

TORONTO, March 06, 2017 (GLOBE NEWSWIRE) -- [Sprott Resource Holdings Inc.](#) ("SRHI" or the "Company") (formerly [Adriana Resources Inc.](#) ("ADI")) today announced its financial results for the year ended December 31, 2016. SRHI was formed in February 2017 via a business combination between Sprott Resource Corp. ("SRC") and ADI. The financial results for both SRHI and SRC have been filed under the SRHI profile at www.sedar.com and on the Company's website.

"Through the combination of SRC and ADI we have created SRHI, a unique, resource-focused investment vehicle with approximately \$50 million in net cash¹, no debt and a strong portfolio of core holdings in the mining and energy sectors," said Steve Yuzpe, CEO of SRHI. "We have strengthened our management team with the addition of Rick Rule as Chief Investment Officer and Michael Harrison as Managing Director. In addition, we have added significant mining expertise at the board level with Rick taking the position as Vice Chair of the SRHI board of directors and Don Charter and Tony Wang joining as directors."

"In conjunction with the closing of the transaction, Sprott Inc. increased its ownership stake in SRHI. We look forward to increased collaboration with the Sprott team and expect to benefit from both improved deal flow and access to their technical and due diligence expertise," added Mr. Yuzpe.

SRHI Estimated Net Asset Value as at February 9, 2017 ("Closing Date")

The following table outlines SRHI's estimated equity attributable to shareholders and investment ownership as at the Closing Date. Readers are cautioned that the figures presented below are preliminary and may change as the Company is in the process of determining the fair values of the assets acquired and the liabilities assumed.

Public companies ("Public") are presented using the closing price on the Toronto Stock Exchange on the Closing Date and private companies ("Private") are presented using the carrying value as reported at December 31, 2016 by ADI and SRC respectively, adjusted for foreign exchange, where applicable.

Please see the Company's and SRC's audited annual consolidated financial statements and notes therein, and management's discussion and analysis for the year ended December 31, 2016 for additional information.

As at the Closing Date, the estimated fair value of the Company's Public and Private company investments was \$67.7 million and \$40.9 million respectively.

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

<i>(in millions except per share amounts and issued and outstanding common shares)</i>	As at February 9, 2017	SRHI Ownership (undiluted)
Cash and cash equivalents and other assets net of liabilities	\$ 50.2	
Investments owned, at fair value		
<i>Energy production and services</i>		
InPlay Oil Corp.	Public 15.2	11.4%
R.I.I. North America Inc.	Private 5.2 20.4	15.4%
<i>Mining</i>		
Corsa Coal Corp.	Public 50.2	17.2%
Lac Otelnuk Mining Ltd.	Private 5.8	40.0%
Virginia Energy Resources Inc.	Public 2.3 58.3	16.5%
<i>Agriculture</i>		
One Earth Farms Corp.	Private 13.4	49.98%
Union Agriculture Group	Private 16.5 29.9	6.3%
Estimated total equity attributable to shareholders (NAV)	\$ 158.8	
Number of common shares issued and outstanding as at February 9, 2017	510,488,999	
NAV per share	\$ 0.31	

2016 Summary Results for SRHI

- Total assets of \$33.7 million at December 31, 2016 with \$27.6 million in cash and cash equivalents compared to \$35.6 million of total assets at December 31, 2015 with \$32.6 million in cash and cash equivalents;

- Total equity of \$32.9 million at December 31, 2016 compared to \$35.5 million of total equity at December 31, 2015;
- Net loss for the year ended December 31, 2016 was \$2.6 million (\$0.02 per share) including SRHI's share of loss of Lac Otnuk Mining Ltd. of \$0.2 million. This compares with a net loss of \$49.8 million (\$0.32 per share) for the year ended December 31, 2015 including SRHI's share of loss of Lac Otnuk Mining Ltd. of \$38.2 million.

2016 Summary Results for SRC

- NAV at December 31, 2016 was \$110.1 million (\$1.15 per share) compared to \$107.3 million (\$1.11 per share) at December 31, 2015;
- Investments owned, at fair value at December 31, 2016 were \$100.7 million with cash on hand of \$12.2 million. This compares to investments owned, at fair value at December 31, 2015 of \$120.8 million with debt of \$13.6 million;
- Net income for the year ended December 31, 2016 was \$3.5 million (\$0.04 per share) compared to a net loss of \$119.5 million (\$1.23 per share) for the year ended December 31, 2015.

Conference Call Details

SRHI intends to hold a conference call in early April, at which point management will provide a detailed update on its core holdings, financial position and future growth plans.

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 part 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: (i) increased collaboration with the Sprott team; and (ii) the Company's expectation that it will benefit from improved deal flow and access to Sprott's technical and due diligence expertise.

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; and (viii) those risks disclosed under the heading "Risk Management" in SRHI's MD&A for the year ended December 31, 2016. 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.

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