5N PLUS

PRESS RELEASE

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5N Plus Reports Financial Results for the Third Quarter Ended September 30, 2018

Montreal, Québec, November 6, 2018 – 5N Plus Inc. (TSX:VNP) ("5N Plus" or the "Company"), a leading producer of engineered materials, today reported financial results for the third quarter ended September 30, 2018. All amounts are expressed in U.S. dollars.

5N Plus posted another strong quarterly performance characterized by growth in revenue and significant expansion in earnings as compared to the same period last year. These results were delivered despite notable headwinds from metal consumables which in some cases were unfavorably impacted by up to 25% movement in metal notations. The strong performance was not only driven by healthy demand for the Company's products and services but also progress in the Company's upstream activities which helped mitigate metal related adverse impacts.

- Adjusted EBITDA[1] and EBITDA[1] for the third quarter of 2018 were $8.6 million and $7.8 million as compared to $6.9 million and $6.4 million for the same quarter of 2017. This is an improvement of more than 24% to the Adjusted EBITDA when compared to the same period last year.

- Adjusted EBITDA and EBITDA for the nine-month period ending September 30, 2018 were $25.4 million and $23.4 million as compared to $22.8 million and $22.4 million for the same period in 2017.

- Revenue in Q3 2018 grew to $53.4 million as compared to $50.3 million in Q3 2017, despite unfavorable impact from metal notations. Solid demand for the Company's products and services drove revenue growth while enhanced sales mix and increased contribution from upstream activities helped expand Gross margin[1] from 26.5% in the third quarter of 2017 to 27.6% in the third quarter of 2018.

- Net earnings for the quarter closed at $3.5 million or $0.04 per share as compared to $2.2 million or $0.03 per share in Q3 2017.

- Net debt[1] was $21.9 million as at September 30, 2018, an increase of $10.5 million compared to December 31, 2017 due to higher working capital requirements driven in large part by various hedging initiatives.

- Annualized ROCE[1] registered at 16.4% in the third quarter of 2018 compared to 15.6% at the end of 2017.

- As of September 30, 2018, the backlog[1] reached a level of 181 days of sales outstanding, representing an increase of 3 days compared to September 30, 2017, and 11 days compared to June 30, 2018. Bookings[1] in Q3 2018 reached 86 days compared to 118 days in Q3 2017 and 89 days in Q2 2018.

- Based on the current trajectory, Adjusted EBITDA is expected to close in the upper range of the Company's $30-$33 million guidance for 2018.

[1] See Non-IRFS Measures

Arjang Roshan, President and Chief Executive Officer, said "In the advent of our strategic plan 5N21 and the two years that followed, growth in earnings and return on capital employed were mainly propelled by the first pillar of 5N21 which is optimization of our core businesses." Mr. Roshan added "As we move to the last quarter of 2018, a third year of growth in aforementioned metrics is emerging." Mr. Roshan concluded "It is important to note that today, both implementation of the first pillar of 5N21 and growth of our upstream activities which is the second pillar of the plan are propelling this progress."

Webcast Information

5N Plus will host a conference call on Wednesday, November 7, 2018 at 8:00 am ET with financial analysts to discuss results of the quarter ended September 30, 2018. All interested parties are invited to participate in the live broadcast on the Company's website at www.5nplus.com. A replay of the webcast and a recording of the Q&A will be available until November 14, 2018.

To participate in the conference call:

- Montreal area: 514-807-9895
- Toronto area: 647-427-7450
- Toll-Free: 1-866-865-3087

Enter access code 9449209.

Non-IFRS Measures

EBITDA means net earnings (loss) before interest expenses (revenues), income taxes, depreciation and amortization. We use EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies. EBITDA margin is defined as EBITDA divided by revenues.

Adjusted EBITDA means EBITDA as defined above before impairment of inventories, share-based compensation expense, impairment of non-current assets, litigation and restructuring costs (income), gain on disposal of property, plant and equipment, change in fair value of debenture conversion option, foreign exchange and derivatives loss (gain). We use adjusted EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of inventory write-downs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies.

Gross margin is a measure we use to monitor the sales contribution after paying cost of sales excluding depreciation of property, plant and equipment and impairment inventory charge. We also expressed this measure in percentage of revenues by dividing the gross margin value by the total revenue.

Net debt or net cash is a measure we use to monitor how much debt we have after taking into account cash and cash equivalents. We use it as an indicator of our overall financial position, and calculate it by taking our total debt, including the current portion and the cross-currency swap related to the convertible debenture, and subtracting cash and cash equivalents.

Backlog represents the expected orders we have received but have not yet executed and that are expected to translate into sales within the next twelve months expressed in number of days.

Bookings represent orders received during the period considered, expressed in days, and are calculated by adding revenues to the increase or decrease in backlog for the period considered divided by annualized year revenues. We use backlog to provide an indication of expected future revenues in days, and bookings to determine our ability to sustain and increase our revenues.

Return on Capital Employed (ROCE) is a non-IFRS financial measure, calculated by dividing the annualized Adjusted EBIT by capital employed at the end of the period. Adjusted EBIT is calculated as the Adjusted EBITDA less depreciation and amortization (adjusted for accelerated depreciation charge, if any). Capital employed is the sum of the accounts receivable, the inventory, the PPE, the goodwill and intangibles less trade and accrued liabilities (adjusted for exceptional items). We use ROCE to measure the return on capital employed, whether the financing is through equity or debt. In our view, this measure provides useful information to determine if capital invested in the Company yields competitive returns. The usefulness of ROCE is limited by the fact that it is a ratio and not providing information as to the absolute amount of our net income, debt or equity. It also excludes certain items from the calculation and other companies may use a similar measure but calculate it differently.

About 5N Plus Inc.

5N Plus is a leading producer of engineered materials. Fully integrated with closed-loop recycling facilities, the Company is headquartered in Montreal, Québec, Canada and operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to produce products which are used in a number of advanced pharmaceutical, electronic and industrial applications. Typical products include purified metals such as bismuth, gallium, germanium, indium, selenium and tellurium, inorganic chemicals based on such metals and compound semiconductor wafers. Many of these are critical precursors and key enablers in markets such as pharmaceutical, healthcare, renewable energy, aerospace, security and sensing, imaging, technical and industrial materials, extractive and catalytic materials, and animal feed additive industries.

Forward-Looking Statements and Disclaimer

This press release may contain forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of historical facts contained in this press release are forward-looking information. Such statements and information may be identified by words such as “about”, “approximately”, “may”, “believes”, “expects”, “will”, “intends”, “should”, “plans”, “predicts”, “potential”, “projects”, “anticipates”, “estimates”, “continues” or similar words or the negative thereof or other comparable terminology. Forward-looking statements are based on the best estimates available to 5N Plus at this time and involve known and unknown risks, uncertainties and other factors that may cause 5N Plus’ actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. A description of the risks affecting 5N Plus’ business and activities appears under the heading “Risk and Uncertainties” of 5N Plus’ 2017 MD&A dated February 20, 2018 and note 12 of the unaudited condensed interim consolidated financial statements for the three-month periods ended September 30, 2018 and 2017 available on SEDAR at www.sedar.com. No assurance can be given that any events anticipated by the forward-looking information in this press release will transpire or occur, or if any of them do so, what benefits that 5N Plus will derive therefrom. In particular, no assurance can be given as to the future financial performance of 5N Plus. The forward-looking information contained in this press release is made as of the date hereof and 5N Plus undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

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5N PLUS INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands of United States dollars) (unaudited)

	September 30 2018	December 31 2017
	$	$
Assets		
Current		
Cash and cash equivalents	**26,799**	34,024
Accounts receivable	**26,552**	25,639
Inventories	**92,035**	90,647
Income tax receivable	**5,693**	6,145
Other current assets	**10,500**	8,773
Total current assets	**161,579**	165,228
Property, plant and equipment	**56,745**	56,607
Intangible assets	**11,155**	10,856
Deferred tax assets	**8,914**	6,891
Investment accounted for using the equity method	**-**	718
Derivative financial assets	**844**	3,602
Other assets	**1,348**	1,030
Total non-current assets	**79,006**	79,704
Total assets	**240,585**	244,932
Liabilities		
Current		
Trade and accrued liabilities	**40,540**	57,043
Income tax payable	**13,504**	11,339
Current portion of long-term debt	**185**	271
Current portion of convertible debentures	**19,322**	-
Total current liabilities	**73,551**	68,653
Long-term debt	**30,000**	-
Convertible debentures	**-**	48,768
Deferred tax liabilities	**245**	251
Employee benefit plan obligation	**14,638**	15,396
Other liabilities	**6,547**	6,436
Total non-current liabilities	**51,430**	70,851
Total liabilities	**124,981**	139,504
Equity		
Equity holders of 5N Plus Inc.	**115,621**	105,446
Non-controlling interest	**(17)**	(18)
Total equity	**115,604**	105,428
Total liabilities and equity	**240,585**	244,932

5N PLUS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS
For the three and nine-month periods ended September 30
(in thousands of United States dollars, except per share information) (unaudited)

	Three months		Nine months	
	2018	2017	**2018**	2017
	$	$	**$**	$
Revenue	**53,379**	50,325	**170,285**	167,424
Cost of sales	**40,335**	38,670	**131,145**	129,479
Selling, general and administrative expenses	**5,723**	6,069	**19,227**	19,542
Other expenses (revenues), net	**1,215**	1,183	**2,411**	1,227
Share of loss from joint ventures	**-**	23	**22**	144
	47,273	45,945	**152,805**	150,392
Operating earnings	**6,106**	4,380	**17,480**	17,032
Financial expense				
Interest on long-term debt	**615**	819	**2,240**	2,456
Imputed interest and other interest expense	**286**	677	**3,169**	2,269
Changes in fair value of debenture conversion option	**-**	(312)	**-**	(18)
Foreign exchange and derivative loss	**208**	40	**389**	399
	1,109	1,224	**5,798**	5,106
Earnings before income taxes	**4,997**	3,156	**11,682**	11,926
Income tax expense (recovery)				
Current	**1,330**	2,042	**3,803**	3,352
Deferred	**209**	(1,109)	**(2,047)**	(1,217)
	1,539	933	**1,756**	2,135
Net earnings	**3,458**	2,223	**9,926**	9,791
Attributable to:				
Equity holders of 5N Plus Inc.	**3,457**	2,224	**9,925**	9,794
Non-controlling interests	**1**	(1)	**1**	(3)
	3,458	2,223	**9,926**	9,791
Earnings per share attributable to equity holders of 5N Plus Inc.	**0.04**	0.03	**0.12**	0.12
Basic earnings per share	**0.04**	0.03	**0.12**	0.12
Diluted earnings per share	**0.04**	0.03	**0.12**	0.12

5N PLUS INC.
(in thousands of United States dollars)

Revenue by Segment and Gross Margin	Q3 2018	Q3 2017	Change	YTD 2018	YTD 2017	Change
	$	$		**$**	$	
Electronic Materials	**19,605**	17,626	11%	**61,646**	55,531	11%
Eco-Friendly Materials	**33,774**	32,699	3%	**108,639**	111,893	(3%)
Total revenue	**53,379**	50,325	6%	**170,285**	167,424	2%
Cost of sales	**(40,335)**	(38,670)	4%	**(131,145)**	(129,479)	1%
Depreciation on property, plant and equipment (PPE)	**1,666**	1,705	(2%)	**5,706**	5,545	3%
Gross margin[1]	**14,710**	13,360	10%	**44,846**	43,490	3%
Gross margin percentage[1]	**27.6%**	26.5%		**26.3%**	26.0%	

Adjusted EBITDA and EBITDA	Q3 2018	Q3 2017	YTD 2018	YTD 2017
	$	$	**$**	$
Revenue	**53,379**	50,325	**170,285**	167,424
Adjusted operating expenses[1] *	**(44,798)**	(43,383)	**(144,847)**	(144,600)
Adjusted EBITDA[1]	**8,581**	6,942	**25,438**	22,824
Impairment of inventory	-	-	-	-
Share-based compensation expense	**(788)**	(787)	**(2,577)**	(3,758)
Litigation and restructuring (costs) income	**(138)**	-	**450**	3,368
Gain on disposal of property, plant and equipment	**325**	-	**510**	390
Change in fair value of debenture conversion option	**-**	312	**-**	18
Foreign exchange and derivative loss	**(208)**	(40)	**(389)**	(399)
EBITDA[1]	**7,772**	6,427	**23,432**	22,443
Interest on long-term debt, imputed interest and other interest expense	**901**	1,496	**5,409**	4,725
Depreciation and amortization	**1,874**	1,775	**6,341**	5,792
Earnings before income taxes	**4,997**	3,156	**11,682**	11,926
Income tax expense (recovery)				
Current	**1,330**	2,042	**3,803**	3,352
Deferred	**209**	**(1,109)**	**(2,047)**	**(1,217)**
	1,539	933	**1,756**	2,135
Net earnings	**3,458**	2,223	**9,926**	9,791
Basic earnings per share	**$0.04**	$0.03	**$0.12**	$0.12
Diluted earnings per share	**$0.04**	$0.03	**$0.12**	$0.12

**Excluding share-based compensation expense, litigation and restructuring income, gain on disposal of property, plant and equipment and depreciation and amortization.*

Net Debt	As at September 30, 2018	As at December 31, 2017
	$	$
Revolving credit facility	**30,000**	-
Long-term debt, current portion	**185**	271
Convertible debentures	**19,322**	48,768
Cross-currency swap	**(844)**	(3,602)
Total Debt	**48,663**	45,437
Cash and cash equivalents	**(26,799)**	(34,024)
Net Debt[1]	**21,864**	11,413

[1] See Non-IFRS Measures