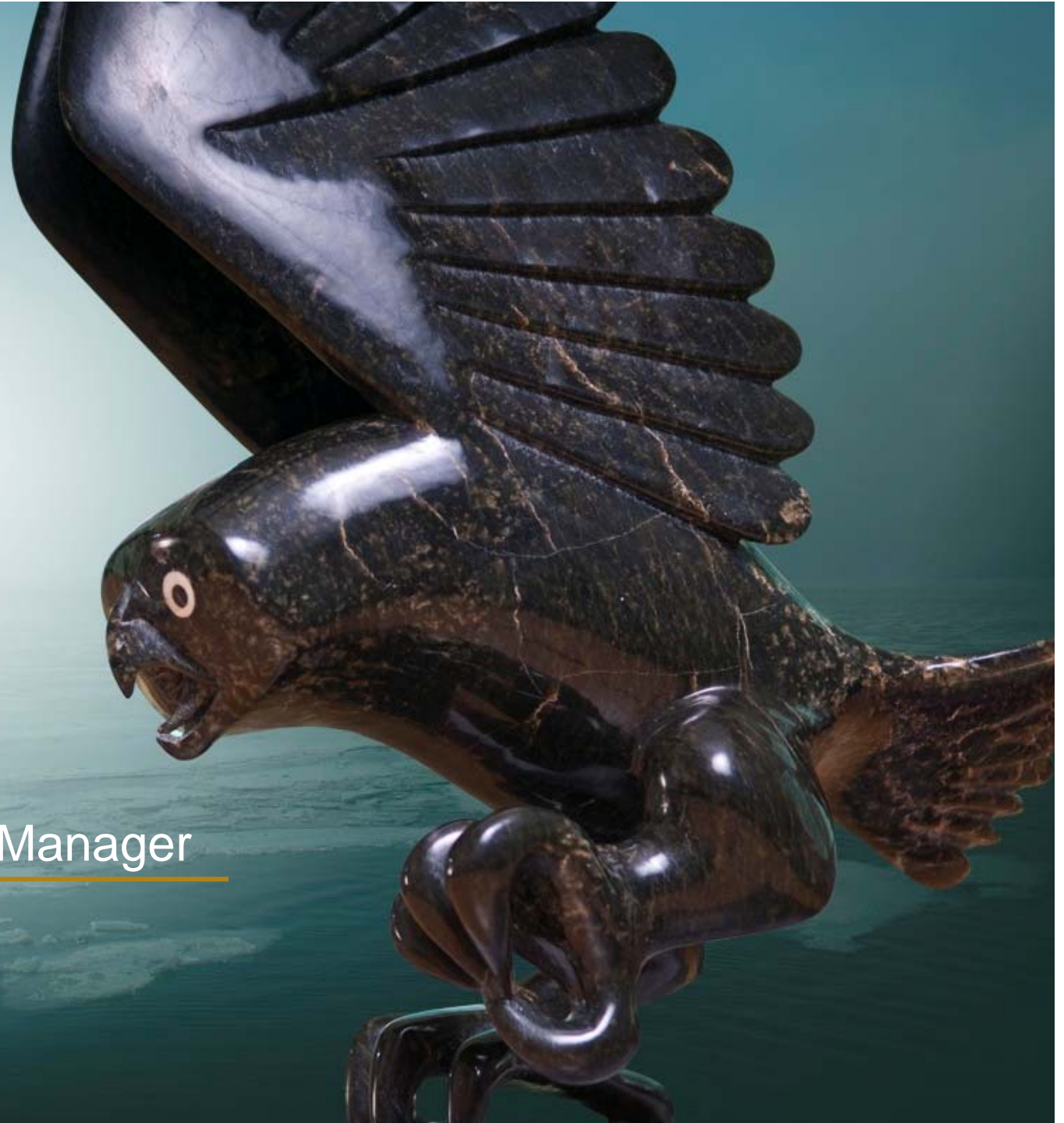




Building a Global Alternative Asset Manager

Annual General Meeting
June 2, 2011



Forward Looking Statements

This presentation contains "forward-looking statements" which reflect the current expectations of the Company. These statements reflect management's current beliefs with respect to future events and are based on information currently available to management. Forward-looking statements involve significant known and unknown risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including, without limitation, those listed under the heading "Risk Factors" in the Company's annual information form dated March 25, 2011. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this presentation. Although the forward-looking statements contained in this presentation are based upon what the Company believes to be reasonable assumptions, the Company cannot assure investors that actual results, performance or achievements will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this presentation and the Company does not assume any obligation to update or revise them to reflect new events or circumstances.

Sprott Inc.

Eric Sprott, Chairman, Sprott Inc.



Agenda

- Introduction
- Scrutineer's Report
- Election of Directors
- Appointment of Auditors
- Other Business
- Market Outlook
- Management Presentation

Market Outlook

Eric Sprott

CIO, Sprott Asset Management



Market Outlook – The Current Situation

- Sovereign debt crisis in Europe to continue
- Inflation is next economic ‘battle ground’
- Consumer confidence is failing
- Quantitative easing is becoming policy
 - gold and silver are assuming role as currency
- Fundamentals for precious metals remain compelling
 - expect correction to be short lived

Market Outlook – The Road Ahead

- Gold was the investment of the last decade
– silver will be the investment of the next decade
- Long-short strategies provide defensive positioning for difficult equity and bond markets
- Attractive opportunities still exist in certain areas
- Focused on “must have” assets
 - Precious metals
 - Energy
 - Agriculture

Building a Global Alternative Asset Manager

Peter Grosskopf, CEO, Sprott Inc.



2009: An Evolving Organization

Asset / Wealth Management

Direct Management

Sprott Inc.
(TSX: SII)

Market Cap:
\$675 Million*

Sprott
Asset
Management

\$4.8 billion AUM*

Sprott
Private
Wealth

\$1.2 billion AUA*

Sprott
Consulting LP

Sprott
Resource
Corp.
(TSX: SCP)

Market Cap:
\$394 Million*

* Market Cap, AUM and AUA as of December 31, 2009.

2011: Primed for Growth

Asset / Wealth Management

Direct Management

Sprott Inc.
(TSX: SII)

Market Cap:
\$1.6 billion**

Sprott
Consulting LP

Sprott
Asset
Management

Sprott
Private
Wealth

Sprott
U.S.

\$8.4 billion AUM*

20 investment
professionals

10 mutual funds

7 hedge funds

5 specialty products

\$3.9 billion AUA*

David Franklin
named CEO

>2,000 clients

10 investment
advisors

\$2.0 billion AUA/AUM*

Entry point to large
and fragmented U.S.
market

>4500 clients

6 investment
advisors

Combined market cap >\$900 million

Sprott
Resource Corp.
(TSX: SCP)

Market Cap:
\$610 Million**

Sprott Resource
Lending Corp.
(TSX: SIL
AMEX: SILU)

Market Cap:
\$275 Million**

Sprott
Power Corp.
(TSX: SPX)

Market Cap:
\$50 Million**

* AUM and AUA as of December 31, 2010.

**as of March 31, 2011

Focus on Performance

2010 highlights:

- Broad out-performance from most mutual and hedge funds, driven by positions in precious metals
- 11 funds with returns >30%
- 4 of which posted returns >50%
- Sprott Capital Fund LP named “Fund of the Year” at 2010 AR Awards

Delivering Broad Based Performance

20 investment professionals

Fund	Lead Managers	2010 Return
Sprott Canadian Equity Fund	Eric Sprott	58%
Sprott Capital Fund LP	Eric Sprott	48%
Sprott Gold and Precious Minerals Fund	Charles Oliver and Jamie Horvat	75%
Sprott Small Cap Equity Fund	Allan Jacobs	50%
Sprott Energy Fund	Eric Nuttall	30%

Strong performance contributions across the team

Capitalizing on Performance

76%

of AUM have associated performance fees

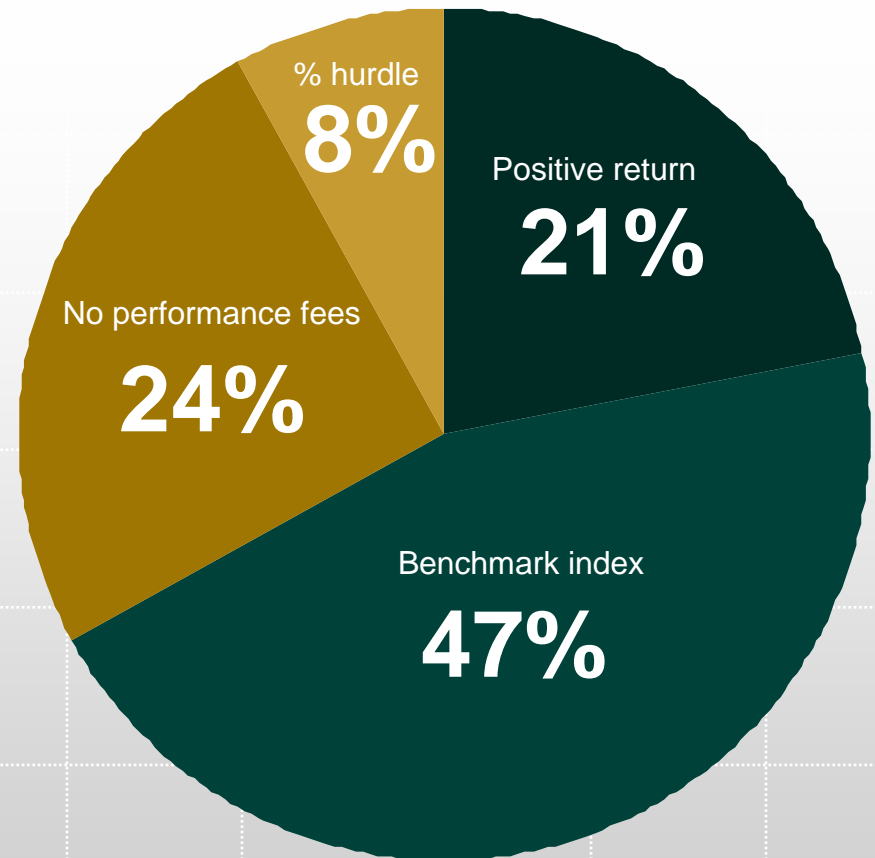
96%

earned performance fees in 2010

\$200M

in performance fees in 2010

*As at December 31 2010



A Good Year for Shareholders

Over the past year, SII shareholders have benefited from:

- >80% increase in AUM
- Declared 2010 dividends totaling \$0.83 per share
- 140% increase in share price



Invest in Management Talent

- Eric Nuttall named lead manager on Sprott Energy Fund
- Allan Jacobs added as co-manager on Sprott Canadian Equity Fund
- Paul Wong hired as portfolio manager
- Rick Rule joins senior management team
 - Global Group's team of earth scientists provides additional resources expertise
- Ben Chim joined team as credit strategist and associate portfolio manager

Diversifying Through New Product Offerings

2010 successful new products:

- Fixed Income & Balanced Funds
\$257 million in AUM
- Flow-Through Funds
\$129 million in AUM
- Exchange Traded Bullion Funds
\$2.4 billion in AUM

2011 new product initiatives:

Products aligned to macro-economic thesis:

- Rising inflation / interest rates
- Energy
- Precious metals

Proven, repeatable product development process

US Expansion – Global Group Acquisition

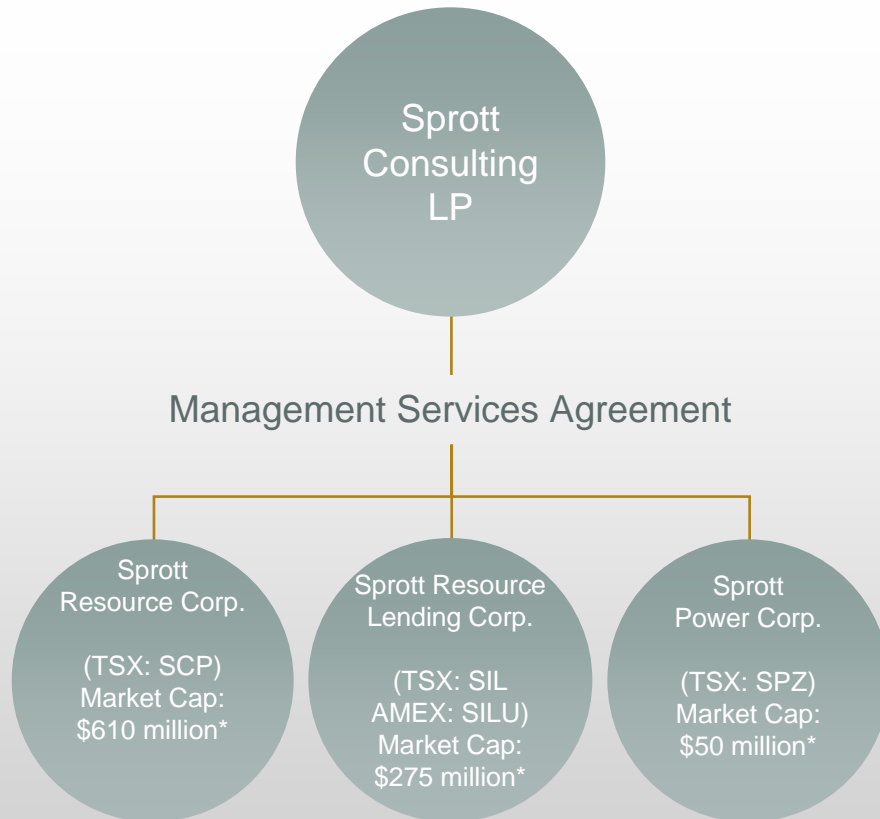
The Global Companies

- Led by Rick Rule; leading resource investor
- Diversified team of resource experts
- Expertise in small cap resource investing
- Strong reputation and client relationships

Synergistic Acquisition

- Provides entry point into US market
- Strengthens investment team
- Leverages existing platforms
- Adding complementary Sprott-managed mandates
 - Precious metals
 - Energy

Direct Investing Capabilities



Sprott Consulting:

- Delivers valuable private-equity type component to Sprott revenue mix
- Can invest quickly and counter-cyclically with proven management teams
- Multiple funding channels with potential for permanent capital
- Offers tremendous growth opportunities through alternative asset classes

*as of March 31, 2011

Leveraging our Platform

- Significant investments in operations, systems, marketing, compliance and infrastructure
- Industry-leading investment team
- Capacity to manage significantly more
- Financial strength to continue adding new products and services
- Strong balance sheet and public status provides synergistic acquisition opportunities in a fragmented, mostly private marketplace

Sprott Inc. Priorities

1

Stay Focused on Performance

- Increase our investment expertise
- Build or acquire new investment capabilities

2

Leverage Our Platform

- Grow assets and build scale
- Diversify our assets
- Continue expansion into investment areas where we have a sustainable competitive advantage

3

Expand Globally

- Leverage our global brand equity and investment networks
- Create new products to expand our client base



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