



Sprott INC.

August 11, 2011

2011 Second Quarter Financial Results

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.

Speakers

Peter Grosskopf

Chief Executive Officer

Steve Rostowsky

Chief Financial Officer

Financial Highlights

- AUM of \$9.3 billion as at June 30, 2011
- Net sales of \$565 million
- \$37.2 million in management fees
- \$14.6 million in EBITDA, \$0.09 per share
- \$18.1 million in Base EBITDA, \$0.11 per share
- Net income of \$7.5 million, \$0.04 per share
- Declared \$0.03 second quarter dividend

Year to Date Highlights

- Sprott Group of Companies reached \$10 billion in AUM
- Completed \$220 million IPO of the Sprott Strategic Fixed Income Fund
- Launched Sprott Silver Bullion Fund
- Raised \$647 million through two follow on offerings of Sprott Physical Gold Trust Units
- Continued growth from SCLP managed companies
 - Sprott Resource Corp - Orion Oil & Gas merged with Westfire Energy
 - Sprott Power Corp - assets generating revenues
 - Sprott Resource Lending - ongoing liquidation of real estate portfolio

Integration of Global Companies

- Named Paul Meehl, CEO of U.S. brokerage business
- Continuing to integrate accounting, compliance, marketing and IT platforms
- Building new U.S. managed account platforms
 - Rollout expected to commence this fall
- Leveraging combined strengths through continuous sharing of ideas, deal flow and new investment products

Mutual Fund Performance

Series A, YTD as at June 30, 2011*

	Actual	Benchmark	
Canadian Equity Fund	-14.9%	0.2%	S&P/TSX Composite Total Return Index
Gold & Precious Minerals Fund	-16.2%	-13.2%	S&P/TSX Global Gold Index
Energy Fund	-7.0%	-1.2%	S&P/TSX Capped Energy Total Return Index
Growth Fund	-16.9%	0.2%	S&P/TSX Composite Total Return Index
Small Cap Equity Fund	-6.6%	-4.3%	S&P/TSX Small Cap Total Return Index
All Cap Fund	-13.2%	0.2%	S&P/TSX Composite Total Return Index
Gold Bullion Fund	1.6%	2.1%	Gold (CAN)

Hedge Fund Performance

*Class A as at June 30, 2011**

Hedge Fund L.P	-14.6%
Hedge Fund L.P. II	-13.5%
Bull/Bear RSP Fund	-13.8%
Opportunities Hedge Fund L.P	-3.7%
Opportunities RSP Fund	-3.8%
Small Cap Hedge Fund	-5.8%

Offshore Funds**

Offshore Fund	-8.9%
Offshore II Fund	-11.0%
Capital, L.P.	-8.5%
Capital, L.P. II	-11.6%

Assets Under Management

\$ millions

Q2-2011

Q2-2010

AUM, beginning of period

9,678

5,155

Net sales

565

104

Market value appreciation (depreciation) of portfolios

(951)

287

AUM, end of period

9,292

5,546

AUM by Product Type

Product Type	June 30, 2011		June 30, 2010	
	\$ (in millions)	% of AUM	\$ (in millions)	% of AUM
Mutual Funds	2,937	31.7%	2,263	40.8%
Bullion Funds	2,490	26.8%	918	16.6%
Domestic Hedge Funds	1,647	17.7%	1,371	24.7%
Offshore Funds	681	7.3%	520	9.4%
Direct Management (Managed Companies)	644	6.9%	333	6.0%
Managed Accounts (Includes Flow Through LPs)	436	4.7%	141	2.6%
Fixed Term Limited Partnerships	457	4.9%	-	-
Total	9,292	100%	5,546	100%

Revenue

\$ millions

Q2-2011

Q2-2010

Management fees

\$37.2

\$24.2

Commissions

\$4.9

\$0.4

Unrealized and realized gains (losses) on proprietary investments

\$(4.0)

\$1.0

Other income

\$1.2

\$1.0

Total revenue

\$39.3

\$26.6

Summary Financial Information

\$ millions except per share amounts

	Q2-2011	Q2-2010
Total revenue	\$39.3	\$26.8
Total expenses	\$28.1	\$15.8
EBITDA	\$14.6	\$11.4
EBITDA per share	\$0.09	\$0.8
Base EBITDA*	\$18.1	\$10.3
Base EBITDA per share	\$0.11	\$0.7
Net income	\$7.5	\$7.8
Earnings per share	\$0.04	\$0.05

* Base EBITDA refers to EBITDA excluding performance fees and performance fee-related bonuses, and gains and losses on proprietary investments.

Building a Global Alternative Asset Manager

- Building a unique global platform:
 - Publicly listed
 - Diversified by geography
 - Multiple sales channels
 - Multiple asset classes and types
- Investments in marketing, compliance, systems and operations
- Continuing to build industry-leading investment team
- Financial capability to continue adding new products and services
- Market turmoil expected to provide new M&A candidates and opportunities to acquire new managers and products

Major Initiatives

Organic growth through:

- International institutional sales
 - New global fund being considered
- U.S. managed account expansion
- Continued growth of direct investment area
- Ongoing expansion of product line

External growth through:

- Possible acquisitions of product and private client asset managers
- Evaluation of global M&A opportunities to advance strategic priorities

Market Outlook

- Markets under sustained pressure from weak economic conditions, combined with excessive government and consumer debt
- Investors slowly losing faith in overall financial system
- Funds are well positioned
 - Long-short strategies provide defensive positioning for difficult equity and bond markets
- Fundamentals for precious metals remain compelling

Sprott Inc. Priorities

1

Stay Focused
on Performance

2

Leverage Our
Platform

3

Expand
Globally



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