



Sprott Resource Holdings Inc.

Q1 2018 Conference Call & MTV Update

May 10, 2018

Sprott

Disclaimer

Cautionary Statement Regarding Forward-Looking Information

Certain statements in this presentation or the accompanying oral remarks, including in response to questions, 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 forgoing, this presentation contains Forward-Looking Statements pertaining to: (i) expectations regarding the integration, management and economic potential of MTV; (ii) expectations regarding copper, including supply/demand fundamentals, price and cost of production; (iii) the focus of SRHI’s public disclosure and reporting in 2018; (iv) expected benefits from the implementation of chloride media leaching (“Salt Leach”) at MTV; (v) the expected benefits from the expansion of the Don Gabriel Manto open pit; (vi) expectations regarding the transition to a new open pit contractor; (vii) monetization of legacy holdings; (viii) supporting existing holdings and pursuing new investment opportunities; (ix) cash flow and production from MTV in 2018; (x) the preparation of a pre-feasibility level underground mining study for the exploitation of the Papomono Massive underground deposit and preliminary economic assessment level studies on ancillary deposits; and (xiii) statements concerning anticipated future events, results, circumstances, performance or expectations, that reflect management’s current expectations and are based on information currently available to the management of SRHI and its subsidiaries. Forward-Looking Statements are based on a number of expectations or assumptions which have been used to develop such statements and information but which may prove to be incorrect.

Although SRHI believes that the Forward-Looking Statements are reasonable, they are not guarantees of future results, performance or achievements and should not be unduly relied upon. A number of factors or assumptions have been used to develop the Forward-Looking Statements, including: (i) the effects of regulation and tax laws of governmental agencies will not materially change; and (ii) the availability of capital on acceptable terms. 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) general economic, market and business conditions; (ii) market volatility that would affect the ability to enter or exit investments; (iii) commodity price fluctuations and uncertainties; (iv) risks associated with the portfolio companies’ industries; (v) those risks described under the heading “Risk Management” in SRHI’s Management’s Discussion and Analysis for the year ended December 31, 2017; and (vi) those risks incorporated by reference into SRHI’s Annual Information Form dated March 29, 2018. The Forward-Looking Statements speak only as of the date hereof and, unless otherwise specifically noted, SRHI 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.

Disclaimer

Qualified Persons

Michael G. Hester, Vice President, Independent Mining Consultants, Inc., M.S. Mining Engineering and Ing. Gabriel Vera, President, GV Metallurgy, Engineer, both independent Qualified Persons as defined by NI 43-101, supervised the preparation of the scientific and technical content contained in this presentation. **[NTD: SRHI to consider whether to include Enrique Vega here.]**

Non-IFRS Financial Measures

This presentation uses the term "Working Capital" which is not recognized under IFRS and may not be comparable to a similar measure presented by other companies. The Company uses this measure to help evaluate its performance and liquidity as well as to assess potential investments and acquisitions. The Company considers this metric to be a key performance measure as it demonstrates the Company's ability to generate funds necessary to fund future growth through capital investment. This non-IFRS measure should not be considered as an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with IFRS.

This presentation also uses the term "cash costs" per recoverable pound which is a non-IFRS financial performance measure. "Cash costs" per recoverable pound is based on cost of sales but excludes, among other items, the impact of depreciation. SRHI believes that the use of "cash costs" per recoverable pound will assist investors, analysts and other stakeholders in understanding the costs associated with producing copper, understanding the economics of copper mining, assessing the operating performance of MTV and also its ability to generate free cash flow from its operations. "Cash costs" per recoverable pound is intended to provide additional information only and does not have any standardized meaning under IFRS and other issuers may define it differently. This measure should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Further details on non-IFRS measures are provided in the MD&A accompanying SRHI financial statements filed from time to time on SEDAR at www.sedar.com.

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Mineral Resources: This presentation may use the terms "measured", "indicated" or "inferred" mineral resources. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. United States investors are also cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable.

Speakers

Steve Yuzpe

Chief Executive Officer

Rick Rule

Chief Investment Officer

Michael Staresinic

Chief Financial Officer

Mike Harrison

Managing Director

Q1 Review

- Q1 2018 was an important quarter beginning the ramp up of production at our Minera Tres Valles (“MTV”) copper asset
- SRHI disclosure and reporting will focus on progress at MTV until there are material developments in monetizing legacy assets or upon successful ramp up of production at MTV, a new, accretive investment
- 2018 is a year of transition for SRHI as we integrate MTV
 - Changes to our accounting to reflect ownership of producing copper asset
 - Financial reporting currency is now US dollars

MTV Technical Report¹

Mineral Resource Estimate Highlights:

- MTV mineral reserve and resource estimates in line with SRHI expectations and validate the due diligence completed before purchasing asset
- Total measured and indicated mineral resource of 18.3 million tonnes at 1.03% CuT containing 417 million pounds of copper
- Total inferred mineral resource of 3.5 million tonnes at 1.11% CuT containing 84.4 million pounds of copper

¹ As disclosed in the *Minera Tres Valles Copper Project – Salamanca, Coquimbo Region, Chile – NI 43-101F1 Technical Report – Mineral Resource Estimate, Chloride Leach Processing, and Don Gabriel Manto Pit Expansion*, which has an effective date of March 29, 2018, and is available under SRHI's profile on SEDAR at www.sedar.com

MTV Technical Report¹

Salt Leach Pre-Feasibility Study Highlights:

- Potential to increase copper recoveries by 10%, up to 40% reduction of sulphide leaching cycle time, and up to 40% reduction in sulfuric acid consumption
- Estimated capital cost of US\$6.9 million, which includes the activities from detailed engineering to the end of construction
- Payback period of 2 years
- Completion in mid-2019

¹ As disclosed in the *Minera Tres Valles Copper Project – Salamanca, Coquimbo Region, Chile – NI 43-101F1 Technical Report – Mineral Resource Estimate, Chloride Leach Processing, and Don Gabriel Manto Pit Expansion*, which has an effective date of March 29, 2018, and is available under SRHI's profile on SEDAR at www.sedar.com

MTV Technical Report¹

Don Gabriel Manto Feasibility Study Highlights:

- Expected to eventually triple production from Don Gabriel Manto open pit
- Mine plan based on mineral reserves of 5.17 million tonnes at 0.81% CuT at a copper cut-off grade of 0.25%
- Produce approximately 14 million pounds of copper per year over a six-year reserve life
- Net Present Value of US\$50.6 million using an 8% discount rate for the Don Gabriel Manto mineral reserves utilizing salt-leach methods commencing in mid-2019

¹ As disclosed in the *Minera Tres Valles Copper Project – Salamanca, Coquimbo Region, Chile – NI 43-101F1 Technical Report – Mineral Resource Estimate, Chloride Leach Processing, and Don Gabriel Manto Pit Expansion*, which has an effective date of March 29, 2018, and is available under SRHI's profile on SEDAR at www.sedar.com

Operational Update

- In Q1 2018, MTV produced 1,422 tonnes of copper cathode at cash cost of US\$2.43/lb per pound
- MTV's board of directors recently selected a new open pit contractor to execute on the mine development plan
 - The board selected Vecchiola S.A. as the mining contractor
 - Vecchiola S.A owns a minority stake in MTV, which provides additional incentive to deliver strong and reliable service
 - Some operational disruption is expected during the transition of contractors
 - Production expected to normalize by Q4 2018

Summary of Operating Metrics

Operating information	Three months ended ¹ March 31, 2018
Ore Processed (thousands of tonnes)	212
Grade (% Cu)	0.96%
Cu Production (tonnes)	1,422
Cu Production (lbs.)	3,135,070
Cash cost of copper produced (USD per pound) ²	\$2.43
Realized copper price (USD per lb.)	\$3.10

¹ - The table shows the results for the 3-month period ended March 31, 2018 while the SRHI MD&A shows the 2-month period subsequent to closing the acquisition of MTV

² - Cash cost per pound of copper produced include all costs absorbed into inventory less non-cash items such as depreciation and non-site charges. It is a non-GAAP financial measure. Refer to Non-GAAP Performance Measure section of the MD&A for discussion.

Balance Sheet and Liquidity Profile

\$US millions (except for per share amounts)	March 31, 2018	December 31, 2017
Cash and cash equivalents	\$29.1	\$28.9
Working capital ¹	\$44.8	\$120.2
Portfolio investments	\$37.1	\$92.0
Total assets	\$179.1	\$121.8
Total equity attributable to owners of the Company	\$110.1	\$120.2

¹ - Measure not recognized by IFRS, see "Disclaimer – Non-IFRS Financial Measures".

Income Statement – Three Months Ended

\$US millions (except for per share amounts)	March 31, 2018	March 31, 2017
Revenue	\$6.0	N/A
Cost of Sales	(5.7)	N/A
Gross profit	\$0.3	N/A
Expenses	1.9	0.7
Unrealized loss on portfolio investments	6.4	13.7
	8.3	14.4
Net loss from continuing operations	(8.0)	(14.4)
Net loss from discontinued operations	(0.7)	-
Net loss for the period	\$(8.7)	\$(14.4)
Basic and diluted loss per share	\$(0.01)	\$(0.03)

News Flow

- Selection of EPC contractor and payments for long-lead items for salt leach project expected in early Q3 2018
- Publish combined mine plan comprising Pre-feasibility Technical Report on Papomono Massive and PEA level Technical Report on ancillary deposits; expected in early Q3 2018
- Commencement of new, larger-scale mining contractor in Q3 2018
- Receipt of permission to construct salt-leach plant in Q3 2018
- Quarterly update on operations

Summary

- **Generating operational cash flow and production ramp up at MTV**
 - Currently expanding production
 - Underground technical report and consolidating reports expected in Q3 2018
 - Growth of open pit mine production in Q4 2018 with copper cathode production reaching scale in 2019
- **Monetization of legacy assets**
 - SRHI has committed to monetizing legacy assets when appropriate and our progress towards this objective is another way to measure management's performance in 2018.
- **New investment opportunities**
 - After we have demonstrated sustainable growth at MTV, we have nearly US\$26 million in cash to deploy into accretive new investment opportunities or support existing investments, as appropriate