

SPROTT

Q1 2017 Results Conference Call

May 10, 2017

Forward-looking Statements

Certain statements in this presentation contain forward-looking information (collectively referred to herein as the “Forward-Looking Statements”) within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify Forward-Looking Statements. In particular, but without limiting the foregoing, this presentation contains Forward-Looking Statements pertaining to: (i) the transition of Sprott Private Resource LP’s commitments to AUM; (ii) the anticipated benefits and effects of the sale of the Company’s Canadian diversified business to a management-led group; (iii) expectations regarding liquidity; (vi) balance sheet priorities; (vii) intention to get more active with capital commitments in resource sector; (iv) the new Sprott highlights; and (v) the Company’s 2017 outlook.

Although the Company believes that the Forward-Looking Statements are reasonable, they are not guarantees of future results, performance or achievements. A number of factors or assumptions have been used to develop the Forward-Looking Statements, including: (i) the impact of increasing competition in each business in which Sprott operates will not be material; (ii) quality management will be available; and (iii) the effects of regulation and tax laws of governmental agencies will be consistent with the current environment. Actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements should assumptions underlying the Forward-Looking Statements prove incorrect or should one or more risks or other factors materialize, including: (i) difficult market conditions; (ii) changes in the investment management industry; (iii) risks related to regulatory compliance; (iv) failure to deal appropriately with conflicts of interest; (v) failure to continue to retain and attract quality staff; (vi) competitive pressures; (vii) corporate growth may be difficult to sustain and may place significant demands on existing administrative, operational and financial resources; (viii) failure to execute the Company’s succession plan; (ix) foreign exchange risk relating to the relative value of the U.S. dollar; (x) litigation risk; (xi) employee errors or misconduct could result in regulatory sanctions or reputational harm; (xii) failure to implement effective information security policies, procedures and capabilities; (xiii) failure to develop effective business resiliency plans; (xiv) failure to obtain or maintain sufficient insurance coverage on favourable economic terms; (xv) historical financial information is not necessarily indicative of future performance; (xvi) the market price of common shares of the Company may fluctuate widely and rapidly; and (xvii) those risks described under the heading “Risk Factors” in the Company’s annual information form dated March 1, 2017. In addition, the payment of dividends is not guaranteed and the amount and timing of any dividends payable by the Company will be at the discretion of the Board of Directors of the Company and will be established on the basis of the Company’s earnings, the satisfaction of solvency tests imposed by applicable corporate law for the declaration and payment of dividends, and other relevant factors. The Forward-Looking Statements speak only as of the date hereof, unless otherwise specifically noted, and the Company does not assume any obligation to publicly update any Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable Canadian securities laws

Peter Grosskopf

Chief Executive Officer

Kevin Hibbert

Chief Financial Officer

Q1 2017 Financial Review

- Another quarter of improving financial performance
- AUM up by \$0.4B to \$9.7B
- Adjusted base EBITDA increased to \$16MM or \$0.06 per share
- Net income up to \$8.8MM or \$0.04 per share
- Cost-containment program continuing to drive lower operating expense ratio
- Maintained strong balance sheet with roughly \$310MM in investable capital, growing to roughly \$350MM on close of the sale transaction.

Q1 Highlights

- Sprott Private Resource LP completed second close, raising US\$560MM
 - Commitments will transition to AUM as capital is deployed
- Sprott Resource Holdings Inc. re-capitalized with more than \$75MM to invest
- Sprott Capital Partners participated in over \$540MM of financing deals
- Received TSX approval to launch NCIB
 - Potential to buyback up to 5% of shares once out of blackout

Sale of Canadian Diversified Assets

- Announced agreement to sell Canadian diversified business to management-led group
- Assets included in the transaction total \$3.0B, \$865MM of which will be sub-advised by Sprott
- Headcount will be reduced by ~50% to ~100 employees
- After giving effect to the transaction, Sprott will have:
 - AUM of ~\$7.6B, including \$865MM in sub-advised precious metals funds
 - ~\$350MM in capital on the balance sheet

AUM Roll Forward

Product Type	December 31, 2016		March 31, 2017		
	AUM, Beginning of Period	Net Sales/ (Redemptions)	Market Value Change	Transfers/ Acquisitions/ (Divestitures)	AUM, End of Period
Exchange Listed Products	4,412	(46)	392	–	4,758
Alternative Asset Management ⁽¹⁾					
Mutual Funds	2,465	(56)	2	–	2,411
Alternative Investment Funds	1,085	44	23	(131)	1,021
Managed Accounts	104	3	3	(13)	97
Private Resource Investments					
Private Resource Lending Funds	49	–	4	–	53
Fixed Term LPs	343	–	3	–	346
Managed Companies	653	–	23	32	708
Managed Accounts	137	–	17	144	298
Total	9,248	(55)	467	32	9,692

⁽¹⁾ On April 10, the Company announced the agreement to sell its Canadian diversified funds business to a management group for \$46 million. As part of the transaction, the Company will sell approximately \$3 billion of its Alternative Asset Management AUM, of which \$865 million will continue to be sub-advised by SAM

Revenues

\$ millions	Q1 2017	Q1 2016
Total Net Revenues	30.2	27.7
Key revenue highlights:		
Net fees	16.8	15.4
Gains (losses) on proprietary investments	(2.0)	11.5
Interest income	5.9	4.0
Commissions	8.2	1.1
Other income	1.3	(4.3)

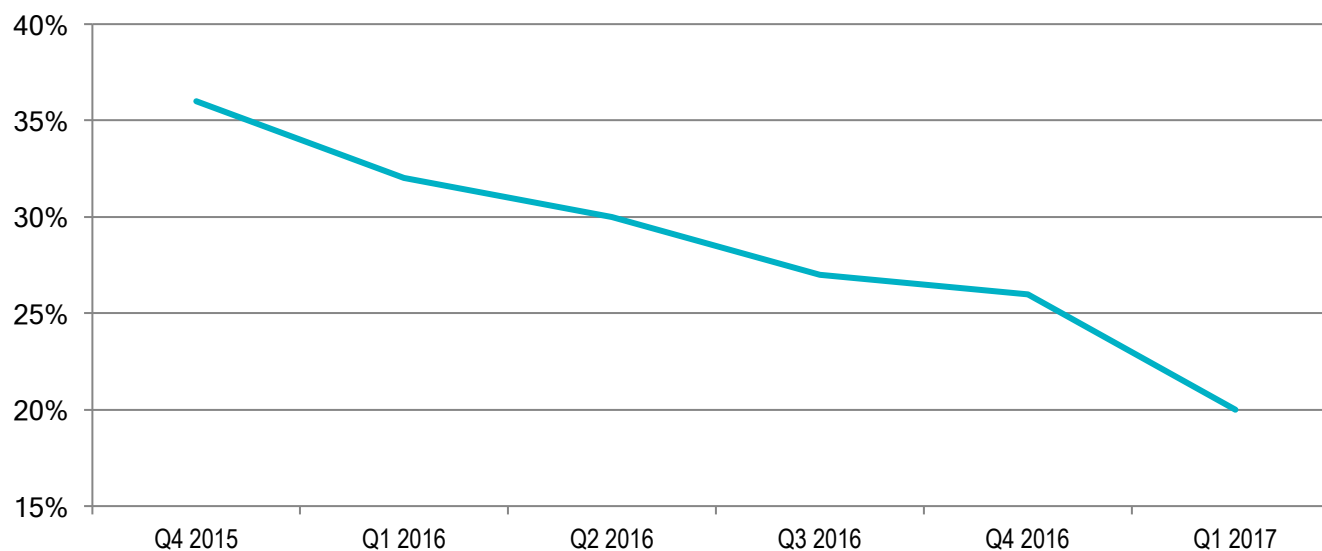
Expenses

\$ millions	Q1 2017	Q1 2016
Total expenses	20.1	25.8
Key expense highlights (excluding Trailers and Sub-advisory):		
Compensation	14.4	9.2
Selling, general & administrative	6.6	7.3
Loan loss provisions (recoveries)	(4.9)	0.2

SG&A Analysis (\$'000)

- SG&A Expense Ratio has begun to decline quarter-over-quarter due to a combination of improved net revenues and ongoing expense management

SG&A EXPENSE RATIO



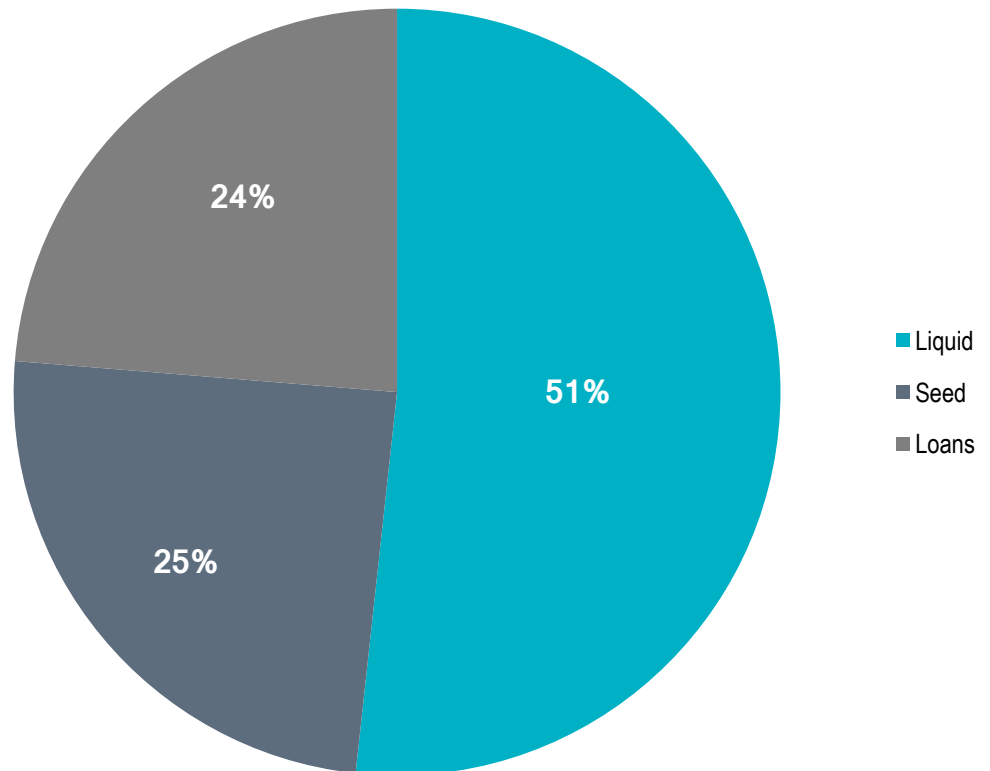
EBITDA Reconciliation

\$ millions (except for per share amounts)	Q1 2017	Q1 2016
Net Income	8.8	1.3
<i>Per share</i>	<i>0.04</i>	<i>0.01</i>
<i>Adjustments:</i>		
Interest expense	–	–
Provision for income taxes	1.3	0.6
Depreciation and amortization	1.8	1.9
EBITDA	11.9	3.8
<i>Other Adjustments:</i>		
Impairment of intangible assets	–	3.0
(Gains) & losses on proprietary investments	2.0	(11.5)
(Gains) & losses on foreign exchange	1.1	6.8
Non-cash and non-recurring stock based compensation	0.7	1.2
Other	0.2	1.9
Adjusted EBITDA	15.9	5.2
<i>Less:</i>		
Performance Fees	(0.1)	(0.1)
Performance fee related expenses	0.1	0.0
Adjusted base EBITDA	15.9	5.2
<i>Per share</i>	<i>0.06</i>	<i>0.02</i>

Balance Sheet Strength

Investable Capital Composition - March 31, 2017

- \$309 million in investable capital
- Mostly liquid or liquidity within two years
- Priorities remain:
 - Preservation of capital
 - “ROCE”
 - Yield
 - Consider value-add opportunities within real assets and share buybacks



New Sprott Highlights

- Focused on building a global market leader in resource investments
 - Top priority is securing distribution partnership
- A streamlined organization with highly-specialized investment capabilities
 - High-employee ownership and accountability
 - Performance-focused culture
- Increase performance and distribution of existing “best-in-class” products
- Allocation and compounding of investment capital becomes a key goal:
 - Pursue co-investment opportunities with key clients and through new fund vehicles
 - Build ancillary and related resource industry capabilities in capacity-constrained areas

2017 Outlook

- Fundamentals for precious metals remain strong and need for portfolio diversifying real assets has never been greater
- New opportunities arising in gold mining ETFs as incumbent funds face capacity issues
 - Sprott factors-based indexes have multiple advantages over market-cap-weighted strategies
- Highly-correlated markets are leading investors to seek uncorrelated alternatives
 - Precious metals
 - Farmland
 - Infrastructure