

March 2, 2018

Dear Shareholders,

2017 was a transformational year for your company. In February, Sprott Resource Corp. completed a business combination with Adriana Resources Inc. and the combined entity continued forward as Sprott Resource Holdings Inc. ("SRHI"). With the addition of Rick Rule as Chief Investment Officer and Mike Harrison as Managing Director, management took steps to reposition the portfolio, raising an additional \$45 million in capital and completing a pivotal transaction through our purchase of Chilean copper producer, Minera Tres Valles ("MTV").

We acquired a 70% interest in MTV because we believe the fundamentals for copper are very positive and MTV provides us with a strategic copper foothold in Chile, one of the world's premier mining jurisdictions. We recently completed the first technical studies for MTV which are discussed in more detail below and were included in a separate, dedicated press release today.

Since October 2017, MTV has been working diligently with several consulting and engineering firms and today presents summary NI 43-101 compliant technical information to (i) provide current mineral reserve and mineral resource estimates, (ii) define the capital requirements to convert the acid leach process to a chloride media leaching process ("Salt Leach"), and (iii) provide a feasibility-level mine plan to expand production from the Don Gabriel Manto open pit mine. These studies comprise the first stage of the expansion of the MTV operation. In the next stage, Wood plc (formerly AMEC Foster Wheeler) has been engaged to complete a pre-feasibility level underground mining study for the exploitation of the Papomono Massive underground deposit, with the objective of defining further mineral reserves. It is MTV's objective to combine the studies with the preliminary economic assessment-level studies on ancillary deposits to produce a property-wide production profile. The second phase technical studies should be complete by June 30, 2018.

The NI 43-101 compliant mineral reserve and mineral resource report is in line with our expectations from our diligence efforts and the prior MTV mine plan. Cost savings should come from expanded production and economies of scale as production from the Don Gabriel open pit is expected to almost triple from current production rates by the end of 2018, which should allow MTV to secure more favourable mining and haulage rates.

Existing facilities should allow production expansion with minor working capital requirements and the implementation of the salt-leach to drive costs down further, improving leach kinetics and recoveries and reduce heap leach pad inventory by decreasing the time required on the heap leach pad.

Significant work has been completed on the Papomono Massive underground deposit, and we have hired an experienced project manager and a board member with significant project and underground experience to assist with the development of the mine plan at Papomono Massive and the other deposits.

These are exciting times for SRHI as we begin to realize the full potential of the MTV asset. In addition to the technical studies, we are also benefiting from higher copper prices since we acquired our majority interest in MTV.

The natural resource sector is notoriously cyclical and we appreciate your support and patience as we execute on our business plan for MTV. In addition to copper, we continue to maintain our holdings in producing mining companies in the metallurgical coal and light oil sectors. Iron ore prices have surged recently and energy prices continue to show signs of a gradual recovery. We are very confident in our positioning as we enter what we believe are the early stages of a commodity bull market and we believe the decision we made to concentrate our portfolio in a few material holdings in the mining and energy sector will soon generate positive returns for our shareholders.

As previously mentioned, we expect to have further technical information on the MTV asset by the end of the second quarter of 2018 and we will continue to provide updates on the progress of this and our other business and portfolio holdings over the coming months.

On behalf of our Board of Directors and employees, I thank you for your continued support.

Sincerely,

(signed) "Steve Yuzpe"

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President and Chief Executive Officer