



Sprott Inc.

Q3 2020 Results

November 13, 2020

Sprott

Forward-looking Statements

Certain statements in this presentation or the accompanying oral remarks contain forward-looking information and forward-looking statements (collectively referred to herein as the "Forward-Looking Statements") within the meaning of applicable Canadian and U.S. 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) institutional interest and engagement gradually increasing which should lead to capturing new flows in our managed equities segment; (ii) pursuing international distribution partnerships; (iii) exploring opportunities to launch/acquire complementary products in key segments; and (iv) the declaration, payment and designation of dividends.

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 September 30, 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 brokerage 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 September 30, 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 securities laws.

Speakers



Peter Grosskopf,
CEO,
Sprott Inc.



Whitney George,
President,
Sprott Inc.



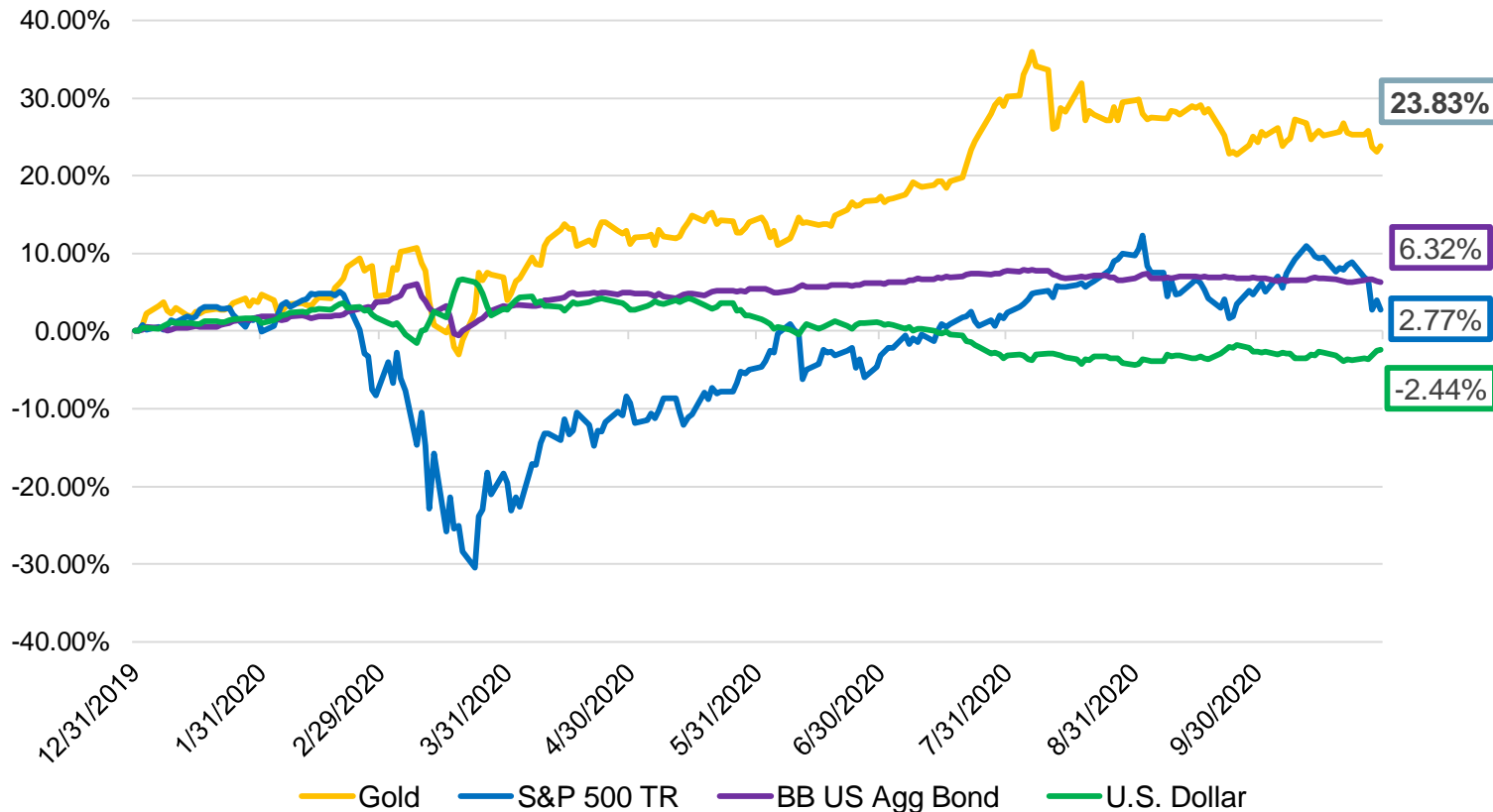
John Ciampaglia,
CEO,
Sprott Asset
Management



Kevin Hibbert
CFO,
Sprott Inc.

Gold Performing Well During Tumultuous Year

- Gold outperformed all major asset classes during the first 9 months of 2020



Source: Bloomberg. Period from 12/31/1999-9/30/2020. Gold is measured by GOLDS Comdty; US Agg Bond Index is measured by the Bloomberg Barclays US Agg Total Return Value Unhedged USD (LBUSTRUU Index); S&P 500 TR is measured by the SPX; and the U.S. Dollar is measured by DXY Currency.

YTD Highlights¹

Successfully Driving Growth and Profitability Across the Platform

AUM

Increased 76% from
December 31, 2019

Net Sales

Generated \$2.3B
of Net Sales YTD

Investment Performance

\$3.1B in market value
appreciation YTD

Financial Results

Adjusted Base
EBITDA up
36% over first
9 months of 2019

Shareholder Value

Listed on NYSE
-
Added to TSX Composite
-
Selected to TSX30

Increased Dividend

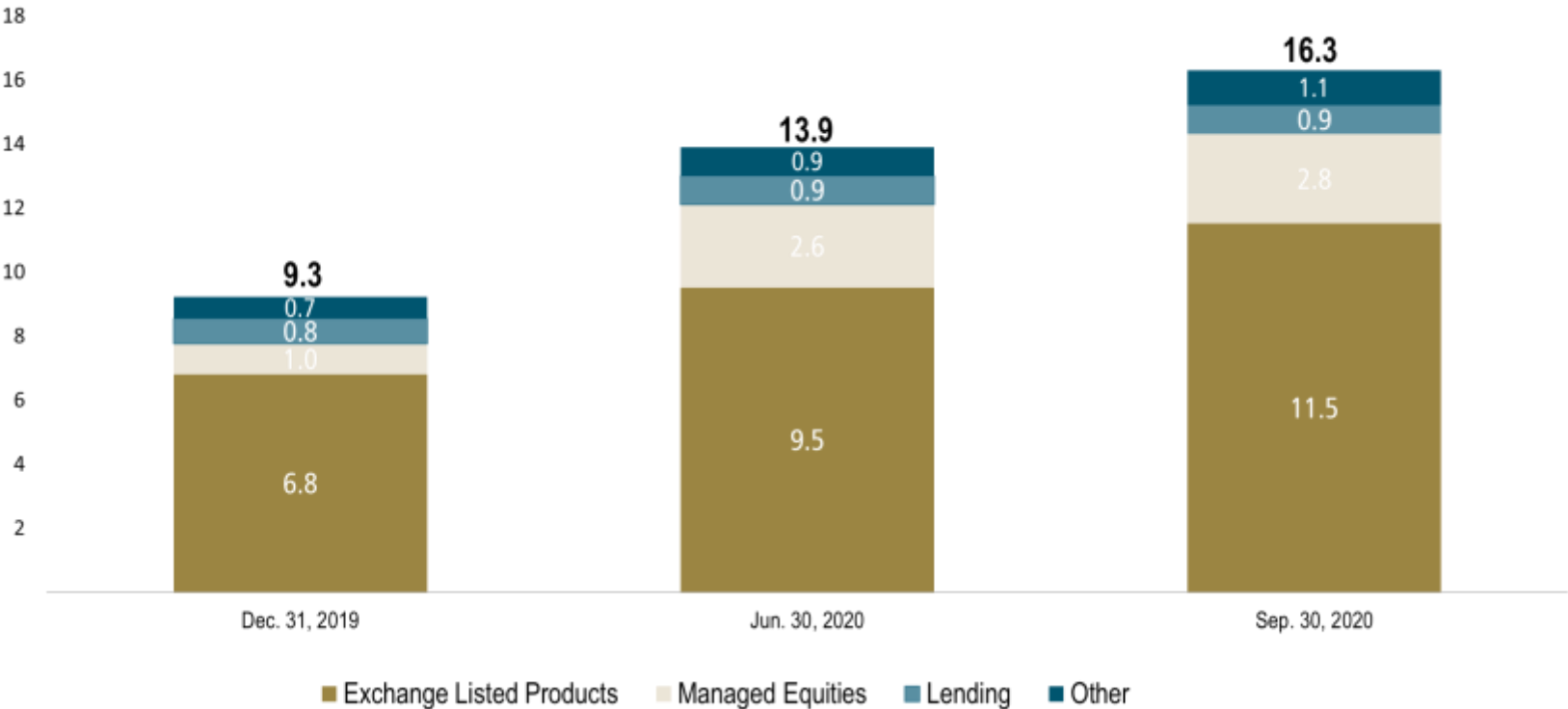
Increased quarterly
dividend by 8.7% to \$0.25
per share

⁽¹⁾ All figures as of Sept. 30, 2020

AUM Summary

- September 30, 2020 AUM was \$16.3 billion, up \$2.4 billion (17%) from June 30, 2020 and up \$7 billion (76%) from December 31, 2019

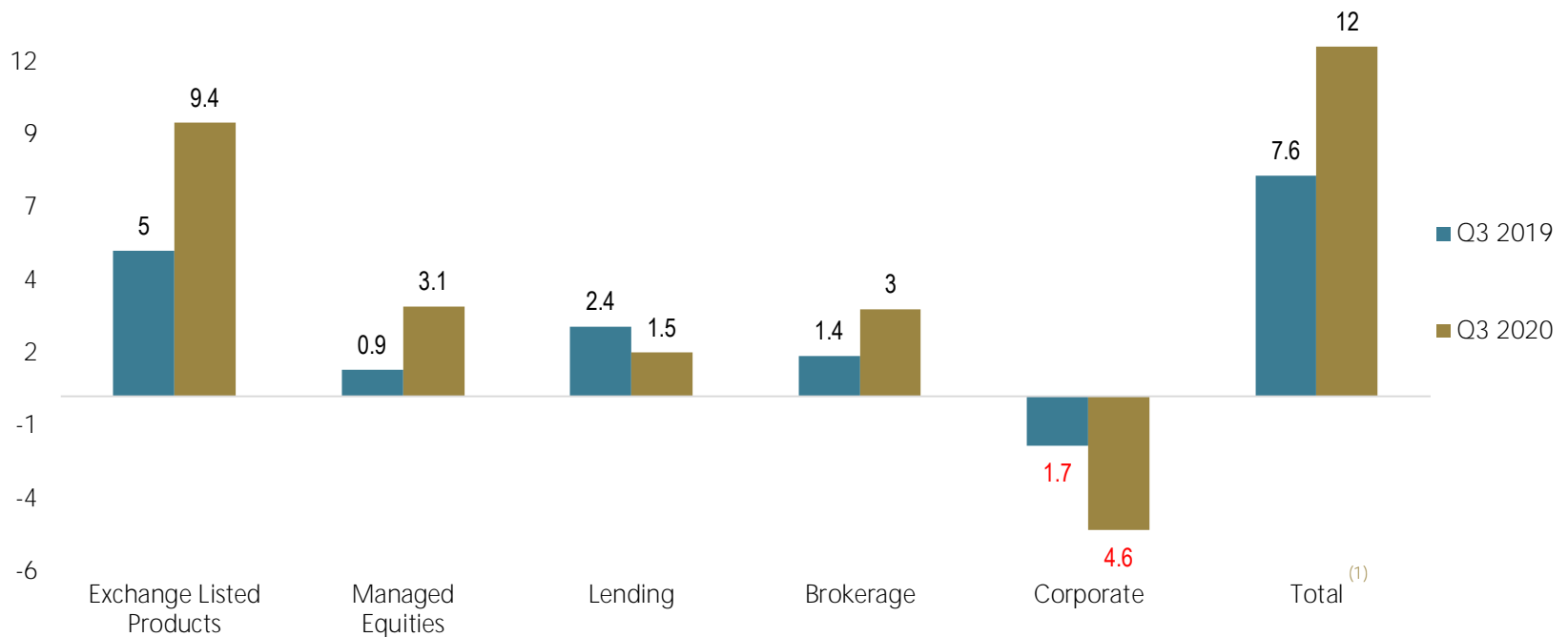
AUM (in \$billions)



Earnings Summary (3 months ended)

- Adjusted base EBITDA for the 3 months ended September 30, 2020 was \$12 million, up \$4.4 million (58%) from September 30, 2019

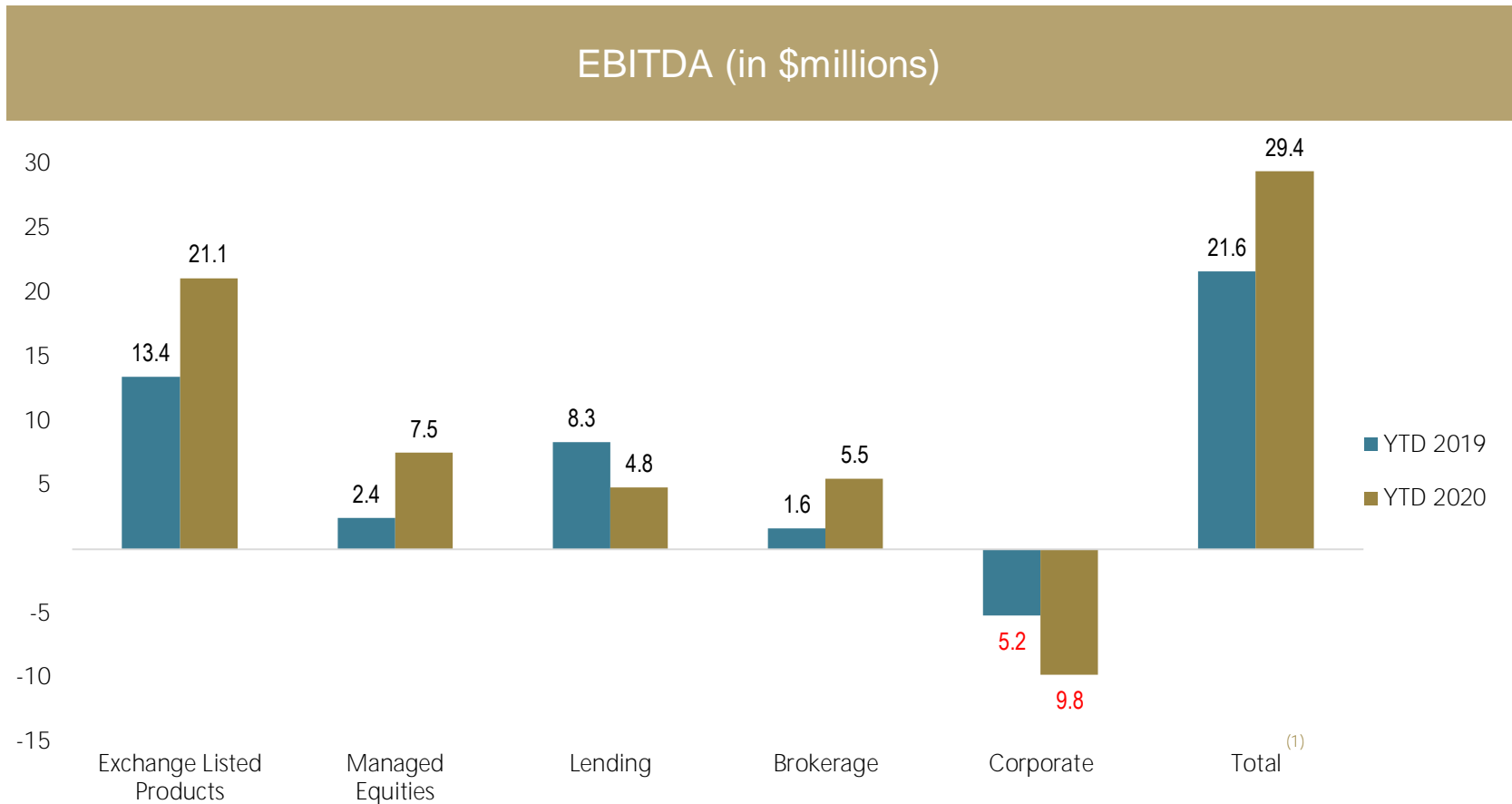
EBITDA (in \$millions)



(1) Net of consolidation, eliminations and non-reportable segments. See Note 12 of the financial statements

Earnings Summary (9 months ended)

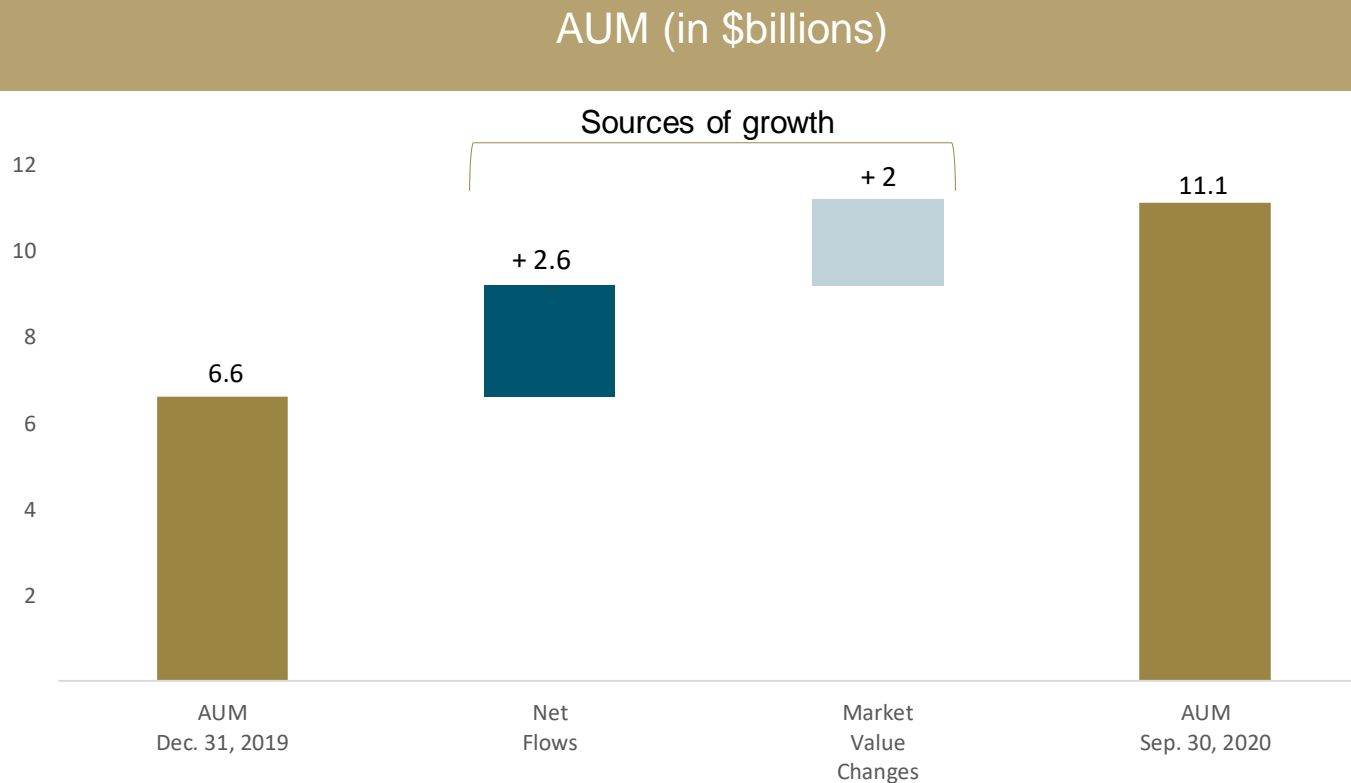
- Adjusted base EBITDA for the 9 months ended September 30, 2020 was \$29.4 million, up \$7.9 million (36%) from September 30, 2019



(1) Net of consolidation, eliminations and non-reportable segments. See Note 12 of the financial statements

Exchange Listed Products: Physical Bullion Trusts

- Investor demand in Q3 remained robust
- AUM as of September 30, 2020: +69% from December 31, 2019
- Year-to-date sales: +\$2.6 billion
- \$500MM+ in ATM sales since gold price peaked in early August



Managed Equities

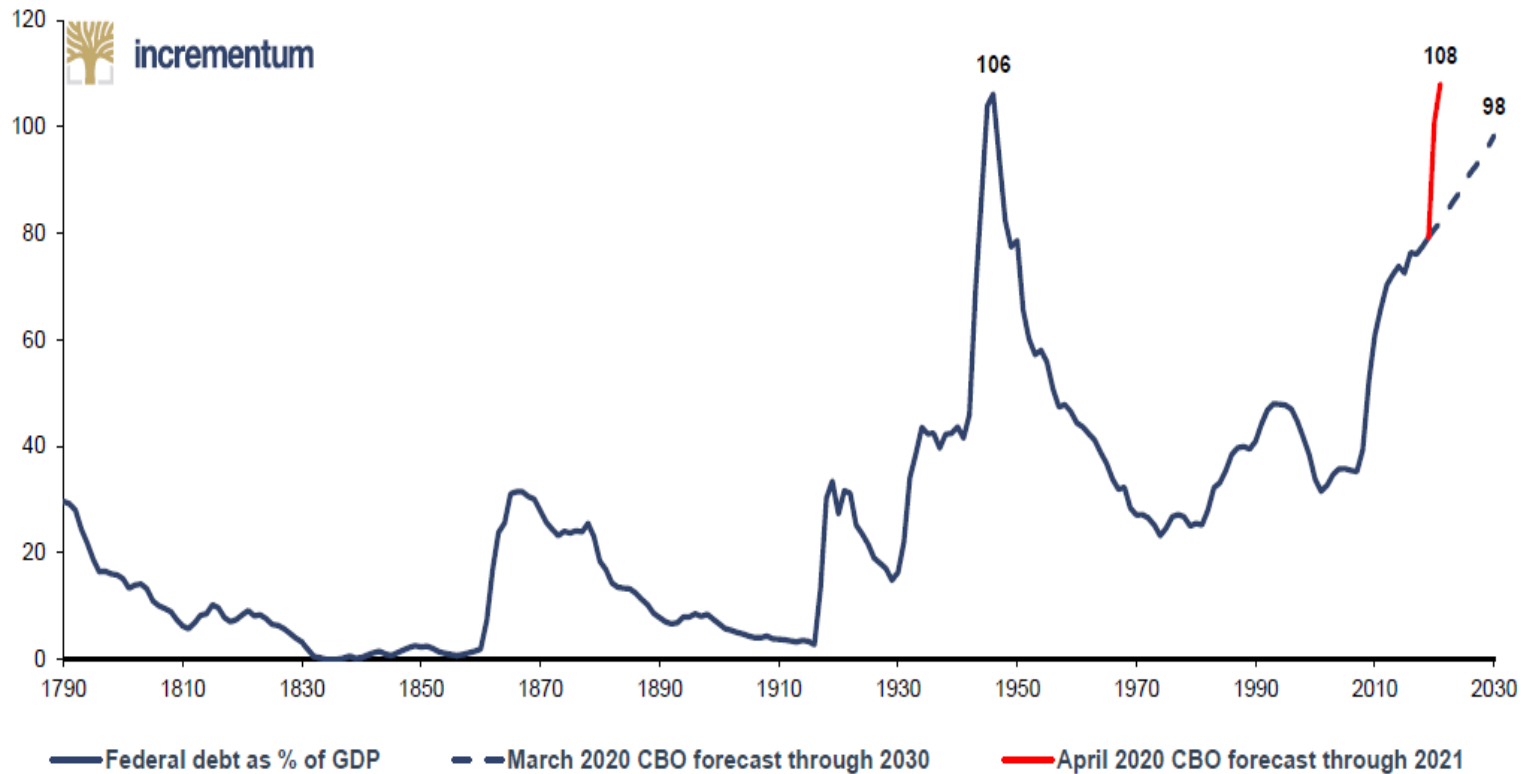
- Assets Rebound
 - Majority of funds up 25-50% YTD (to October 31)
 - Redemption rate in flagship mutual fund continues to decline
- Well-Positioned to Capture New Flows
 - Relative performance has improved materially since July 1st with small/mid cap gold stocks outperforming their larger cap peers
 - Flows to the category remain muted despite exceptional earnings growth from gold miners
 - Institutional interest and engagement gradually increasing

Private Strategies

- Private strategies currently have more than \$900MM in total AUM
- LF2 is continuing to generate strong returns for LPs
 - ~\$300MM in deployed capital with an additional \$400MM in pipeline
- Complementary streaming and royalty strategy launched in 2019
 - Continuing to build out the team with new senior talent
 - Recently hired Caroline Donally (formerly of Denham Capital) as Managing Partner

Debt Levels Past the Point of No Return

Federal Debt as a Percentage of GDP 1790 – 2030e



Summary

Focused on Driving Sustainable Growth

Fundamentals in place for a sustained bull market in precious metals

Gold is now a mandatory portfolio allocation as governments turn to extraordinary measures to service debt

Continuing to explore opportunities to launch/acquire complementary products in key segments

Pursuing international distribution partnerships to extend global reach



Supplemental Financial Information

Revenues

In millions \$	Q3		YTD	
	2020	2019	2020	2019
Total Net Revenues	31.3	17.2	74.6	47.3
Key revenue highlights:				
Net fees	19.6	10.5	50.1	30.6
Net Commissions	5.6	3.4	12.7	7.3
Finance income	0.8	2.6	2.3	8.9
Gains (losses) on investments	4.4	0.6	8.2	0.2

Expenses

In millions \$	Q3		YTD	
	2020	2019	2020	2019
Total Expenses	21.0	11.4	49.2	36.7
Key expense highlights:				
Compensation ⁽¹⁾	12.3	6.9	28.1	18.7
Selling, general & administrative	2.5	3.2	9.1	9.5

(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)	Q3		YTD	
	2020	2019	2020	2019
Net Income	8.7	4.3	20.3	8.8
Per share ⁽¹⁾	0.36	0.18	0.83	0.36
Adjustments:				
Interest expense	0.3	0.3	0.9	0.8
Provision for income taxes	1.6	1.5	5.1	1.8
Depreciation and amortization	1.0	0.9	3.0	2.5
EBITDA	11.6	7.0	29.3	13.9
Other Adjustments:				
(Gains) losses on investments	(4.4)	(0.6)	(8.2)	(0.4)
Non-cash stock based compensation	0.9	1.2	1.5	3.2
Other expenses	3.9	-	6.8	4.8
Adjusted EBITDA	12.0	7.6	29.4	21.6
Less:				
Carried interest and performance fees	-	-	-	-
Carried interest and performance fees related expenses	-	-	-	-
Adjusted base EBITDA	12.0	7.6	29.4	21.6
Per share ⁽¹⁾	0.49	0.31	1.20	0.88

(1) Per share amounts for periods before May 28 reflect retrospective treatment of the 10:1 share consolidation