

SPROTT

RESOURCE
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MINERA TRES VALLES



Minera Tres Valles Acquisition

Conference Call Presentation

August 22nd, 2017

Forward-Looking Information

Certain statements in this presentation contain forward-looking information (collectively referred to herein as the “Forward-Looking Statements”) within the meaning of applicable 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 foregoing, this presentation contains Forward-Looking Statements pertaining to (i) SRHI’s proposed investment in MTV, (ii) global supply and demand for copper, and (iii) the Chilean market, that reflect management’s current expectations and are based on information currently available to the management of SRHI and its subsidiaries. Forward-Looking Statements are based on a number of expectations or assumptions which have been used to develop such statements and information but which may prove to be incorrect.

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Steve Yuzpe, CEO, Sprott Resource Holdings Inc.

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Mike Harrison, Managing Director, Sprott Resource Holdings Inc.

Transaction Overview

- SRHI has entered into a definitive agreement to acquire 70% of a Chilean mining company, S.C. Minera Tres Valles (“MTV”), for an aggregate purchase price of US\$39.9 million, consisting of US\$33.5 million in cash and US\$6.4 million in SRHI common shares
 - After giving effect to the transaction, the Vecchiola Group will own approximately 7.4% of SRHI
- MTV owns 100% of the currently producing Minera Tres Valles copper mining and refining complex located in Salamanca, Chile
- MTV is currently owned by the Vecchiola Group, a premier Chilean mining services and construction company, who will continue to own 30% of MTV following the completion of the acquisition
- MTV has an experienced management team in place that will continue to be responsible for the operations and implementing a strategic growth plan
- The asset includes an extensive land package with significant exploration potential

SRHI Transaction Rationale

- SRHI management has evaluated more than 70 investment opportunities YTD
 - 7 different commodities in 10 different countries
 - MTV meets all of our investment criteria and represents the best opportunity to create immediate and meaningful shareholder value
- The addition of a producing and cash-flowing copper asset diversifies SRHI mining portfolio
- Provides copper exposure in a strengthening price environment
- MTV offers significant upside potential through additional exploration on property
- MTV has the potential to be a foundational asset for SRHI in Chile

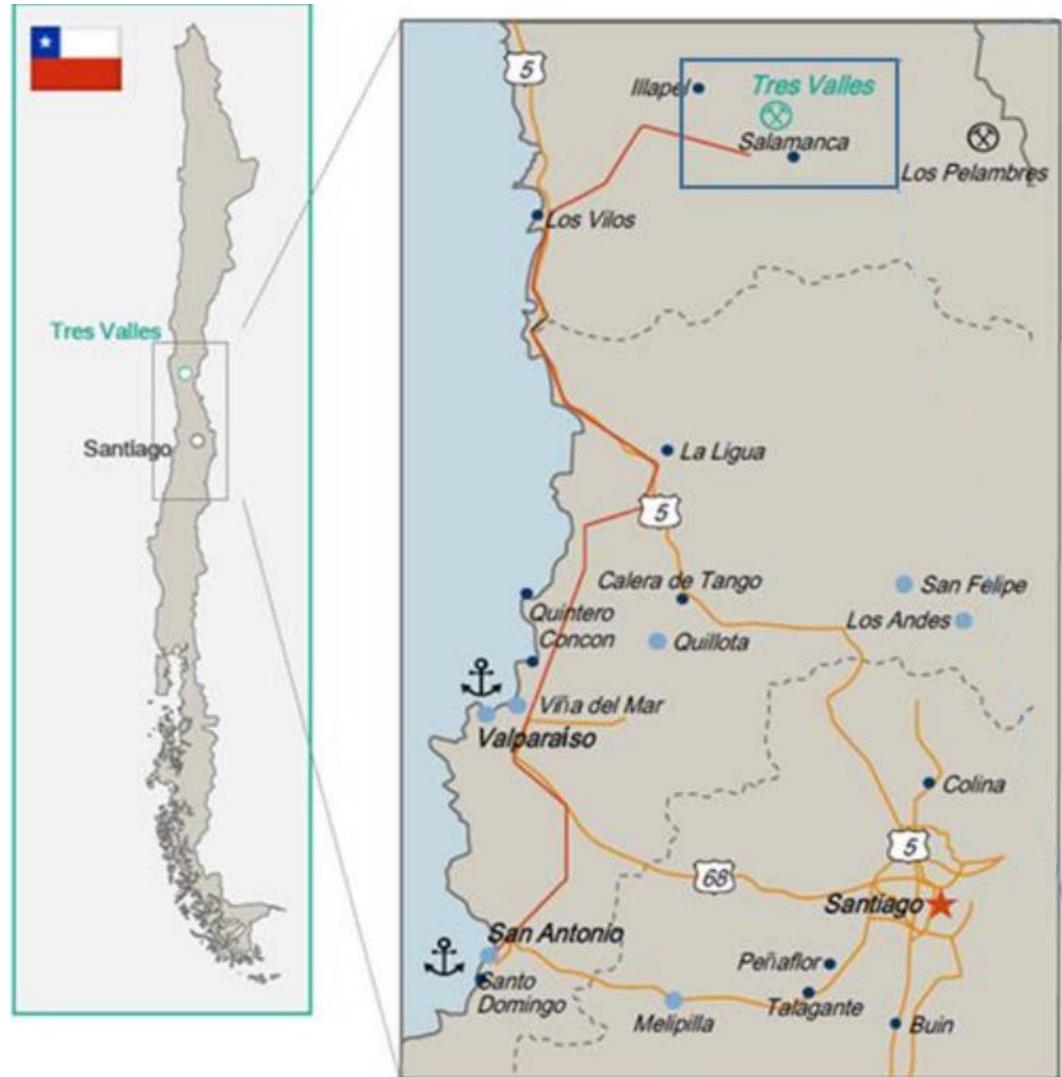
MTV Overview

- MTV is a fully permitted operating mining complex located 9 km from Salamanca in Region IV of Chile
 - Commenced operations in 2010; Vale S.A. invested US\$242 million in the asset
 - Processing plant with nameplate capacity of 18,500 tonnes per annum of then copper cathodes
 - Operating open pit and underground mines currently supplying crusher
 - Produced 6.5 million lbs of copper at cash cost of US\$2.24/lb in the first half of 2017
- Historic JORC compliant Measured and Indicated Resources of 40.7 million metric tonnes of ore at 0.81% Cu (of which 9.85 Mt are Measured mineral reserves at 0.89% Cu and 30.85 Mt are Indicated mineral resources at 0.80% Cu)¹.
 - A qualified person has not done sufficient work to classify these historical estimates as current mineral resources or mineral reserves and SRHI is not treating this historical estimate as current mineral resources. See "Historical Estimates" on slide 13
- Tres Valles offers significant exploration potential both around the existing orebodies and within the broader property area
 - Over 44,000 hectares of mineral rights owned by the Company
 - More than 100 copper occurrences not yet drilled
 - Less than 10% of land package has been explored

¹ Using a cut-off grade of 0.2% Cu completed by Snowden Mining Industry Consultants in May 2013.

Location

- 3.5 hour drive from Santiago
- Salamanca population of 25,000
- Antofagasta Minerals Los Pelambres mine nearby
- Prolific small scale mining in region
- Purchasing ore mined by third party miners in region
- Toll treating ore from Illapel for Empresa Nacional de Minería (“ENAMI”)
- 264 km from port of Valparaiso or 330 km from port of San Antonio



Pictures

Aerial View of Don Gabriel Open Pit



Crusher – Four-stage crushing 7,000tpd capacity



Cathode Produced on Site – Capacity of 18,500tpa



Processing Plant – Room for further expansion

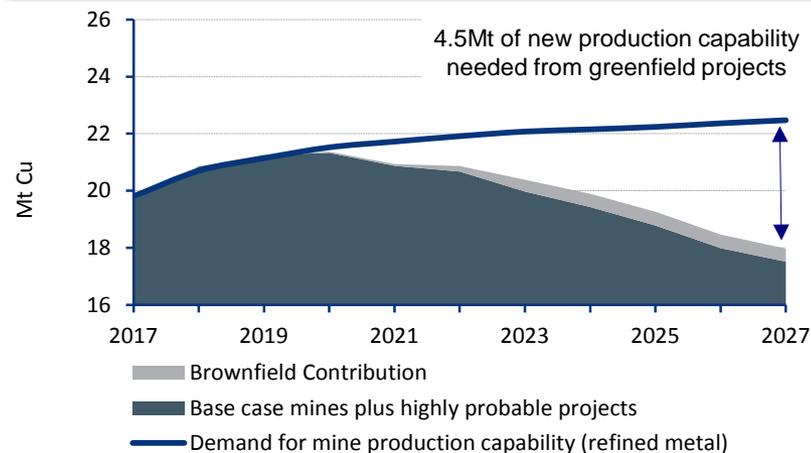


Why We Like Copper

- Long-term supply/demand fundamentals support improved copper prices
- Structural supply deficit expected
 - Development projects require higher prices
 - Declining ore grades at current operations
 - Insufficient high quality discoveries
- Demand growth from China expected to continue
 - Investment in the electrical/power grid will be a key driver
- Emergence of electric vehicles ("EV") could be an additional structural tailwind as the average EV has about 3x as much copper as the average gasoline/diesel powered vehicle²

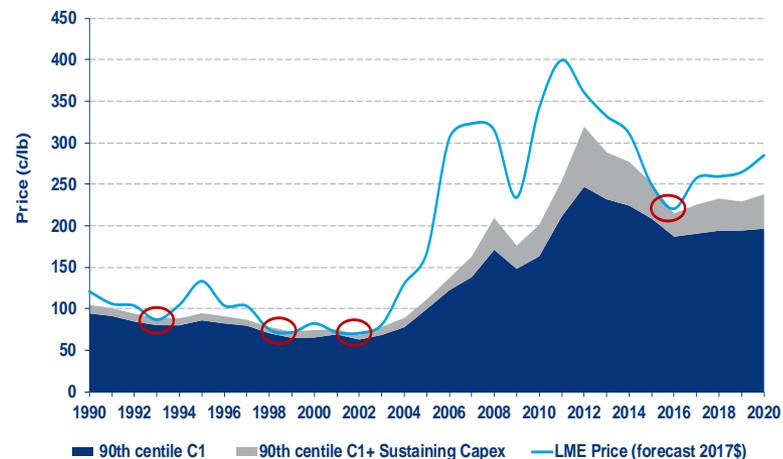
² Source: Jefferies

Copper Supply & Demand Outlook (refined basis)



Source: Wood Mackenzie

Annual Average Price vs. Marginal Cost of Production

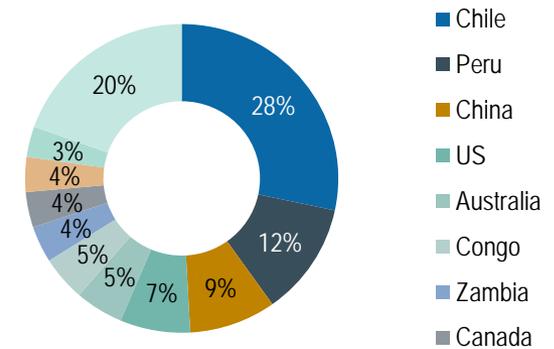


Source: Wood Mackenzie

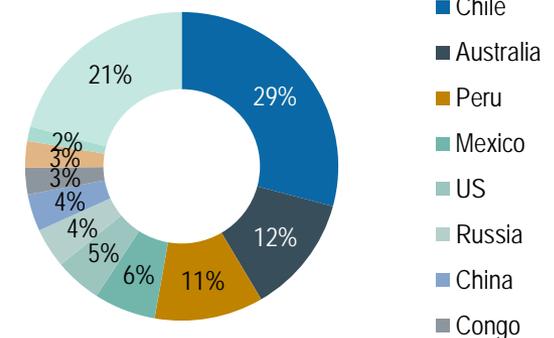
Why We Like Chile

- Chile is home to the largest concentration of world-class copper porphyry's
 - #1 global copper producer – 28%³ of global production
 - #1 global copper reserves – 29%³ of global copper reserves
- A legal framework ensuring stability and security
- Significant pipeline of attractive mining investment opportunities
- Highly skilled and capable work force
- Well-functioning market economy and sophisticated financial markets

Top Global Copper Producers³



Top Global Copper Reserves³



³ Source: USGS.

Vecchiola Group

- Established construction and mining services company that has been in operation for close to 40 years
- Extensive experience and relationships in the Chilean mining industry

MTV Management

- Experienced operators who have implemented cost savings of ~50% since acquisition in 2013
- Strong relationships with local communities, government and ENAMI

Summary

- SRHI portfolio is now diversified across several commodities with significant upside potential:
 - Copper
 - Metallurgical coal
 - Light oil
- MTV has the ability to significantly increase production with a relatively low capital investment as it ramps up to full capacity
- Exploration potential presents further upside potential
- After giving effect to the transaction, SRHI will continue to hold C\$35MM in cash

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Historical Estimates

Disclosure of the historical estimate in this presentation is derived from an audit study completed by Snowden Mining Industry Consultants in May 2013 for Vale S.A. and has been judged to be relevant and therefore suitable for disclosure, however should not be relied upon. There are numerous uncertainties inherent in the historical estimate, which is subject to all of the assumptions, parameters and methods used to prepare such historical estimate. The historical estimate has been prepared in accordance with the requirements of the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia ("JORC") and does not comply with or fulfill the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum as required by National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"), and may vary significantly from actual amounts, grade and quality of minerals recovered from the property. There are no other recent estimates or data available to SRHI as of the date of this press release and a detailed study of the current technical data and economic parameters relating to the property, together with the preparation of an updated development plan, is required to be conducted following the completion of the acquisition of MTV in order to update these historical estimates as a current mineral resource or mineral reserve. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or current mineral reserves and SRHI is not treating the historical estimate as current mineral resources. Investors are cautioned not to place undue reliance on the historical estimates contained in this presentation.