5N PLUS

# First Quarter Report

three-month
period ended
August 31, 2009

## Management's report

This Management's Report of the operating results and the financial position is intended to assist readers in understanding 5N Plus Inc. ("the Company"), its business environment and future prospects. This Management's Report should be read while referring to the unaudited consolidated financial statements and the accompanying notes for the three-month period ended August 31, 2009 and with the most recent audited consolidated financial statements and accompanying notes for the fiscal year ended May 31, 2009. Information contained herein includes any significant developments to October 6, 2009, the date on which the Management's Report was approved by the Company's board of directors. The financial information presented in this Management's Report is based on the Company's accounting policies that are in compliance with Canadian generally accepted accounting principles ("GAAP"). It also includes some figures that are not performance measures consistent with GAAP. Information regarding these non-GAAP financial measures is provided under the heading Non-GAAP Measures of this Management's Report. All amounts are expressed in Canadian dollars. Unless otherwise indicated, the terms "we", "us" and "our" as used herein refer to the Company together with its subsidiaries.

## Notice Regarding Forward-Looking Statements

Certain statements in this Management's Report may be forward-looking within the meaning of securities legislation. Forward-looking statements are based on the best estimates available to the Company at the time and involve known and unknown risks, uncertainties or other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. As a result, we cannot guarantee that any forward-looking statements will materialize. Forward-looking statements can generally be identified by the use of terms such as "may", "should", "would", "believe", "expect", or any terms of similar nature. Except as required under applicable securities legislation, management does not undertake to update these forward-looking statements as a result of new information, future events or other changes. In evaluating these statements, the reader should consider various factors, including the risks outlined under the heading Risks and Uncertainties in the 2009 Annual Report. The reader is warned against giving undue reliance on these forward-looking statements.

## Corporate Overview and Business

5N Plus Inc. draws its name from the purity of its products, 99.999% (five nines or 5N) and more. We have our head office in Montreal, Québec, and we develop and produce high-purity metals and compounds for electronic applications and provide our customers with recycling solutions. We are an integrated producer with both primary and secondary refining capabilities. We focus on specialty metals such as tellurium, cadmium and selenium and on related compounds such as cadmium telluride ("CdTe") and cadmium sulphide ("CdS"). Our products are critical precursors in a number of electronic applications, including the rapidly-expanding solar (thin-film photovoltaic) market, for which we are a major supplier of CdTe and the radiation detector market.

## Business Strategy

Our goal is to accelerate the growth of our cadmium, selenium and tellurium metals and compounds business in order to meet the increasing demand for these products, in particular in the photovoltaic and medical imaging markets. In doing so, our objective is to maintain our leading position in these rapidly-expanding markets and leverage our competitive strengths to diversify our product offering and enter into new electronic-materials market segments. To accomplish this, our highest-level strategy includes investments in both training and research and development, to develop advantages in terms of competencies, technology and costs. Increasing shareholder value remains a priority and we are well positioned to implement our growth strategy through organic growth and strategic acquisitions.

## Highlights of the First Quarter 2010

- Sales for the first quarter were $16,053,220, representing an increase of 14.4% over sales of $14,029,875 for the first quarter of the previous fiscal year.
- EBITDA[1] decreased by 16.2% in the quarter to $5,049,538 down from $6,022,824 during the corresponding period of the previous fiscal year.
- For the first quarter, net earnings reached $3,014,608 or $0.07 per share, representing a 26.4% decrease over net earnings of $4,094,390 or $0.09 per share, for the first quarter of the previous fiscal year.
- The backlog of orders expected to translate into sales over the following twelve months stood at a record level of $56,964,321 which represents a 6.2% increase over its level of $53,646,727 one year earlier.

We (TSX:VNP) report the results of our first fiscal quarter ended August 31, 2009, which reflect a continuing strong demand for our solar grade products but also a weakening of our sales of all other products as a result of a more challenging economic environment. The strong demand for our solar grade products enabled us to increase our supply commitments to our main customer in this market and extend the duration of such commitments as we announced on June 23, 2009. The decrease in sales of other products reduced our profitability which was also negatively impacted by the significant acquisition related charges for uncompleted acquisition projects.

We remain committed to growing our corporation through acquisitions and joint ventures and will continue to aggressively pursue such opportunities. Our recent announcement regarding ZT Plus, our joint venture with BSST, a subsidiary of Amerigon Incorporated is a good indication of this. This joint venture will develop and manufacture advanced, more efficient thermoelectric materials designed to enable the use of advanced thermoelectric technology in a wide variety of heating and cooling and power generation applications for industrial, consumer, medical, electronics and automotive markets The use of thermoelectric devices in these extremely significant markets has so far been limited by material performance issues. However, recent breakthroughs resulting from new material formulations and designs, to which ZT Plus will have privileged access, should enable the widespread use of these devices in such markets.

Despite a somewhat challenging economic environment, the 5N Plus balance sheet continued to strengthen during the quarter enabling us to remain very well positioned to execute our growth plan which calls for investments aimed at positioning our firm as the leading electronic materials company through diversification of our product offering and accretive acquisitions.

Jacques L'Ecuyer
President and Chief Executive Officer

[1] See Non-GAAP Measures

## Selected Quarterly Financial Information

in thousands of dollars except per share amounts
(unaudited)

| | FY2010 | FY2009 | | | | FY2008 | | |
|---|---|---|---|---|---|---|---|---|
| | **Q1** | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Sales | **16,053** | 18,057 | 19,150 | 18,136 | 14,030 | 9,424 | 8,359 | 6,796 |
| Gross profit[1] | **7,618** | 8,497 | 9,840 | 9,230 | 7,632 | 5,616 | 4,454 | 3,276 |
| EBITDA | **5,050** | 8,576 | 8,012 | 8,799 | 6,023 | 3,917 | 3,180 | 2,221 |
| Net earnings | **3,015** | 5,708 | 5,190 | 5,876 | 4,094 | 2,703 | 2,153 | 1,220 |
| Earnings per share | | | | | | | | |
| Basic | **$ 0.07** | $ 0.13 | $ 0.11 | $ 0.13 | $ 0.09 | $ 0.06 | $ 0.06 | $ 0.04 |
| Diluted | **$ 0.07** | $ 0.12 | $ 0.11 | $ 0.13 | $ 0.09 | $ 0.06 | $ 0.06 | $ 0.04 |
| Backlog | **56,964** | 52,224 | 52,024 | 54,722 | 53,647 | 30,174 | 29,300 | 22,200 |

## Results of Operations

### Introduction

Our sales are generated through the development and production of high-purity metals and compounds which are used in various electronic applications, including solar cells, radiation detectors, infrared optics and systems, thermoelectric and optical storage. We also provide recycling services to our customers where residues from their manufacturing operations are refined and converted back into a usable product. We have one reportable segment, namely refining and recycling of metals.

Our customer base includes manufacturers of thin-film solar cells, original equipment manufacturers (OEM), and Tier 1 and 2 suppliers which provide consumables, components or sub-assemblies. Our customers are located primarily in the United States, Europe, Israel and Asia. One customer accounted for 85% of our sales during the first quarter ended August 31, 2009.

## Sales, Gross Profit, Net Earnings and Earnings per Share

| | Three months ended August 31 | | |
|---|---|---|---|
| | **2009** | 2008 | Increase (Decrease) |
| Sales | **$ 16,053,220** | $ 14,029,875 | 14.4% |
| Gross profit | **$ 7,618,354** | $ 7,631,824 | (0.2%) |
| Gross profit ratio[1] | **47,5%** | 54.4% | |
| Net earnings | **$ 3,014,608** | $ 4,094,390 | (26.4%) |
| Earnings per share (basic) | **$ 0.07** | $ 0.09 | |

[1] See Non-GAAP Measures

Sales for the first quarter ended August 31, 2009 reached $16,053,220 up by 14.4% over sales of $14,029,875 for the corresponding period of the previous fiscal year. This increase in sales is attributable primarily to an increase in sales of CdTe and related products to the photovoltaic market. Sales into other markets decreased as economic conditions remained challenging during the period. For the first quarter of fiscal year 2010, sales into the photovoltaic market represented 89.8% of total sales compared with 76.1% for the corresponding period of the previous year. During the first quarter ended August 31, 2009, the devaluation of the Canadian dollar in relation to the U.S. dollar, when compared to the corresponding period of the previous fiscal year, had a favorable impact on the Company's sales. The average selling price of the products sold during the quarter also increased when compared to the first quarter of the previous fiscal year, contributing to a further increase in our sales following, a reduction in the relative amounts of custom refining or "tolling" where we incur no cost for raw materials.

Gross profit reached $7,618,354 in the first quarter ended August 31, 2009 corresponding to a gross profit ratio of 47.5% compared with $7,631,824 and a gross profit ratio of 54.4% for the corresponding period of the previous fiscal year. Higher raw material costs, related to the reduction in the relative amounts of "tolling", combined with higher operating costs in the quarter were primarily responsible for the decreases in gross profit and gross profit ratios. We also entered into a new contract with our main customer allowing us to secure additional volumes and extend the supply contract duration based on a more competitive pricing structure which impacted our gross profit ratio.

Net earnings were $3,014,608 ($0.07 per share) representing a 26.4% decrease over net earnings of $4,094,390 ($0.09 per share) for the first quarter of the previous fiscal year. Net earnings for the first quarter ended August 31, 2009 were affected by acquisition-related charges for uncompleted acquisition projects and the partnership with Amerigon Incorporated. Earnings per share are calculated based on a weighted average number of common shares outstanding of 45,520,225 for the first quarter ended August 31, 2009, and 45,500,000 for the corresponding period of the previous fiscal year.

During the last quarter of the fiscal year ended May 31, 2009 , the Company retroactively adopted the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Section 3064 "Goodwill and Intangible Assets". As a result, all of the German facility start-up expenses which had previously been capitalized were expensed leading to the following changes in net earnings of the quarter ended August 31, 2008 as shown in the table below.

### Restated net earnings

| | Three months ended August 31, 2008 |
|---|---|
| Net earnings | $ 4,329,085 |
| Deferred start-up costs | (376,306) |
| Amortization of deferred start-up costs | 50,341 |
| Income taxes | 91,270 |
| **Restated net earnings** | $ 4,094,390 |

## Selling and Administrative and Research and Development Expenses

| | Three months ended August 31 | |
|---|---|---|
| | **2009** | 2008 |
| Selling and Administrative expenses | **$ 2,293,870** | $ 1,187,287 |
| Percentage of sales for the period | **14.3%** | 8.5% |
| Research and Development expenses (net of tax credits) | **$ 375,872** | $ 225,212 |
| Percentage of sales for the period | **2.3%** | 1.6% |

The Company incurred significant administrative expenses during the first quarter of fiscal year 2010, in support of its growth objectives resulting in a $1,165,000 acquisition-related charge for uncompleted acquisition projects and for the partnership with Amerigon Incorporated. Selling and administrative expenses were $2,293,870 or 14.3% of sales for the first quarter ended August 31, 2009 compared to $1,187,287 or 8.5% of sales for the corresponding period of the previous fiscal year. Excluding these acquisition-related charges, selling and administrative expenses were $1,128,870 or 7% of sales.

Research and development ("R&D") expenses, net of tax credits reached $375,872 as we expanded our R&D efforts to develop products for new or existing applications, compared to $225,212 in the first quarter of the previous fiscal year. These current expenses represent 2.3% of sales compared to 1.6% in the first quarter of the previous fiscal year.

## Reconciliation of EBITDA

| | Three months ended August 31 | | |
|---|---|---|---|
| | **2009** | 2008 | Increase (Decrease) |
| Net earnings | **$ 3,014,608** | $ 4,094,390 | (26.4%) |
| Add (deduct): | | | |
| Income taxes | **1,473,232** | 1,879,371 | |
| Financial expenses & Interest income | **(100,436)** | (324,289) | |
| Depreciation and amortization | **662,134** | 373,352 | |
| **EBITDA** | **$ 5,049,538** | $ 6,022,824 | (16.2%) |

EBITDA decreased by 16.2% for the first quarter of fiscal year 2010 when compared with the corresponding period of the previous fiscal year reaching $5,049,538 down from $6,022,824. Excluding the acquisition-related charges, EBITDA increased by 3.2% reaching $6,214,538.

### Financial Expenses, Interest Income, Depreciation and amortization and Income Taxes

The combined financial expenses and interest income netted a gain of $100,436 for the first quarter of the current fiscal year compared with a gain of $324,289 for the first quarter of the previous fiscal year. This is largely the result of the decrease in the interest rates offered by banks on our placement of funds raised during the initial public offering and the bought-deal equity financing.

Depreciation and amortization expenses for the quarter ended August 31, 2009 increased to $662,134 up from $373,352 for the first quarter of the previous fiscal year. This follows the sizeable increase in our property, plant and equipment mainly related to our German facility and the fact that depreciation began only once it became operational in August 2008.

Income taxes were $1,473,232 for the first quarter ended August 31, 2009, compared with $1,879,371 for the first quarter of the previous fiscal year. These figures correspond to effective tax rates of 32.8% and 31.5% respectively. The increase of the income tax rate is due to acquisition-related charges which are considered partially deductible only for income tax purposes.

## Liquidity and Capital Resources

| | As at August 31 **2009** | As at May 31 2009 |
|---|---|---|
| Working capital[1] | **$ 92,857,855** | $ 90,558,261 |
| Current ratio[1] | **13.4** | 9.5 |
| Property, plant and equipment | **$ 26,501,902** | $ 25,823,473 |
| Total assets | **$ 128,122,430** | $ 128,168,856 |
| Total debt[1] | **$ 4,464,582** | $ 4,589,570 |
| Shareholders' equity | **$ 115,799,687** | $ 112,368,764 |

### Working Capital and Current Ratio

Working capital increased to $92,857,855 on August 31, 2009, up from $90,558,261 on May 31, 2009. During the first quarter ended August 31, 2009 the Company decreased income taxes payable and future income taxes by $2,656,345. The current ratio increased from 9.5 to 13.4.

### Property, Plant and Equipment

We incurred $1,284,442 of capital expenditures during the quarter ended August 31, 2009, which compares with capital expenditures of $3,944,867 incurred during the first quarter of the previous fiscal year, period during which we were still investing in the our new German facility. The level of capital expenditures has remained relatively constant at current levels since the second quarter of the previous fiscal year.

**Reconciliation of capital expenditures and cash flows from investing activities**

| | Three months ended August 31 **2009** | 2008 |
|---|---|---|
| Additions to property, plant and equipment and intangible asset | **$ 1,284,442** | $ 3,944,867 |
| Additions to property, plant and equipment and intangible asset not paid and included in accounts payable and accrued liabilities: | | |
| Beginning of the period | **192,453** | 1,715,915 |
| End of the period | **(305,170)** | (742,414) |
| **Cash flows from investing activities** | **$ 1,171,725** | $ 4,918,368 |

[1] See Non-GAAP Measures

### Total Debt and Deferred Revenue

Total debt decreased from $4,589,570 to $4,464,582 during the first quarter ended August 31, 2009 as we paid off our long term debt. Deferred revenue is associated with a subsidy of 540 000 Euros provided to our German subsidiary 5N PV GmbH to promote employment in the city of Eisenhüttenstadt. As at August 31, 2009, an amount of $42,541 in the first quarter was recognized as revenue.

### Shareholders' Equity

Shareholders' equity was $115,799,687 or 90.4% of total assets on August 31, 2009. This compares favorably with $112,368,764, or 87.7% of total assets on May 31, 2009 illustrating the contribution of the positive net earnings incurred during the current quarter. Foreign exchange gains and losses arising from the translation of the foreign subsidiary's accounts into Canadian dollars are deferred and reported as accumulated other comprehensive income (loss) in the Consolidated Statements of Comprehensive Income.

## Cash Flows

| | Three months ended August 31 | | | |
|---|---|---|---|---|
| | | **2009** | | 2008 |
| Operating activities | **$** | **1,305,380** | $ | (3,857,596) |
| Financing activities | | **(124,988)** | | (714,352) |
| Investing activities | | **(1,171,725)** | | (4,918,368) |
| Effect of changes in foreign currency exchange | | **52,168** | | 93,593 |
| **Increase (decrease) in cash and cash equivalents** | **$** | **60,835** | $ | (9,396,723) |

Cash flow from operating activities generated $1,305,380 in the quarter ended August 31, 2009, and was negatively impacted by a $2,356,022 decrease in our income tax payable levels. This compares to a negative cash flow from operating activities of $3,857,596 for the corresponding period of the previous fiscal year. During the first quarter ended August 31, 2008, a significant increase of $6,192,494 in inventories accounted for most of the cash consumed from operating activities.

Financing activities consumed $124,988 during the first quarter ended August 31, 2009, and reflected primarily the repayment of scheduled installments on our long term debt. This compares with a cash consumption related to financing activities of $714,352 in the corresponding period of the previous fiscal year as a result of the repayment of the foreign currency denominated bank loans and scheduled installments on our long term debt.

Cash consumed in investing activities decreased to $1,171,725 during the first quarter down from $4,918,368 for the first quarter of the previous fiscal year where we invested in the final stages of the construction of our new German facility.

Our cash position increased by $60,835 in the first quarter ended August 31, 2009, reaching a level of $65,127,365 compared with a cash decrease of $9,396,723 for the corresponding period of the previous fiscal year. We are very confident that this amount of cash combined with the cash flow from our operations will be sufficient to fund our working capital and capital expenditure requirements, and enable us to aggressively pursue our growth plan including acquisition opportunities.

## Share Capital

### Authorized

The Company has an unlimited number of common shares, with no par value, participating, and entitling the holder to one vote per share.

The Company has an unlimited number of preferred shares which may be issued in one or more series with specific terms, privileges and restrictions to be determined for each class by the Board of Directors.

### Issued and fully paid

| | Number |
|---|---|
| **Common shares** | |
| Outstanding as at August 31, 2009 | 45,520,225 |

### Normal Course Issuer Bid

On December 2, 2008, the Company announced its intention to repurchase for cancellation up to 2,275,000 common shares over the twelve-month period starting on December 4, 2008 and ending on December 3, 2009, representing 5% of 5N Plus' issued and outstanding common shares. The purchases by the Company will be effected through the facilities of the Toronto Stock Exchange and will be made at the market price of the common shares at the time of the purchase. In the period ended August 31, 2009, no common shares were repurchased.

### 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 is 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 is ten years from the date of the grant. For the quarter ended August 31, 2009, the Company granted 37,500 options for a total of 1,477,055 granted options.

Under the stock option plan, a total of 3,074,967 common shares remained authorized for issuance as at August 31, 2009.

## Order Backlog

The backlog of orders which are expected to translate into sales within the next 12 months was of $56,964,321 as at August 31, 2009 which is 6.2% higher than the corresponding backlog of $53,646,727 as at August 31, 2008.

## Accounting Policies

The accounting policies are in accordance with those used in the preparation of the audited consolidated financial statements as at May 31, 2009 with the exception of the new accounting policies listed below.

### Intangible asset

Software is accounted for at cost and amortized on a straight-line basic over its estimated useful life of 5 years.

### Hedges

Since August 12, 2009, the Company applies hedge accounting for foreign currency forward contracts designated as cash flow hedges. These derivatives are recorded at fair value and gains/losses resulting from the revaluation at the end of each period are included in comprehensive income.

### Future changes in accounting policies

a) In 2005, the Accounting Standards Board of Canada announced that accounting standards in Canada are to converge with International Financial Reporting Standards ("IFRS"). In May 2007, the CICA published an updated version of its "Implementation Plan for Incorporating International Financial Reporting Standards" into Canadian GAAP. This plan includes an outline of the key decisions that the CICA will need to make as it implements the Strategic Plan for publicly accountable enterprises that will converge Canadian GAAP with IFRS. In February 2008, the CICA confirmed the change over date from current Canadian GAAP to IFRS to be January 1, 2011. While IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in accounting policies which must be addressed. The Company is currently evaluating the impact of these new standards and will provide updates as further progress is achieved and conclusions are reached.

b) In January 2009, the CICA approved three new accounting standards Handbook Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests".

   Section 1582 replaces former Section 1581 "Business Combinations" and establishes standards for the accounting of a business combination. Section 1582 provides the Canadian equivalent to IFRS 3 – "Business Combinations. Section 1582 requires additional use of fair value measurements, recognition of additional assets and liabilities, and increased disclosure for the accounting of a business combination and that acquisition costs will be recognized as expenses.

   Sections 1601 and 1602 replace former Section 1600, "Consolidated Financial Statements". Section 1601 establishes standards for the preparation of consolidated financial statements and Section 1602, which converges with the requirements of International Accounting Standard 27 ("IAS 27"), "Consolidated and Separate Financial Statements", establishes standards for accounting of a non-controlling interest resulting from a business acquisition, recognized as a distinct component of shareholders' equity. Net income will present the allocation between the controlling and non-controlling interests.

   All three standards are effective at the same time Canadian public companies will have adopted IFRS, for fiscal year beginning on or after January 1, 2011 but early adoption is permitted. As of today, we have not evaluated the impact of these new standards.

**Risk Factors**

The Company is subject to a number of risk factors which may limit our ability to execute our strategy and achieve our long-term growth objectives. Management analyses these risks and implements strategies in order to minimize their impact on the Company's performance. The reader is referred to the Risk and Uncertainties section described in the 2009 Annual Report.

**Disclosure Controls and Procedures**

The Company's management is responsible for establishing and maintaining appropriate control systems, procedures and information systems, thereby ensuring that the information it discloses is reliable and complete. The Company applies financial information disclosure rules and takes the necessary actions to comply with new accounting standards once they come into force. The Company also applies the standards set by the capital markets regulatory authorities. No material changes were made to internal control over financial information during the three-month period ended August 31, 2009 that could have a significant impact or that could have been reasonably believed to have a significant impact on internal control over financial reporting.

**Internal Control over Financial Reporting**

The Chief Executive Officer and the Chief Financial Officer are responsible for establishing and maintaining appropriate internal controls over financial reporting (ICFR) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP.

**Non-GAAP Measures**

In this Management's Report, the Company's management uses certain measures which are not in accordance with GAAP. Non-GAAP measures are useful supplemental information but may not have a standardized meaning according to GAAP. These non-GAAP measures include EBITDA, gross profit and gross profit ratio, working capital and current ratio and total debt.

EBITDA means earnings before financing costs, interest income, income taxes, depreciation and amortization and is presented on a consistent basis from period to period. 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-GAAP measure used by the Company may differ from that used by other companies.

Gross profit is a financial measure equivalent to the sales excluding cost of sales. Gross profit ratio is displayed as a percentage of sales.

Working capital is a measure that shows us how much cash we have available for the growth of our Company. We use it as an indicator of our financial strength and liquidity. We calculate it by taking current assets and subtracting current liabilities.

Total debt is a measure we use to monitor how much debt we have and calculate it by taking our total long-term debt and including the current portion. We use it as an indicator of our overall indebtedness.

Backlog is also a non-GAAP measure that represents the expected value of orders we have received but have not yet executed and that are expected to translate into sales within the next 12 months.

**Subsequent events**

**Joint venture**

On September 1, 2009, the Company has established a joint venture called ZT Plus with BSST, a subsidiary of Amerigon Incorporated. The Company will have a 50% ownership interest in ZT Plus. This joint venture will develop and manufacture advanced, more efficient thermoelectric materials designed to enable the use of advanced thermoelectric technology in a wide variety of heating and cooling and power generation applications for industrial, consumer, medical, electronics and automotive markets. The use of thermoelectric devices in these extremely significant markets has so far been limited by material performance issues. However, recent breakthroughs resulting from new material formulations and designs, to which ZT Plus will have privileged access, should enable the widespread use of these devices in such markets. The initial contribution of each partner in cash or in kind is expected to be of $5,500,000 US.

**Financial instruments**

On September 25, 2009, the Company concluded a foreign currency forward contract totaling €10,500,000 at an average conversion rate of 1.6. This foreign currency forward contract of €500,000 by month will be effective from October 1, 2009 until June 30, 2011. This foreign currency forward contract has been designated as a cash flow hedge.

**Comparative Figures**

Certain comparative figures have been reclassified to conform to the current period presentation.

**Additional Information**

Our common shares trade on the Toronto Stock Exchange (TSX) under the ticker symbol "VNP". Additional information relating to the Company, including the Company's annual information form is available under the Company's profile on SEDAR at www.sedar.com.