2023 Second Quarter Results

August 9, 2023
NYSE/TSX:SII

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 forgoing, this presentation and the accompanying oral remarks contain Forward-Looking Statements pertaining to: (i) our expectation of a weaker dollar and central bank buying to benefit precious metals in the second half of 2023 and beyond; (ii) expanding our energy transition and commodity strategies; and (iii) 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; (iv) the impact of COVID-19; and (v) those assumptions disclosed under the heading "Critical Accounting Estimates, Judgments and Changes in Accounting Policies" in the Company's MD&A for the period ended June 30, 2023. 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 favorable 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) those risks described under the heading "Risk Factors" in the Company's annual information form dated February 23, 2023; and (xxxviii) those risks described under the headings "Managing financial risks" and "Managing non-financial risks" in the Company's MD&A for the period ended June 30, 2023. 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.

Key performance indicators and non-IFRS and other financial measures

The Company measures the success of its business using a number of key performance indicators that are not measurements in accordance with IFRS and should not be considered as an alternative to net income (loss) or any other measure of performance under IFRS. Non-IFRS financial measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Our key performance indicators and non-IFRS and other financial measures used in this document are "net fees", "net commissions", "net compensation", "EBITDA", adjusted EBITDA", "adjusted base EBITDA", "operating margin", and "total shareholder return".

For a description of "net fees", "net commissions", "net compensation", "EBITDA", "adjusted EBITDA", "adjusted base EBITDA", "operating margin, and "total shareholder return", see the key performance indicators and non IFRS and other financial measures section of the MD&A, which is incorporated by reference in this document and available on SEDAR at www.sedar.com and EDGAR at www.sec.gov

For a reconciliation of "EBITDA", "adjusted EBITDA", "adjusted base EBITDA" and "operating margin" see slide 16

Speakers

Whitney George, CEO, Sprott Inc.

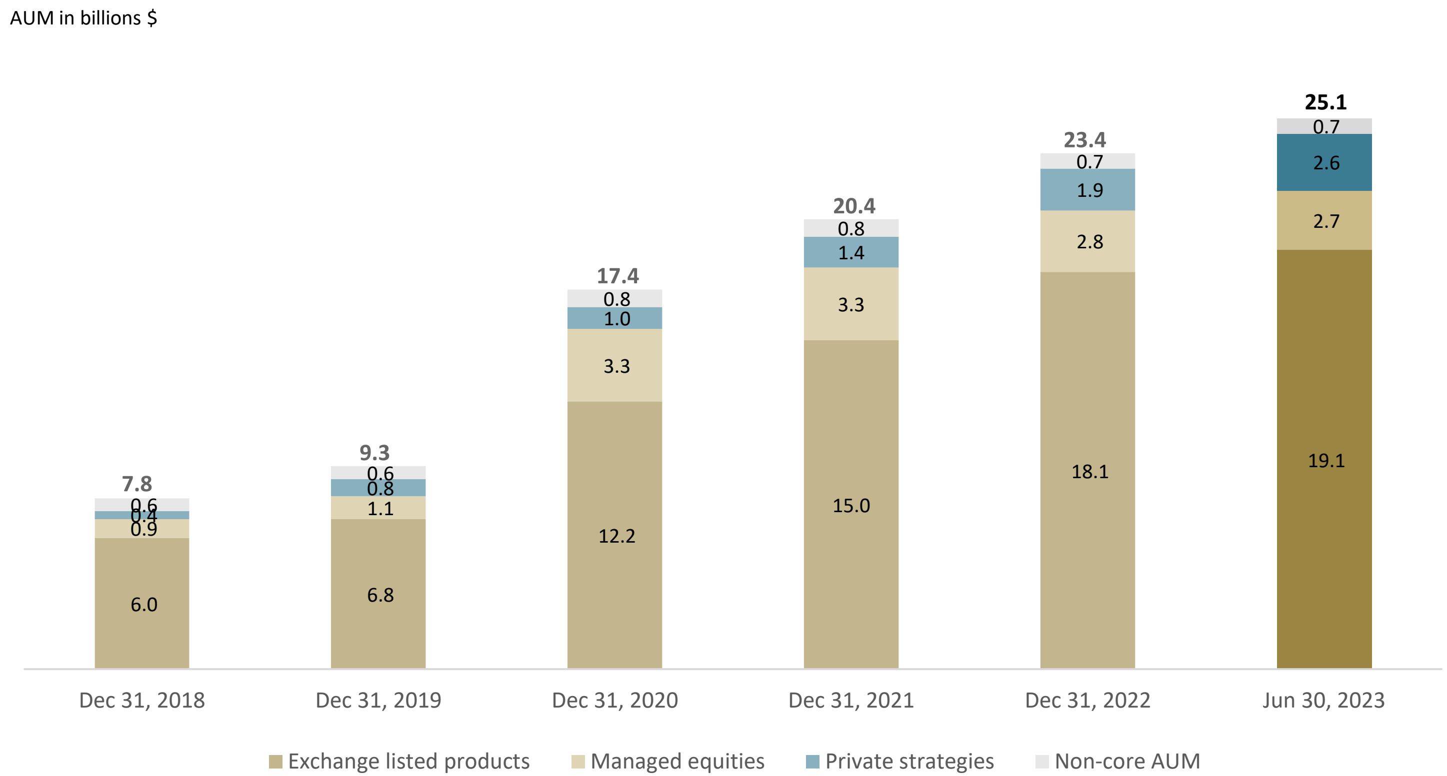
Kevin Hibbert, CFO, Sprott Inc.

John Ciampaglia, CEO, Sprott Asset Management

Q2 2023 and YTD Highlights

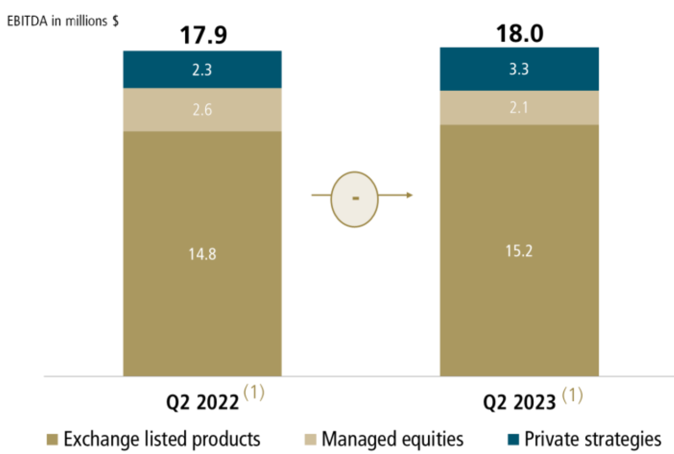
- Assets Under Management declined slightly during Q2, due largely to softer precious metals prices but are up YTD
    - Investment performance was mixed
- Recorded net sales during the quarter, despite headwinds
- Closed new partnerships in our Private Strategies segment
    - Sprott Private Resource Lending Fund III
    - Sprott Private Resource Streaming & Royalty Annex Fund, subsequent to quarter end
- Marketing team continued high level of output, producing 30 thought leadership pieces in Q2
- Added Judith O'Connell to the board of directors

Historical AUM summary

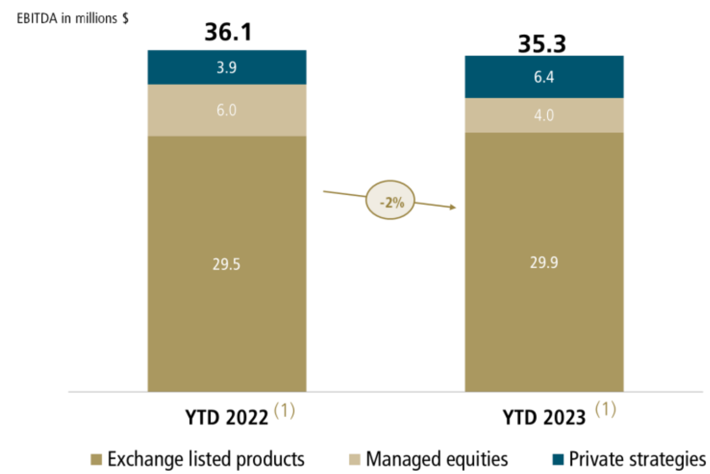


Earnings results – 3 mth, 6 mth and historical

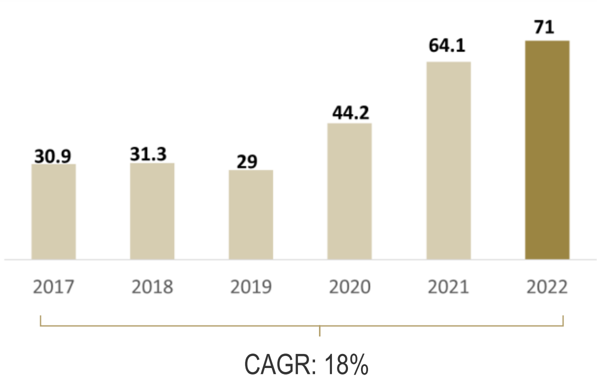
3 months ended



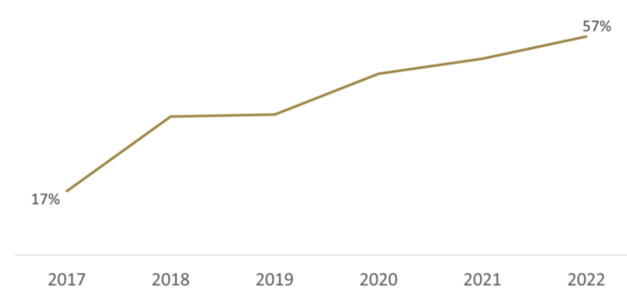
6 months ended



Annual earnings growth



Annual operating margin growth



(1) EBITDA is a non-IFRS measure. See slide 2 and 16. Net of corporate costs, consolidation, elimination, and non-reportable segment entries of ($2.6MM) (Q2 2022: ($1.7MM)) in the quarter and ($5MM) (YTD 2022: 3.3MM)) on a YTD basis. Please see Note 11 of the financial statements.

Strong balance sheet

As at June 30, 2023

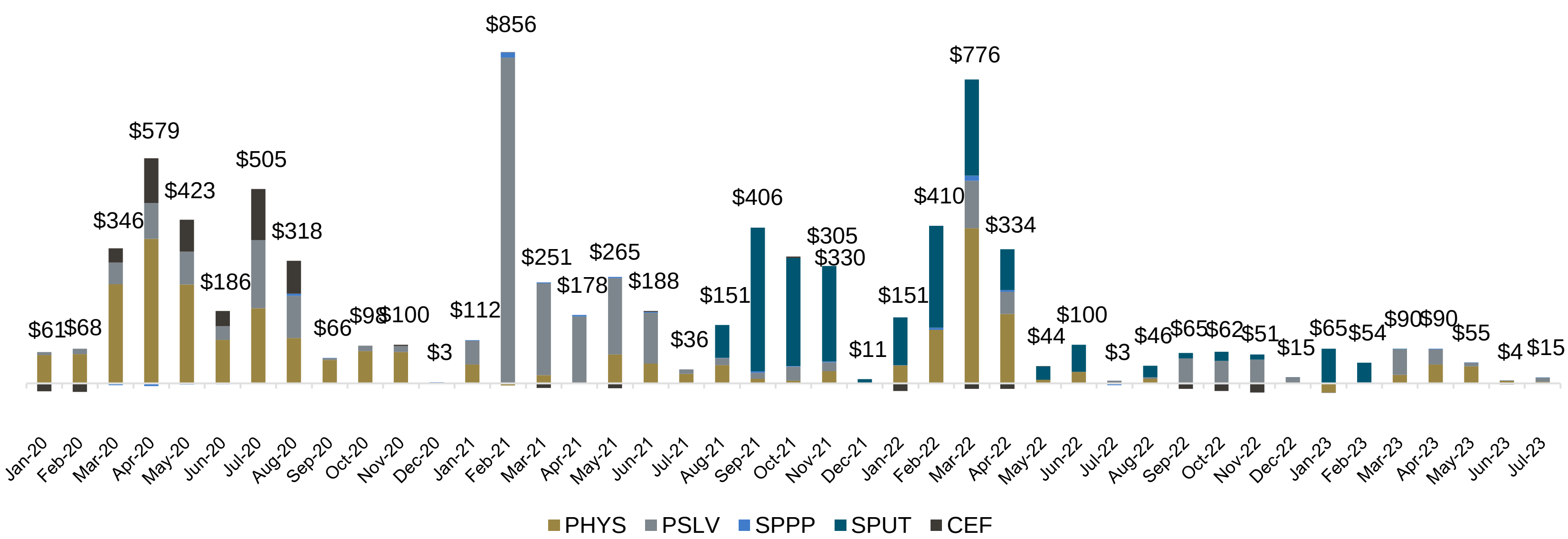
Cash and cash equivalents	$20MM	○ 5% of total assets
Co-investments	$99MM	○ 26% of total assets
Total debt	$34MM (1)	○ 8% debt-to-capital ratio
Net cash and co-investments	$85MM	○ 22% of total assets

(1) During the quarter, the Company repaid $20MM from its outstanding facility. Subsequent to quarter end, management made the decision to reduce the size of its borrowing facility to $75 million (down from $120 million as at June 30)

Exchange Listed Products: Physical Trusts

- Solid Q2 results given challenging market environment: $149MM in net sales
- Industry flows into precious metal ETFs YTD have been soft despite stronger metal prices
- Uranium markets remains resilient in light of recessionary fears and softer commodity prices

Physical Trust Sales
(in millions)



Exchange Listed Products: Energy Transition Funds

- Growing interest from global investors, spurred by U.S. Inflation Reduction Act and EU Green Deal
- Expanding suite of energy transition ETFs incorporating Sprott’s mining and metals expertise
- Multi-decade capital spending and infrastructure buildout to benefit commodity demand and producers
- Assets growing steadily despite competitors being in net outflows

Managed Equities

- Challenging quarter for gold stocks, offsetting Q1 gains
- Performance was largely in line with benchmarks
- Continuing to incubate actively managed Sprott Energy Transition Materials Fund

Private Strategies

- Combined Lending and Streaming Strategies AUM of $2.6B as of June 30, 2023
- Sprott Private Resource Lending Fund III closed during Q2
- Streaming and Royalty team closed Annex Fund subsequent to quarter end
- Private Strategies team increasing focus on energy transition materials

Summary

- Steady quarter despite some headwinds
- Net sales trend remains intact
- Benefiting from strategy expansion in Private Strategies segment
- During the quarter, we continued to return capital to our shareholders through our normal quarterly dividend and share buybacks. In addition, we paid down our overall debt by $20 million
- Well positioned with core holdings in precious metals and energy transition investments
    - We expect a weaker dollar and central bank buying to benefit precious metals in the second half of 2023 and beyond
    - Demand for energy transition investments continues to grow as what we once knew as base metals are now considered critical metals

Supplemental Financial Information

Revenues

In millions $	3 months ended		6 months ended	
	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Management fees	**33.2**	30.6	**64.7**	57.8
Trailer, sub-advisor and fund expenses	**(1.6)**	(1.3)	**(3.2)**	(2.1)
Direct payouts	**(1.3)**	(1.3)	**(2.5)**	(2.7)
Carried interest and performance fees	**0.4**	-	**0.4**	2.0
Carried interest and performance fee payouts- internal	**(0.2)**	-	**(0.2)**	(1.0)
Carried interest and performance fee payouts- external	**-**	-	**-**	(0.5)
Net fees (1)	**30.4**	28.1	**59.1**	53.6
Commissions	**1.6**	6.5	**6.4**	19.5
Commission expense – internal	**(0.5)**	(2.0)	**(2.2)**	(5.2)
Commission expense – external	**-**	(1.0)	**(0.7)**	(4.3)
Net commissions (1)	**1.1**	3.4	**3.5**	10.1
Finance income	**1.3**	1.2	**2.5**	2.6
Gain (loss) on investments	**(2.0)**	(7.9)	**-**	(9.4)
Other income (2)	**19.8**	0.2	**21.0**	0.4
Total net revenues	**50.6**	25.0	**86.1**	57.3

(1) Net fees and net commissions are non-IFRS measures. See slide 2.
(2) The majority of the amount in Q2, 2023 relates to the receipt of shares on the realization of a previously unrecorded contingent asset from a historical acquisition.

Expenses

In millions $	3 months ended		6 months ended	
	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Compensation	**21.6**	19.4	**40.7**	41.2
Direct payouts	**(1.3)**	(1.3)	**(2.5)**	(2.7)
Carried interest and performance fee payouts - internal	**(0.2)**	-	**(0.2)**	(1.0)
Commission expense - internal	**(0.5)**	(2.0)	**(2.2)**	(5.2)
Severance, new hire accruals and other	**(4.1)**	(2.1)	**(5.3)**	(2.6)
Net compensation (1)	**15.5**	13.9	**30.4**	29.7
Severance, new hire accruals and other	**4.1**	2.1	**5.3**	2.6
Selling, general and administrative	**5.0**	4.2	**9.3**	7.7
Interest expense	**1.1**	0.5	**2.3**	1.0
Depreciation and amortization	**0.7**	1.0	**1.5**	1.9
Other expenses	**0.5**	0.9	**3.3**	2.8
Total expenses	**26.8**	22.6	**52.1**	45.7

(1) Net compensation is a non-IFRS measure. See slide 2

EBITDA reconciliation

In millions $	3 months ended		6 months ended	
	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Net Income	**17.7**	0.8	**25.4**	7.2
Adjustments:				
Interest expense	**1.1**	0.5	**2.3**	1.0
Provision for income taxes	**6.1**	1.7	**8.7**	4.4
Depreciation and amortization	**0.7**	1.0	**1.5**	1.9
EBITDA (1)	**25.6**	3.9	**37.8**	14.5
Other adjustments:				
(Gain) loss on investments	**2.0**	7.9	**-**	9.4
Amortization of stock based compensation	**4.1**	3.1	**7.7**	7.3
Other (income) expenses	**(13.5)**	3.1	**(10.1)**	5.5
Adjusted EBITDA (1)	**18.1**	17.9	**35.4**	36.6
Other adjustments:				
Carried interest and performance fees	**(0.4)**	-	**(0.4)**	(2.0)
Carried interest and performance fee payouts - internal	**0.2**	-	**0.2**	1.0
Carried interest and performance fee payouts - external	**-**	-	**-**	0.5
Adjusted base EBITDA (1)	**18.0**	17.9	**35.3**	36.1
Net income per share	**0.70**	0.03	**1.00**	0.29
EBITDA per share	**0.71**	0.71	**1.40**	1.44
Operating margin (1)	**57%**	55%	**57%**	56%

(1) EBITDA, adjusted EBITDA, adjusted base EBITDA, and operating margin are non-IFRS measures. See slide 2