions, management fees, other charges and expenses all may be associated with mutual fund investments. Please read the simplified prospectus carefully before investing. The indicated rates of return are based on the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemptions, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual Funds are not guaranteed, their values change frequently and past performance may not be repeated.