



Sprott Inc.

Q1 2020 Results

May 8, 2020

Sprott

Forward-looking Statements

Certain statements in this presentation or the accompanying oral remarks 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 and the accompanying oral remarks contain Forward-Looking Statements pertaining to: (i) share consolidation and NYSE listing expected in Q2 which will enhance profile with US and international investors; (ii) strong pipeline of new opportunities in the private strategies; (iii) expectation of bullion inflows to be followed by rotation into equities; and (iv) focus on driving growth through exploring complementary product line expansions and pursuing distribution agreements. 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, without limitation: (i) the impact of increasing competition in each business in which the Company operates will not be material; (ii) quality management will be available; (iii) the effects of regulation and tax laws of governmental agencies will be consistent with the current environment; and (iv) those assumptions disclosed under the heading "Significant Accounting Judgments, Estimates and Changes in Accounting Policies" in the Company's MD&A for the period ended March 31, 2020. 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) poor investment performance; (iii) failure to continue to retain and attract quality staff; (iv) employee errors or misconduct resulting in regulatory sanctions or reputational harm; (v) performance fee fluctuations; (vi) a business segment or another counterparty failing to pay its financial obligation; (vii) failure of the Company to meet its demand for cash or fund obligations as they come due; (viii) changes in the investment management industry; (ix) failure to implement effective information security policies, procedures and capabilities; (x) lack of investment opportunities; (xi) risks related to regulatory compliance; (xii) failure to manage risks appropriately; (xiii) failure to deal appropriately with conflicts of interest; (xiv) competitive pressures; (xv) corporate growth which may be difficult to sustain and may place significant demands on existing administrative, operational and financial resources; (xvi) failure to comply with privacy laws; (xvii) failure to successfully implement succession planning; (xviii) foreign exchange risk relating to the relative value of the U.S. dollar; (xix) litigation risk; (xx) failure to develop effective business resiliency plans; (xxi) failure to obtain or maintain sufficient insurance coverage on favourable economic terms; (xxii) historical financial information being not necessarily indicative of future performance; (xxiii) the market price of common shares of the Company may fluctuate widely and rapidly; (xxiv) risks relating to the Company's investment products; (xxv) risks relating to the Company's proprietary investments; (xxvi) risks relating to the Company's lending business; (xxvii) risks relating to the Company's merchant bank and advisory business; (xxviii) those risks described under the heading "Risk Factors" in the Company's annual information form dated February 27, 2020; and (xxix) those risks described under the headings "Managing Risk: Financial" and "Managing Risk: Non-Financial" in the Company's MD&A for the period ended March 31, 2020. 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.

Speakers

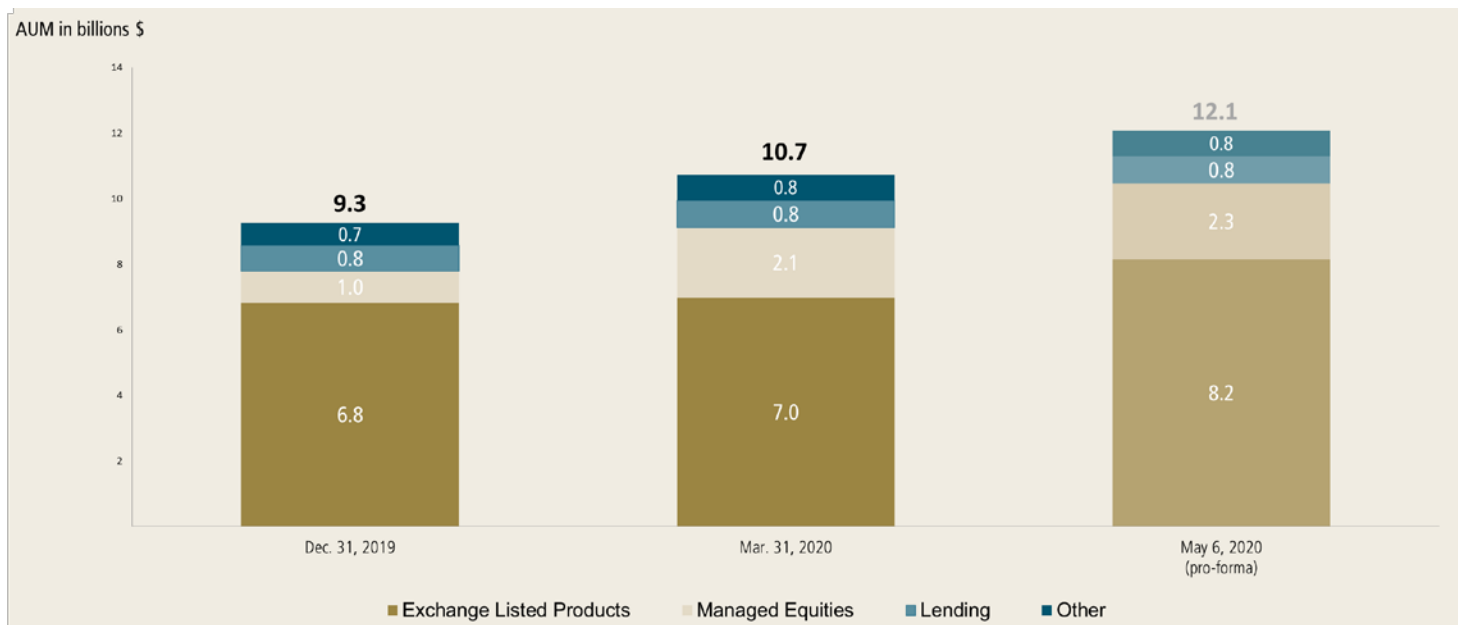
- **Peter Grosskopf, CEO, Sprott Inc.**
- **Whitney George, President, Sprott Inc.**
- **John Ciampaglia, CEO, Sprott Asset Management**
- **Kevin Hibbert, CFO, Sprott Inc.**

Q1 2020 and YTD Highlights

- Precious metals were impacted by the March market selloff but recovered more quickly than other asset classes
 - Gold bullion is up more than 10% YTD
 - Gold mining equities broke out in April
- Increased investor interest in precious metals reflected in net sales
 - Q1 net sales of \$627 million
- Total AUM increased by 16% to \$10.7 billion as of March 31, 2020 and by 30% to \$12.1 billion as of May 6, 2020
- Share consolidation and NYSE listing expected in Q2 2020

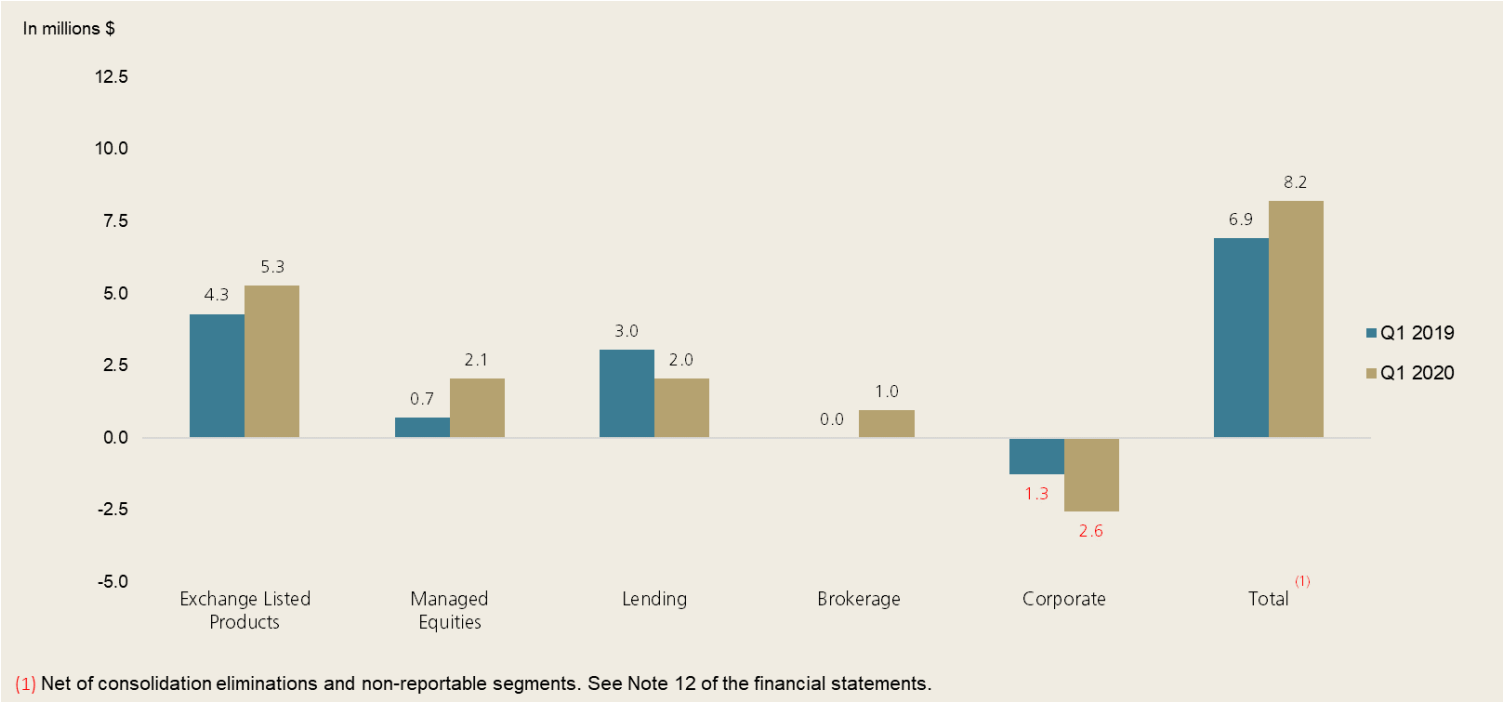
AUM Summary

- As of March 31, 2020 AUM was \$10.7 billion, up \$1.5 billion (16%) from Dec. 31, 2019



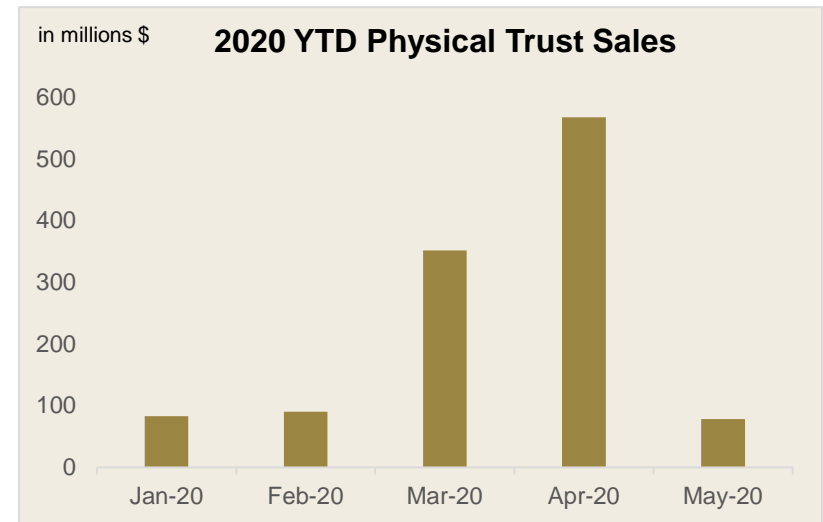
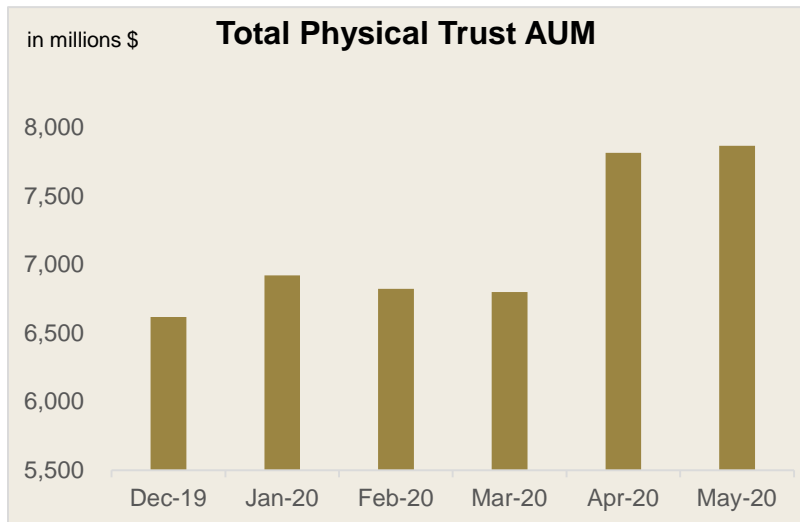
Q1 2020 Earnings Summary

- Adjusted base EBITDA in the quarter was \$8.2 million, up \$1.3 million (18%) from the prior period.



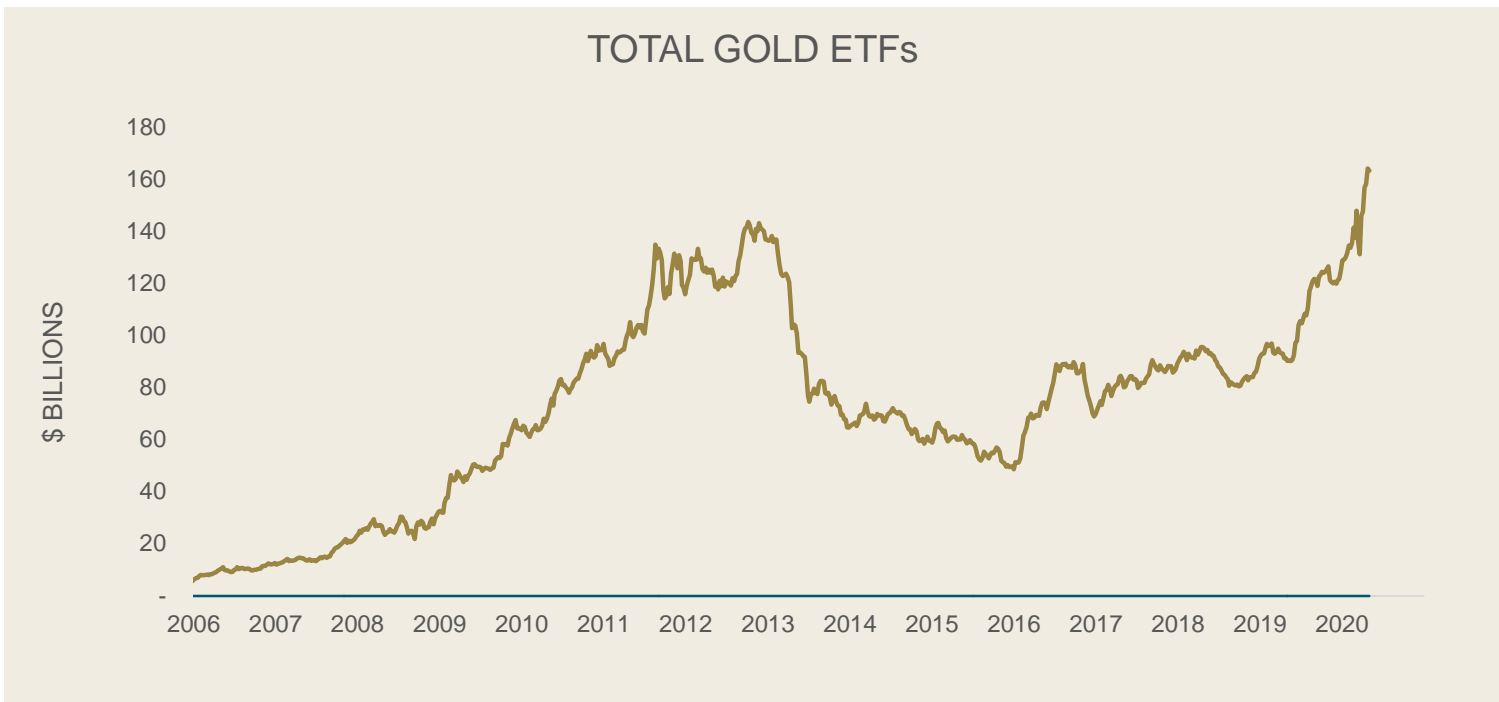
Physical Trusts

- Growing investor demand for physical metal coincided with disruption to global supply chain
- YTD AUM as of May 6, 2020: +20%
- YTD sales as of May 6, 2020: +\$1.1 billion



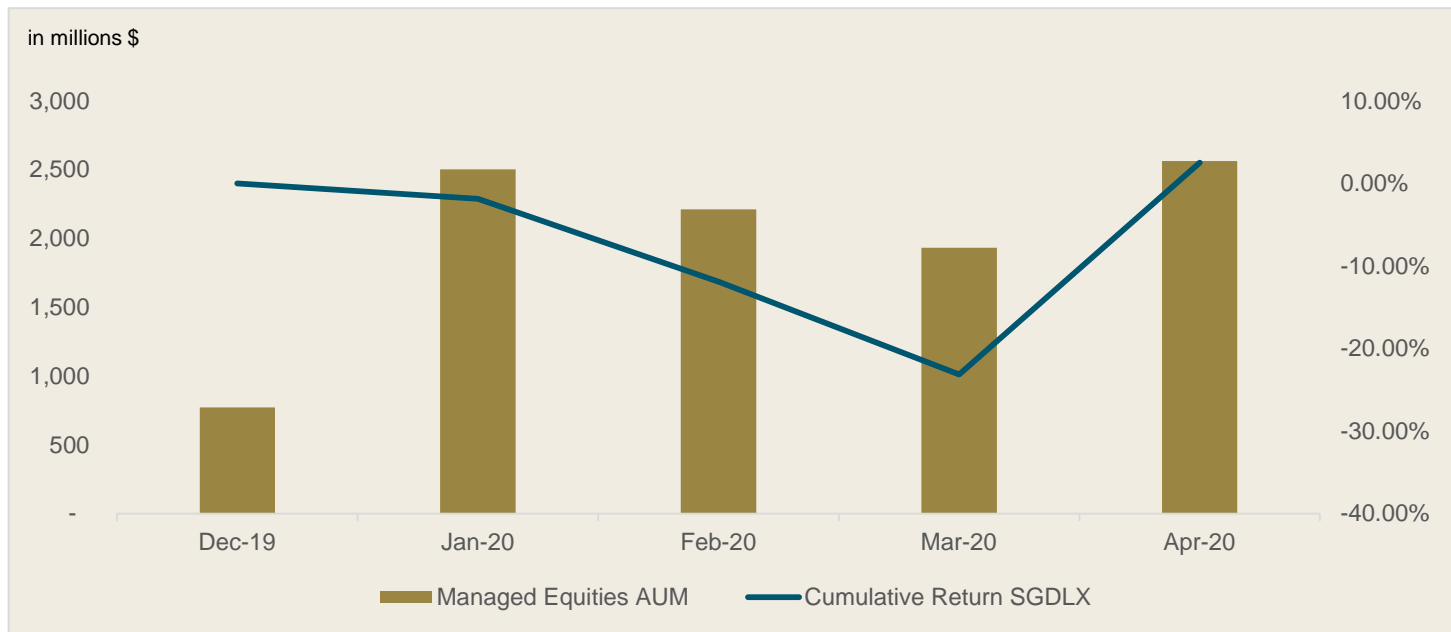
Gold Backed ETF Holdings at Record Highs

- Inflows into gold ETFs have surged since June 2019
- Gold is at all-time highs in every currency except the USD
- We expect gold will hit a new high in USD



Managed Equities

- Successfully integrated Tocqueville gold team
- Onboarded Tocqueville products with attrition levels in-line with expectations
- Hired Dr. Nicole Adshead-Bell as Portfolio Manager
- Sharp recovery in AUM – gold stocks up more than 40% since March 31, 2020
- Gold stocks are poised to be the new growth stocks – higher revenue and earnings



Private Strategies

Lending

- \$820 million raised in Lending Fund II
- Deployed \$63 million in Q1
- Strong pipeline of new opportunities

Project Participation

- New streaming and royalty strategy launched in 2019
- Fundraising expected to accelerate post COVID-19

Summary

- Outlook for precious metal investments has rarely been more positive
- Investor interest in precious metals is increasing – Sprott expects bullion inflows to be followed by rotation into equities
- Sprott is focused on continuing to drive growth in core strategies
- Share consolidation and NYSE listing expected to enhance profile with US and international investors

Supplemental Financial Information

Revenues

In millions \$	Q1 2020	Q1 2019
Total Net Revenues	15.0	15.2
Key revenue highlights:		
Net fees	15.0	10.2
Net Commissions	3.3	1.9
Finance income	0.9	2.9
Gains (losses) on investments	(4.4)	-

Expenses

In millions \$	Q1 2020	Q1 2019
Total Expenses	12.0	11.6
Key expense highlights:		
Compensation ⁽¹⁾	7.6	6.3
Selling, general & administrative	3.5	3.1

(1) See 'Compensation' in the key performance indicators (non-IFRS financial measures) section of the MD&A.

EBITDA Reconciliation

In millions \$ (except for per share amounts)	Q1 2020	Q1 2019
Net Income	1.1	2.9
Per share	0.01	0.01
Adjustments:		
Interest expense	0.2	0.2
Provision for income taxes	1.9	0.7
Depreciation and amortization	1.0	0.8
EBITDA	4.2	4.6
Other Adjustments:		
(Gains) losses on investments	4.3	(0.1)
Non-cash stock based compensation	0.1	1.3
Other expenses	(0.4)	1.1
Adjusted EBITDA	8.2	6.9
Less:		
Carried interest and performance fees	-	-
Carried interest and performance fees related expenses	-	-
Adjusted base EBITDA	8.2	6.9
Per share	0.01	0.01