

### **Sprott Resource Likes Energy, Ag Assets; Has Wish List**

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VANCOUVER (Dow Jones)--**Sprott Resource** Corp. (SCP.T) completed one material deal in the first quarter of 2009 - it launched One Earth Farms by investing C\$27.5 million into what will in time be an umbrella corporation overseeing corporate-sized farming across 1 million acres of land owned by 18 First Nations in Saskatchewan and Alberta.

**Sprott Resource** President and Chief Executive Kevin Bambrough says this type of grand-scale farming will be a focal point for job training, spin-offs and collective buying and selling, to give First Nations the wherewithal to build an increasing equity stake in the company - "to get out of the position of just spending every year and not saving and compounding."

Bambrough clearly believes in the growing value of agriculture on a global scale. Just as he believes in energy, gold and silver bullion and, where the risk/reward ratio is right, precious-metal stocks.

"I'm more focused on things that should do very well in the longer term - that's where your focus has to be in this current market," he said.

He said the company continues to be picky. "We haven't seen the bottom yet in the economy and the economic data is going to get worse...we're loaded with cash and watching to see how the market unfolds," he said.

It is sitting on C\$284 million of assets, most of it in cash, short-term investments and gold and silver bullion.

### **Sprott Resource** Knows What It's Looking For

When Sprott pulls the trigger, here's its shopping list:

Precious metal companies.

"The ideal scenario? A small producing company that could use a bit of capital to complete a project or get rid of debt," he said. "I like it when you know what you're buying; you're not just going off the promise of a feasibility study."

Energy.

Sprott is "building an oil and gas company," having invested C\$27 million in a private company called Waseca Energy, he said. "We put our money in alongside a management team's cash and ended up with an 80% stake."

Waseca is acquiring land, leases and waiting for opportunities, he said.

"If you can buy at market lows and accumulate land where US\$50 a barrel of oil makes sense, you're building an inventory of projects that will print money at US\$75 a barrel," he said.

On fertilizers: Sprott bought the Mantaro Phosphate project in Peru for cash and shares in mid-2008, combining it with Stonegate Minerals. It's called Stonegate Agricom. "The idea is to get the deposit advanced enough for it to become an acquisition target," he said.

Bambrough's ambition? Model acquisitions on his 2007 PBS Coal deal. He bought when coal prices were low and sold when margins were at record highs in late 2008, for a gain of C\$186 million. But it's the way PBS was bought that grabs Bambrough's attention.

"I'd rather be buying assets from bankers, just as we did with PBS," Bambrough said. "I hope we'll have that opportunity again; banks are going through the books, changing risk profiles, getting rid of distressed debt and pulling lines of credit...and there are companies out there that need capital."

Company Web Site: <http://www.sprottresource.com>

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