



Sprott INC.

Q4 and Year End 2008
Financial Results
March 26, 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 release.

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 of Sprott Asset Management

Steve Rostowsky CA CFA

Chief Financial Officer

Peter Hodson CFA

Director, Sprott Inc.
Portfolio Manager of Sprott Asset Management

Market Review



- It's the end of the world as we know it
- 2008 top performers: cash, government bonds, GOLD
- YTD 2009 top performer: GOLD

Early Recognition of Investment Themes and Trends



“Welcome to the 2008 Meltdown”

- January 2008

“The Financial System Is A Farce: Part Two”

- September 2008

“Cash or Gold?”

- October 2008

“So You Think 2008 Was Bad? Welcome to 2009”

- January 2009

Source: Markets at a glance, Sprott Asset Management Inc.



2008 Fund Performance



Public Mutual Funds (Series A)

Canadian Equity Fund	-43.71%
Gold & Precious Minerals Fund	-49.63%
Energy Fund	-64.49%
Growth Fund	-62.56%
Global Equity Fund	-32.95%
Small Cap Equity Fund	-53.13%
All Cap Fund	-

Canadian Hedge Funds

Hedge Fund L.P.	-4.35%
Hedge Fund L.P. II	6.12%
Bull/Bear RSP Fund	8.18%
Opportunities Hedge Fund L.P.	0.31%
Opportunities RSP Fund	0.14%
Small Cap Hedge Fund	-50.89%
Global Market Neutral Fund*	-10.37%

Offshore Funds

Offshore Fund	-12.90%
Offshore II Fund	-0.68%
Capital, L.P.	-12.87%
Capital, L.P. II	-2.15%
Strategic Offshore Gold Fund Ltd.	-75.87%
Strategic Gold Fund, L.P.	-75.99%
Opportunities Offshore Fund Ltd.	1.20%
Opportunities Capital Fund, L.P.	0.90%

S&P/TSX Composite Total Return Index

-33.0%

Dow Jones Industrial Average

-33.8%

MSCI World Index (CAD)

-27.4%

Long versus Short



“Long only” funds

- Small caps hit the hardest
- Gold stocks did not perform as well as expected

Hedge funds

- Shorting was essential to survive and prosper
- No excessive leverage

Summary of 2008



- Tale of two halves
 - Strong first half, tough second half
- AUM decreased to \$4.4bn (from \$6.2bn as at 31/12/07)
 - Decline mainly due to market depreciation
 - Net sales against an industry backdrop of massive redemptions
- Performed well in other key financial measures
 - Management Fees rose by 15% year-over-year
 - Performance Fees benefited from \$35.6 million from Sprott Consulting
 - EPS increased by 13% year-over-year

Assets Under Management



\$ millions

	2008	2007
AUM, beginning of period	6,215	4,239
Net sales (redemptions)	95	1,350
Market value appreciation (depreciation) of portfolios	(1,861)	626
AUM, end of period	4,449	6,215

Average AUM rose 22% year-over-year



Revenue



<i>\$ millions</i>	Q4-08	Q4-07	2008	2007
Management fees	21.7	31.2	124.0	108.0
Performance fees	42.4	127.7	47.9	129.2
Unrealized and realized gain (loss) on proprietary investments	(7.4)	3.2	(11.7)	(4.2)
Impairment of long term assets*	-	0.1	-	(7.5)
Other income	0.8	0.9	4.6	1.5
Interest income	0.2	0.1	1.0	0.6
Total revenue	57.7	163.3	165.8	227.6

* Investments in oil and gas properties distributed to SAM shareholders by way of a dividend-in-kind in April 2008

\$35.6 million from Sprott Consulting L.P.



Summary Financial Information



<i>\$ millions except per share amounts</i>	Q4-08	Q4-07	2008	2007
Total revenue	57.7	163.3	165.8	227.6
Total expenses	26.0	137.8	86.5	175.2
Base EBITDA*	8.1	12.9	57.1	49.3
Net income	20.4	27.6	52.1	42.3
Earnings per share	0.14	0.21	0.36	0.32
Dividends per share	0.175	-	0.225	-

* 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.

Special dividend of \$0.15 per share



YTD Fund Performance (02/27/09)



Public Mutual Funds (Series A)

Canadian Equity Fund	9.04%
Gold & Precious Minerals Fund	22.41%
Energy Fund	-8.59%
Growth Fund	-2.05%
Global Equity Fund	-17.69%
Small Cap Equity Fund	2.71%
All Cap Fund	-

Canadian Hedge Funds

Hedge Fund L.P.	16.42%
Hedge Fund L.P. II	14.38%
Bull/Bear RSP Fund	14.24%
Opportunities Hedge Fund L.P.	0.46%
Opportunities RSP Fund	0.49%
Small Cap Hedge Fund	6.75%
Global Market Neutral Fund	-2.10%

Offshore Funds

Offshore Fund	17.30%
Offshore II Fund	10.58%
Capital, L.P.	17.27%
Capital, L.P. II	10.77%
Strategic Offshore Gold Fund Ltd.	n/a
Strategic Gold Fund, L.P.	n/a
Opportunities Offshore Fund Ltd.	0.22%
Opportunities Capital Fund, L.P.	0.14%

S&P/TSX Composite Total Return Index

-9.1%

Dow Jones Industrial Average

-19.5%

MSCI World Index (CAD)

-14.4%

Performance Fees



Total Funds' AUM* as at December 31, 2008

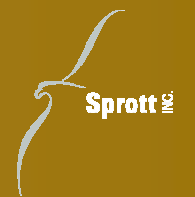
28% earned performance fees (no deficit to carry forward)

31% small deficits to carry forward

30% within 10% of their performance fee benchmarks

* Funds' AUM does not include Managed Accounts AUM.

Well positioned to generate Performance Fees in 2009



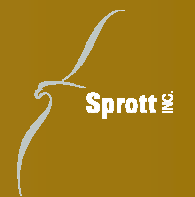
Key Growth Initiatives



- Leverage our investment team
- Increase sales and marketing efforts
 - Sprott Private Wealth Management
- Introduce new products
 - Sprott All Cap Fund (September 2008)
 - Sprott Gold Bullion (March 2009)
 - Sprott FNSSC* Multi-Manager Fund (April 2009)
- Sprott Consulting L.P.

* Federation of National Specialty Societies of Canada

Build on Sprott brand in Canada and internationally





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