FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Name and Address of Company

Sprott Inc. (the "**Corporation**" or "**Sprott**")
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2700
Toronto, Ontario M5J 2J1

ITEM 2 Date of Material Change

September 22, 2010

ITEM 3 News Release

A news release disclosing the material change was issued on September 22, 2010 through the facilities of CNW Group.

ITEM 4 Summary of Material Change

The Corporation announced the signing of a letter of intent (the "**LOI**") to acquire (the "**Transaction**") from Arthur Richards Rule IV and The Rule Family Trust U/A/D 12/17/98 (the "**Seller**"): (i) Rule Investments Inc., which owns Global Resource Investments Ltd.; (ii) Terra Resource Investment Management Inc.; and (iii) Resource Capital Investments Corp. (collectively, the "**Global Companies**"), in exchange for 20 million common shares in the capital of Sprott (the "**Shares**"), with the possibility of up to an additional 8 million Shares to be issued as additional consideration in five years upon the attainment of certain financial performance hurdles ("**Earn-out Shares**").

ITEM 5 Full Description of Material Change

Upon the closing of the proposed Transaction, Sprott will issue 20 million Shares in consideration for the acquisition of the Global Companies. The Seller and certain employees of the Global Companies will further be entitled to receive, on the date that is five years following the closing of the Transaction, Earn-out Shares based on the aggregate earnings before interest, taxes, depreciation and amortization ("**EBITDA**") of the Global Companies during such five year period. For every dollar that the aggregate EBITDA exceeds US$40 million, the Seller shall receive 0.145455 Earn-out Shares, up to a maximum of 8 million Earn-out Shares. If aggregate EBITDA of US$95 million is reached prior to the end of such five-year period, the Seller shall receive the 8 million Earn-out Shares at such time, provided that the Seller shall not receive such shares prior to three years after the closing of the Transaction.

Each of the Seller and the employees of the Global Companies receiving Shares or Earn-out Shares will enter into lock-up agreements with Sprott, whereby they will agree not to directly or indirectly sell their shares without Sprott's consent, subject to certain conditions, with one-third of such shares being released from lock-up every year for three years from the date of issuance.

Upon closing of the Transaction, Rick Rule will join the executive management team at Sprott for a minimum three year term and will be included on management's slate of nominees for the election of directors at the Corporation's next annual meeting of shareholders.

The Transaction is subject to, among other things, satisfactory results of due diligence investigations of the Global Companies and the negotiation of definitive agreements. In addition, the Transaction remains subject to approval by Sprott's board of directors and the Toronto Stock Exchange.

ITEM 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7 Omitted Information

No information has been omitted from this report on the basis that it is confidential information.

ITEM 8 Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Steven Rostowsky
Chief Financial Officer
Sprott Inc.
Tel: (416) 943- 4369
Fax: (416) 943-6497

ITEM 9 Date of Report

This report is dated as of the 24th day of September, 2010.