5N PLUS
Enabling Performance

Earnings Conference Call Quarter ended March 31, 2019

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Forward-Looking Statements

This presentation 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 presentation 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’ 2018 MD&A dated February 26, 2019 and note 12 of the unaudited condensed interim consolidated financial statements for the three-month periods ended March 31, 2019 and 2018 available on SEDAR at www.sedar.com. No assurance can be given that any events anticipated by the forward-looking information in this presentation 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 presentation 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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Highlights of Q1 2019

Staging year …working through production challenges to serve a full orderbook

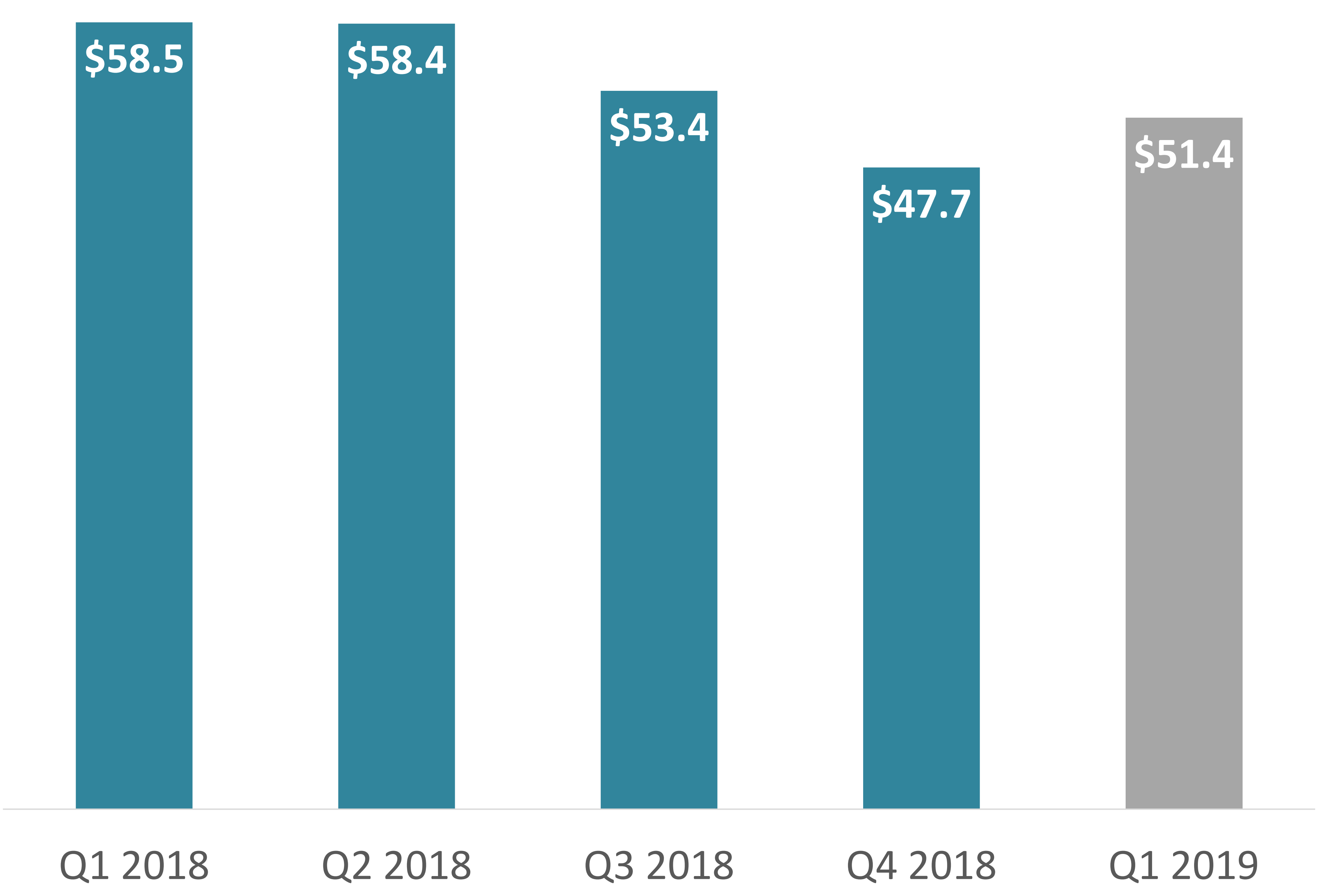
5N Plus entered 2019 with strong demand for products across core and growth businesses and maintained a strong backlog and booking levels throughout the first quarter of the year. During this period, the Company faced production challenges negatively impacting overall sales. Within the core business of 5N Plus, these challenges were largely associated with equipment downtime as the demand for certain products increased dramatically. In the case of growth initiatives, the major challenges stemmed from production processes associated with new materials, for which the increased demand resulted in mass-scaling production challenges.

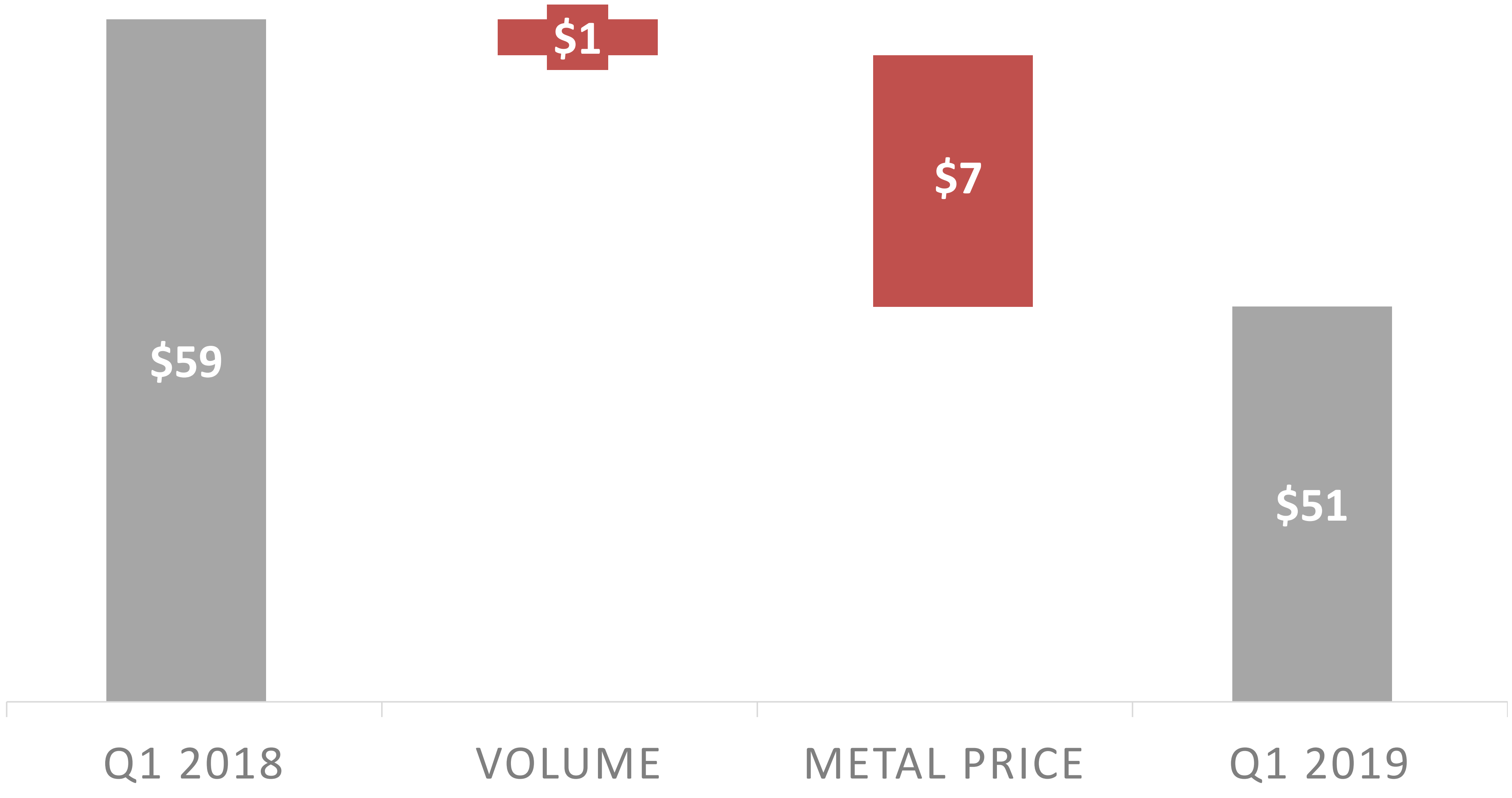
- Adjusted EBITDA[1] and EBITDA[1] for the first quarter of 2019 reached $5.6 million and $4.2 million compared to $7.9 million and $7.8 million during the same quarter of 2018.
- Revenue for Q1 2019 reached $51.4 million compared to $58.5 million for Q1 2018, in large part reflecting the impact of production challenges and to a lesser extent the impact of lower metal notations.
- Net loss for the first quarter of 2019 was $1.1 million or $0.01 per share compared to net earnings of $3.0 million or $0.04 per share for the same period last year.
- Annualized Return on Capital Employed (ROCE) [1] reached 8.6% for the first quarter of 2019, largely influenced by the lower Adjusted EBIT[1] performance impacted by production challenges.
- Net debt[1] stood at $33.0 million as of March 31, 2019 from $20.8 million for the same period last year, impacted by additional working capital.
- As at March 31, 2019, the Backlog[1] reached a level of 202 days of sales outstanding, slightly lower than last quarter ending at 217 days, however much higher than Q1 2018 ending at a level of 172 days. Bookings[1] in Q1 2019 reached 92 days compared to 105 days in Q4 2018 and 96 days in Q1 2018.
- On February 18, 2019, 5N Plus confirmed that its U.S. based subsidiary, 5N Plus Semiconductors, had been awarded a multi-year program to supply opto-electronic semiconductor substrates to Albuquerque, New Mexico based SolAero Technologies. The substrates are intended for use in satellite solar arrays for a number of applications, including powering a constellation of several hundreds low-orbit broadband satellites being manufactured by Airbus OneWeb Satellites. This network of satellites will provide global, persistent, low latency internet access that promises to bridge the digital divide.
- On February 27, 2019, 5N Plus announced that the Toronto Stock Exchange approved 5N Plus’ normal course issuer bid (“NCIB”). Under the NCIB, 5N Plus has the right to purchase for cancellation, from March 1, 2019 to February 29, 2020, a maximum of 3,515,926 common shares.
- From March 1, 2019 to March 31, 2019, 5N Plus purchased and cancelled 384,379 of the Company’s shares under the NCIB plan.

[1] See Non-IFRS Measures

Revenue

IN MILLIONS OF USD



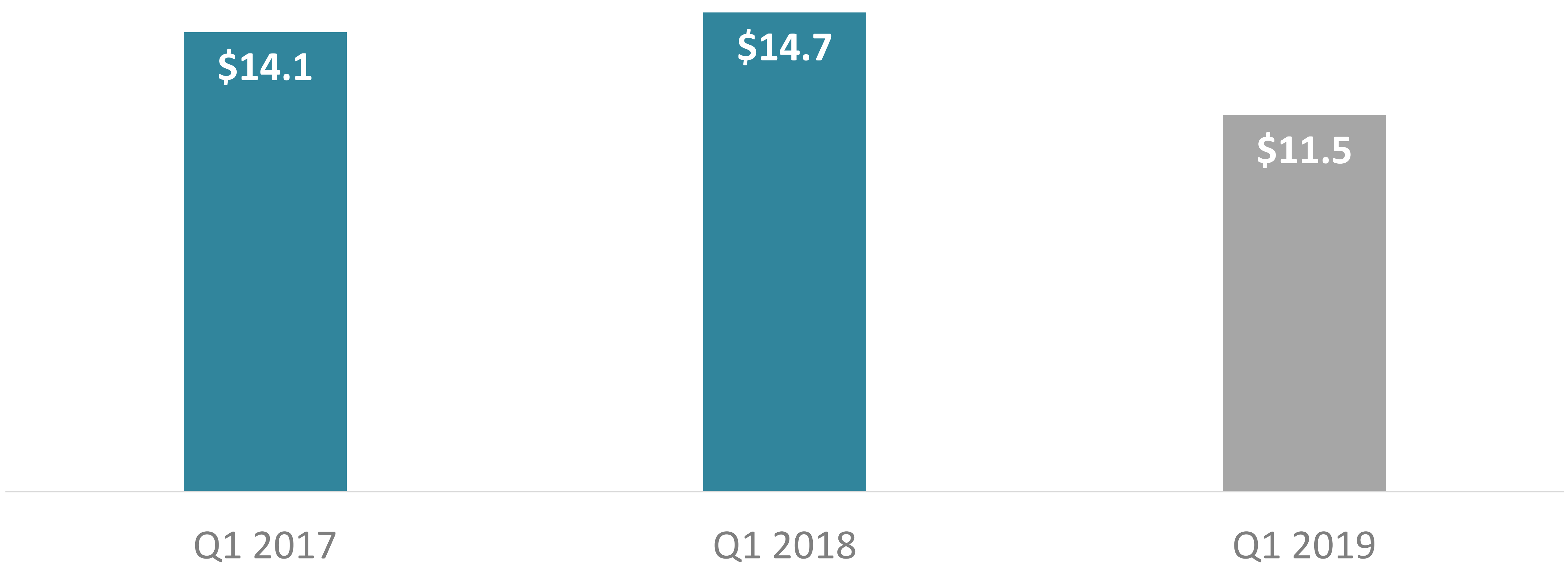


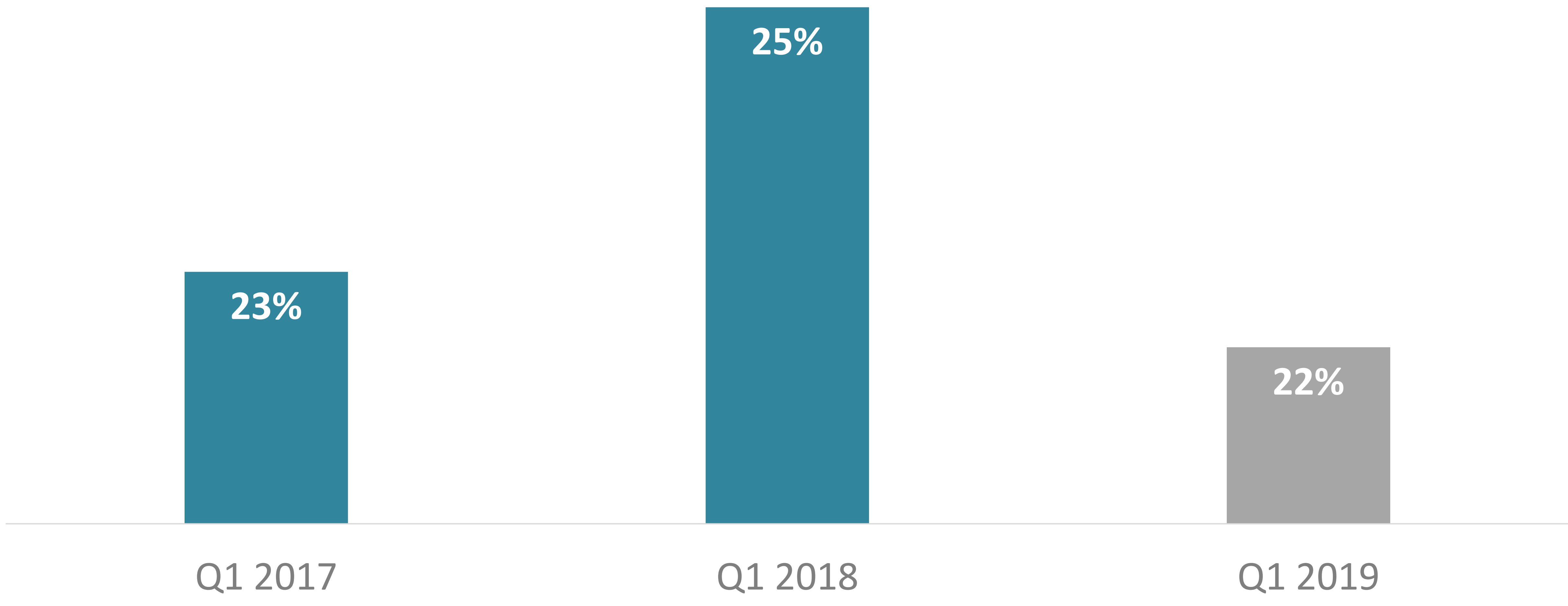
During Q1 2019, revenue decreased by 12% compared to the same period of 2018. Gross margin reached 22.4% in Q1 2019 compared to 25.1% in Q1 2018. Both revenue and gross margin were negatively impacted by production challenges and to a lesser extent by adverse movements in the underlying metal notations.

Gross Margin

Quarter ended March 31, 2019

IN MILLIONS OF USD

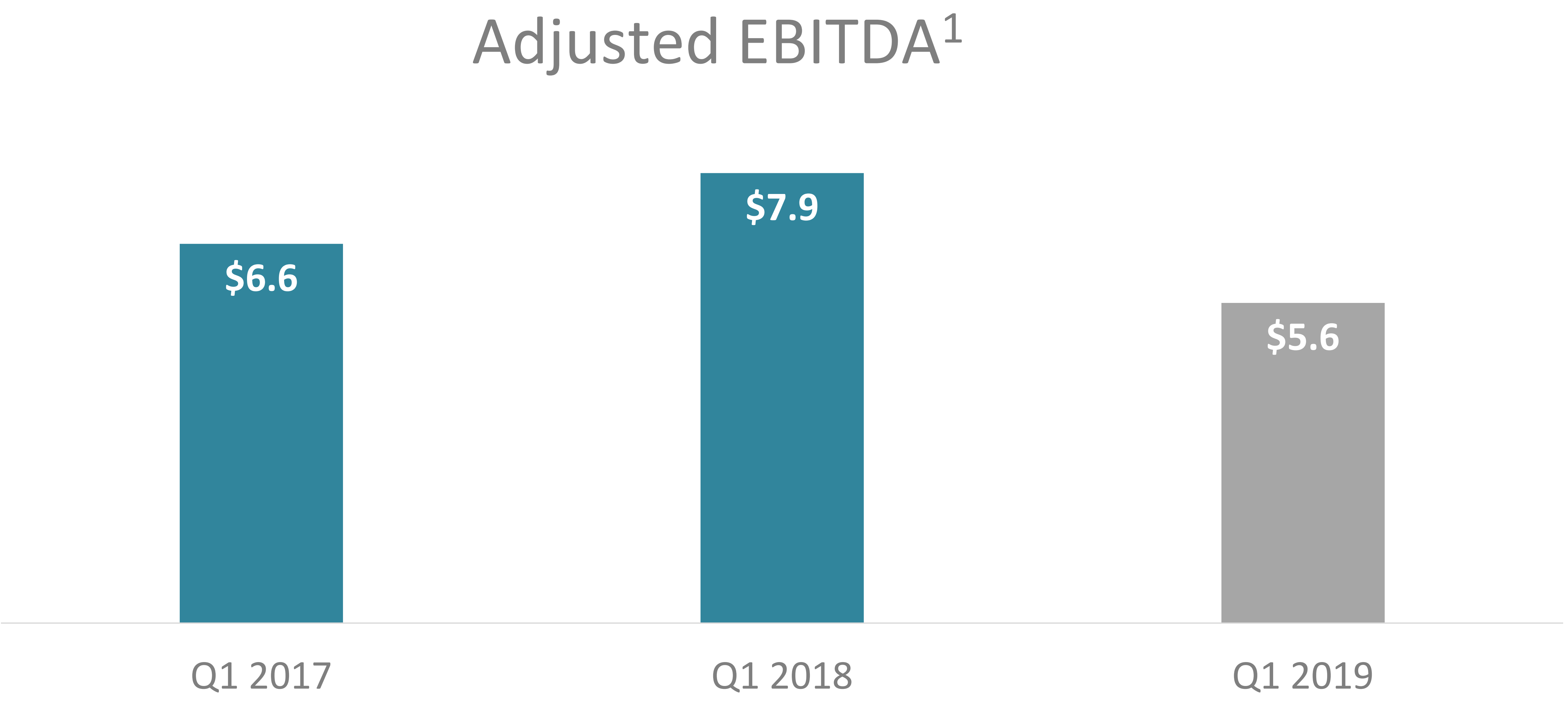




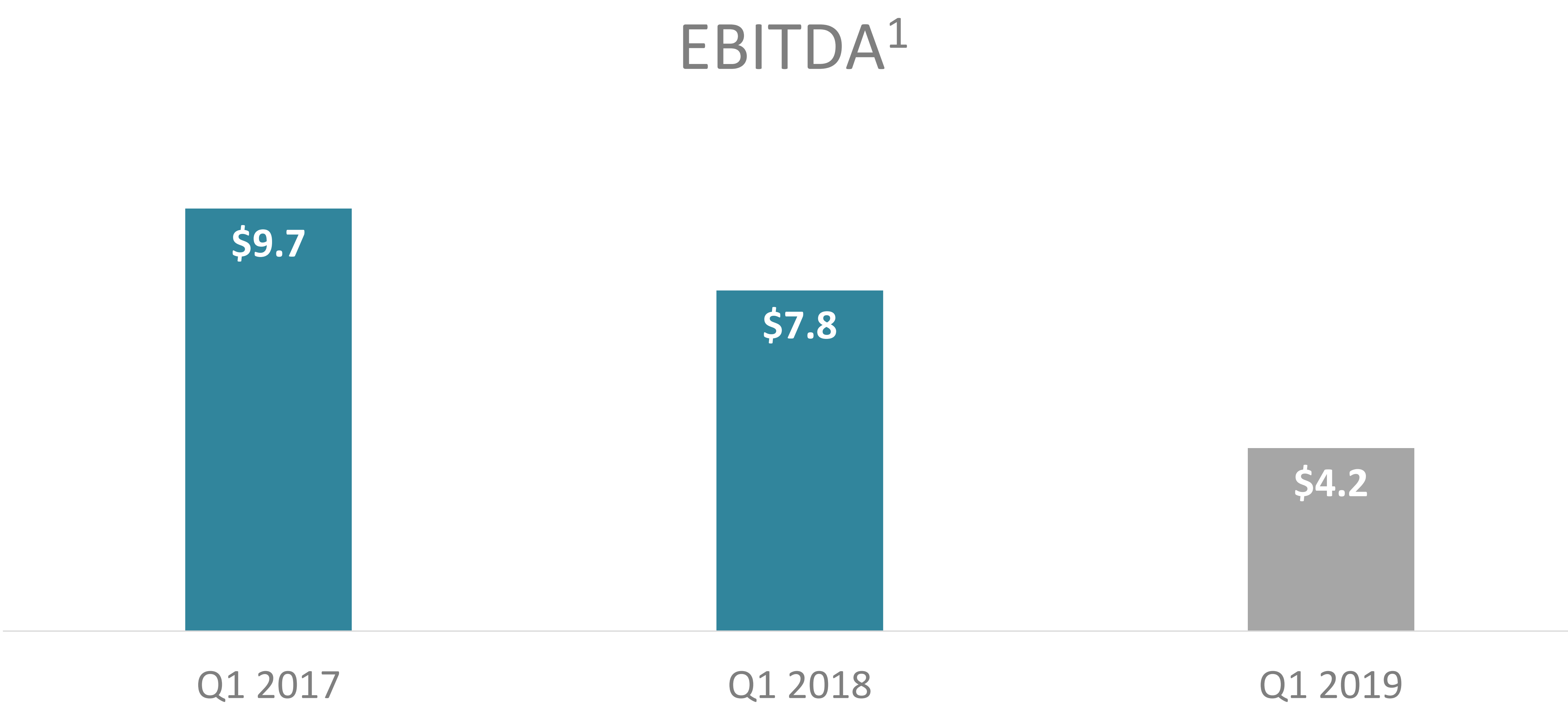
Adjusted EBITDA AND EBITDA

Quarter ended March 31, 2019

IN MILLIONS OF USD



IN MILLIONS OF USD

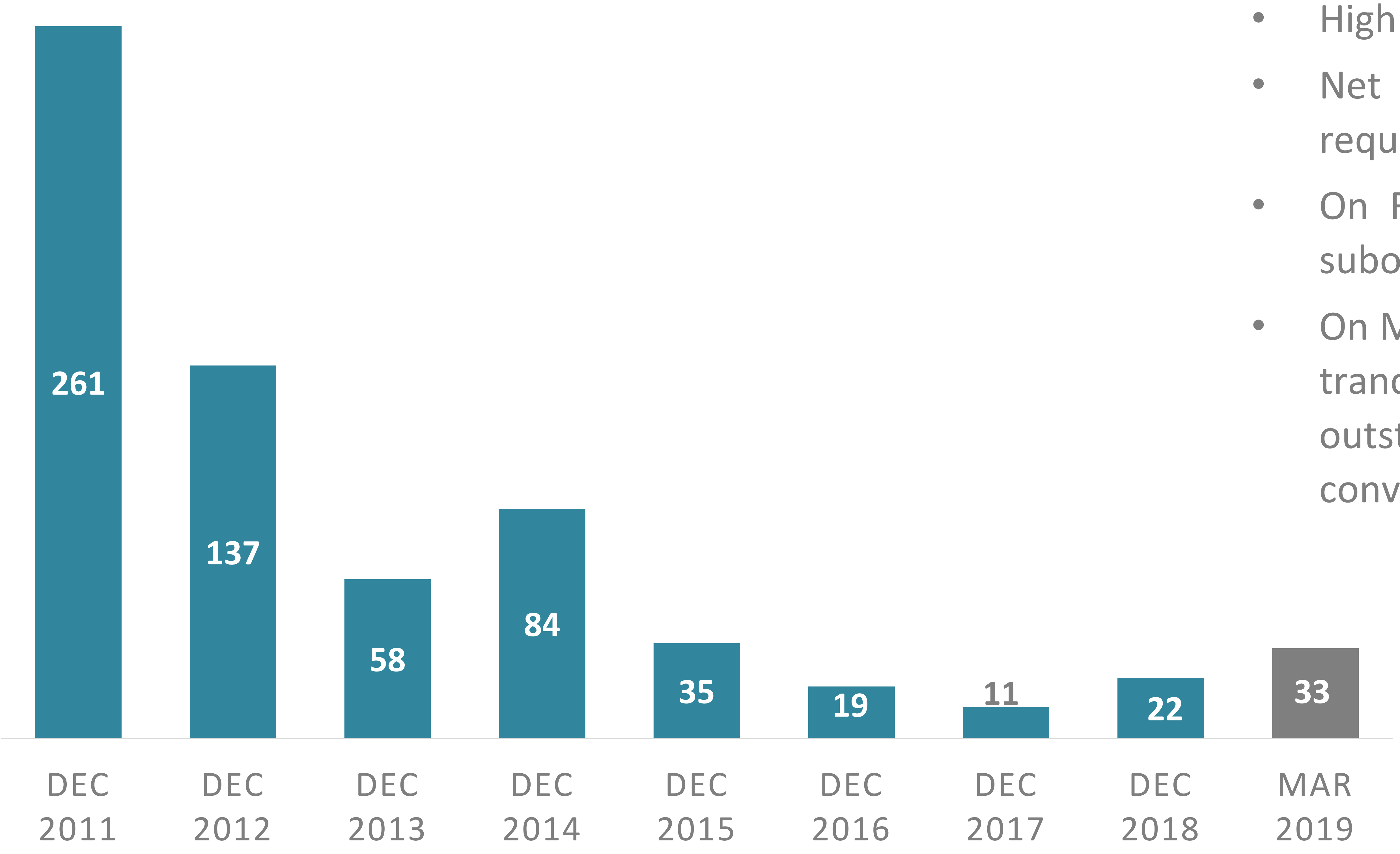


[1] See Non-IFRS Measures

Net Debt Evolution

Quarter ended March 31, 2019

IN MILLIONS OF USD

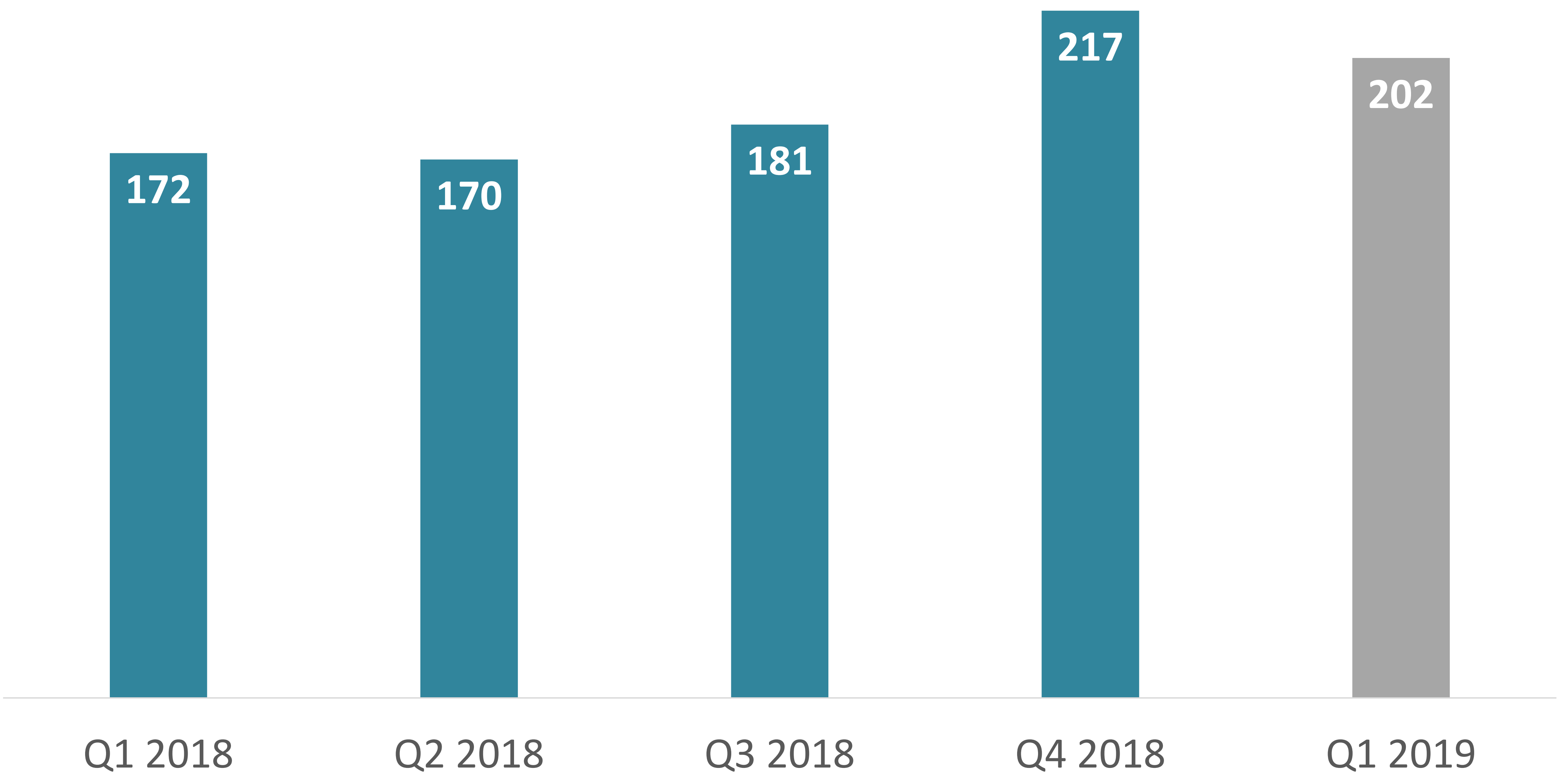


- High level of liquidity maintained at $22.1 million at the end of Q1 2019.
- Net Debt was impacted by the recent increase in working capital requirements.
- On February 6, 2019, the Company closed a $25.0 million unsecured subordinated term loan.
- On March 22, 2019 the Company completed the withdrawal of the second tranche of its new term loan in the amount of $20.0 million to redeem the outstanding debentures. As at March 31, 2019, there were no outstanding convertible debentures.

[1] See Non-IFRS Measures

Backlog

IN NUMBER OF DAYS



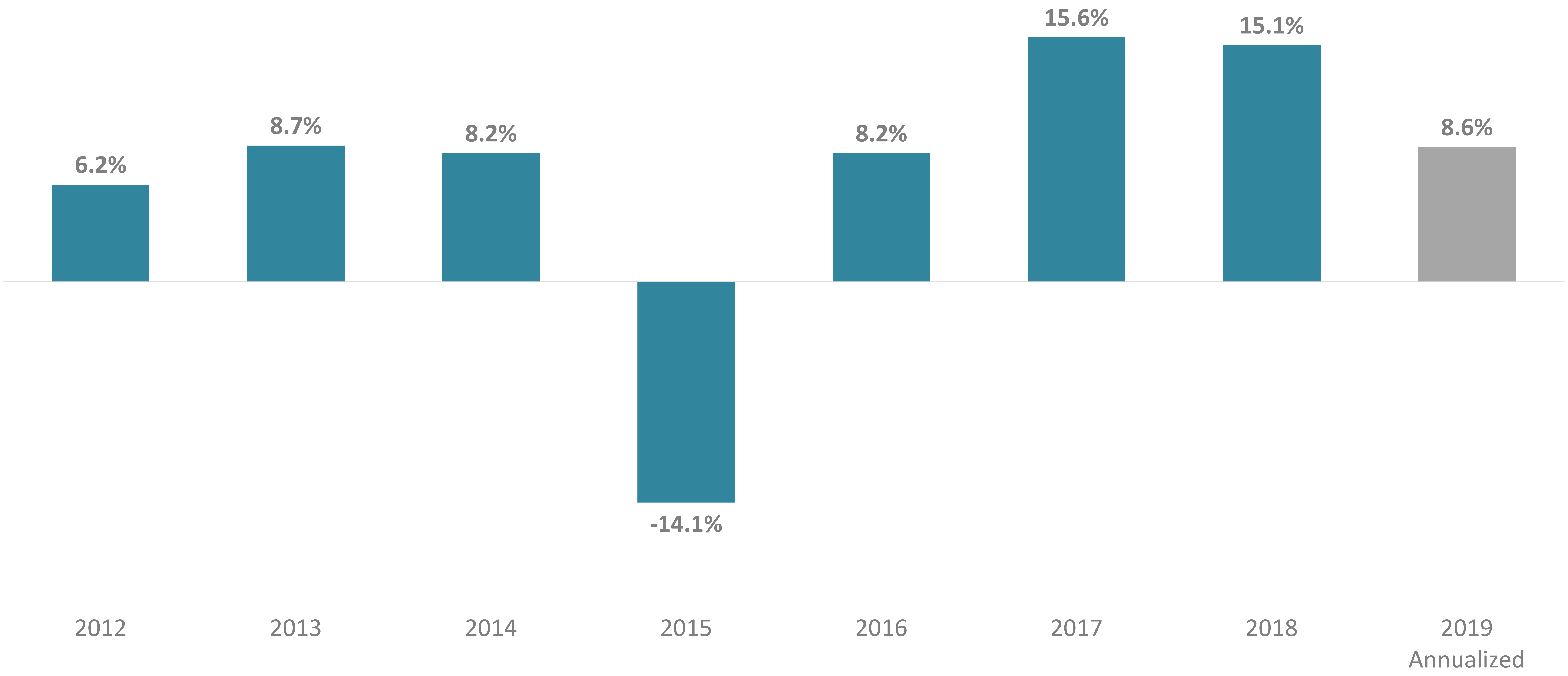
Backlog[1] as at March 31, 2019 reached a level of 202 days of annualized revenue, representing a decrease of 15 days compared to 217 days for the previous quarter.

Bookings[1] as at March 31, 2019 reached 92 days compared to 105 in the previous quarter.

[1] See Non-IFRS Measures

ROCE

Quarter ended March 31, 2019



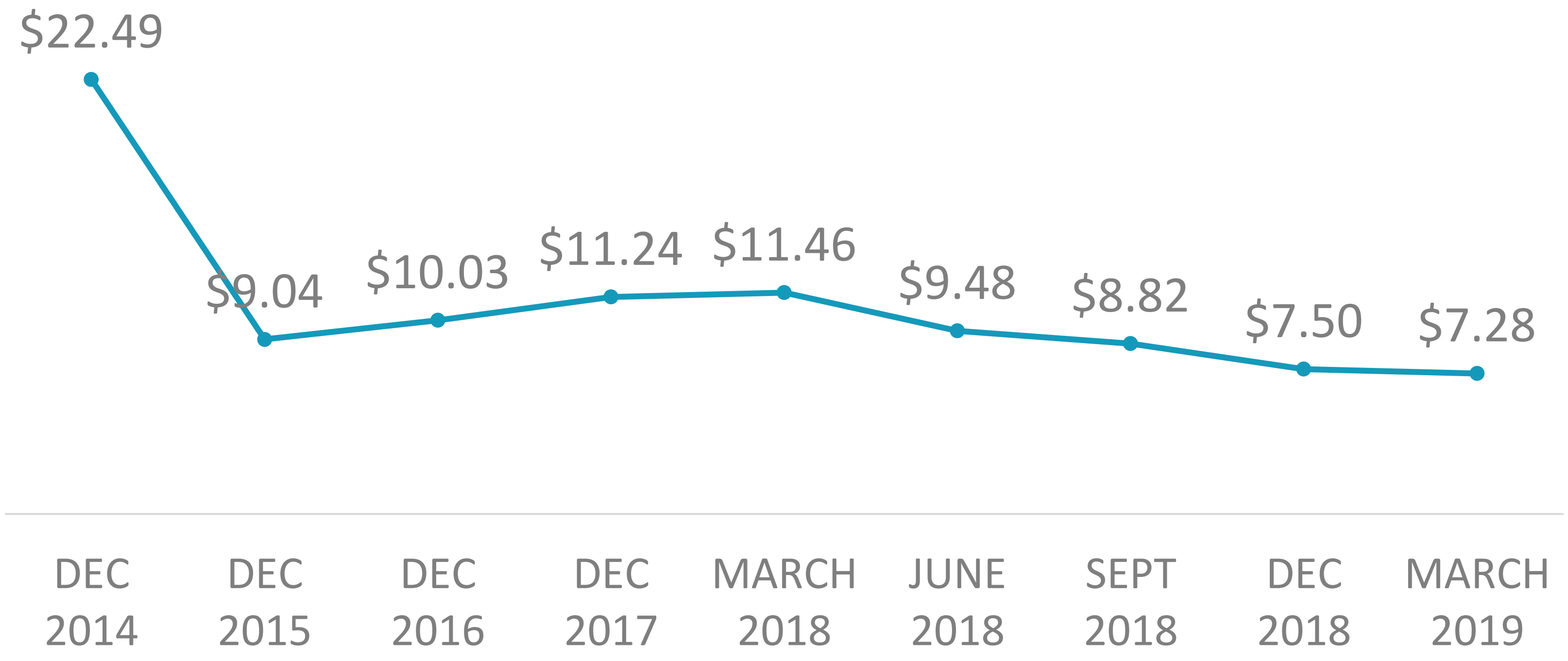
[1] See Non-IFRS Measures

Metal Prices in U.S. dollars per kilo

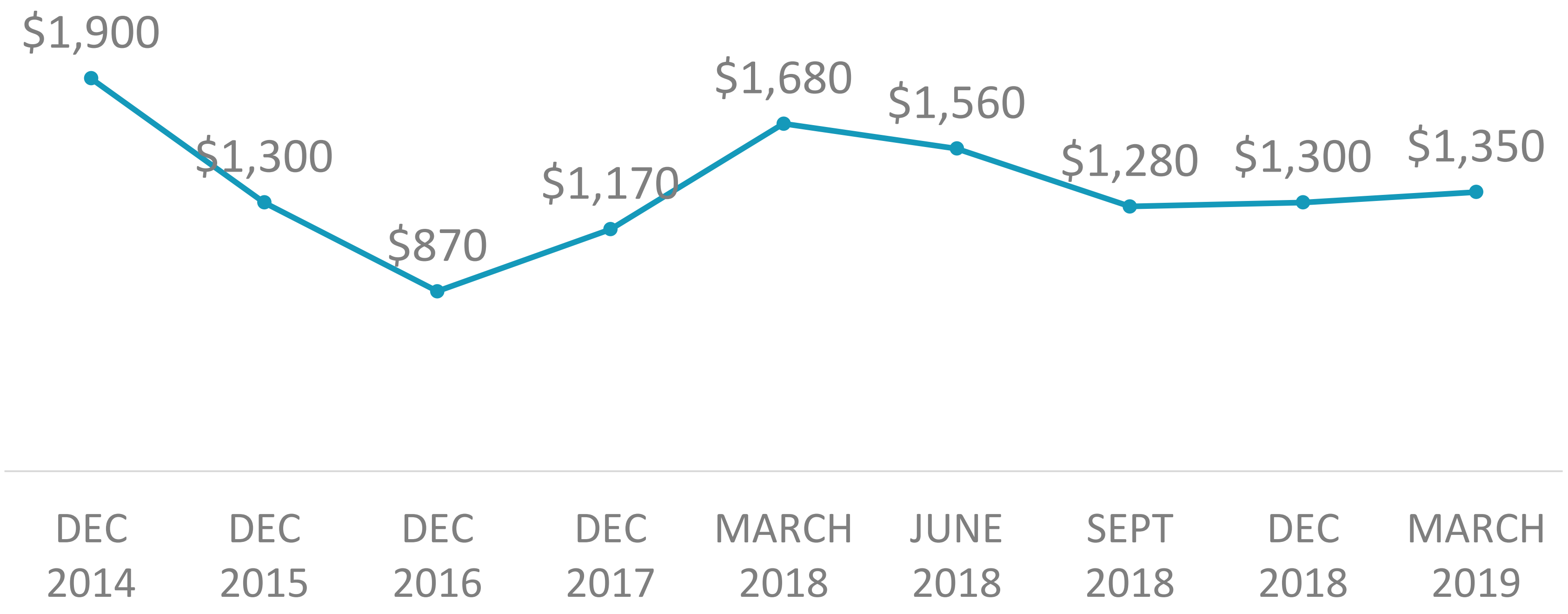
Quarter ended March 31, 2019

Source: Low Metal Bulletin

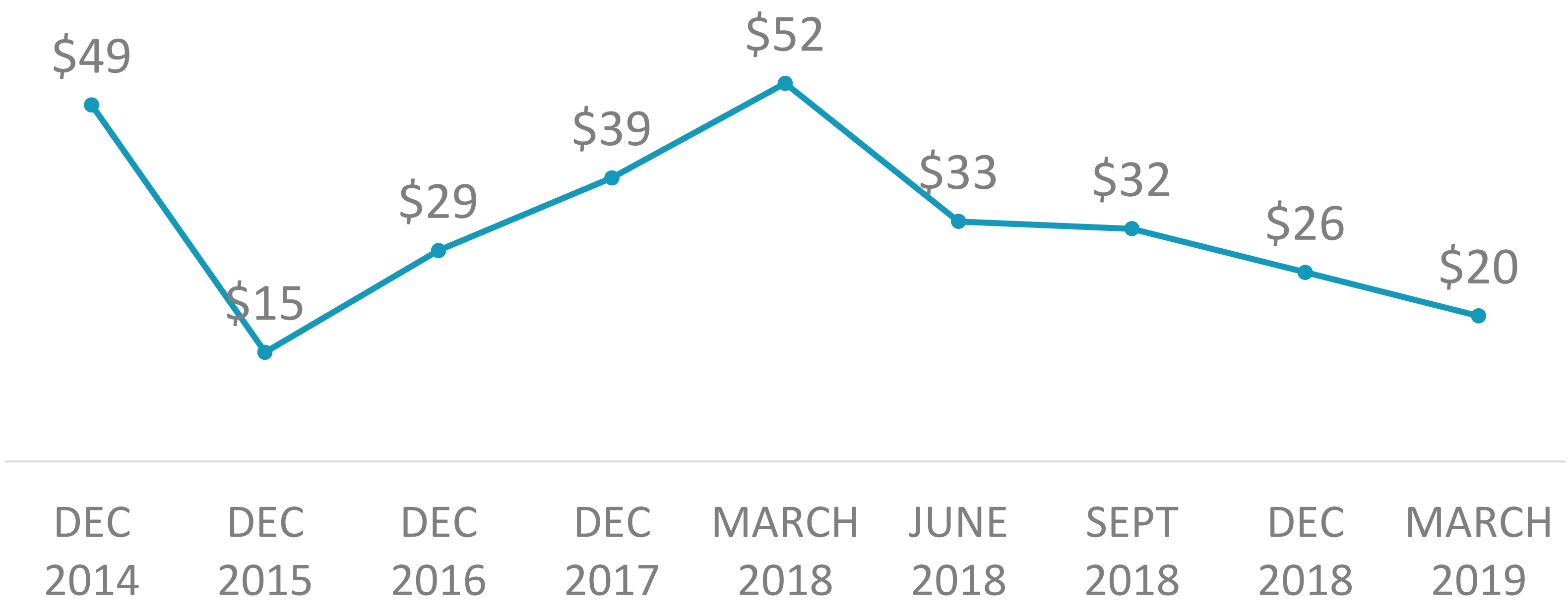
Bismuth



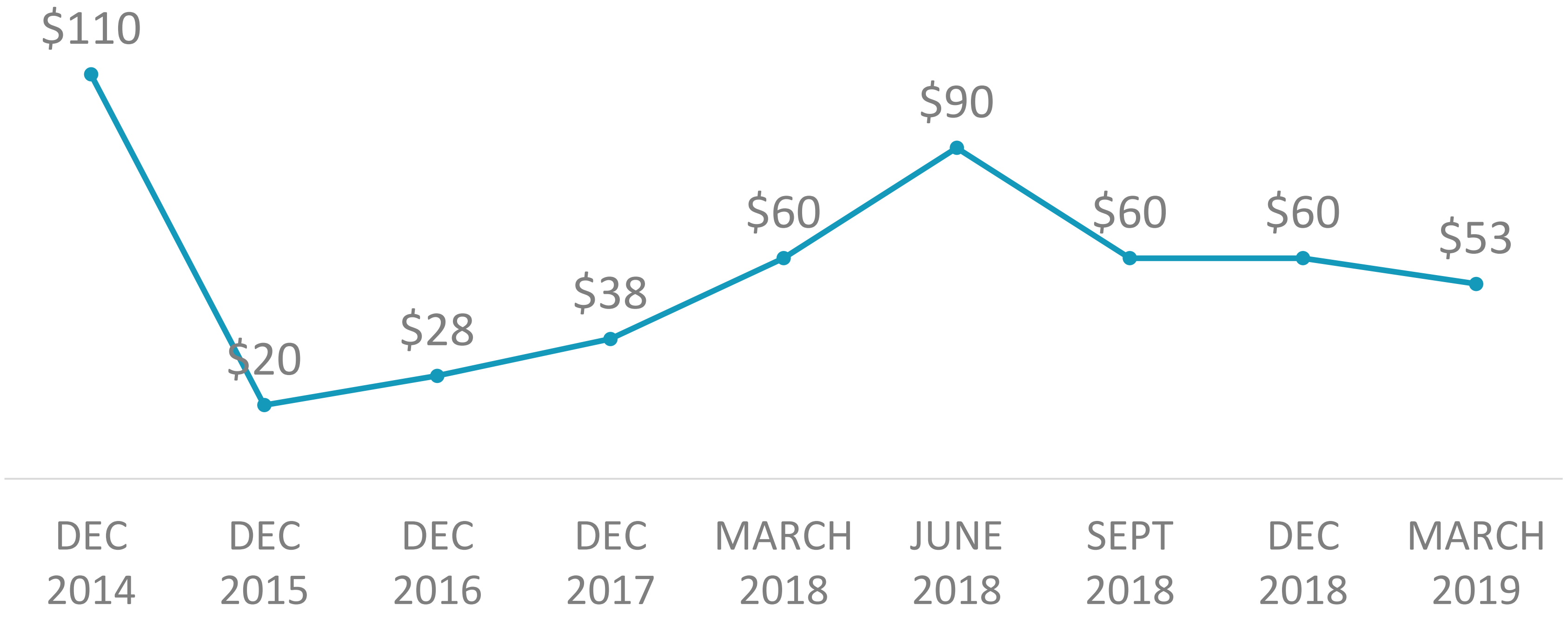
Germanium



Selenium



Tellurium



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Non-IFRS Measures

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 is 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.

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.

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 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, subtracting cash and cash equivalents, included as debt is the current portion and the cross-currency swap related to the convertible debentures, any newly introduced IFRS 16 reporting measures in reference to lease liabilities is excluded from the calculation.

Non-IFRS Measures

Quarter ended March 31, 2019

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 of PPE and amortization of intangible assets (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.