



**Sprott Resource Corp. (formerly General Minerals Corporation)
Announces Management Services Agreement
with Sprott Consulting Ltd., Changes to the Management Team and Board of Directors
and Closing of \$60 Million Private Placement**

FOR IMMEDIATE RELEASE

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Toronto, September 5, 2007 (TSX: GNM, SEC 12g3-2(b): 82-34810) – Sprott Resource Corp. (formerly General Minerals Corporation) (the "Corporation") announces the entering into of a management services agreement with Sprott Consulting Ltd. ("SCL"), a subsidiary of Sprott Asset Management Inc. ("SAM") and changes in the management team and board of directors of the Corporation.

As part of the entering into of the management services agreement, Eric Sprott, Kevin Bambrough and John Embry were appointed directors of the Corporation to fill the vacancies following the resignations of Ralph Fitch, Lawrence Dick and Tina Woodside. In addition, the current officers of the Corporation (other than William Filtness, Chief Financial Officer) resigned and Eric Sprott was appointed Chairman and Kevin Bambrough was appointed President and Chief Executive Officer of the Corporation.

The Corporation also announces that it has closed its \$60 million private placement comprised of the issuance of 40 million units at \$1.50 per unit. Each unit was comprised of one common share and one common share purchase warrant, with each warrant being exercisable for two years at \$2.50. The common shares and warrants are subject to statutory private placement hold periods of four months and one day from the closing date. The funds raised will be used by the Corporation to continue to acquire direct and indirect investments in the mining sector and to evaluate and acquire other opportunities within the natural resource sectors, including minerals, oil and gas, water and forestry.

"We would like to thank Ralph Fitch and his team for all their efforts to date regarding the Corporation and this transition," states Kevin Bambrough, the newly appointed President and CEO of the Corporation. "The new management team and I are extremely excited over the investment opportunities that are available to the Corporation."

About Sprott Resource Corp.

Sprott Resource Corp. is a Canadian based company. The primary purpose of the Corporation is to invest, directly and indirectly, in natural resources. Through acquisitions, joint ventures and other investments, the Corporation will seek to provide its shareholders with exposure to the

natural resources sector for the purposes of capital appreciation and real wealth preservation. The Corporation is well positioned to draw upon the considerable experience and expertise of both its Board of Directors and Sprott Consulting Ltd. (SCL), a wholly owned subsidiary of Sprott Asset Management (SAM). Pursuant to a management services agreement between SCL and Sprott Resource Corp., SCL provides the day-to-day business management for the Corporation as well as other management and administrative services.

This press release is not for distribution to U.S. news services or for dissemination in the United States, and does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein. These securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended, or any state securities laws, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption there from.

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