



FREQUENTLY ASKED QUESTIONS – DIVIDEND REINVESTMENT PLAN

1. What is the Dividend Reinvestment Plan?

The Dividend Reinvestment Plan (the “Plan”) provides a convenient and cost-effective method for eligible holders (“Shareholders”) in Canada to maximize their investment in Sprott Inc. (“Sprott”) by reinvesting their quarterly cash dividends to acquire additional Sprott common shares (“Shares”). Under the Plan, Sprott has the discretion to issue Shares from treasury at a discount of up to 5% of the Average Market Price (as defined in FAQ #5). Any applicable discounts on dividend reinvestment Share purchases are announced at the time Sprott declares a dividend. The Plan is administered by the Plan Agent, TSX Trust Company (“TSX Trust”).

Shareholders are not required to participate in the Plan. A Shareholder who does not participate will continue to receive cash dividends on their Shares in the normal manner.

2. Who is eligible to participate in the Plan?

Except as otherwise noted in the Plan circular, Shareholders holding at least one Share who are resident in Canada may participate in the Plan.

3. How do I enroll in the Plan?

The process for enrolling in the Plan is dependent on whether you are a beneficial or registered Shareholder.

Beneficial Shareholders

A Shareholder whose Shares are registered in the name of CDS Clearing and Depository Services Inc. (“CDS”) or a broker, investment dealer, financial institution or other nominee (each a “Nominee”) (a “Beneficial Shareholder”) may not directly enroll in the Plan in respect of those Shares, but must instead make appropriate arrangements with the Nominee who holds their Shares to enroll in the Plan on their behalf.

Beneficial Shareholders should also be aware that (i) certain Nominees may not allow participation in the Plan and (ii) certain brokers and investment dealers may reinvest dividends received by their clients by purchasing additional Shares in the open market at prevailing market prices (in which case such clients would not receive any applicable discount offered under the Plan for Shares acquired from treasury). Alternatively, a Beneficial Shareholder may transfer their Shares into their own name and then enroll in the Plan directly (as a Registered Shareholder). Neither Sprott nor TSX Trust is responsible for monitoring or advising which Nominees allow participation in the Plan.

Beneficial Shareholders should contact the Nominee who holds their Common Shares to provide instructions regarding their participation in the Plan and to inquire about any applicable deadlines that the Nominee may impose or be subject to.

Registered Shareholders

A Shareholder whose Shares are registered in such Shareholder’s name (a “Registered Shareholder”) may enroll all or any portion of their Shares in the Plan by downloading and duly completing an enrollment form (the “Enrollment Form”) from <http://www.tsxtrust.com/resources/investor-centre/forms> and delivering such Enrollment Form to TSX Trust via mail, e-mail or fax as specified on the Enrollment

Form. Registered Shareholders may also obtain an Enrollment Form on Sprott's website at www.sprottinc.com (go to "Investor Relations" and "DRIP") or by contacting TSX Trust at:

TSX Trust Company
200 University Avenue, Suite 300
Toronto, ON
M5H 4H1

Telephone: 1-866-600-5869

Facsimile: 416-361-0470

E-mail: TMXEInvestorServices@tmx.com

An Enrollment Form must be received by TSX Trust no later than 5:00 p.m. (Toronto time) on the fifth Business Day (as defined in the Plan circular) immediately preceding a dividend record date in order to take effect on the dividend payment date to which such dividend record date relates. If an Enrollment Form is received by TSX Trust after that time, the Enrollment Form will not take effect on such dividend payment date and will only take effect on the next following and subsequent dividend payment dates.

Once a Registered Shareholder has enrolled, participation continues automatically unless terminated by the Shareholder in accordance with the terms of the Plan. Sprott reserves the right to amend, suspend or terminate the Plan at any time, but such action shall have no retroactive effect that would prejudice the interests of the participants.

4. How do my dividends get reinvested?

On each dividend payment date, Sprott will pay to TSX Trust all cash dividends made on your Shares which are enrolled in the Plan. TSX Trust will use those funds to acquire additional Shares, which will be issued from treasury.

For Beneficial Shareholders, the number of additional Shares acquired under the Plan will be credited to the account maintained for you by your Nominee.

For Registered Shareholders, TSX Trust will maintain an account for you that will be credited with the number of additional Shares acquired under the Plan (including fractions computed to three decimal places).

5. What will be the price of the Shares purchased and how is the price determined?

Shares issued from treasury will be, at the discretion of Sprott, 95 to 100 percent of the volume weighted average price of the Shares traded on the Toronto Stock Exchange during the last five Trading Days (as defined in the Plan circular) preceding the relevant dividend payment date, appropriately adjusted for certain capital changes (including Share subdivisions, Share consolidations, certain rights offerings and certain distributions) (the "Average Market Price").

6. Are there any costs associated with the Plan?

The Plan provides a convenient and cost-effective way for Shareholders to increase their investment in Sprott without having to incur additional costs. All administrative costs of the Plan, including the fees and expenses of TSX Trust, will be borne by Sprott. However, Shareholders who enroll in the Plan through a Nominee may be subject to fees in accordance with their agreement with such Nominee. In addition, Shareholders who wish to sell the Shares acquired under the Plan will incur customary brokerage fees on such sale.

7. What are the tax consequences of participating in the Plan?

See the section entitled “Canadian Federal Income Tax Considerations” in the Plan circular for a summary of the principal Canadian federal income tax considerations with respect to the Plan generally applicable to a Shareholder participating in the Plan.

The above noted summary is of a general nature only, is not exhaustive of all possible tax considerations and is not intended to be legal or tax advice to any Shareholder. All Shareholders should consult their own tax advisors on the tax consequences of participating in the Plan, including tax considerations in their country of residence.

8. Can I enroll in the Plan if my Shares are in an RRSP, IRA or other tax-exempt account?

Generally, any account that can be used to purchase Shares can be enrolled in the Plan. Beneficial Shareholders should be aware that (i) certain Nominees may not allow participation in the Plan and (ii) certain brokers and investment dealers may reinvest dividends received by their clients by purchasing additional Shares in the open market at prevailing market prices (in which case such clients would not receive any applicable discount offered under the Plan for Shares acquired from treasury). Alternatively, a Beneficial Shareholder may transfer their Shares into their own name and then enroll in the Plan directly (as a Registered Shareholder).

9. Can I get a certificate for my new Shares?

For Beneficial Shareholders, the additional Shares acquired under the Plan will be maintained in the account with your Nominee. As such, you will need to contact your Nominee to request a share certificate.

For Registered Shareholders, the additional Shares acquired under the Plan will be maintained in an account at TSX Trust. TSX Trust will not issue a share certificate unless the Plan is terminated by the Corporation, participation in the Plan is terminated by a participant or by the Corporation, a participant withdraws all or any portion of its Shares from its account, or upon the death of the participant. No person shall be entitled to receive a certificate for any fraction of a Share. Any fractional Share will be paid in Canadian currency by TSX Trust on the basis of the closing price of the Shares on the last trading day prior to the effective date of the termination or withdrawal.

10. Do I get a statement?

Beneficial Shareholders participating in the Plan should receive details of the purchase of Shares made for their account under the Plan from their Nominee. The frequency and nature of such reporting will depend on their agreement with their Nominee.

After each re-investment, Registered Shareholders participating in the Plan will receive an unaudited statement (a “Statement”) from TSX Trust detailing the purchases of Shares made for their account under the Plan. These Statements are a Shareholder’s continuing record of purchases made for their account under the Plan and should be retained for income tax purposes.

11. How do I terminate my participation?

Beneficial Shareholders will need to contact their Nominee to terminate their participation.

Registered Shareholders may terminate their participation in the Plan by duly completing the termination portion of their Statement and sending it to TSX Trust by mail, e-mail or fax as specified on such Statement, or otherwise by sending written notice TSX Trust by mail, e-mail or fax at:

TSX Trust Company
200 University Avenue, Suite 300
Toronto, ON
M5H 4H1

E-mail: TMXEInvestorServices@tmx.com
Facsimile: 416-361-0470

TSX Trust shall take all reasonable steps to process a termination within three weeks of receipt by TSX Trust of a notice of termination, or, if the notice of termination is not received by TSX Trust before 5:00 p.m. (Toronto time) on the fifth Business Day immediately preceding a dividend record date, within three weeks after the next immediately following dividend payment date. On the termination becoming effective, TSX Trust will send the Shareholder a certificate representing all whole Shares held for the Shareholder's account under the Plan and a cheque in payment of the value of any fractional Share remaining in the Shareholder's account. Any fractional Share will be paid in Canadian currency by TSX Trust on the basis of the closing price of the Shares on the last Trading Day prior to the effective date of termination.

If a notice of termination is not received by TSX Trust before 5:00 p.m. (Toronto time) on the fifth Business Day immediately preceding a dividend record date, the Shareholder's account will not be closed, and the Shareholder's enrollment in the Plan will not be terminated, until after the dividend payment date to which that dividend record date relates.

12. Can I sell my Shares at any time?

Beneficial Shareholders

Shares purchased through the Plan for a Beneficial Shareholder will be held in the account maintained by their Nominee. Beneficial Shareholders wishing to sell, pledge or otherwise transfer all or part of such Shares should contact their Nominee. Beneficial Shareholders who wish to sell the Shares acquired under the Plan will incur customary brokerage fees on such sale.

Registered Shareholders

Generally, Shares purchased through the Plan will be held for participants by TSX Trust and reported on their Statement. Participants who wish to sell, pledge or otherwise transfer all or part of such Shares or who otherwise wish to have them registered in their names, but do not wish to terminate their participation in the Plan, may do so by withdrawing such Shares by duly completing the withdrawal portion of the Statement and sending it to TSX Trust by mail, e-mail or fax as specified, or otherwise by sending written notice to TSX Trust by mail, e-mail or fax at:

TSX Trust Company
200 University Avenue, Suite 300
Toronto, ON
M5H 4H1

E-mail: TMXEInvestorServices@tmx.com
Facsimile: 416-361-0470

TSX Trust shall take all reasonable steps to process a withdrawal within three weeks of receipt by TSX Trust of such withdrawal request, or, if notice of withdrawal is not received by TSX Trust before 5:00 p.m. (Toronto time) on the fifth Business Day immediately preceding a dividend record date, within three weeks after the next immediately following dividend payment date. TSX Trust will confirm such withdrawal in the next Statement following completion of such request. On the withdrawal becoming

effective, TSX Trust will send the Shareholder a certificate representing all whole Shares held for the Shareholder's account under the Plan which have been withdrawn. If a notice of withdrawal is not received by TSX Trust before 5:00 p.m. (Toronto time) on the fifth Business Day immediately preceding a dividend record date, the withdrawal will not take effect until after the dividend payment date to which that dividend record date relates.

13. Where can I get the Enrollment Form?

Registered Shareholders can access a copy of the Enrollment Form on our website at www.sprottinc.com (go to "Investor Relations" and "DRIP"), on TSX Trust's website at <http://www.tsxtrust.com/resources/investor-centre/forms> or by contacting TSX Trust by phone at 1-866-600-5869 or by e-mail to TMXEInvestorServices@tmx.com.

14. Who can I contact with further questions?

Shareholders may contact TSX Trust or Sprott at:

TSX Trust Company

200 University Avenue, Suite 300
Toronto, ON
M5H 4H1

Telephone: 1-866-600-5869
Facsimile: 416-361-0470
E-mail: TMXEInvestorServices@tmx.com

Sprott Investor Contact

Glen Williams
Director of Communications
416-943-4394
ir@sprott.com

Beneficial Shareholders can also contact their Nominee.