



Sprout INC.

Q1 2009
Financial Results
May 7, 2009

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 prospectus. 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 and Sprott Asset Management (SAM) believe to be reasonable assumptions, neither the Company nor SAM can 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 neither the Company nor SAM assumes any obligation to update or revise them to reflect new events or circumstances except as required by Canadian Securities laws.



Speakers



Eric Sprott CA

President, CEO & Director, Sprott Inc.
Portfolio Manager, Sprott Asset Management

Steve Rostowsky CA CFA

Chief Financial Officer

Peter Hodson CFA

Director, Sprott Inc.
Portfolio Manager, Sprott Asset Management

Market Review



- Still bearish on the market
- Market starting to recognize undervalued opportunities
- Still bullish on GOLD

Mutual Fund Performance



<i>Series A, YTD as at March 31, 2009</i>	Actual	Benchmark	
Canadian Equity Fund	11.29%	-2.00%	S&P/TSX Composite Total Return Index
Gold & Precious Minerals Fund	33.55%	8.44%	S&P/TSX Global Gold Index
Energy Fund	4.63%	1.01%	S&P/TSX Capped Energy Total Return Index
Growth Fund	9.01%	-2.00%	S&P/TSX Composite Total Return Index
Global Equity Fund	-16.82%	-8.75%	MSCI World Index (CAD)
Small Cap Equity Fund	12.00%	-3.68%	S&P/TSX Small Cap Total Return Index
All Cap Fund*	-	-	S&P/TSX Composite Total Return Index
Gold Bullion Fund* (launched on 17/03/09)	-	-	N/A

* In accordance with NI 81-102, only Fund returns over a year are published.

Strong recovery in gold and small caps



Hedge Fund Performance



Class A, YTD as at March 31, 2009

Canadian Hedge Funds

Hedge Fund L.P	12.90%
Hedge Fund L.P. II	10.93%
Bull/Bear RSP Fund	10.41%
Opportunities Hedge Fund L.P	0.38%
Opportunities RSP Fund	0.35%
Small Cap Hedge Fund	16.30%
Global Market Neutral Fund	-2.87%

Offshore Funds

Offshore Fund	13.85%
Offshore II Fund	7.69%
Capital, L.P.	13.81%
Capital, L.P. II	7.89%
Opportunities Offshore Fund Ltd.	-0.23%
Opportunities Capital Fund, L.P.	-0.36%

Hedge fund L.P. has a 10% hurdle rate; all other hedge funds have an absolute return hurdle rate.

Scotia Capital
Canadian Hedge Fund
Asset Weighted Index
5.6%

Shorting led to outperformance

Q1 2009 Highlights



- Strong fund performance
- Assets under management
 - \$4.7 billion as at March 31, 2009
 - \$4.4 billion as at December 31, 2008
- Launched two new funds
 - Sprott Gold Bullion Fund
 - FNSSC* Multi-Manager Fund
- Night with the Bears
 - 1,500 attendees
 - extensive media coverage for Sprott Asset Management

* Federation of National Specialty Societies of Canada

Positive net sales in March 2009



Assets Under Management



<i>\$ millions</i>	Q1-09	Q1-08
AUM, beginning of period	4,449	6,215
Net sales/(redemptions)	(208)	298
Market value appreciation of portfolios	484	287
AUM, end of period	4,725	6,800

Revenue



<i>\$ millions</i>	Q1-09	Q1-08
Management fees	22.6	32.8
Crystallized performance fees	1.8	0.3
Unrealized and realized gain on proprietary investments	2.1	8.1
Other income	0.1	1.9
Total revenue	26.7	43.1

Summary Financial Information



<i>\$ millions except per share amounts</i>	Q1-09	Q1-08
Total revenue	26.7	43.1
Total expenses	15.8	18.1
Base EBITDA*	8.1	16.6
Net income	7.4	16.7
Earnings per share	0.05	0.12
Dividends per share	0.025	-

* Base EBITDA refers to EBITDA excluding performance fees and performance fee-related bonuses, gains and losses on proprietary investments, impairment of long term assets and the dilution loss related to the Sprott Molybdenum IPO, and retroactively accounting for the change in the bonus compensation arrangements that became effective upon completion of the Sprott Inc. IPO.

Cash balance of \$76 million



Outlook



- New innovative products
- Strategic reorganization – June 1, 2009
 - Sprott Asset Management LP
 - Sprott Private Wealth LP
 - Sprott Consulting LP
- Deep and broad investment team

Performance + Performance + Performance





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Q&A

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