Management's Discussion and Analysis

Three and nine months ended September 30, 2018

FORWARD LOOKING STATEMENTS

Certain statements in this Management's Discussion & Analysis ("MD&A"), and in particular the "Business Highlights and Growth Initiatives" section and "Outlook" subsection, 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 forgoing, this MD&A contains Forward-Looking Statements pertaining to: (i) anticipation that capital calls on remaining undeployed commitments will accelerate in the fourth quarter of this year and into early 2019; (ii) our belief that the fundamentals for gold and silver are improving; (iii) our expectation that we will see stronger prices throughout the remainder of 2018 and into next year, with positive effects on the earnings from our exchange-listed product lines; (iv) our expectation that the pace of capital calls in our lending LPs will accelerate as we progress through the rest of this year and into 2019; (v) balance sheet lending continuing to wind-down as we grow the AUM in our suite of lending LPs; (vi) our belief that management fees and interest income will continue to be sufficient to satisfy ongoing operating needs and that we hold sufficient cash and liquid securities to meet any other operating and capital requirements; and (vii) the declaration, payment and designation of dividends.

Although the Company believes that the Forward-Looking Statements are reasonable, they are not guarantees of future results, performance or achievements. A number of factors or assumptions have been used to develop the Forward-Looking Statements, including: (i) the impact of increasing competition in each business in which the Company operates will not be material; (ii) quality management will be available; (iii) the effects of regulation and tax laws of governmental agencies will be consistent with the current environment; and (iv) those assumptions disclosed herein under the heading "Significant Accounting Judgments and Estimates". Actual results, performance or achievements could vary materially from those expressed or implied by the Forward-Looking Statements should assumptions underlying the Forward-Looking Statements prove incorrect or should one or more risks or other factors materialize, including: (i) difficult market conditions; (ii) poor investment performance; (iii) failure to continue to retain and attract quality staff; (iv) employee errors or misconduct could result in regulatory sanctions or reputational harm; (v) performance fee fluctuations; (vi) changes in the investment management industry; (vii) failure to implement effective information security policies, procedures and capabilities; (viii) lack of investment opportunities; (ix) risks related to regulatory compliance; (x) failure to manage risks appropriately; (xi) failure to deal appropriately with conflicts of interest; (xii) competitive pressures; (xiii) corporate growth may be difficult to sustain and may place significant demands on existing administrative, operational and financial resources; (xiv) failure to successfully implement succession planning; (xv) foreign exchange risk relating to the relative value of the U.S. dollar; (xvi) litigation risk; (xvii) failure to develop effective business resiliency plans; (xviii) failure to obtain or maintain sufficient insurance coverage on favourable economic terms; (xix) historical financial information is not necessarily indicative of future performance; (xx) the market price of common shares of the Company may fluctuate widely and rapidly; (xxi) risks relating to the Company's investment products; (xxii) risks relating to the Company's proprietary investments; (xxiii) risks relating to the Company's lending business; (xxiv) risks relating to the Company's merchant bank and advisory business; (xxv) those risks described under the heading "Risk Factors" in the Company's annual information form dated March 2, 2018; and (xxvi) those risks described under the headings "Managing Risk: Financial" and "Managing Risk: Non-Financial" in this MD&A. In addition, the payment of dividends is not guaranteed and the amount and timing of any dividends payable by the Company will be at the discretion of the Board of Directors of the Company and will be established on the basis of the Company's earnings, the satisfaction of solvency tests imposed by applicable corporate law for the declaration and payment of dividends, and other relevant factors. The Forward-Looking Statements speak only as of the date hereof, unless otherwise specifically noted, and the Company does not assume any obligation to publicly update any Forward-Looking Statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable Canadian securities laws.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This MD&A of financial condition and results of operations, dated November 8, 2018, presents an analysis of the consolidated financial condition of the Company and its subsidiaries as at September 30, 2018, compared with December 31, 2017, and the consolidated results of operations for the three and nine months ended September 30, 2018, compared with the three and nine months ended September 30, 2017. The Board of Directors approved this MD&A on November 8, 2018. All note references in this MD&A are to the notes to the Company's September 30, 2018 unaudited interim condensed consolidated financial statements ("interim financial statements"), unless otherwise noted. The Company was incorporated under the Business Corporations Act (Ontario) on February 13, 2008.

PRESENTATION OF FINANCIAL INFORMATION

The interim financial statements, including the required comparative information, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). Financial results, including related historical comparatives contained in this MD&A, unless otherwise specified herein, are based on the interim financial statements. The Canadian dollar is the Company's functional and reporting currency for purposes of preparing the interim financial statements given that the Company conducts most of its operations in that currency. Accordingly, all dollar references in this MD&A are in Canadian dollars, unless otherwise specified. The use of the term "prior period" refers to the three and nine months ended September 30, 2017.

KEY PERFORMANCE INDICATORS (NON-IFRS FINANCIAL MEASURES)

The Company measures the success of its business using a number of key performance indicators that are not measurements in accordance with IFRS and should not be considered as an alternative to net income (loss) or any other measure of performance under IFRS. Non-IFRS financial measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Our key performance indicators include:

Assets Under Management

Assets Under Management ("AUM") refers to the total net assets managed by the Company through its various investment product offerings, managed accounts and managed companies.

Net Sales & Capital Calls

Sales and capital calls, net of redemptions and distributions, are key performance indicators as the amount of new net assets being added to the total AUM of the Company will lead to higher management fees and can potentially lead to increased carried interest and performance fee generation given that AUM is also the basis upon which carried interest and performance fees are calculated.

Net Fees

Management fees, carried interest and performance fees, net of trailer fees, sub-advisor fees, carried interest and performance fee payouts, is a key revenue indicator as it represents the net revenue contribution after directly associated costs that we generate from our AUM.

Net Commissions

Commissions, net of commission expenses, is an increasingly significant performance measure for the Company given the ongoing growth of our merchant banking and advisory business.

EBITDA, Adjusted EBITDA and Adjusted base EBITDA

EBITDA in its most basic form is defined as earnings before interest expense, income taxes, depreciation and amortization. EBITDA is a measure commonly used in the investment industry by management, investors and investment analysts in understanding and comparing results by factoring out the impact of different financing methods, capital structures, amortization techniques and income tax rates between companies in the same industry. While other companies, investors or investment analysts may not utilize the same method of calculating EBITDA (or adjustments thereto), the Company believes its adjusted base EBITDA metric, in particular, results in a better comparison of the Company's underlying operations against its peers.

Neither EBITDA, adjusted EBITDA or adjusted base EBITDA have standardized meaning under IFRS. Consequently, they should not be considered in isolation, nor should they be used in substitute for measures of performance prepared in accordance with IFRS.

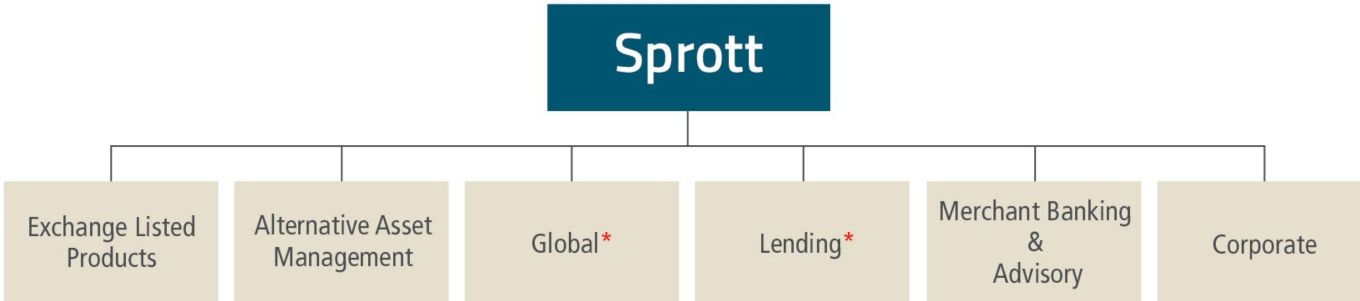
The following table outlines how our EBITDA measures are determined:

	3 months ended		9 months ended	
(in thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
Net income (loss) for the periods	1,975	29,804	21,547	35,013
Adjustments:				
Interest expense	26	124	107	179
Provision (recovery) for income taxes	35	3,401	(2,105)	7,008
Depreciation and amortization	457	1,473	1,601	5,041
EBITDA	2,493	34,802	21,150	47,241
Other adjustments:				
(Gains) losses on proprietary investments	4,765	3,770	9,694	5,126
(Gains) losses on foreign exchange	809	3,648	(283)	7,752
Non-cash stock-based compensation	1,025	(870)	3,461	387
Net proceeds from Sale Transaction	—	(33,829)	(4,200)	(32,606)
Unamortized placement fees	(273)	820	(814)	4,708
Other expenses[1]	888	442	2,299	900
Adjusted EBITDA	9,707	8,783	31,307	33,508
Other adjustments:				
Carried interest and performance fees	—	(835)	(1,802)	(1,092)
Carried interest and performance fee related expenses	—	59	915	222
Adjusted base EBITDA	9,707	8,007	30,420	32,638

[1] See Other Expenses in Note 6 of the interim financial statements. In addition to the items outlined in Note 6, Other also includes severance accruals of $0.4 million for the 3 months ended (2017 - $0.1 million) and $0.5 million for the 9 months ended (2017 - $0.3 million)

BUSINESS OVERVIEW

Our reportable operating segments are as follows:



* These reportable operating segments substantially form our "Private Resource Investments" Platform. Previously, we separately disclosed the results of our Consulting segment.

Exchange Listed Products

- The Company's closed-end physical trusts and exchange traded funds ("ETFs").

Alternative Asset Management

- The Company's alternative investment strategies and sub-advised products.

Global

- The Company's U.S operations, including: 1) fixed-term limited partnership vehicles, 2) discretionary managed accounts; and 3) U.S.-based broker-dealer.

Lending

- The Company's lending activities occur through limited partnership vehicles ("lending LPs"). Balance sheet lending continues to wind-down as we grow the AUM in our suite of lending LPs.

Merchant Banking & Advisory Services

- The Company's Canadian merchant banking and advisory services activities through Sprott Capital Partners ("SCP"), a division of Sprott Private Wealth LP ("SPW").

Corporate

- Provides the Company's various operating segments with capital, balance sheet management and other shared services.

All Other Segments

- Given its immateriality relative to the three quantitative tests of IFRS 8, effective Q1 2018, the Consulting segment no longer met the definition of a reportable segment. Consequently, this segment is now included as part of "All Other Segments" in Note 11 of the interim financial statements. Consulting is the only segment in this category as all other Company segments are reportable.

For a detailed account of the underlying principal subsidiaries within our reportable business segments, refer to the Company's Annual Information Form and Note 2 of the annual audited financial statements.

BUSINESS HIGHLIGHTS AND GROWTH INITIATIVES

Investment Performance

Market value depreciation was $856 million during the quarter and $945 million on a year-to-date basis as the decline in precious metals prices in the first half of the year became more pronounced in the third quarter.

Product and Business Line Expansion

- During the quarter, the Company's Lending segment AUM grew by $104 million (US$84 million) and on a year-to-date basis by $241 million (US$181 million). This brings our total Lending segment AUM to $493 million (US$382 million), leaving $340 million (US$258 million) to be called into the lending LPs. We anticipate capital calls on remaining undeployed commitments to accelerate in the fourth quarter of this year and into early 2019.
- On January 16, 2018, the Company successfully closed on the acquisition of Central Fund of Canada Limited ("CFCL") for $120 million, plus a contingent earn-out. This transaction added $4.3 billion to Company AUM. Upon closing, the assets of CFCL were transfered to the Sprott Physical Gold & Silver Trust ("CEF").
- On January 29, 2018, the Company completed the sale of its non-core private wealth client business (together with the August 1, 2017 sale of its non-core Canadian diversified funds business, referred to as the "Sale Transaction").

OUTLOOK

After a challenging third quarter where precious metals prices came under significant pressure, we believe the fundamentals for gold and silver are improving. Consequently, we expect to see stronger prices throughout the remainder of 2018 and into next year, with positive effects on the earnings from our exchange-listed product lines. Additionally, we expect the pace of capital calls in our lending LPs to accelerate as we progress throughout the rest of this year and into 2019.

SUMMARY FINANCIAL INFORMATION

(In thousands $)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
SUMMARY INCOME STATEMENT								
Management fees	13,722	14,559	14,056	10,247	13,597	20,460	20,677	21,895
Carried interest and performance fees	—	685	1,117	3,584	835	126	131	19,935
less: Trailer fees	45	49	47	225	617	2,762	2,944	3,110
less: Sub-advisor fees	—	—	—	—	426	1,124	1,060	10,552
less: Carried interest and performance fee payouts	—	356	559	2,267	—	12	16	3,702
Net Fees	13,677	14,839	14,567	11,339	13,389	16,688	16,788	24,466
Commissions	4,573	7,516	8,857	7,366	4,746	8,878	8,200	2,959
less: Commission expense	2,447	2,701	3,667	2,855	1,553	3,364	3,208	1,209
Net Commissions	2,126	4,815	5,190	4,511	3,193	5,514	4,992	1,750
Interest income	4,824	3,293	2,775	3,588	2,789	3,387	5,829	3,594
Gains (losses) on proprietary investments	(4,765)	(3,050)	(1,879)	(63)	(3,770)	613	(1,969)	(8,030)
Gains (losses) on long-term investments	(151)	(72)	56	3,639	—	—	—	—
Other income (loss)	(275)	3,683	6,533	1,144	31,487	(2,648)	1,338	4,847
Total Net Revenues	15,436	23,508	27,242	24,158	47,088	23,554	26,978	26,627
Compensation [(1)]	8,167	10,634	9,485	10,631	5,655	11,784	12,461	14,112
Compensation - severance accruals	359	—	149	2,193	62	196	1	283
Placement and referral fees	223	148	204	833	782	4,628	68	2,169
Selling, general and administrative	3,430	4,920	4,652	5,761	5,208	6,163	6,566	6,949
Expected credit loss provisions (recoveries) [(2)]	—	—	—	—	—	—	(4,942)	(911)
Amortization and impairment charges	457	456	688	1,386	1,473	1,778	1,790	1,836
Other expenses	790	802	1,179	2,069	703	289	934	660
Total Expenses	13,426	16,960	16,357	22,873	13,883	24,838	16,878	25,098
Net Income (Loss)	1,975	5,916	13,657	2,519	29,804	(3,606)	8,815	754
Net Income (Loss) per share	0.01	0.02	0.06	0.01	0.13	(0.01)	0.04	0.00
Adjusted base EBITDA	9,707	10,686	10,027	7,524	8,007	8,751	15,882	4,715
Adjusted base EBITDA per share	0.04	0.04	0.04	0.03	0.03	0.04	0.06	0.02
SUMMARY BALANCE SHEET								
Total Assets	401,366	403,985	407,177	409,849	408,093	387,636	426,647	440,024
Total Liabilities	36,486	36,372	42,417	65,985	61,707	62,925	64,113	79,710
Cash	41,452	37,974	52,097	156,120	152,952	96,572	113,882	123,955
less: syndicate cash holdings	(967)	(796)	(932)	(776)	(649)	(477)	(3,838)	(394)
Net cash	40,485	37,178	51,165	155,344	152,303	96,095	110,044	123,561
Proprietary and long-term investments	115,744	120,853	96,352	114,327	134,306	137,505	156,097	147,545
less: obligations related to securities sold short	—	(2,927)	(8,543)	(24,993)	(25,988)	(26,577)	(30,157)	(29,810)
Net investments	115,744	117,926	87,809	89,334	108,318	110,928	125,940	117,735
Loans receivable	36,532	40,208	50,467	48,673	46,215	67,804	73,336	67,678
Investable Capital	192,761	195,312	189,441	293,351	306,836	274,827	309,320	308,974
ASSETS UNDER MANAGEMENT								
Exchange Listed Products	7,560,651	8,530,082	9,014,378	4,634,068	4,539,751	4,591,479	4,758,403	4,411,640
Alternative Asset Management	868,003	1,009,007	1,054,745	1,115,114	1,177,214	3,323,611	3,529,068	3,653,851
Private Resource Investments [(3)]	1,637,458	1,586,953	1,522,090	1,574,200	1,474,547	1,391,367	1,404,955	1,182,492
Total Enterprise AUM	10,066,112	11,126,042	11,591,213	7,323,382	7,191,512	9,306,457	9,692,426	9,247,983

[(1)] Compensation includes stock-based compensation, but excludes commission expense, carried interest and performance fee payouts, which are reported net of commission revenue, carried interest and performance fees, respectively.

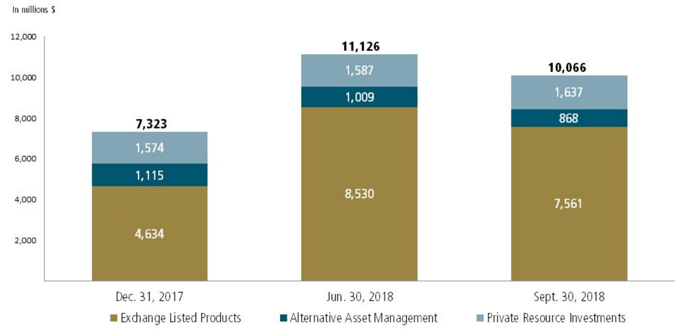
[(2)] Starting Q1, 2018, in order to comply with the new IFRS 9 accounting standard, an expected loss model was used. In the periods prior to Jan 1, 2018, an incurred loss model was used as per IAS 39. See Changes in accounting policies in Note 2 of the interim financial statements.

[(3)] Primarily includes the AUM of our Consulting, Global and Lending segments.

RESULTS OF OPERATIONS

AUM SUMMARY

AUM was $10.1 billion as at September 30, 2018, down $1.1 billion (10%) from June 30, 2018 and up $2.7 billion (37%) from December 31, 2017. The decrease on a three months ended basis was primarily due to lower precious metal prices in our physical trusts, as well as redemptions in the recently acquired CFCL assets. This was further impacted by poor market performance and ongoing redemptions of our sub-advised products. These declines more than offset the increased capital calls (AUM) in our lending LPs. Increased AUM on a year-to-date basis was entirely due to the successful acquisition of CFCL and higher capital call activity (AUM) in our lending LPs. These increases more than offset lower precious metal prices and increased redemption activity in our physical trusts and sub-advised product offerings.



3 months results

In millions $	AUM Jun. 30, 2018	Net Sales & Capital Calls	Market Value Change	Acquisitions & Divestitures	AUM Sept. 30, 2018
Exchange Listed Products					
- Physical Trusts	8,132	(189) (1)	(623)	—	7,320
- ETFs	398	(79)	(78)	—	241
	8,530	(268)	(701)	—	7,561
Alternative Asset Management					
- In-house	406	(4)	(26)	—	376
- Sub-advised	603	(40)	(71)	—	492
	1,009	(44)	(97)	—	868
Private Resource Investments					
- Managed Companies	603	—	(8)	—	595
- Fixed Term LPs	292	—	(22)	—	270
- Separately Managed Accounts	303	—	(24)	—	279
- Private Resource Lending LPs	389	108	(4)	—	493
	1,587	108	(58)	—	1,637
Total	11,126	(204)	(856)	—	10,066

(1) Total CFCL units acquired on January 16, 2018 were 252 million. For the 3 months ended September 30, 2018, 6 million units ($137 million or 2%) were redeemed.

9 months results

In millions $	AUM Dec. 31, 2017	Net Sales & Capital Calls	Market Value Change	Acquisitions & Divestitures	AUM Sept. 30, 2018
Exchange Listed Products					
- Physical Trusts	4,200	(583) (1)	(634)	4,337	7,320
- ETFs	434	(90)	(103)	—	241
	4,634	(673)	(737)	4,337	7,561
Alternative Asset Management					
- In-house	405	(10)	(19)	—	376
- Sub-advised	710	(89)	(129)	—	492
	1,115	(99)	(148)	—	868
Private Resource Investments					
- Managed Companies	706	—	(13)	(98)	595
- Fixed Term LPs	308	—	(38)	—	270
- Separately Managed Accounts	308	—	(29)	—	279
- Private Resource Lending LPs	252	221	20	—	493
	1,574	221	(60)	(98)	1,637
Total	7,323	(551)	(945)	4,239	10,066

(1) Total CFCL units acquired on January 16, 2018 were 252 million. For the 9 months ended September 30, 2018, 28 million units ($476 million or 11%) were redeemed.

MANAGEMENT FEES BREAKDOWN

Below is a detailed list of management fee rates on our fund products as at September 30, 2018 (in thousands $):

FUND	AUM	BLENDED NET MANAGEMENT FEE RATE	CARRIED INTEREST AND PERFORMANCE FEE CRITERIA
Exchange Listed Products			
Sprott Physical Gold and Silver Trust	3,539,107	0.40%	N/A [(1)]
Sprott Physical Gold Trust	2,582,789	0.35%	N/A [(1)]
Sprott Physical Silver Trust	1,074,776	0.45%	N/A [(1)]
Sprott Gold Miner's ETF	169,836	0.57%	N/A [(1)]
Sprott Jr. Gold Miner's ETF	71,239	0.57%	N/A [(1)]
Sprott Physical Platinum & Palladium Trust	122,904	0.50%	N/A [(1)]
Total	7,560,651	0.40%	
Alternative Asset Management: In-house			
Sprott U.S. Value Strategies [(2)]	336,008	0.85%	15% of all net profits in excess of the HWM
Separately Managed Accounts [(3)]	39,846	1.00%	N/A
Total	375,854	0.87%	
Alternative Asset Management: Sub-advised			
Bullion Funds [(4)]	279,425	0.51%	10% excess over applicable benchmark indices
Corporate Class Funds [(4)]	121,288	0.75%	10% excess over applicable benchmark indices
Flow-through LPs [(4)]	91,436	0.70%	20% of all net profits in excess of the HWM
Total	492,149	0.60%	
Private Resource Investments			
Managed Companies [(5)]	595,351	0.50%	N/A
Sprott Private Resource Lending LPs	492,968	1.19%	15-70% of net profits over guaranteed return
Fixed Term Limited Partnerships	269,882	1.70%	15-30% over guaranteed return
Separately Managed Accounts [(6)]	279,257	0.61%	20% of net profits over guaranteed return
Total	1,637,458	0.91%	
Total AUM	10,066,112	0.50%	

(1) Exchange listed products do not attract performance fees, however the management fees they generate are closely correlated to precious metals prices.

(2) Includes Sprott Focus Trust and Sprott Privet Fund.

(3) Institutional managed accounts.

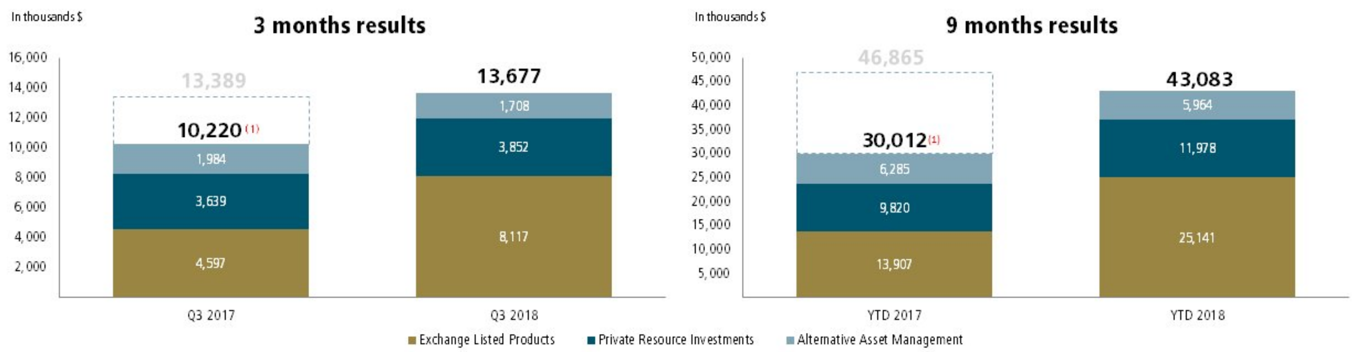
(4) Management fee rate represents the net amount received by the Company as sub-advisor for these products.

(5) Includes Sprott Resource Holdings Inc. and Sprott Korea Corp.

(6) Includes our private equity strategy in Sprott Asia and high net worth discretionary managed accounts in the U.S.

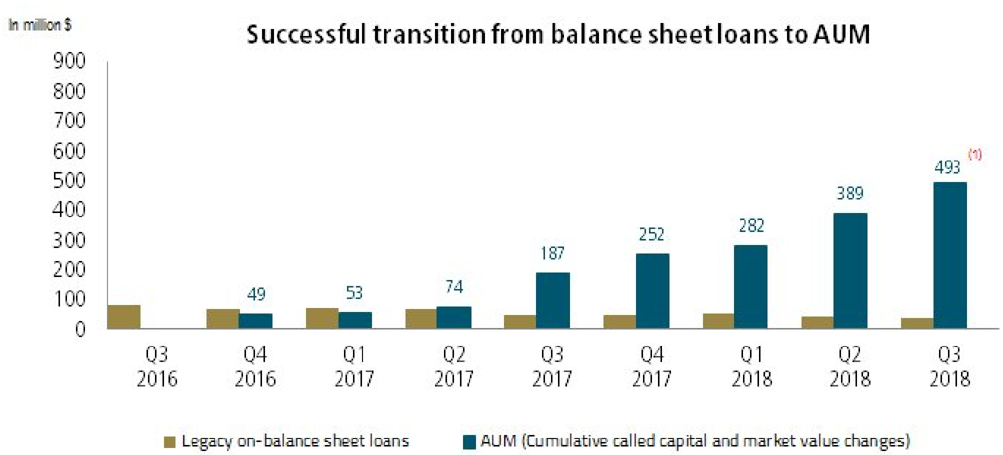
KEY REVENUE LINES

Net Fees in the quarter were $13.7 million, up $0.3 million (2%) from the prior period and were $43.1 million on a year-to-date basis, down $3.8 million (8%). Excluding net fees that were earned last year on the diversified assets sold as part of the Sale Transaction, Net Fees in the quarter were up $3.5 million (34%), and on a year-to-date basis, were up $13.1 million (44%). The increases on a normalized basis were due to management fee generation on the newly acquired CFCL assets in our Exchange Listed Products platform. We also experienced increased fee generation from the lending LPs in our Private Resource Investments platform as we continue to deploy called capital as fee earning AUM.



(1) Excludes fees generated from the non-core assets sold in August 2017.

Interest Income in the quarter was $4.8 million, up $2.0 million (73%) from the prior period and was $10.9 million on a year-to-date basis, down $1.1 million (9%). The increase on a three months ended basis was primarily due to the acceleration of deferred interest income on early settlement of a loan and higher interest income from our growing co-investments in the lending LPs. Excluding last year's impact of catch-up interest recorded on a previously impaired loan, interest income on a year-to-date basis was up $1.5 million (16%). The year-to-date increase on a normalized basis was due to the early settlement of loans and income generation from our co-investments in lending LPs as previously described.

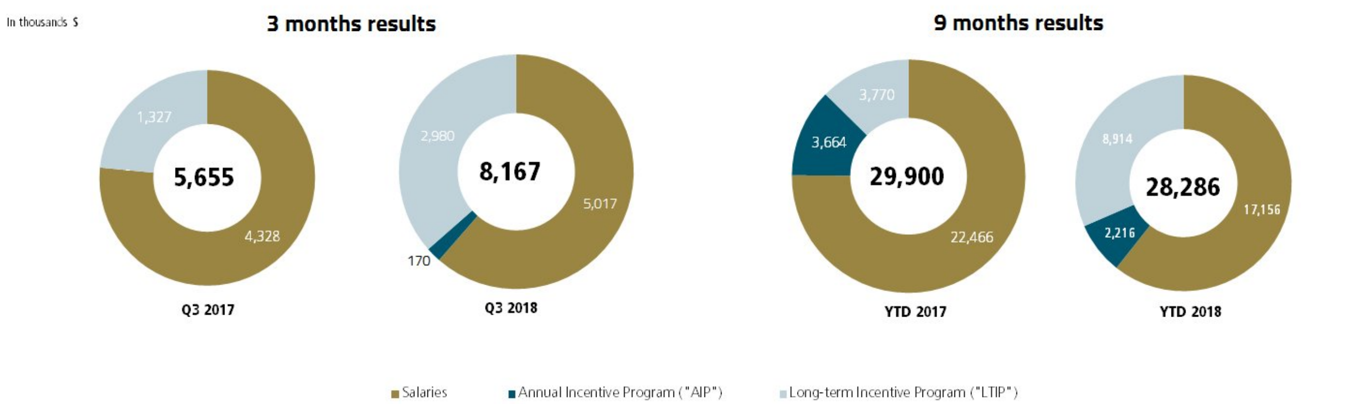


(1) $340 million (US$258 million) of the original $830 million (US$640 million) in committed capital remains uncalled (future AUM).

Net Commissions in the quarter were $2.1 million, down $1.1 million (33%) from the prior period and was $12.1 million on a year-to-date basis, down $1.6 million (11%). The decline was due to lower transaction volumes and placement activities in our U.S broker-dealer and reduced placement activity in our Merchant Banking and Advisory platform.

KEY EXPENSE LINES

Compensation, excluding commissions, carried interest and performance fee payouts, which are presented net of their related revenues in this MD&A, and severance accruals which are non-recurring, was $8.2 million, up $2.5 million (44%) from the prior period and was $28.3 million on a year-to-date basis, which was down $1.6 million (5%). The increase on a three months ended basis was due entirely to last year's reversal of $1.1 million of cash compensation and $2.2 million of equity grant forfeitures pertaining to employees impacted by the Sale Transaction. The decrease on a year-to-date basis was primarily due to lower head count as a result of last year's Sale Transaction which more than offset last year's cash compensation reversal and equity grant forfeitures mentioned above.



SG&A was $3.4 million in the quarter, down $1.8 million (34%) from the prior period and was $13.0 million on a year-to-date basis, down $4.9 million (28%). This was largely due to lower rent, marketing, sales, professional fees, technology and fund operating expenses as a result of last year's Sale Transaction, and to a lesser extent, our on-going cost containment program.

ADDITIONAL REVENUE AND EXPENSE HIGHLIGHTS

Losses on proprietary investments were due to market value depreciation of our bullion holdings, certain equity investments and equity kickers received on deal originations in our private resource investments platform.

Losses on long-term investments were nominal both on a quarterly and year-to-date basis.

Other income was lower in the quarter and on a year-to-date basis. The decrease in the quarter and on a year-to-date basis was primarily due to net sales proceeds received on last year's Sale Transaction in the prior periods.

Placement and referral fees were lower in the quarter and on a year-to-date basis due to less usage of placement agents in our lending business.

Expected credit loss provisions ("ECL") were $Nil in the quarter, however on transition to IFRS 9 in the first quarter of this year, one loan was identified as requiring a Stage 1 ECL provision of $50 thousand, which was charged to opening retained earnings (December 31, 2017 - $Nil).

Amortization of intangibles was lower due to finite life fund management contracts in our Global segment being fully amortized in the first quarter of this year.

Amortization of property and equipment was lower due to a reduction in fixed assets held as a result of the Sale Transaction.

Other expenses were flat in the quarter. On a year-to-date basis, other expenses was higher due to higher non-recurring professional fees primarily related to the Sale Transaction.

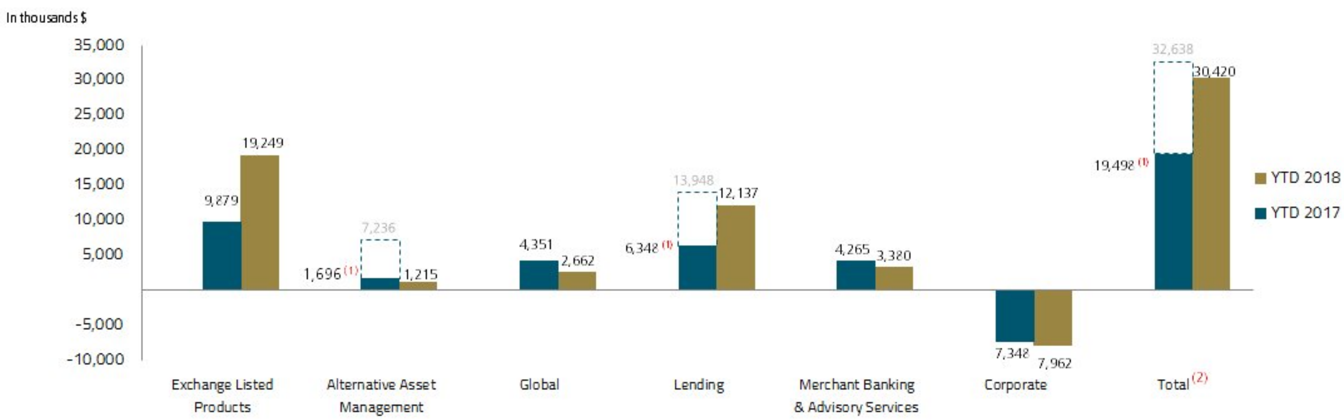
Adjusted Base EBITDA

3 months results

Adjusted base EBITDA in the quarter was $9.7 million, up $1.7 million (21%) from the prior period. Excluding the impact of last year's Sale Transaction, adjusted base EBITDA was up $3.7 million (61%). The increase in earnings on a normalized basis was due to higher net fees generated on the newly acquired CFCL assets and newly called capital and higher co-investment income generated in our lending LPs.

9 months results

Adjusted base EBITDA on a year-to-date basis was $30.4 million, down $2.2 million (7%). Excluding the impact of last year's Sale Transaction, catch-up interest and loan loss reversal, adjusted base EBITDA was up $10.9 million (56%). The increase in earnings on a normalized basis was due to higher net fees generated on the newly acquired CFCL assets and newly called capital and higher co-investment income generated in our lending LPs.

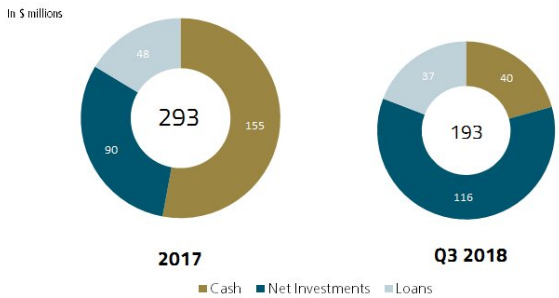


(1) Excludes EBITDA generated in 2017 from: 1) non-core assets sold in our Alternative Asset Management segment; and 2) loan loss provision reversal and related catch-up interest in our Lending segment.

(2) Net of consolidation eliminations and non-reportable segments. See Note 11 of the interim financial statements.

Balance Sheet

Investable Capital was $193 million, down $101 million (34%) from December 31, 2017. The decrease was primarily due to: 1) the purchase of CFCL assets in January of this year; and 2) payments made on a note payable to Eric Sprott (see Note 13 of the interim financial statements).



Total Assets were $401 million, down $8 million (2%) from December 31, 2017. The slight decrease was primarily due to the deployment of investable capital previously described, offset by increased intangible assets attributable to the CFCL transaction.

Total Liabilities were $36 million, down $29 million (45%) from December 31, 2017. The decrease was largely due to lower obligations related to securities sold short as we unwind certain hedge positions in our proprietary investments and payments made on the note payable to Eric Sprott (see Note 13 of the interim financial statements).

Total Shareholder's Equity was $365 million, up $21 million (6%) from December 31, 2017. The increase was primarily due to the issuance of share capital on purchase of CFCL.

REPORTABLE OPERATING SEGMENTS

Exchange Listed Products

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Management fees	8,117	4,597	25,141	13,907
Other income (loss)	(178)	(394)	108	(689)
Total Revenues	7,939	4,203	25,249	13,218
Compensation	981	555	3,426	1,961
Selling, general and administrative	838	650	2,493	2,067
Amortization and impairment charges	315	340	943	1,030
Other expenses	—	—	30	—
Total Expenses	2,134	1,545	6,892	5,058
Net Income (Loss) before income taxes	5,805	2,658	18,357	8,160
Adjusted base EBITDA	6,324	3,392	19,249	9,879
Total AUM	7,560,651	4,539,751	7,560,651	4,539,751

3 and 9 months ended

Adjusted base EBITDA in the quarter was $6.3 million, up $2.9 million (86%) from the prior period and was $19.2 million on a year-to-date basis, up $9.4 million (95%):

- Primarily due to higher management fees generated on new AUM from the CFCL acquisition. This increase was partially offset by higher compensation expense as a result of higher LTIP amortization.

Non-EBITDA highlights:

- Other loss during the quarter and other income on a year-to-date basis was mainly driven by FX movements on U.S dollar dominated cash and receivables.

Alternative Asset Management

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Management fees	1,753	5,361	5,603	30,823
Carried interest and performance fees	—	835	1,061	1,092
less: Trailer fees	45	949	141	7,554
less: Sub-advisor fees	—	426	—	2,611
less: Carried interest and performance fee payouts	—	—	559	28
Net Fees	1,708	4,821	5,964	21,722
Gains (losses) on proprietary investments	—	86	5	566
Other income (loss)	153	34,229	519	35,125
Total Net Revenues	1,861	39,136	6,488	57,413
Compensation	1,072	(116)	3,575	9,535
Selling, general and administrative	423	1,377	1,308	6,220
Amortization and impairment charges	67	204	202	1,067
Other expenses	13	41	11	41
Total Expenses	1,575	1,506	5,096	16,863
Net Income (Loss) before income taxes	286	37,630	1,392	40,550
Adjusted base EBITDA	366	2,610	1,215	7,236
Total AUM	868,003	1,177,214	868,003	1,177,214

3 and 9 months ended

Adjusted base EBITDA in the quarter was $0.4 million, down $2.2 million (86%) from the prior period and was $1.2 million on a year-to-date basis, down $6.0 million (83%). Excluding the impact of last year's Sale Transaction, adjusted base EBITDA was down $0.3 million (41%) in the quarter and on a year-to-date basis, adjusted base EBITDA was down $0.5 million (28%).

Non-EBITDA highlights:

- Other income was lower primarily due to net sales proceeds on last year's Sale Transaction reflected in the prior period.

Global*

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Management fees	1,584	1,720	5,003	5,293
less: Sub-advisor fees	44	45	137	137
Net Fees	1,540	1,675	4,866	5,156
Commissions	1,928	2,172	7,387	9,855
less: Commission expense	1,132	764	2,392	3,554
Net Commissions	796	1,408	4,995	6,301
Gains (losses) on proprietary investments	244	3	(165)	1,012
Gains (losses) on long-term investments	(98)	—	(262)	—
Other income (loss)	487	494	(256)	809
Total Net Revenues	2,969	3,580	9,178	13,278
Compensation [1]	1,937	808	6,133	4,066
Placement and referral fees	10	38	93	118
Selling, general and administrative	1,038	1,376	3,195	3,310
Amortization and impairment charges	22	901	306	2,859
Other expenses	322	16	363	97
Total Expenses	3,329	3,139	10,090	10,450
Net Income (Loss) before income taxes	(360)	441	(912)	2,828
Adjusted base EBITDA	158	1,101	2,662	4,351
Total AUM	424,266	480,666	424,266	480,666

* This segment, along with our Lending segment substantially forms our "Private Resource Investments" platform.

(1) Compensation is presented excluding commission expense, which is reported net of commission revenue.

3 and 9 months ended

Adjusted base EBITDA in the quarter was $0.2 million, down $0.9 million (86%) from the prior period, and was $2.7 million on a year-to-date basis, down $1.7 million (39%)

- Lower EBITDA was due to lower net commissions on reduced transaction volumes and private placement activity in the U.S. broker-dealer portion of this segment, as well as lower net fee generation on lower AUM in the fixed-term LP products of this segment.

Non-EBITDA highlights:

- Proprietary investment gains during the quarter and losses on a year-to-date basis were due to market value movements on warrants and other equity kickers received in certain transactions of our U.S. broker-dealer.
- Other income during the quarter and other loss on a year-to-date basis was mainly driven by FX movements on Canadian dollar denominated cash and receivables.
- Compensation increased due to higher restricted stock unit ("RSU") issuance.
- Other expenses related primarily to non-recurring professional fees.

Lending*

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Management fees	1,304	450	3,509	701
Carried interest and performance fees	—	—	685	—
less: Carried interest and performance fee payouts	—	—	356	—
Net Fees	1,304	450	3,838	701
Interest income [1]	4,407	2,405	10,265	10,781
Gains (losses) on proprietary investments	(1,142)	(212)	(1,617)	(186)
Gains (losses) on long-term investments	(9)	—	16	—
Other income (loss)	(669)	(2,532)	4,624	(4,661)
Total Revenues	3,891	111	17,126	6,635
Compensation	1,524	792	3,882	2,092
Placement and referral fees	46	729	108	5,271
Selling, general and administrative	178	203	927	679
Expected credit loss provisions (recoveries)	—	—	—	(4,942)
Amortization and impairment charges	36	2	41	4
Other expenses	—	—	30	—
Total Expenses	1,784	1,726	4,988	3,104
Net Income (Loss) before income taxes	2,107	(1,615)	12,138	3,531
Adjusted base EBITDA	3,999	1,905	12,137	13,948
Total AUM [2]	492,968	187,000	492,968	187,000

* This segment, along with our Global segment, substantially forms our "Private Resource Investments" platform.

(1) Includes interest income from: (1) on-balance sheet loans; and (2) co-investment income from lending LP units.

(2) During the quarter, the Company's Lending segment AUM grew by $104 million (US$84 million) and on a year-to-date basis by $241 million (US$181 million). This brings our total Lending segment AUM to $493 million (US$382 million), leaving $340 million (US$258 million) to be called into the lending LPs.

3 and 9 months ended

Adjusted base EBITDA in the quarter was $4.0 million, up $2.1 million from the prior period. The increase was primarily due to higher management fees and co-investment income from our lending LPs. We also benefited from the acceleration of deferred interest income on the early settlement of a loan. The increase was partially offset by higher compensation expense.

On a year-to-date basis, adjusted base EBITDA was $12.1 million, down $1.8 million (13%). Excluding the impact of last year's loan loss reversal and catch-up interest, adjusted base EBITDA was up $5.8 million (91%). The increase in earnings on a normalized basis was primarily due to higher management fees and co-investment income from our lending LPs. We also benefited from the acceleration of deferred interest income on the early settlement of loans. The increase was partially offset by higher compensation expense.

Non-EBITDA highlights:

- Carried interest net of related payouts was $Nil on a three months ended basis and $0.3 million year-to-date as a result of certain crystallization events in Q2 2018.
- Losses on proprietary investments were due to market value depreciation on equity kickers received on certain loan arrangements.
- Other loss during the quarter and other income on a year-to-date basis was mainly driven by FX movements on U.S dollar dominated cash, receivables and loans.

Merchant Banking and Advisory Services

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Commissions	2,789	2,589	13,524	12,203
less: Commission Expense	1,561	789	6,745	4,790
Net Commissions	1,228	1,800	6,779	7,413
Management fees	—	90	—	267
Interest income	417	384	627	1,224
Gains (losses) on proprietary investments	(267)	(273)	(683)	(258)
Other income (loss)	6	424	4,521	1,519
Total Net Revenues	1,384	2,425	11,244	10,165
Compensation [(1)]	738	1,468	2,890	4,439
Placement and referral fees	129	—	273	49
Selling, general and administrative	559	556	1,790	2,115
Amortization and impairment charges	3	4	9	15
Other expenses	—	108	301	116
Total Expenses	1,429	2,136	5,263	6,734
Net Income (Loss) before income taxes	(45)	289	5,981	3,431
Adjusted base EBITDA	408	1,076	3,380	4,265

[(1)] Compensation is presented excluding commission expense, which is reported net of commission revenue.

3 months ended

Adjusted base EBITDA in the quarter was $0.4 million, down $0.7 million (62%) from the prior period:

- Lower compensation expense was more than offset by lower net commissions and lower trailer fee income on assets under administration attributable to Sprott products as a result of last year's Sale Transaction.

Non-EBITDA highlights:

- Losses on proprietary investments was the result of market value depreciation on equity kickers earned on private placement transactions.

9 months ended

Adjusted base EBITDA in the quarter was $3.4 million, down $0.9 million (21%) from the prior period:

- Lower compensation expense was more than offset by lower net commissions, interest income and lower trailer fee income on assets under administration attributable to Sprott products as a result of last year's Sale Transaction.

Non-EBITDA highlights:

- Losses on proprietary investments was the result of market value depreciation on equity kickers earned on private placement transactions.
- Other income was primarily related to the net sale proceeds received on the Sale Transaction. See Note 6 of the interim financial statements.

Corporate

This segment is primarily a cost centre that provides capital, balance sheet management and shared services to the Company's subsidiaries.

	3 months ended		9 months ended	
(In thousands $)	Sept. 30, 2018	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2017
SUMMARY INCOME STATEMENT				
Gains (losses) on proprietary investments	(1,804)	(3,215)	(3,093)	(6,608)
Gains (losses) on long-term investments	(44)	—	79	—
Other income (loss)	(22)	(671)	287	(1,941)
Total Revenues	(1,870)	(3,886)	(2,727)	(8,549)
Compensation	1,596	909	6,286	5,306
Selling, general and administrative	112	687	2,383	2,583
Amortization and impairment charges	10	15	83	43
Other expenses	228	157	1,196	418
Total Expenses	1,946	1,768	9,948	8,350
Net Income (Loss) before income taxes	(3,816)	(5,654)	(12,675)	(16,899)
Adjusted base EBITDA	(1,637)	(2,061)	(7,962)	(7,348)

3 and 9 months ended

- Losses on proprietary investments were due to market value depreciation of certain resource equity holdings and bullion investments.
- Other loss during the quarter and other income on a year-to-date basis was mainly driven by FX movements on U.S dollar dominated cash and receivables.
- Higher compensation expense was largely a result of higher LTIP amortization.
- Lower SG&A was largely due to our on-going cost containment program.
- Other expenses related primarily to non-recurring professional fees.

Dividends

The following dividends were declared by the Company during the 9 months ended September 30, 2018:

Record date	Payment Date	Cash dividend per share ($)	Total dividend amount (in thousands $)
March 12, 2018 - Regular Dividend Q4 - 2017	March 27, 2018	0.03	7,553
May 21, 2018 - Regular Dividend Q1 - 2018	June 5, 2018	0.03	7,553
August 20, 2018 - Regular Dividend Q2 - 2018	September 4, 2018	0.03	7,566
Dividends (1)			22,672

(1) Subsequent to the quarter-end, on November 8, 2018, a regular dividend of $0.03 per common share was declared for the quarter ended September 30, 2018. This dividend is payable on December 4, 2018 to shareholders of record at the close of business on November 19, 2018.

Capital Stock

Including the 12.0 million unvested common shares currently held in the EPSP Trust (December 31, 2017 - 10.4 million), total capital stock issued and outstanding was 252.7 million (December 31, 2017 - 244.5 million). The increase from December 31, 2017 was primarily due to the issuance of shares as part of the purchase of CFCL on January 16, 2018.

Earnings per share for the current and prior periods have been calculated using the weighted average number of shares outstanding during the respective periods. Both basic and diluted earnings per share were $0.01 and $0.09 for the quarter and nine months ended respectively, compared to $0.13 and $0.15 in the respective prior periods. Diluted earnings per share reflects the dilutive effect of in-the-money stock options, unvested shares held in the EPSP Trust and outstanding restricted stock units.

A total of 3.3 million stock options are outstanding pursuant to our stock option plan, of which 1.9 million are exercisable.

Liquidity and Capital Resources

Management fees and interest income can be projected and forecasted with a higher degree of certainty than carried interest and performance fees, and are therefore used as a base for budgeting and planning by the Company. Management fees and interest income are generally collected monthly or quarterly, which aids the Company's ability to manage cash flow. The Company believes that management fees and interest income will continue to be sufficient to satisfy ongoing operating needs, including expenditures on corporate infrastructure, business development and information systems. In addition, the Company holds sufficient cash and liquid securities to meet any other operating and capital requirements, if any, including its contractual commitments.

As at September 30, 2018, the Company had an undrawn credit facility with a major Canadian chartered bank. Amounts may be borrowed under the facility through prime rate loans, or bankers' acceptances. Amounts may also be borrowed in U.S. dollars through base rate loans.

Sprott Private Wealth LP ("SPW") and Sprott Asset Management ("SAM") are required to maintain a minimum amount of regulatory capital calculated in accordance with the rules of the Investment Industry Regulatory Organization of Canada ("IIROC") and of the Ontario Securities Commission ("OSC"), respectively. In addition, Sprott Global Resource Investment Ltd. is registered with the Financial Industry Regulatory Authority ("FINRA") in the United States and is required to maintain a minimum amount of regulatory capital calculated in accordance with the rules of FINRA and the Securities Exchange Commission.

Commitments

Besides the Company's long-term lease agreements, there may be commitments to provide loans or make co-investments in lending LPs arising from our Lending segment or commitments to make investments in the net investments portfolio of the Company. As at September 30, 2018, the Company had no direct on-balance sheet loan commitments (December 31, 2017 - $9.9 million) and $11.1 million of co-investment commitments from the Lending segment (December 31, 2017 - $7.8 million).

Significant Accounting Judgments and Estimates

The interim financial statements have been prepared in accordance with IFRS standards in effect as at September 30, 2018, specifically, IAS 34 *Interim Financial Reporting*.

Compliance with IFRS requires the Company to exercise judgment, make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary. Except as otherwise noted, significant accounting judgments and estimates are described in Note 2 of the December 31, 2017 annual audited financial statements and have been applied consistently to the interim financial statements as at and for the three and nine months ended September 30, 2018.

In Q1, 2018 the Company adopted IFRS 9 Financial Instruments (“IFRS 9”) and IFRS 15 Revenue from Contracts with Customers (“IFRS 15”). As a result, the Company changed its accounting policies. As permitted by the transition provision of both IFRS 9 and IFRS 15, the Company elected not to restate comparative period results. Accordingly, all comparative period information is presented in accordance with previous accounting policies.

Managing Risk: Financial

Market risk

The Company separates market risk into three categories: price risk, interest rate risk and foreign currency risk.

Price risk

Price risk arises from the possibility that changes in the price of the Company's on and off-balance sheet assets and liabilities will result in changes in carrying value or recoverable amounts. The Company's revenues are also exposed to price risk since management fees, carried interests and performance fees are correlated with AUM, which fluctuates with changes in the market values of the assets in the funds and managed accounts managed by the Company. Commodity price risk refers to uncertainty of future market values caused by fluctuation in the price of a commodity. Management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will adversely affect the value of, or cash flows from, financial instrument assets. The Company’s earnings, particularly through its Lending segment, are exposed to volatility as a result of sudden changes in interest rates. Management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Foreign currency risk

Foreign currency risk arises from foreign exchange rate movements that could negatively impact either the carrying value of financial assets and liabilities or the related cash flows when translating those balances into Canadian dollars. The Company's primary foreign currency is the United States Dollar ("USD"). The Company may employ certain hedging strategies to mitigate foreign currency risk.

Credit risk

Credit risk is the risk that a borrower will not honor its commitments and a loss to the Company may result. Credit risk generally arises in the Company's on balance sheet loans, co-investments in lending LPs and its net investments portfolio.

Loans receivable

The Company incurs credit risk primarily in the on-balance sheet loans of Sprott Resource Lending Corporation ("SRLC") and through the loan portfolio of the lending LPs. In addition to the relative default probability of SRLC borrowers (both directly via SRLC and indirectly via borrowers of the lending LPs), credit risk is also dependent on loss given default, which can increase credit risk if the values of the underlying assets securing the Company's loans and co-investments decline to levels approaching or below the loan amounts. A decrease in commodity prices may delay the development of the underlying security or business plans of the borrower and could adversely affect the value of the Company's security against a loan. Additionally, the value of the Company's underlying security in a loan can be negatively affected if the actual amount or quality of the commodity proves to be less than originally estimated, or the ability to extract the commodity proves to be more difficult or more costly than originally estimated. During the loan origination process, management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Collectability of loans

Besides the above noted measures we take to manage credit risk, the Company will report on credit risk in the notes to the annual financial statements and records expected credit loss provisions to ensure the loans are recorded at their estimated recoverable amount (i.e. net of impairment risk we believe to exist as at the balance sheet date and in accordance with IFRS). Actual losses incurred in the loan portfolio could differ materially from our provisions. Management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Net investments

The Company incurs credit risk when entering into, settling and financing transactions with counterparties. Management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Other

The majority of accounts receivable relate to management fees, carried interest and performance fees receivable from the funds, managed accounts and managed companies managed by the Company. These receivables are short-term in nature and any credit risk associated with them is managed by dealing with counterparties that the Company believes to be creditworthy and by actively monitoring credit exposure and the financial health of the counterparties.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet a demand for cash or fund its obligations as they come due. The Company's exposure to liquidity risk is minimal as it maintains sufficient levels of liquid assets to meet its obligations as they come due. Additionally, the Company has access to a committed line of credit with its primary lender. As part of its cash management program, the Company primarily invests in short-term debt securities issued by the Government of Canada with maturities of less than three months.

The Company's exposure to liquidity risk as it relates to loans receivable arises from fluctuations in cash flows from making loan advances and receiving loan repayments. The Company manages its loan commitment liquidity risk through the ongoing monitoring of scheduled loan fundings and repayments and through its broader treasury risk management program.

Financial liabilities, including accounts payable and accrued liabilities and compensation and employee bonuses payable, are short-term in nature and are generally due within a year.

The Company's management team is responsible for reviewing resources to ensure funds are readily available to meet its financial obligations (e.g. dividend payments) as they come due, as well as ensuring adequate funds exist to support business strategies and operations growth. The Company manages liquidity risk by monitoring cash balances on a daily basis and through its broader treasury risk management program. To meet any liquidity shortfalls, actions taken by the Company could include: syndicating a portion of its loans; slowing its lending activities; cutting its dividend; drawing on available loan facilities; liquidating net investments; and/or issuing common shares.

Concentration risk

A significant portion of the Company's AUM as well as its net investments and loans are focused on the natural resource sector. In addition, from time-to-time, certain net investment and loan positions may be concentrated to a material degree in a single position or group of positions. Management takes into account a number of factors and is committed to several processes to ensure that this risk is appropriately managed.

Disclosure Controls and Procedures ("DC&P") and Internal Control over Financial Reporting ("ICFR")

Management is responsible for the design and operational effectiveness of DC&P and ICFR in order to provide reasonable assurance regarding the disclosure of material information relating to the Company. This includes information required to be disclosed in the Company's annual filings, interim filings and other reports filed under securities legislation, as well as the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Consistent with *National Instrument 52-109*, the Company's CEO and CFO evaluate quarterly the DC&P and ICFR. As at September 30, 2018, the Company's CEO and CFO concluded that the Company's DC&P and ICFR were properly designed and were operating effectively. In addition, there were no material changes to ICFR during the quarter.

Managing Risk: Non-financial

For details around other risks managed by the Company (e.g. confidentiality of information, conflicts of interest, etc.) refer to the Company's annual report as well as the Annual Information Form available on SEDAR at www.sedar.com.