

A sneak preview of Sprott Growth's top ten

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WHAT ARE WE LOOKING FOR?

In our last look this week at the top holdings of a mutual fund, we check out **Sprott Growth Fund**.

It's worth examining the big investments in a fund to get some tips, or gain comfort that a pro has bet money on a stock you are considering.

You might even decide to invest in the fund instead of having the hassle of picking your own stocks. That's especially true when it comes to riskier, smaller company investments.

Sprott Asset Management Inc. releases the top holdings in its funds quarterly, and they are available on its website a month later. We were given a sneak preview of Sprott Growth's top 10 stocks at the end of March. The list is expected to be posted on <http://www.sprott.com> next week. The fund owns about 60 stocks.

MORE ABOUT THE FUND

The \$348.2-million Sprott Growth Fund run by Peter Hodson was the best one-year performer in the Canadian focused small-mid cap equity category in Globefund.

The fund gained 16.6 per cent for the one-year ended March 31, compared with a 2.7-per-cent loss for the S&P/TSX completion total return index. Its average annual return over two years is 19.2 per cent.

While Sprott Growth is in the Canadian small-to-mid cap category, it is really an all-capitalization fund that focuses on North America. The manager looks for growth companies with strong management, a strong balance sheet and a competitive advantage.

WHAT DID WE FIND OUT?

Sprott Growth's biggest holding is high-flying **Timminco Ltd.**, a producer of silicon for use in the making of solar cells. The company, which says it has developed a process to make solar-grade silicon at a lower cost than competitors, has been at the centre of controversy with some short sellers disputing its claims.

Mr. Hodson dismisses the naysayers, saying "nothing has changed" from the reasons why he invested in the company. "We believe it can make a lot of money" because Timminco has a competitive advantage, he said.

Stocks like 5N Plus Inc., Aurelian Resources Inc., Thompson Creek Metals Company Inc., and FNX Mining Co. Inc. are new names in the latest top 10 holdings. These stocks were in the fund at the end of December, but have now emerged among the biggest investments through share appreciation or additions to holdings.

Absolute Software Corp, Focus Media Holding Ltd., Hanfeng Evergreen Inc., Sohu.com Inc. are no longer in Mr. Hodson's top 10 list - as they were at the end of December - but they are still in his fund. But he has trimmed his stakes in Focus Media, a Chinese advertising company, and Sohu.com Inc., a Chinese Internet portal.

Sprott Growth Fund holdings as of March 31, 2008

Company name	Symbol	\$ Price April 23	52-wk low \$	52-wk high \$	P/E ratio	YTD % price chg	% of net assets
Timminco Ltd.	TIM-T	21.60	3.11	28.50	0.0	-1.6	11.5
5N Plus	VNP-T	12.30	3.90	13.46	102.5	54.5	5.4
Oilexco Inc.	OIL-T	15.12	8.02	17.92	42.0	14.7	5.3
Pan Orient Energy	POE-X	12.95	3.05	15.85	0.0	-14.6	5.3
Yamana Gold Inc.	YRI-T	13.63	9.05	19.79	35.9	5.7	5.0
Kinross Gold	K-T	21.29	10.58	27.16	35.5	16.3	4.8
Aurelian Resources	ARU-T	3.57	3.05	10.23	0.0	-53.4	3.8
Thompson Creek Metals	TCM-T	22.06	12.65	25.58	15.5	29.9	3.6
FNX Mining Company	FNX-T	29.03	21.52	39.77	22.2	-4.0	3.5
Points International	PTS-T	1.98	1.04	4.30	0.0	-51.8	2.9

SOURCE: SPROTT AND GLOBE INVESTOR