

MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT made and entered into as of the 2nd day of March, 2018

BETWEEN:

SPROTT RESOURCE HOLDINGS INC.,
a corporation incorporated under the laws of Canada
(hereinafter referred to as the “**Corporation**”)

- and -

SPROTT CONSULTING LIMITED PARTNERSHIP,
a limited partnership existing under the laws of Ontario
(hereinafter referred to as the “**Consultant**”)

WHEREAS:

1. on February 9, 2017, the Corporation changed its name to Sprott Resource Holdings Inc.;
2. on February 1, 2018, the Corporation completed its transition to become a diversified holding company, which necessitated a change in the manner of the calculation of certain terms defined herein;
3. the Corporation wishes to retain the Consultant, and the Consultant wishes to provide or cause to be provided management and administrative services to the Corporation and to provide or cause to be provided such other services and facilities pursuant to the terms and subject to the conditions of this Agreement; and
4. the Board of Directors of the Corporation and the general partner of the Consultant have each approved this Agreement effective February 1, 2018;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties hereto agree as follows:

1. Definitions and Interpretations

The terms defined in this Section whenever used in this Agreement shall, unless the context otherwise requires, have the respective meanings hereinafter specified:

“**Adjusted Annual Operating Expenses**” means for any fiscal year the Management Services Fee calculated in accordance with Section 5, *plus* the other general and administrative expenses incurred in connection with the operation and administration of the Consolidated Corporation as set forth in this Agreement, *less*:

- (i) costs resulting from servicing debt of the Consolidated Corporation;
- (ii) costs incurred in the purchasing or selling of the Consolidated Corporation’s direct or indirect investments;

- (iii) initial and ongoing expenses recorded as a result of the granting of stock options under the Corporation's stock option plan other than those granted to directors of the Corporation;
 - (iv) mark-to-market stock-based compensation paid by the Consolidated Corporation;
 - (v) any taxes imposed on the Consolidated Corporation by government authorities; and
 - (vi) any other amounts as approved by the Conflict Resolution Committee of the Board of Directors of the Corporation;
- (b) "**Affiliate**" has the meaning ascribed thereto in the *Securities Act* (Ontario);
- (c) "**Agreement**" means this management services agreement effective February 1, 2018 made and entered into as of March 2, 2018, as the same may be supplemented, amended and/or restated from time to time and "**herein**", "**hereof**", "**hereby**", "**hereunder**" and similar expressions refer to this Agreement and include every instrument supplemental or ancillary to this Agreement and, except where the context otherwise requires, not to any particular article, section or subsection thereof;
- (d) "**Annual Net Asset Value of the Corporation**" means, in respect of a fiscal year, the average of each Quarterly Net Asset Value of the Corporation for such fiscal year;
- (e) "**Applicable Securities Legislation**" means the securities laws, regulations, rules, requirements and policies of the Province of Ontario and equivalent regulatory authorities in each province of Canada;
- (f) "**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday on which the Toronto Stock Exchange is open for trading;
- (g) "**Change of Control**" shall have the meaning set forth in Section 15 hereof;
- (h) "**Consolidated Corporation**" means, the Corporation and its non-operating subsidiaries;
- (i) "**Consultant**" means Sprott Consulting Limited Partnership;
- (j) "**Fair Value**" means the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts;
- (k) "**Management Services Fee**" shall have the meaning set forth in Section 5 hereof;
- (l) "**MD&A**" means, Management's Discussion and Analysis of the Corporation;

- (m) **“Net Asset Value of the Corporation”** means, in respect of a particular date, the Fair Value of the Corporation’s total assets less its total liabilities , all as at such date as set forth in the Corporation’s MD&A prepared as at such date;
- (n) **“Nominees”** shall have the meaning set forth in Subsection 3(c); and
- (o) **“Quarterly Net Asset Value of the Corporation”** means, in respect of a fiscal quarter of the Corporation the average of the Net Asset Value of the Corporation as at the end of such fiscal quarter and the Net Asset Value of the Corporation as at the end of the immediately preceding fiscal quarter.

In this Agreement, where the context so indicates, the singular shall include the plural and the masculine shall include the feminine and neuter.

2. Appointment

The Corporation hereby appoints the Consultant to manage, or, subject to the terms of this Agreement, to engage others to manage, all of the undertaking, affairs and assets of the Corporation and to provide all necessary or advisable administrative services and facilities as hereinafter set forth and the Consultant hereby accepts such appointment and agrees to act in such capacity and to provide or cause to be provided such management and administrative services and facilities upon the terms set forth in this Agreement.

3. Management and Administrative Services

Without limiting the generality of the foregoing, during the term of this Agreement the Consultant shall, subject to the terms of this Agreement:

- (a) administer the day-to-day business and affairs of the Corporation, including identifying and making investment decisions relating to the Corporation (in consultation with the Corporation), the preparation of all written and printed material for distribution to shareholders of the Corporation and assisting the Corporation in compliance with registration, filing, reporting and similar requirements of Applicable Securities Legislation, relevant securities regulatory authorities or any similar government entity and of any stock exchange upon which the securities of the Corporation may be posted and to which the Corporation is obligated to report;
- (b) provide or cause to be provided all internal accounting, asset valuation (in consultation with the Corporation), audit and legal services in respect of the Corporation and other usual and ordinary office facilities, supplies and services necessary or desirable for carrying on the management and administration of the Corporation;
- (c) nominate at least four (4) separate individuals to serve in the following capacities: two as directors of the Corporation, one as a director, president and chief executive officer, and one as chief financial officer of the Corporation together with nominees for such other executive positions as may be required by the Corporation from time to time (the **“Nominees”**). Such officers will be employees or consultants of the Corporation and shall be remunerated by the Corporation directly (such remuneration to be determined by the Consultant in consultation

with the directors of the Corporation), subject to offset against the Management Services Fee as provided in this Agreement. Should the Consultant terminate the employment of such officers, as officers of the Corporation, or cause such directors to resign, as directors of the Corporation, in either case after prior consultation with the independent directors of the Corporation, it shall fully indemnify the Corporation for all costs and expenses in connection therewith. The Corporation agrees to propose to its shareholders for election a slate of directors which includes at least three Nominees;

- (d) provide or cause to be provided services in respect of the Corporation's daily operations, including administration services related to the acceptance or rejection of subscriptions for securities of the Corporation;
- (e) distribute or cause to be distributed all securities which the Corporation may decide to issue during the term of this Agreement and take or cause to be taken all such actions as the Consultant reasonably considers necessary or desirable in the sale of securities of the Corporation whether by prospectus or private placement offering;
- (f) authorize payment on behalf of the Corporation of expenses incurred on behalf of the Corporation and negotiate contracts with third party providers of services (including, but not limited to, custodians, transfer agents, legal counsel, auditors, insurance companies and printers);
- (g) keep and maintain the books and records of the Corporation and supervise compliance by the Corporation with record-keeping requirements under applicable law;
- (h) deal with banks, insurance companies and custodians, including the maintenance of bank records and the negotiation and securing of bank financing or refinancing and insurance policies;
- (i) monitor relationships with the custodians, registrar and transfer agents, auditors, legal counsel, insurance agents and other organizations or professionals serving the Corporation;
- (j) from time to time, or when otherwise reasonably requested by the Corporation, make reports to the Corporation and/or its shareholders of the Consultant's performance of the services provided to the Corporation pursuant to this Agreement;
- (k) prepare or cause to be prepared accounting, management and other reports, including reports of the Corporation's performance to shareholders, interim and annual reports to shareholders and financial statements, such financial statements to be prepared in accordance with Canadian generally accepted accounting principles (including, without limitation, International Financial Reporting Standards), as applicable from time to time applied on a consistent basis;
- (l) provide or cause to be provided all other administrative services and facilities required by the Corporation in relation to its shareholders including, without

limitation, the preparation for and holding of meetings of shareholders and other services for the provision of information to shareholders; and

- (m) provide such other managerial and administrative services and carry out such other duties as may be reasonably required for the ongoing business and administration of the Corporation,

subject to the directions and orders of the Corporation from time to time, which directions and orders shall be reasonably consistent with the nature of the duties set out above.

The Corporation grants and delegates to the Consultant the power and authority to act in the name of and on behalf of the Corporation for the purpose of providing and performing the management and administrative services.

4. Records and Reporting

The Consultant shall keep at all times proper books of account and records relating to the services performed hereunder, which books of account and records shall be accessible for inspection by the directors of the Corporation at any time during normal business hours.

5. Management Services Fee

In consideration for the management and administrative services provided by the Consultant to the Corporation pursuant to this Agreement, the Corporation shall pay to the Consultant, in respect of each fiscal quarter, a management services fee equal to 0.5% of the Quarterly Net Asset Value of the Corporation for such fiscal quarter, less the total remuneration paid directly by the Corporation to all persons nominated by the Consultant as employees, officers or directors of the Corporation who provide investment management services to the Corporation (the "**Management Personnel**") but excluding any expenses recorded as a result of the granting of stock options under the Corporation's stock option plan for such fiscal quarter (the "**Management Services Fee**"). To the extent the Quarterly Net Asset Value of the Corporation for a fiscal quarter is in excess of \$1,000,000,000, the Management Services Fee in respect of such excess amount will be reduced to 0.375%. The Management Services Fee shall be paid in cash within five (5) Business Days following the completion of the Corporation's financial statements for such fiscal quarter.

If the Management Services Fee is payable in respect of a period that is less than a full fiscal quarter, the Management Services Fee payable to the Consultant shall be pro-rated for that fiscal quarter. The Management Services Fee payable to the Consultant shall be subject to applicable harmonized sales tax, goods and services tax, Québec sales tax and other applicable sales taxes.

6. Compensation for Additional Services

If and to the extent that the Consultant is requested in writing by the directors of the Corporation to render services to the Corporation other than those required to be rendered pursuant to the provisions of this Agreement, such additional services and activities will be compensated for separately and shall be on such terms that are generally no less favourable to the Corporation than those available from arm's length parties (within the meaning of the *Income Tax Act* (Canada)) for comparable services.

7. Expenses of the Corporation

In addition to Management Services Fees payable to the Consultant pursuant to this Agreement, the Corporation shall pay all fees and expenses incurred in connection with the operation and administration of the Corporation's business including, without limitation: (i) fees and expenses payable to the directors of the Corporation to be agreed annually with the directors of the Corporation; (ii) fees payable to custodians; (iii) legal and audit fees and expenses payable to the Corporation's external legal counsel and auditors; (iv) insurance fees; (v) shareholder reporting costs; (vi) registrar and transfer agency costs; (vii) fees and expenses payable for listings, the maintenance of listings and filings or other requirements of stock exchanges on which any of the securities of the Corporation are listed or quoted; (viii) other administrative expenses and costs incurred in connection with the Corporation's continuous public filing requirements and investor relations; (ix) securities commission participation fees; (x) all taxes (income, capital and sales taxes); (xi) brokerage and trading commissions; (xii) costs and expenses relating to the offering and issue of securities of the Corporation (including the costs of printing and preparing offering documents, legal expenses, auditing expenses, marketing expenses and other reasonable out-of-pocket expenses); (xiii) costs and expenses of preparing, printing and mailing financial and other reports; (xiv) costs and expenses arising as a result of complying with all Applicable Securities Legislation and other applicable laws, regulations and policies; (xv) all amounts paid by the Corporation on account of the indebtedness of the Corporation; (xvi) all travel, transportation, accommodation, meals and entertainment, conferences and other reasonable out-of-pocket expenses relating to the operation and administration of the Corporation's business; (xvii) all professional development expenses and professional designation fees of the Nominees, including related costs required to maintain them; (xviii) market rate finder and brokerage fees associated with Sprott Inc. sourced investments; and (xix) market rate investment due diligence costs provided by Sprott Inc.; provided that the Corporation shall not pay the rent and customary investment management services expenses of the Management Personnel.

8. Total Adjusted Annual Operating Expenses

Notwithstanding any other provision of this Agreement, the Adjusted Annual Operating Expenses shall not exceed 3% of the Annual Net Asset Value of the Corporation in respect of fiscal years commencing with the Corporation's fiscal year ended December 31, 2018 and thereafter (the "**Maximum Adjusted Annual Operating Expenses**"). Where such Adjusted Annual Operating Expenses exceed the Maximum Adjusted Annual Operating Expenses, the Management Services Fees payable by the Corporation to the Consultant in respect of the last quarterly payment to be made in respect of such fiscal year shall be reduced to ensure Adjusted Annual Operating Expenses equal (or, in any case, do not exceed) the applicable Maximum Adjusted Annual Operating Expenses.

9. Other Activities of the Consultant and Nominees

The Corporation acknowledges and agrees that the Consultant or any Affiliate of the Consultant has provided or may provide management and administrative services to other persons and entities which are the same or different from the services provided to the Corporation by the Consultant (even though such other persons or entities may be the same or similar to the Corporation, or engage in other activities). Subject to the duty of an Affiliate to offer opportunities it identifies to its client(s), unless the directors of the Corporation otherwise permit (such permission not to be unreasonably withheld), all suitable opportunities coming to the attention of the Consultant or its Affiliates to make private equity investments in the natural

resource sector shall first be offered to the Corporation. The Nominees who are acting as Chief Executive Officer and Chief Financial Officer of the Corporation shall, unless otherwise agreed to in writing with the independent directors of the Corporation, devote substantially all of their business time and attention to the business and affairs of the Corporation.

10. Authority to Enter into Agreement

Each of the parties to this Agreement hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this Agreement and that such action does not conflict with or violate any provision of law, regulation, policy, contract, deed of trust or other instrument to which it is a party or by which it is bound and that this Agreement constitutes a valid and binding obligation of it enforceable in accordance with its terms.

The Corporation shall provide to the Consultant concurrently with the execution and delivery by the Corporation of this Agreement all such evidence of authority to act including, without limitation, designations of authorized persons and certified copies of charter documents and resolutions, as the Consultant may require. The Consultant may continue to rely on all such evidence until notice to the contrary given hereunder has been received by it.

11. Standard of Care

The Consultant shall, and shall ensure that its Nominees shall, exercise the powers granted and discharge its, and their, duties hereunder honestly, in good faith and in the best interests of the Corporation and, in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent manager, or person, would exercise in comparable circumstances.

If the Consultant and its Nominee directors, officers and employees are uncertain as to compliance with the obligations in the preceding paragraph, when any issues are to be decided in respect of which the interests of the Corporation and those of the Consultant (or its related parties) may differ materially (including but not limited to, capital management, investment/divestment decisions, reputational matters and potential conflict of interest matters), the Consultant shall, and shall ensure that its Nominees shall, fully inform the Board of Directors of the Corporation and the Conflict Resolution, Corporate Governance and Nominating Committee of the Board of Directors of the Corporation (and the Nominees shall at least contemporaneously therewith inform the Consultant of only such issue or matter) and, except where the resolution of such issues or matters has been prescribed by contract or written policy approved by the directors of the Corporation, the Consultant shall, and shall ensure that its Nominees shall, facilitate the exercise of informed and independent judgement by the directors of the Corporation in resolving the issue or matter on behalf of the Corporation. The Consultant shall provide to the Corporation within 45 days after the end of the fiscal year of the Corporation a certificate of compliance with this Section 11 of the Agreement.

12. Liability of the Consultant

Neither the Consultant nor any of its officers, directors, employees, partners, agents or trustees shall be liable to the Corporation or any shareholder thereof for any loss or damage suffered by the Corporation or any shareholder thereof, as the case may be, (i) which arose out of any action or inaction of the Consultant if such course of conduct did not constitute bad faith, gross negligence, wilful misconduct, wilful neglect or default or a material failure to comply with

applicable laws, regulations or restrictions or the provisions set forth in this Agreement or wilful failure to comply with express written directions given by either the directors of the Corporation or by binding resolution of the Corporation's shareholders, or (ii) where the Consultant, in good faith, and absent fraud of its Nominees, determined that such course of conduct was in the best interests of the Corporation.

The Corporation acknowledges and agrees that neither the Consultant nor any of its officers, directors, employees, partners, agents or trustees shall be responsible for any loss of opportunity whereby the value of any of the Corporation's assets or its business could have been increased nor shall any of them be responsible for any decline in value of the assets or business of the Corporation where (i) such decline is not the result of the Consultant's bad faith, gross negligence, wilful misconduct, wilful neglect or default or a material failure to comply with applicable laws, regulations or restrictions and the provisions set forth in this Agreement or wilful failure to comply with express written directions given by either the directors of the Corporation or by binding resolution of the Corporation's shareholders, or (ii) the Consultant, in good faith, and absent fraud of its Nominees, determined that such course of conduct was in the best interests of the Corporation.

The Corporation acknowledges and agrees that the Consultant shall not be responsible for any losses or damages to the Corporation arising out of any action or inaction by a custodian or sub-custodian holding assets or investments of the Corporation, provided such third party was selected and engaged by the Consultant with the care, diligence and skill that a reasonably prudent manager would exercise in comparable circumstances.

The Consultant may rely and act upon any statement, report or opinion prepared by or any advice received from auditors, solicitors, notaries or other professional advisors of the Consultant and shall not be responsible or held liable for any loss or damage resulting from relying or acting thereon if the advice was within the area of professional competence of the person from whom it was received and the Consultant acted reasonably in relying thereon, provided such third party was selected and engaged by the Consultant with the care, diligence and skill that a reasonably prudent manager would exercise in comparable circumstances.

The Consultant hereby acknowledges and agrees that the obligations of the Corporation hereunder are not personally binding upon the shareholders of the Corporation, any annuitant under a plan of which a shareholder of the Corporation acts as a trustee or carrier, or the agents of the Corporation and that the Consultant shall not resort to or seek redress, recourse or satisfaction from the private property of any of the foregoing, whether the liability be based on contract, tort or otherwise. The Consultant agrees that only the Corporation and property held by the Corporation shall be bound by and subject to the obligations and liabilities arising out of this Agreement.

13. Indemnity

The Corporation shall indemnify and hold harmless the Consultant and its directors, officers, agents and employees from and against any and all expenses, losses, damages, liabilities, demands, charges, costs and claims of any kind or nature whatsoever (including legal fees, judgments and amounts paid in settlement, provided that the Corporation has approved such settlement) in respect of the acts, omissions, transactions, duties, obligations or responsibilities of the Consultant as manager and administrator to the Corporation, save and except where (a) such expenses, losses, damages, liabilities, demands, charges, costs or claims are the result of the bad faith, gross negligence, wilful misconduct, wilful neglect or

default or a material failure to comply with applicable laws, regulations or restrictions or the provisions set forth in this Agreement or wilful failure to comply with express written directions given by either the directors of the Corporation or by binding resolution of the Corporation's shareholders and (ii) the Consultant did not, in good faith, and absent fraud of its Nominees, determine such course of conduct was in the best interests of the Corporation.

14. Not Partners or Joint Venturers

The Corporation and the Consultant are not partners or joint venturers with each other and nothing herein shall be construed so as to make them partners or joint venturers or impose any liability as such on either of them, provided however that nothing herein shall be construed so as to prohibit the Corporation and the Consultant or its affiliates from embarking upon an investment together as partners, joint venturers or in any other manner whatsoever, subject to applicable law.

15. Term

This Agreement shall become effective on the date hereof and shall be in force until it is terminated pursuant to Section 16 hereof.

16. Termination

This Agreement shall continue in full force and effect until this Agreement is terminated by either party giving at least one (1) year prior written notice (or such shorter period as the parties may mutually agree upon) to the other party of such termination. If the Agreement is terminated by the Corporation, other than for reasons described in the three paragraphs which immediately follow, the Corporation shall pay to the Consultant within five (5) business days of such termination a termination payment equal to 1% of the Net Asset Value of the Corporation.

The Corporation may terminate this Agreement at any time if the Consultant breaches any of its material obligations under this Agreement and such breach has not been cured within 30 days following notice thereof from the Corporation.

Notwithstanding the foregoing, this Agreement shall terminate immediately where a winding-up, liquidation, dissolution, bankruptcy, sale of substantially all assets, sale of business or insolvency proceeding has been commenced or is being contemplated by the Consultant, and shall be terminated upon the completion of any such proceeding by the Corporation.

In addition, in the event that a person or group of persons, acting jointly or in concert, acquires control over at least 50% of the voting securities of the Corporation (a "**Change of Control**"), the Consultant may elect, in its sole discretion, to terminate this Agreement by giving the Corporation written notice of such termination within 90 days after the Change of Control. In the event that the Consultant terminates this Agreement upon a Change of Control, the Corporation shall (i) call a meeting of its shareholders to approve the change of the Corporation's name to remove any reference to "Sprott" pursuant to Section 17 hereof; and (ii) pay to the Consultant within five (5) Business Days of such termination, a termination fee equal to 3% of the Net Asset Value of the Corporation, plus (if and to the extent applicable) an amount equal to 20% of the amount by which the market capitalization of the Corporation exceeds the Net Asset Value of the Corporation, all determined as at the termination date. The payment of the termination fee to the Consultant is in addition to any accrued compensation and reimbursement for expenses to which the Consultant is then entitled.

Such termination of the Agreement will be without prejudice to the rights and liabilities created under this Agreement prior to the effective date of the termination including, but not limited to, the pro-rated amount of the Management Services Fee determined pursuant to Section 5 in respect of any partial fiscal quarter of the Corporation as if the fiscal quarter of the Corporation ended on the date of such termination of the Agreement and any other fees and expenses owed to the Consultant as of such date. Termination of this Agreement in accordance with the terms hereof shall not result in any penalty or other fee, other than the aforementioned termination fee payable following a Change of Control.

The parties acknowledge and agree that any change of the Consultant (other than by assignment to its successor or Affiliate) requires the Corporation's approval. The Corporation may, in its sole discretion, terminate and replace the Consultant where it deems it to be in the best interests of the Corporation.

Upon termination or assignment of this Agreement, the Consultant shall forthwith deliver to the Corporation, in the case of termination, or to the assignee, in the case of an assignment:

- (a) all records, documents and books of account; and
- (b) all materials and supplies of the Corporation,

which are in the possession or control of the Consultant and relate directly or indirectly to the performance by the Consultant of its obligations under this Agreement; provided, however, that the Consultant may retain notarial or other copies of such records, documents and books of account and the Corporation or the assignee shall produce at its head office the originals of such records, documents and books of account whenever reasonably required to do so by the Consultant for the purpose of legal proceedings or dealings with any governmental authorities. Upon termination or assignment of this Agreement, the Consultant shall forthwith pay over to the Corporation, in the case of a termination, or to an assignee, in the case of an assignment, all monies held for the account of the Corporation pursuant to this Agreement, after deducting any accrued compensation and reimbursement for expenses to which it is then entitled.

With respect to any transactions entered into by the Consultant on behalf of the Corporation prior to giving or receiving notice of termination or partial withdrawal, such transactions shall not be affected by such termination or partial withdrawal and adequate provisions will be made for proper settlement of outstanding commitments.

17. Change of Name

The Corporation acknowledges and agrees that the Consultant, for and on behalf of Sprott Inc., reserves all right, title and interest in or to the name or designation, or reference to "Sprott" in the name or designation of any of the Corporation's Affiliates or, if applicable, the Corporation. Upon termination of this Agreement, the Corporation shall forthwith upon written request of the Consultant:

- (a) call a meeting of its shareholders to approve an amendment to its articles of incorporation or take such other action as required to change the name of the Corporation or any of its Affiliates, as applicable, to one which does not include the word "Sprott" or any words similar thereto; and

- (b) upon the filing of articles of amendment or such other action changing the name of the Corporation or any of its Affiliates, as applicable, to remove the word "Spratt", cause to be executed and delivered all instruments necessary to evidence such change of name in each public registry where the name of the Corporation or any of its Affiliates, as applicable, shall have been registered and to disclaim any right, title or interest in or to the designation "Spratt".

The Corporation agrees that it shall be responsible for any expenses incurred by it in carrying out the foregoing provisions.

18. Confidentiality and Compliance with Laws

The Consultant shall treat as confidential all information pertaining to the Corporation that has not been publicly disclosed with the Corporation's consent or otherwise in accordance with applicable law, including, without limitation, the financial affairs of the Corporation, and the Consultant shall not disclose such confidential information to persons who are not involved in the management and operation of the Corporation, except with the Corporation's consent or as may be necessary to comply with applicable laws, regulations and policies and shall comply, and cause its Nominees to comply, with all applicable laws, regulations and policies and shall indemnify the Corporation for all losses, costs and expenses for failure to do so. The Corporation will treat all advice and information which it receives from the Consultant as confidential and for the exclusive use of the Corporation.

19. Notice

Any notice or other communication required or permitted to be given hereunder shall be in writing and if delivered, shall be delivered to a responsible officer of the Consultant or to the Corporation, or its directors, as the case may be, and if mailed shall be mailed by prepaid registered mail:

- (a) if to the Corporation, at Suite 2600, Royal Bank Plaza, South Tower, 200 Bay Street, Toronto, Ontario M5J 2J1, Attention: Chief Executive Officer, with a copy to the directors of the Corporation at their address specified in the Directors' Register of the Corporation; and
- (b) if to the Consultant, at Suite 2600, Royal Bank Plaza, South Tower, 200 Bay Street, Toronto, Ontario M5J 2J1, Attention: Chief Executive Officer, with a copy to the Chief Financial Officer of Spratt Inc.

Any notice so delivered shall be deemed to have been given and received at the time of delivery. Any notice so mailed shall be deemed to have been given and received on the third Business Day following such mailing, except in the event of interruption of normal postal service, in which event it shall be deemed given when received. Either party may from time to time upon written notice to the other party change their or its address.

20. Headings

The inclusion of section headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

21. Governing Law

This Agreement shall be governed by and constructed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby attorn to the jurisdiction of the courts of Ontario for arbitration of any disputes between them with respect to the subject matter hereof.

22. Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes and replaces all prior understandings, agreements, negotiations or discussions, whether written or oral, between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understanding, express or implied, between the parties other than those expressly set forth in this Agreement.

23. Further Acts

Each of the Corporation and the Consultant shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement.

24. Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect.

25. Amendment

This Agreement may not be amended, changed, supplemented or otherwise modified in any respect except by written instrument executed by the parties hereto or their respective successors or permitted assigns.

26. Assignment

This Agreement shall not be assigned by the Corporation without the prior written consent of the Consultant. Upon notice to the Corporation, the Consultant may transfer or assign any and all rights granted hereunder to any of its successors or Affiliates, provided such assignee continues to be controlled by Sprott Inc.

27. Successors

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

28. Counterparts

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

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IN WITNESS WHEREOF the Corporation and the Consultant, by proper officers duly authorized on their behalf, have executed this Agreement as of the date first above written.

SPROTT RESOURCE HOLDINGS INC.

By: "Terrence A. Lyons"
Name: Terrence A. Lyons
Title: Chairman

**SPROTT CONSULTING LIMITED
PARTNERSHIP, BY ITS GENERAL
PARTNER SPROTT CONSULTING GP
INC.**

By: "Peter Grosskopf"
Name: Peter Grosskopf
Title: Chief Executive Officer