5N PLUS INC.
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
Three-month and nine-month periods ended February 29, 2008 and February 28, 2007
(unaudited)

5N PLUS INC.
CONSOLIDATED STATEMENTS OF EARNINGS

Periods ended February 29, 2008 and February 28, 2007

(in Canadian dollars) (unaudited)	Three months **2008**	Three months 2007	Nine months **2008**	Nine months 2007
Sales	**$ 8,358,817**	$ 5,554,737	**$ 21,549,033**	$ 15,347,828
Cost of goods sold	**3,904,679**	3,419,474	**10,841,082**	9,320,675
	4,454,138	2,135,263	**10,707,951**	6,027,153
Expenses				
Selling expenses	**129,178**	49,403	**366,676**	206,067
Administrative expenses	**698,537**	199,980	**1,641,607**	671,944
Research and development expenses	**203,008**	118,562	**864,384**	434,919
Financial expenses (note 9)	**111,962**	138,448	**381,372**	423,042
Interest income	**(169,219)**	-	**(169,219)**	-
Depreciation of property, plant and equipment	**266,980**	219,710	**751,149**	636,836
	1,240,446	726,103	**3,835,969**	2,372,808
Earnings before undernoted items	**3,213,692**	1,409,160	**6,871,982**	3,654,345
Start-up costs, new plant	**22,421**	144,310	**195,777**	149,387
Earnings before income taxes	**3,191,271**	1,264,850	**6,676,205**	3,504,958
Income taxes				
Current	**1,021,559**	415,777	**2,062,689**	1,005,304
Future	**(99,000)**	51,000	**26,000**	148,000
	922,559	466,777	**2,088,689**	1,153,304
Net earnings	**$ 2,268,712**	$ 798,073	**$ 4,587,516**	$ 2,351,654
Earnings per share (note 7)				
Basic	**$ 0.06**	$ 0.03	**$ 0.14**	$ 0.08
Diluted	**$ 0.06**	$ 0.03	**$ 0.13**	$ 0.07
Weighted average number of common shares (note 7)				
Basic	**39,006,408**	29,635,954	**32,748,039**	29,635,954
Diluted	**39,996,036**	31,909,531	**34,595,195**	31,909,531

5N PLUS INC.
CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Periods ended February 29, 2008 and February 28, 2007

(in Canadian dollars) (unaudited)	Three months **2008**	Three months 2007	Nine months **2008**	Nine months 2007
Retained earnings at the beginning	**$ 7,719,101**	$ 4,445,846	**$ 6,466,347**	$ 2,966,345
Net earnings	**2,268,712**	798,073	**4,587,516**	2,351,654
Dividends	**-**	-	**(1,000,000)**	(74,080)
Excess of purchase price over stated value of shares purchased by the Company (note 6)	**-**	-	**(66,050)**	-
Share issue expenses, net of income taxes amounting to $1,000,000	**(2,082,994)**	-	**(2,082,994)**	-
Retained earnings at the end	**$ 7,904,819**	$ 5,243,919	**$ 7,904,819**	$ 5,243,919

5N PLUS INC.
CONSOLIDATED BALANCE SHEETS

(in Canadian dollars)	As at February 29, 2008 (unaudited)	As at May 31, 2007
Assets		
Current assets		
Cash	$ 19,900,070	$ 1,526,932
Accounts receivable	5,326,583	2,550,370
Inventories (note 3)	6,681,983	3,307,810
Prepaid expenses and deposits	723,656	203,944
Future income taxes	345,000	-
	32,977,292	7,589,056
Property, plant and equipment (note 4)	18,996,211	9,669,876
Deferred costs	160,518	-
Patent	31,482	33,024
Other assets	83,465	71,081
Future income taxes	716,667	-
	$ 52,965,635	$ 17,363,037
Liabilities and Shareholders' Equity		
Current liabilities		
Bank loan	$ -	$ 1,040,000
Accounts payable and accrued liabilities	5,588,474	2,833,063
Income taxes payable	668,518	1,105,695
Current portion of long-term debt	90,571	538,060
Current portion of capital lease obligations	1,542	5,781
Future income taxes	61,000	40,000
	6,410,105	5,562,599
Long-term debt	1,088,189	3,236,393
Capital lease obligations	-	526
Other long-term liabilities	162,854	263,726
Deferred revenue (note 5)	802,600	-
Future income taxes	903,000	753,000
	9,366,748	9,816,244
Shareholders' equity		
Share capital (note 6)	35,588,694	998,664
Contributed surplus (note 6 b)	105,374	81,782
Retained earnings	7,904,819	6,466,347
	43,598,887	7,546,793
	$ 52,965,635	$ 17,363,037

Subsequent event (note 11)

5N PLUS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Periods ended February 29, 2008 and February 28, 2007

	Three months		Nine months	
(in Canadian dollars) (unaudited)	**2008**	2007	**2008**	2007
Cash flows from operating activities				
Net earnings	**$ 2,268,712**	$ 798,073	**$ 4,587,516**	$ 2,351,654
Adjustments for				
Future income taxes	**(99,000)**	51,000	**26,000**	148,000
Capitalized interest on long-term debt	**-**	-	**6,892**	-
Amortization of deferred financing expenses	**5,000**	5,957	**5,000**	8,833
Amortization of patent	**450**	545	**1,542**	1,635
Depreciation of property leased under capital leases	**1,284**	2,994	**6,586**	8,979
Loss on disposal of property, plant and equipment	**-**	-	**38,766**	-
Depreciation of property, plant and equipment	**265,696**	216,716	**744,563**	627,857
Stock-based compensation	**110,305**	12,693	**115,236**	38,071
	2,552,447	1,087,978	**5,532,101**	3,185,029
Net change in non-cash working capital items				
Accounts receivable	**(1,397,517)**	371,659	**(2,776,213)**	723,175
Income taxes recoverable (payable)	**469,125**	339,728	**(354,169)**	736,280
Inventories	**(208,305)**	(541,952)	**(3,374,181)**	(477,909)
Prepaid expenses and deposits	**(402,706)**	(281,961)	**(519,712)**	(363,061)
Accounts payable and accrued liabilities	**201,962**	1,037,481	**2,901,985**	867,956
	1,215,006	2,012,933	**1,409,811**	4,671,470
Cash flows from financing activities				
Net change in bank loan	**(2,335,949)**	(805,565)	**(1,040,000)**	(2,130,000)
Net change in other assets and long-term liabilities	**(19,097)**	6,128	**(256,759)**	(293,482)
Increase in long-term debt, net of related financial expenses	**-**	-	**4,397,287**	-
Repayment of long-term debt	**(6,345,215)**	(157,750)	**(6,916,997)**	(516,608)
Repayment of capital lease obligations	**(1,483)**	(1,305)	**(4,765)**	(9,555)
Deferred financing fees	-	-	**(55,000)**	(10,500)
Deferred costs	**(160,518)**	-	**(160,518)**	-
Deferred revenue	**802,600**	-	**802,600**	-
Purchase of shares	-	-	**(70,063)**	-
Issuance of shares, net of issue expenses amounting to $3,082,994	**31,417,006**	-	**31,419,732**	945
Dividends paid	**-**	-	**(1,000,000)**	(74,080)
Grants - property, plant and equipment	**85,492**	59,910	**85,492**	59,910
	23,442,836	(898,582)	**27,201,009**	(2,973,370)
Cash flows from investing activities				
Additions to property, plant and equipment	**(4,652,313)**	(563,612)	**(10,201,736)**	(1,010,099)
Deposits	**-**	-	**(35,946)**	15,520
	(4,652,313)	(563,612)	**(10,237,682)**	(994,579)
Net increase in cash	**20,005,529**	550,739	**18,373,138**	703,521
Cash (bank overdraft) at the beginning	**(105,459)**	(75,489)	**1,526,932**	(228,271)
Cash at the end	**$ 19,900,070**	$ 475,250	**$ 19,900,070**	$ 475,250
Supplementary information				
Interest paid	**$ 93,591**	$ 96,160	**$ 298,647**	$ 327,741
Income taxes paid	**$ 463,827**	$ -	**$ 2,103,790**	$ -

5N Plus Inc. ("the Company") became a public Company during an initial public offering (''IPO'') on December 20, 2007.

1. Corporate Reorganization

On October 1, 2007, 5NPlus Inc., and 6367909 Canada Inc., both held by the same shareholders with identical ownership interests, amalgamated. The new entity arising from this amalgamation operates under the name of 5N Plus Inc. Accordingly, the comparative figures reflect this amalgamation.

2. Summary of Significant Accounting Policies

The unaudited interim consolidated financial statements of the Company, for the three-month and nine-month periods ended February 29, 2008 and February 28, 2007, have been prepared in accordance with the Canadian generally accepted accounting principles and should be read in conjuction with the May 31, 2007 audited combined consolidated financial statements, which are included in the final prospectus dated December 12, 2007, that has been filed with the securities commissions of each of the provinces of Canada. These interim consolidated financial statements have not been reviewed by our auditors.

The accounting policies are the same as those used for the May 31, 2007 audited annual combined financial statements, with the exception of the accounting changes listed below and the adoption of a new accounting policy in regards to deferred costs.

Changes in accounting policies

On June 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1530, "Comprehensive Income", CICA Handbook Section 3251, "Equity", CICA Handbook Section 3855, "Financial Instruments - Recognition and Measurement", CICA Handbook Section 3861, "Financial Instruments - Disclosure and Presentation", and CICA Handbook Section 3865, "Hedges". These new CICA Handbook Sections, which apply to fiscal years beginning on or after October 1, 2006, provide comprehensive requirements for the recognition and measurement of financial instruments, as well as standards on when and how hedge accounting may be applied.

Handbook Section 1530 also establishes standards for reporting and displaying comprehensive income. Comprehensive income is defined as the change in equity from transactions and other events from non-shareholder sources. "Other comprehensive income" refers to items recognized in comprehensive income, but that are excluded from net income calculated in accordance with generally accepted accounting principles.

Under these new standards, all financial instruments are classified into one of the following five categories: held for trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are included in the consolidated balance sheet and are measured either at fair market value with the exception of loans and receivables, investments held-to-maturity and other financial liabilities, which are measured at amortized cost. Subsequent measurement and recognition of changes in fair value of financial instruments depend on their initial classification. Held-for-trading financial investments are measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the assets are removed from the balance sheet.

The standards also require derivative instruments to be recorded as either assets or liabilities measured at their fair value unless exempted from derivative treatment as a normal purchase and sale. Certain derivatives embedded in other contracts must also be measured at fair value. All changes in the fair value of derivatives are recognized in earnings unless specific hedge criteria are met, which requires that a company must formally document, designate and assess the effectiveness of transactions that receive hedge accounting.

The adoption of standards of Sections 1530, 3251, 3855, 3861 and 3865 had no significant impact on the consolidated financial statements for the periods of three months and nine months ended February 29, 2008.

(in Canadian dollars) (unaudited)

2. Summary of Significant Accounting Policies (Cont'd)

Deferred costs

Since December 1, 2007, the expenditures incurred during the start-up period of our new German subsidiary are deferred and will be amortized on a straight-line basis over twenty-four months upon beginning of commercial operations.

3. Inventories

	As at February 29, 2008	As at May 31 2007 (audited)
Raw materials	**$ 4,876,627**	$ 1,856,925
Finished goods	**1,805,356**	1,450,885
	$ 6,681,983	$ 3,307,810

4. Property, Plant and Equipment

	As at February 29, 2008		
	Cost	Accumulated depreciation	Net book value
Lands	**$ 533,949**	**$ -**	**$ 533,949**
Building	**3,526,137**	**321,096**	**3,205,041**
Leasehold improvements	**1,311,372**	**230,595**	**1,080,777**
Production equipment	**7,790,178**	**2,598,573**	**5,191,605**
Automotive equipment	**45,758**	**32,168**	**13,590**
Furniture and equipment	**110,289**	**43,195**	**67,094**
Computer equipment	**292,032**	**163,194**	**128,838**
Construction project	**8,773,538**	**-**	**8,773,538**
Furniture and equipment under capital leases	**22,676**	**20,897**	**1,779**
	$ 22,405,929	**$ 3,409,718**	**$ 18,996,211**

	As at May 31, 2007 (audited)		
	Cost	Accumulated depreciation	Net book value
Lands	$ 470,796	$ -	$ 470,796
Building	3,353,651	214,871	3,138,780
Leasehold improvements	955,109	175,538	779,571
Production equipment	7,142,012	2,064,943	5,077,069
Automotive equipment	37,764	27,092	10,672
Furniture and equipment	72,197	16,462	55,735
Computer equipment	183,223	133,072	50,151
Construction project	78,737	-	78,737
Furniture and equipment under capital leases	43,179	34,814	8,365
	$ 12,336,668	$ 2,666,792	$ 9,669,876

(in Canadian dollars) (unaudited)

5. Deferred Revenue

The 5N PV GmbH German subsidiary wholly-owned by 5N Plus Inc. received $802,600 (540,000 Euros) from a German company for the creation of new jobs. This deferred income will be amortized over a period of three years in conjunction with the creation of new jobs at our German plant. A letter of credit for the same amount was issued in favor of the German company in the event that 5N PV GmbH is not able to comply with the terms of this agreement.

6. Share Capital

Authorized

-An unlimited number of common shares, with no par value, participating, entitling the holder to one vote per share.
-An unlimited number of Class B shares, with no par value, non-participating, without voting rights and retractable at an amount determined according to a formula taking into account the Company's income and net book value.

Issued and fully paid

	Number	Amount
Common shares		
Outstanding as at May 31, 2007 and November 30, 2007	29,635,954	$ 963,756
Issuance of shares following the IPO	11,500,000	34,500,000
Issuance of shares following the conversion of Class B shares	364,046	124,938
Outstanding as at February 29, 2008	**41,500,000**	**$ 35,588,694**
Class B shares		
Outstanding as at May 31, 2007	251,500	$ 34,582
Issuance of shares pursuant to options	135,181	94,369
Repurchase from shareholders [1]	(22,635)	(4,013)
Outstanding as at November 30, 2007	364,046	124,938
Conversion of Class B shares in common shares	364,046	124,938
Outstanding as at February 29, 2008	-	$ -

The number of common and Class B shares outstanding, the weighted average number of common shares, basic and diluted outstanding, and the calculation of net earnings per basic and diluted shares were adjusted retroactively taking into consideration the stock split following the IPO.

[1] The Company purchased 22,635 Class B shares for a cash consideration of $70,063 of which $66,050 was recorded against retained earnings and $4,013 against share capital.

a) Stock option plan

In October 2007, the Company introduced a new stock option plan for directors, officers and employees. The maximum number of common shares that can be issued upon the exercise of options granted shall be equal to 10% of the aggregate number of common shares issued and outstanding from time-to-time. The maximum period during which an option may be exercised will be ten years from the date of the grant. On December 20, 2007 the Company granted 1,042,200 options at a price of $3.00 per option. Options vest at a rate of 25% (100% for the board of directors) per year, beginning one year following the grant date of the options.

Compensation costs related to stock options granted on December 20, 2007 was computed using the Black-Scholes option valuation model according to the folowing assumptions: expected volatility; 72%, dividend; nil, risk free interest rate; 4.25% (4.00% for the board of directors), expected life; 3.5 years (one year for the board of directors). The stock-based compensation cost of $105,374 (including $45,878 for the board of directors) for the period of three months ending February 29, 2008 was credited to contributed surplus.

5N PLUS INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in Canadian dollars) (unaudited)

6. Share Capital (Cont'd)

The weighted average grant date fair value of the options granted during the period was $1.42.

	Stock option	Weighted average exercice price
As of May 31, 2007	10,750	$ 0.26
Granted	1,042,200	3.00
Exercised	10,750	0.26
As of February 29, 2008	**1,042,200**	**$ 3.00**

b) Contributed surplus

Periods ended February 29, 2008 and February 28, 2007

	Three months **2008**	Three months 2007	Nine months **2008**	Nine months 2007
Opening balance	**$ -**	$ 71,816	**$ 81,782**	$ 46,438
Compensation costs related to stock options	**110,305**	12,693	**115,236**	25,378
Options exercised	**(4,931)**	-	**(91,644)**	-
Closing balance	**$ 105,374**	$ 84,509	**$ 105,374**	$ 71,816

7. Net Earnings Per Share

Periods ended February 29, 2008 and February 28, 2007

	Three months **2008**	Three months 2007	Nine months **2008**	Nine months 2007
Numerator				
Net earnings	**$ 2,268,712**	$ 798,073	**$ 4,587,516**	$ 2,351,654
Denominator				
Weighted average number of common shares	**39,006,408**	29,635,954	**32,748,039**	29,635,954
Effect of dilutive securities				
Stock options	**514,926**	-	**171,015**	-
Convertible notes	**474,702**	2,273,577	**1,676,141**	2,273,577
	39,996,036	31,909,531	**34,595,195**	31,909,531
Earnings per share				
Basic	**$ 0.06**	$ 0.03	**$ 0.14**	$ 0.08
Diluted	**$ 0.06**	$ 0.03	**$ 0.13**	$ 0.07

8. Financial Instruments

a) Significant customers

Three customers represented approximately the following percentages of sales and accounts receivable:

Periods ended February 29, 2008 and February 28, 2007

	Three months		Nine months	
	2008	2007	**2008**	2007
Percentage of sales	**83%**	80%	**80%**	75%

	As at february 29	As at May 31
	2008	2007 (audited)
Percentage of accounts receivable	**85%**	70%

b) Exchange risks

The Company is exposed to exchange risk for sales denominated in US dollars and in Euros. These risks are partially offset by purchases in US dollars and a foreign currency forward contract.

On December 5, 2007, the Company concluded a foreign currency forward contract in the amount of US$1,050,000 (fair value as at February 29, 2008 amounting to US$1,055,729) at an average conversion rate of 1.000 which expires on May 30, 2008.

9. Financial Expenses

Periods ended February 29, 2008 and February 28, 2007

	Three months		Nine months	
	2008	2007	**2008**	2007
Interest and bank charges	**$ 21,876**	$ 14,100	**$ 80,890**	$ 70,374
Foreign exchange loss	**60,766**	20,551	**77,561**	47,667
Interest on long-term debt	**24,320**	97,840	**217,921**	296,168
Amortization of deferred charges	**5,000**	5,957	**5,000**	8,833
	$ 111,962	$ 138,448	**$ 381,372**	$ 423,042

10. Related Party Transactions

In the normal course of its activities, the Company has concluded the following transactions with a corporate shareholder until December 20, 2007, under terms and conditions agreed upon between the parties :

Periods ended February 29, 2008 and February 28, 2007

	Three month		Nine months	
	2008	2007	**2008**	2007
Sales	**$ 84,333**	$ **367,576**	**$ 1,129,323**	$ **1,128,097**
Purchases	**$ -**	$ **20,745**	**$ 28,698**	$ **20,745**
Interest expense	**$ 1,186**	$ **8,014**	**$ 19,179**	$ **27,128**

11. Subsequent Event

New loan

On March 20, 2008, the Company concluded a new $5,000,000 10-year loan agreement. This loan bears interest at the lender's floating interest rate less 1.40%, is repayable from June 17, 2008, and is secured by the Company's building in Montreal.