

TORONTO, Aug. 02, 2017 (GLOBE NEWSWIRE) -- [Sprott Resource Holdings Inc.](#) (TSX:SRHI) ("SRHI" or the "Company") today announced its financial results for the three-months ended June 30, 2017. SRHI was created in February 2017 via a business combination between Sprott Resource Corp. ("SRC") and [Adriana Resources Inc.](#) ("ADI").

Summary

- Closed a \$30 million gross proceeds marketed financing on April 18, 2017
- Currently holds \$77 million of net cash¹
- Sold 25% of investment in Union Agriculture Group for USD\$2 million in July 2017
- Conducted due diligence on 72 investment opportunities year-to-date

Financial Summary²

- As at June 30, 2017, the Company had cash of \$76.0 million, public company investments of \$36.4 million and \$30.9 million in private company investments
- Net Asset Value ("NAV") at June 30, 2017 of \$142.6 million (\$0.23 per share) compared to December 31, 2016 of \$137.8 million (\$0.27 per share)
- For the three-months ended June 30, 2017, the Company recorded a net loss of \$23.3 million (\$0.04 per basic and diluted share) compared to a net loss of \$17.5 million (\$0.06 per basic and diluted share) for the three-months ended June 30, 2016, primarily comprised of unrealized losses as a result of marking-to-market the investment portfolio

"During the second quarter of 2017, we completed a \$30 million marketed public offering and our net cash position today is approximately \$77 million," said Steve Yuzpe, CEO of SRHI. "With a strong balance sheet, SRHI is well positioned to pursue new accretive investment opportunities at what we think is an attractive stage of the natural resource cycle."

"We have continued to deliver on our promise to monetize non-core holdings and are also actively working to deploy capital into accretive new investments," added Mr. Yuzpe. "In July, we further strengthened our balance sheet through the sale of approximately 25% of our non-core position in Union Agriculture Group, realizing proceeds of USD\$2 million. Our deal pipeline is strong and we are currently looking at commodities exhibiting the most attractive long-term fundamentals. As always, we are focused on buying businesses where we believe the expertise of the Sprott team has the greatest potential to create meaningful value for our shareholders. We are optimistic that we will complete one or more material transactions by year end."

¹ net cash is a non-IFRS measure and is comprised of cash and cash equivalents less total liabilities

² comparative figures are of SRC only and per share amounts have been adjusted on a 3:1 basis to reflect the equivalent share exchange ratio for SRC shareholders entered into for the business combination of ADI and SRC

SRHI Net Asset Value as at June 30, 2017

The following table outlines SRHI's estimated equity attributable to shareholders and investment ownership as at June 30, 2017. Please see the Company's unaudited condensed interim consolidated financial statements and notes thereon, and management's discussion and analysis for the three and six-months ended June 30, 2017 for additional information.

As at June 30, 2017, the fair value of the Company's public and private company investments was \$36.4 million and \$30.9 million respectively.

| <i>(in millions except per share amounts and issued and outstanding common shares)</i> | As at June 30, 2017 | <i>SRHI Ownership (undiluted)</i> |
|--|------------------------|---|
| Cash and cash equivalents and other assets net of liabilities | \$ 75.3 | |
| Investments owned, at fair value | | |
| <i>Energy production and services</i> | | |
| InPlay Oil Corp. | Public 10.8 | 11.4 % |
| R.I.I. North America Inc. | Private 5.2 16.0 | 15.4 % |
| <i>Mining</i> | | |
| Corsa Coal Corp. | Public 24.4 | 17.2 % |
| Lac Otelnuk Mining Ltd. | Private 6.5 | 40.0 % |
| Virginia Energy Resources Inc. | Public 1.3 32.2 | 16.5 % |
| <i>Agriculture</i> | | |
| One Earth Farms Corp. | Private 9.2 | 49.98 % |
| Union Agriculture Group | Private 9.9 19.1 | 4.5 % |

| | |
|--|-------------|
| Estimated total equity attributable to shareholders (NAV) | \$ 142.6 |
| Number of common shares issued and outstanding as at June 30, 2017 | 630,488,999 |
| NAV per share | \$ 0.23 |

Conference Call Details

SRHI will hold a conference call to discuss its results for the three and six-months ended June 30, 2017 today, Wednesday, August 2, 2017 at 10:00am Toronto time. To participate in the call, please dial (855) 458-4215 ten minutes prior to the scheduled start of the call and provide conference ID: 62365099. A taped replay of the conference call will be available until Wednesday, August 9, 2017 by calling (855) 859-2056. The conference call will be webcast live at www.sprottresource.com and <http://edge.media-server.com/m/p/4xbuzq5u>

About Sprott Resource Holdings Inc.

SRHI is a publicly-listed corporation transitioning into a diversified holding company focused on holding businesses in the natural resource industry. Based in Toronto, SRHI is a member of the Sprott Group of Companies and is managed by a team of leading resource investment professionals. SRHI's current holdings are concentrated in the mining, energy and agriculture sectors. SRHI takes an active role in the companies in which it invests and is committed to being a high-value partner to the management teams it backs and the co-investors who invest alongside SRHI. For more information about SRHI, please visit www.sprottresource.com.

Forward-Looking Information

Certain statements in this press release 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 press release contains Forward-Looking Statements pertaining to completion of one or more material transactions by year end.

Although SRHI 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 the continued availability of quality management. 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) general economic, market and business conditions; (ii) commodity price fluctuations and uncertainties and, in particular the price of oil and gas; (iii) risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses, and health, safety and environmental risks); (iv) risks associated with the farming industry in general (e.g., weather risks, operational risks in production; the uncertainty of estimates and projections related to livestock); (v) risks associated with the food manufacturing and retail business in general (e.g., a rise in the cost of inputs, a drop in pricing and/or sales volumes, food safety); (vi) risks associated with the mining industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses, and health, safety and environmental risks); (vii) other risks associated with SRHI's portfolio companies' industries; (viii) those risks disclosed under the heading "Risk Management" in SRHI's Management's Discussion and Analysis ("MD&A") for the three and six-months ended June 30, 2017; and (ix) those risks disclosed under the heading "Risk Management" in SRHI's MD&A for the three-months ended March 31, 2017. The Forward-Looking Statements speak only as of the date hereof, unless otherwise specifically noted, and SRHI 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.

For further information:

Glen Williams
 Director of Communications
 T: (416) 943-4394
 E: gwilliams@sprott.com