5N PLUS

Enabling Technology's Performance

Earnings Conference Call Quarter ended December 31, 2017

Forward-Looking Statements

Certain statements in this presentation may be forward-looking within the meaning of applicable securities laws. Forward-looking information and 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. Factors of uncertainty and risk that might result in such differences include the risks related to growth strategy, credit, liquidity, interest rate, inventory pricing, commodity pricing, currency fluctuation, fair value, source of supply, environmental regulations, competition, dependence on key personnel, business interruptions, protection of intellectual property, international operations, international trade regulations, collective agreements and being a public issuer. A description of the risks affecting the Company's business and activities appears under the heading "Risk and Uncertainties" of the MD&A dated February 20, 2018. Forward-looking statements can generally be identified by the use of terms such as "may", "should", "would", "believe", "expect", the negative of these terms, variations of them or any similar terms. 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 the Company has 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.

Highlights -Q4 and Fiscal Year 2017

Quarter ended December 31, 2017

5N PLUS
Enabling Technology's Performance

The Company completed a second financial year under the guidance of its strategic plan 5N21, delivering significant improvement reflected by the various financial metrics, lending credence to the efficacy of the plan. By the end of 2017, nearly all initiatives linked to the first pillar of 5N21, namely extraction of more value from core businesses and existing assets, were successfully completed. At the same time, new initiatives related to the second and third pillars of 5N21, namely increasing contribution from upstream activities and delivering quality growth from new initiatives gained momentum. Consequently, at the end of the year, significant enhancement in margins and profitability were achieved, while, earnings volatility reduced as the Company continued to shift focus from lower margin products with high content of pass-through commodities to products and services requiring higher contribution from value-added activities and technological solutions. Furthermore, the Company continued to deliver recurrent cashflows and further solidified its balance sheet which has enhanced its options going forward.

- During the year, Adjusted EBITDA[1] and EBITDA[1] reached $25.1 million and $26.9 million, compared to $20.1 million and $15.1 million in 2016. The Adjusted EBITDA demonstrates improved profitability, with gross margin[1] reaching 26.1% compared to 22.4% in 2016 largely supported by growth in value-added activities and services within an environment of stable commodity prices and sustainable demand.
- A number of factors culminated in a net positive impact on EBITDA for 2017 such as optimizing commercial agreements yielding a $3.0 million gain and a realized gain of $1.9 million on real estate disposal, all of which were envisioned to support the first pillar of 5N21, namely extracting more value from core businesses and existing assets. However, the EBITDA was negatively impacted by the repositioning of activities linked to production of powder alloys triggering an impairment charge of $3.1 million.
- The Adjusted EBITDA and EBITDA for the fourth quarter reached $6.1 million and $4.4 million in 2017 compared to $4.3 million and $4.8 million in 2016.
- Net earnings for the year 2017 reached $12.0 million or $0.14 per share compared to a net loss of $5.9 million or ($0.07) per share for the year 2016.
- Growth in sales from products and services with higher value-added component resulted in significant improvement in gross margin percentage and absolute dollars reaching $57.3 million in 2017 compared to $51.8 million in 2016. Revenue in 2017 reached $219.9 million compared to $231.5 million in 2016, mainly due to lower sales of pass-through metal component, consistent with the Company's plan to reduce its earnings volatility. Return on Capital Employed (ROCE)[1] reached 12.3% in 2017 as compared to 6.7% in 2016 reflecting the overall margin expansion associated with the Company's products and services.
- Net debt[1] was further reduced during the year and stood at $11.4 million as at December 31, 2017 down from $19.0 million for the same period last year, positively impacted by working capital management and overall better performance.
- Backlog[1] reached as at December 31, 2017 a level of 187 days of sales outstanding, higher than the previous quarter following the renewal pattern of most contracts which generally occurs in the fourth quarter or the first quarter of the year. Bookings[1] in Q4 2017 reached 108 days compared to 118 days in Q3 2017 and 78 days in Q4 2016.

[1]See Non-IFRS Measures

5N PLUS

Enabling
Technology's
Performance

Transitioning to material-based markets

Upstream Activities:
PSR2 - Primary Supply,
Recycling & Refining

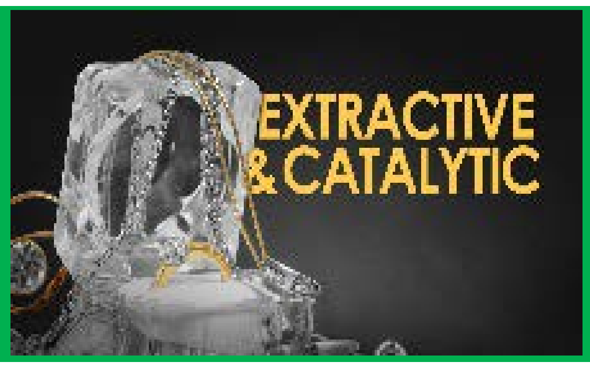
Segment: Eco-Friendly Materials

Sector

Health & Pharmaceutical Materials

Industrial Materials

Catalytic & Extractive Materials



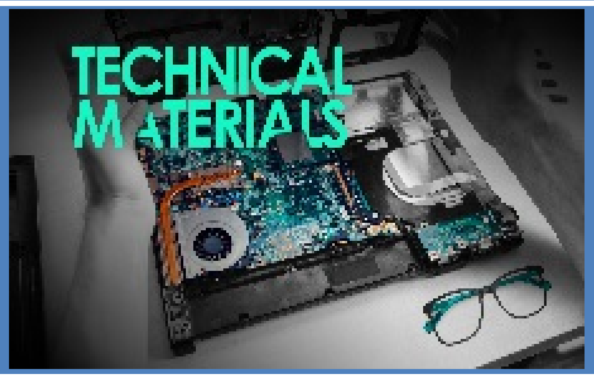
Segment: Electronic Materials

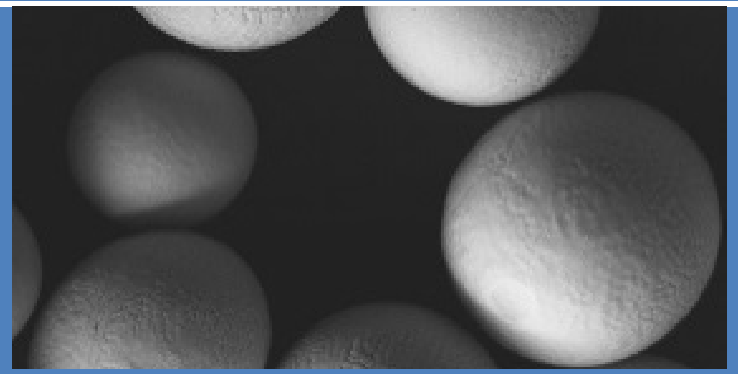
Sector

SASI: Security Aerospace Sensing & Imaging Materials

Renewable Energy & Resource Management

Technical Materials





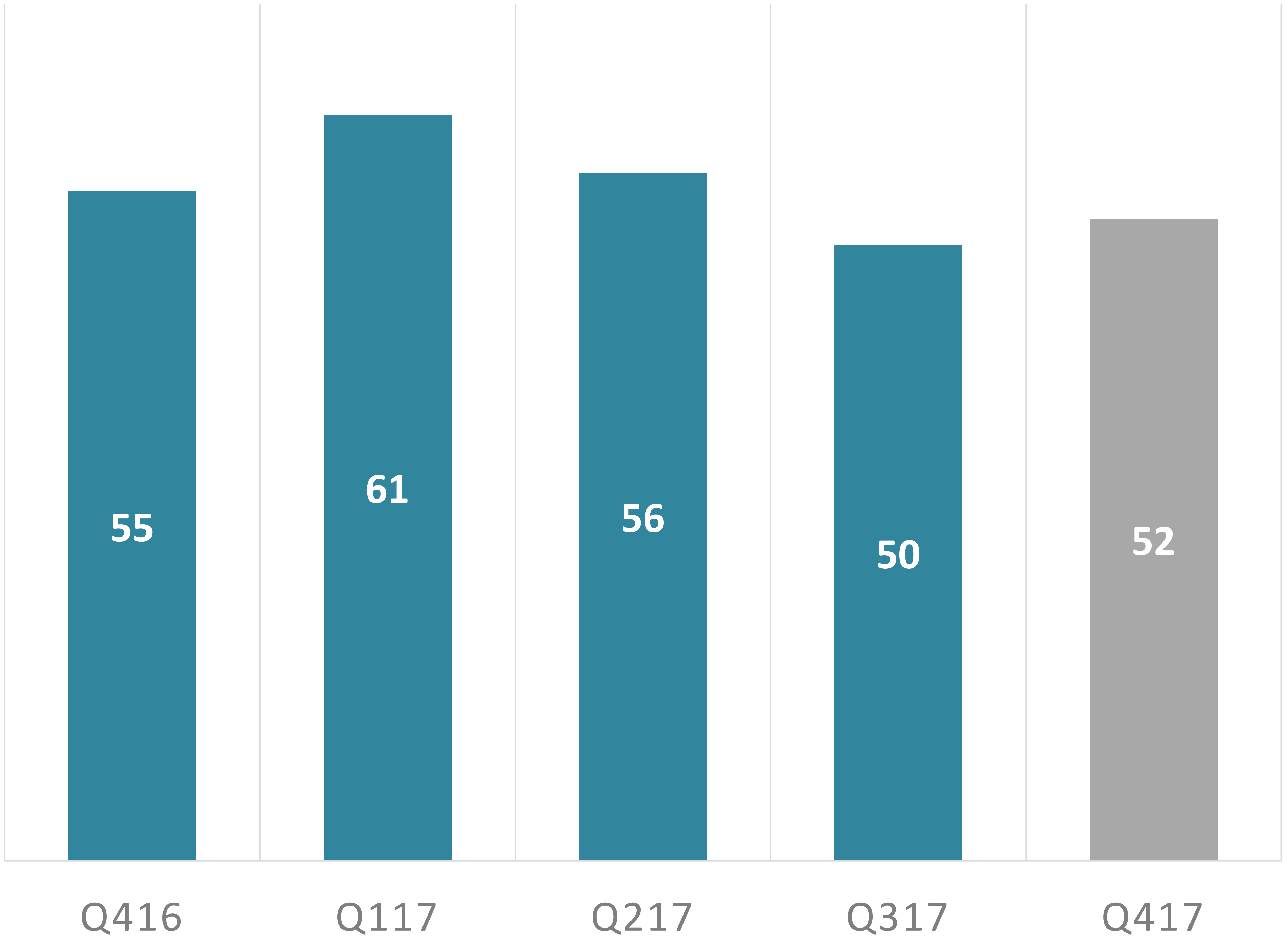
5N PLUS

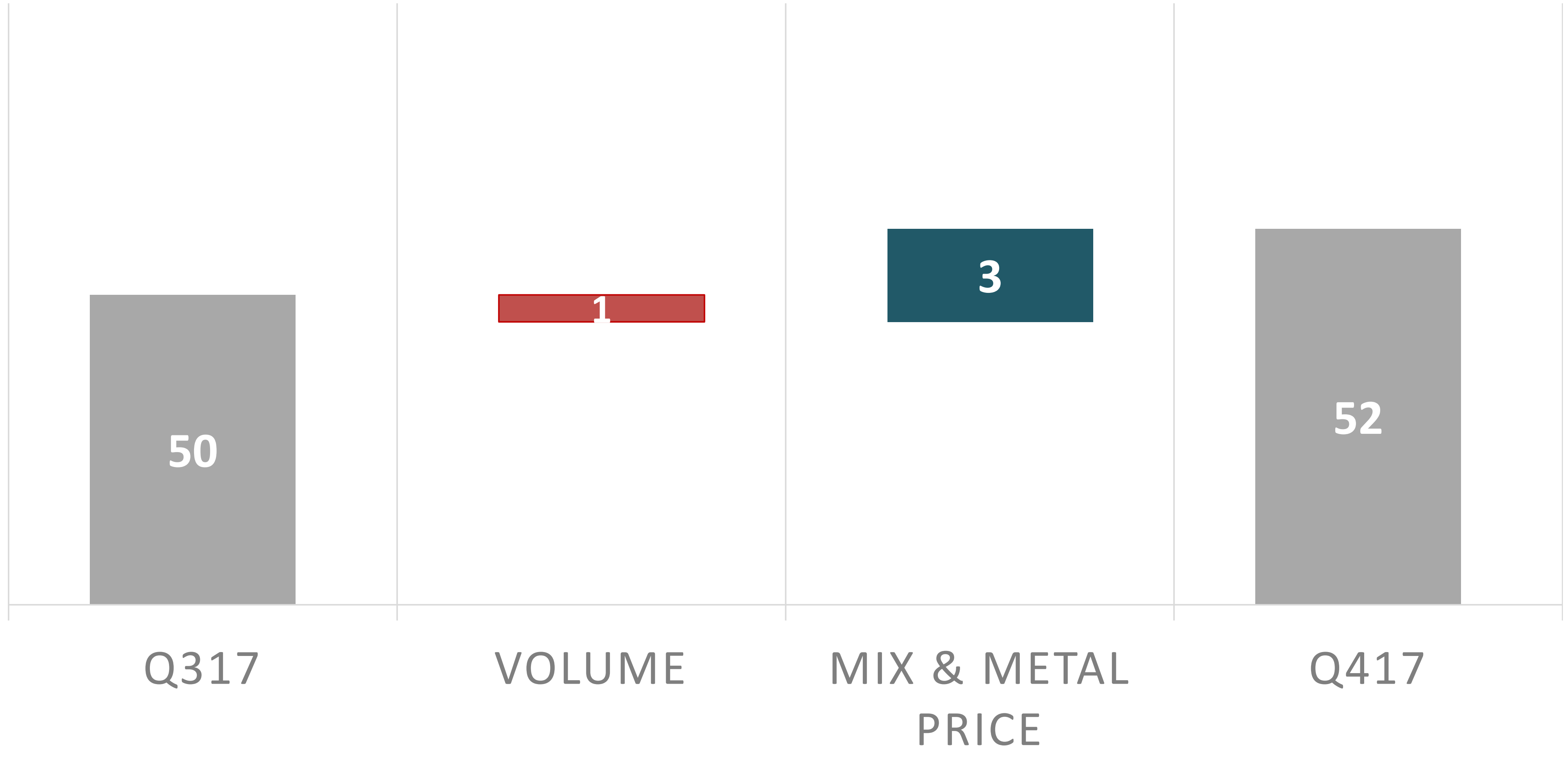
Enabling Technology's Performance

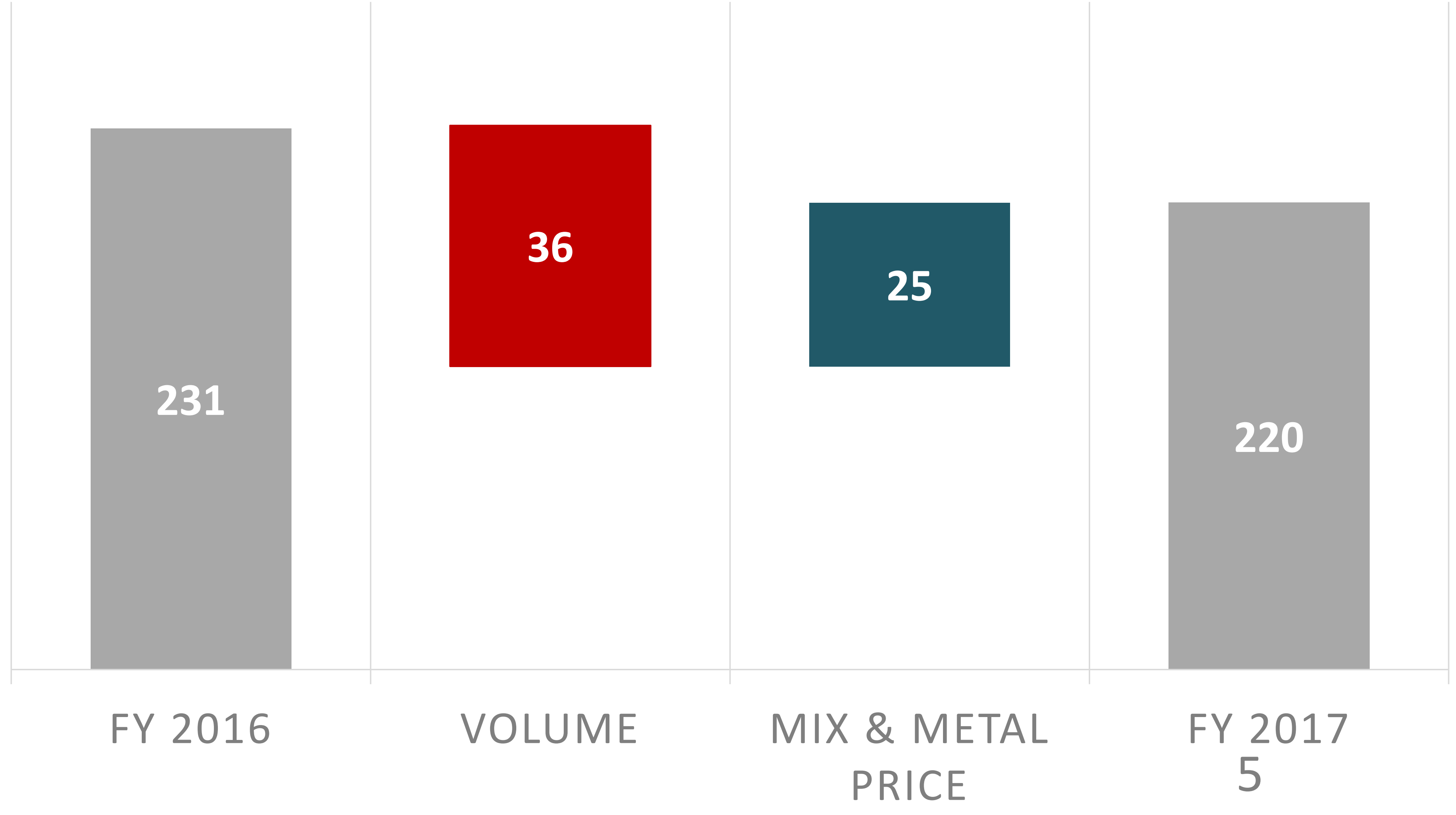
Revenue

Quarter ended December 31, 2017

In millions of USD

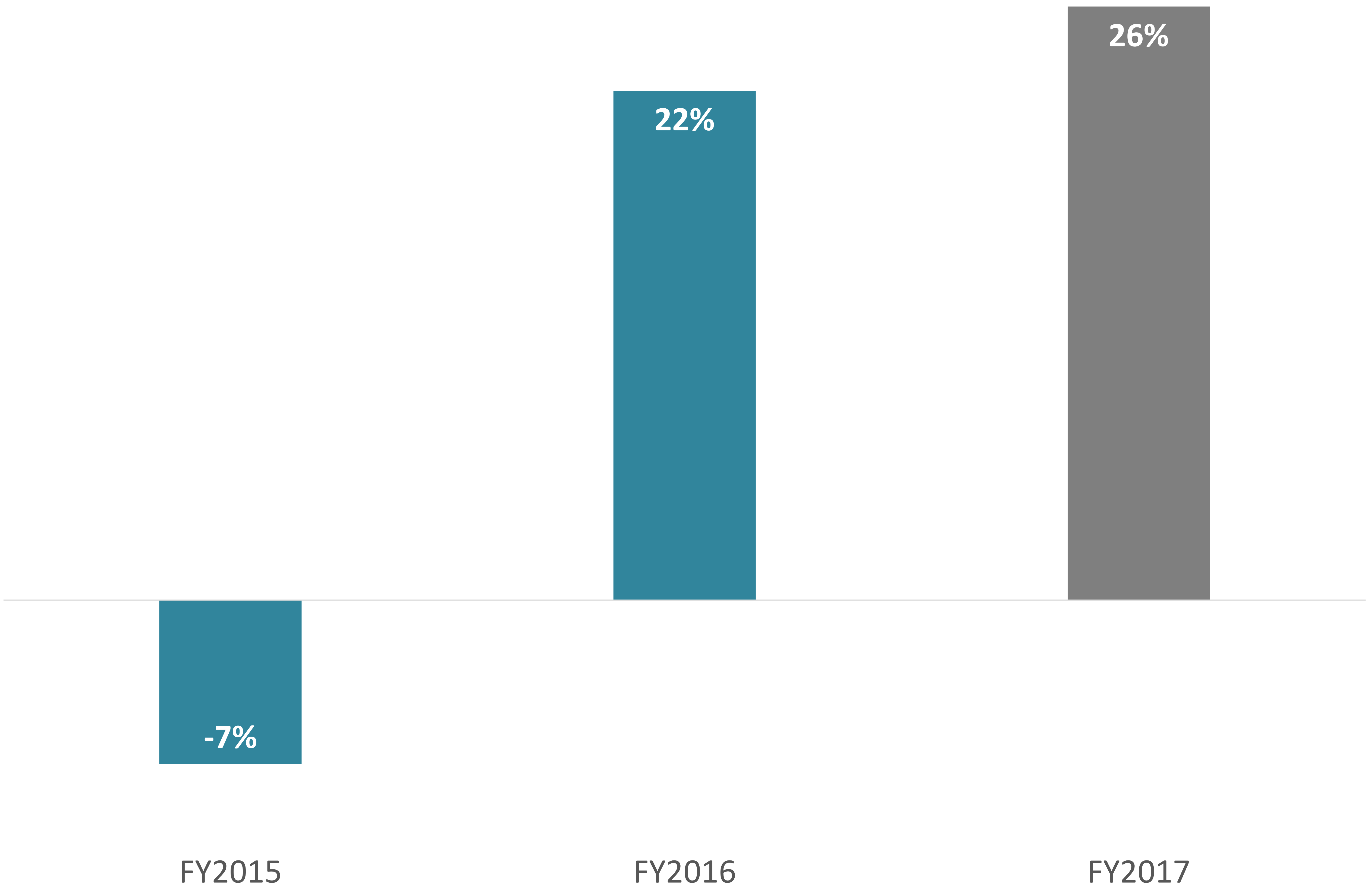






Gross Margin

Quarter ended December 31, 2017



While the total revenue decreased by 5% compared to 2016, total gross margin[1] increased by 4% as compared to last year. This reflects a change in the quality of revenue with the value-added component of revenue growing and the pass-through component declining. This is consistent with 5N21 approach and is expected to reduce earnings volatility.

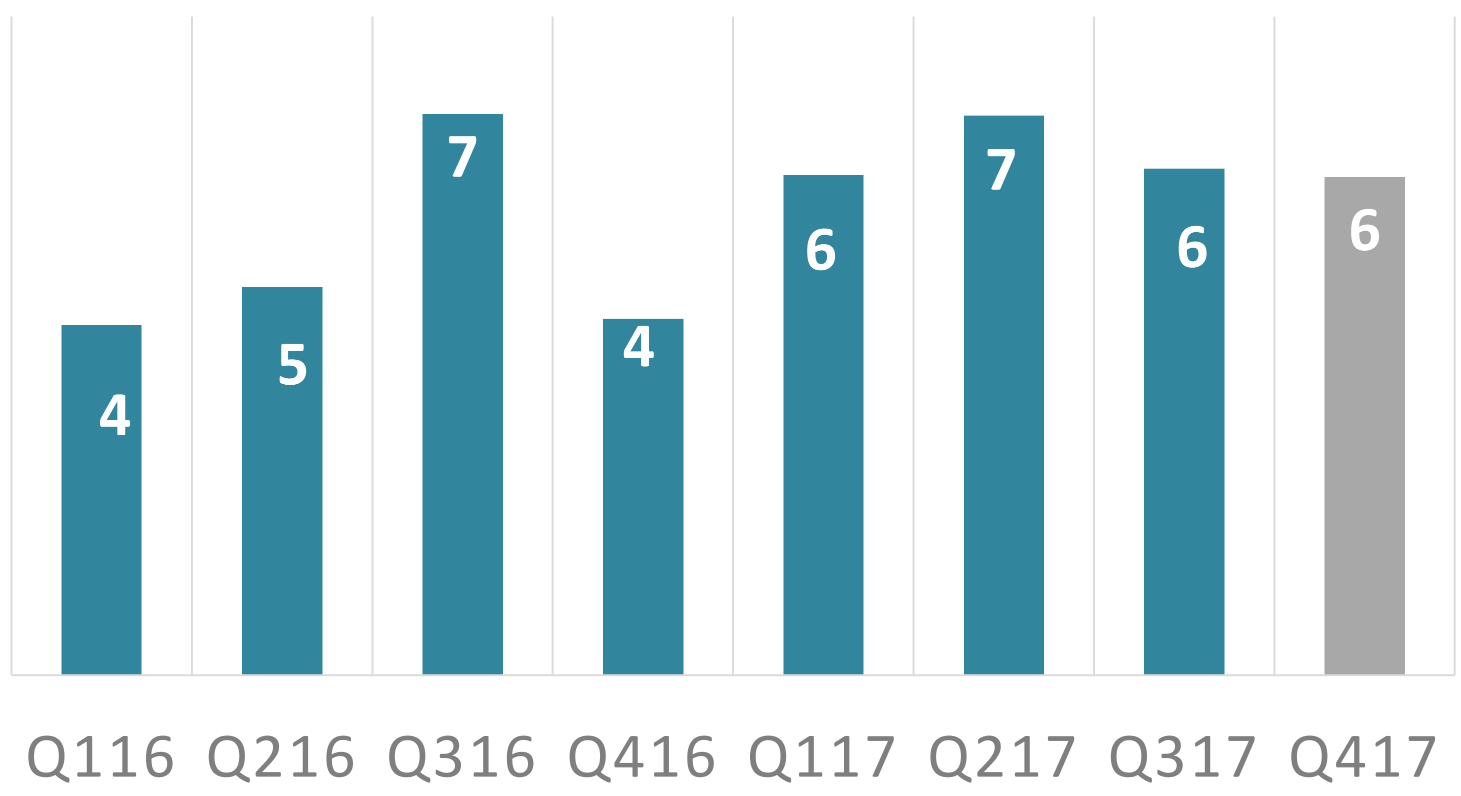
[1] See Non-IFRS Measures

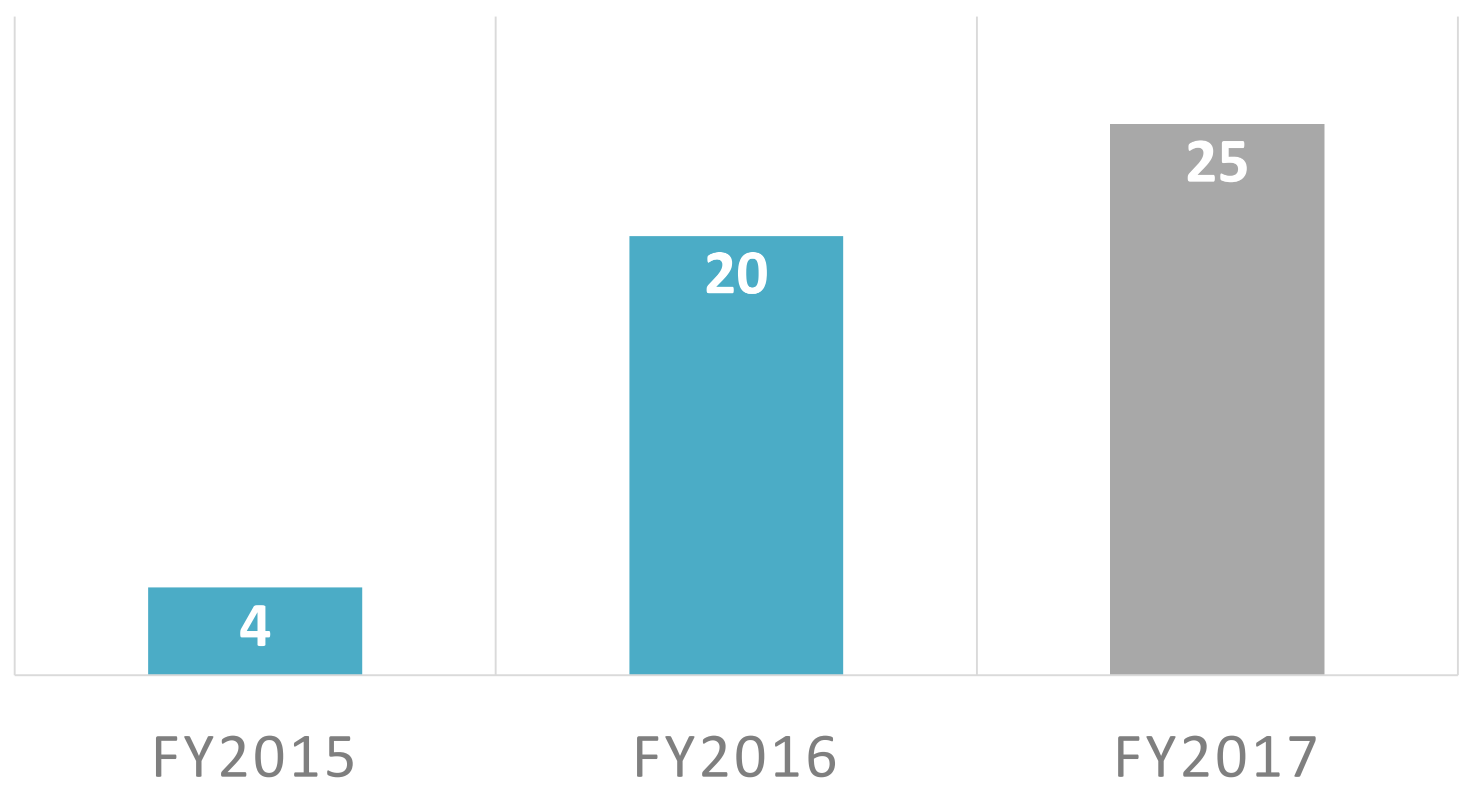
EBITDA and Adjusted EBITDA

Quarter ended December 31, 2017

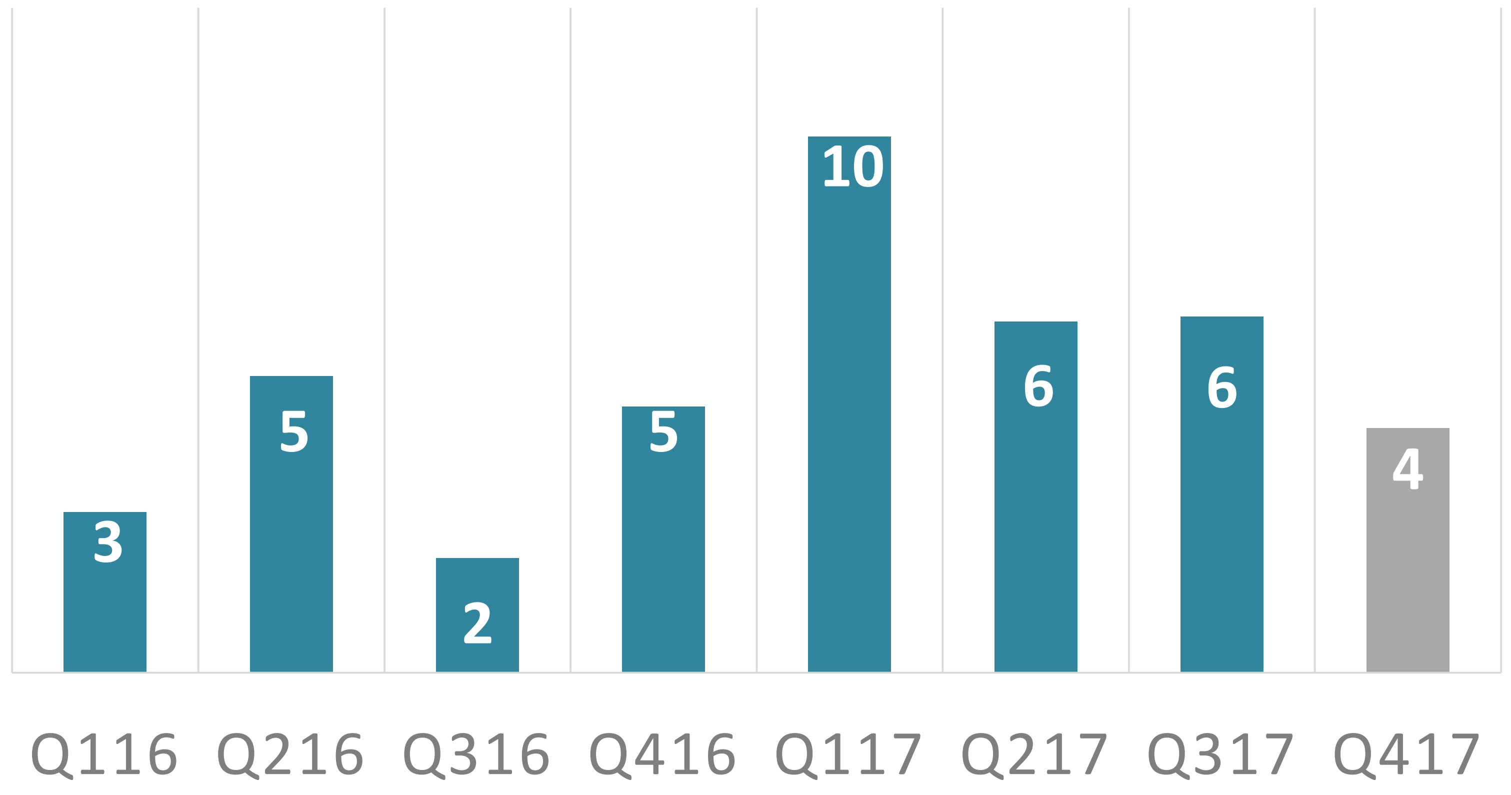
Adjusted EBITDA[1]

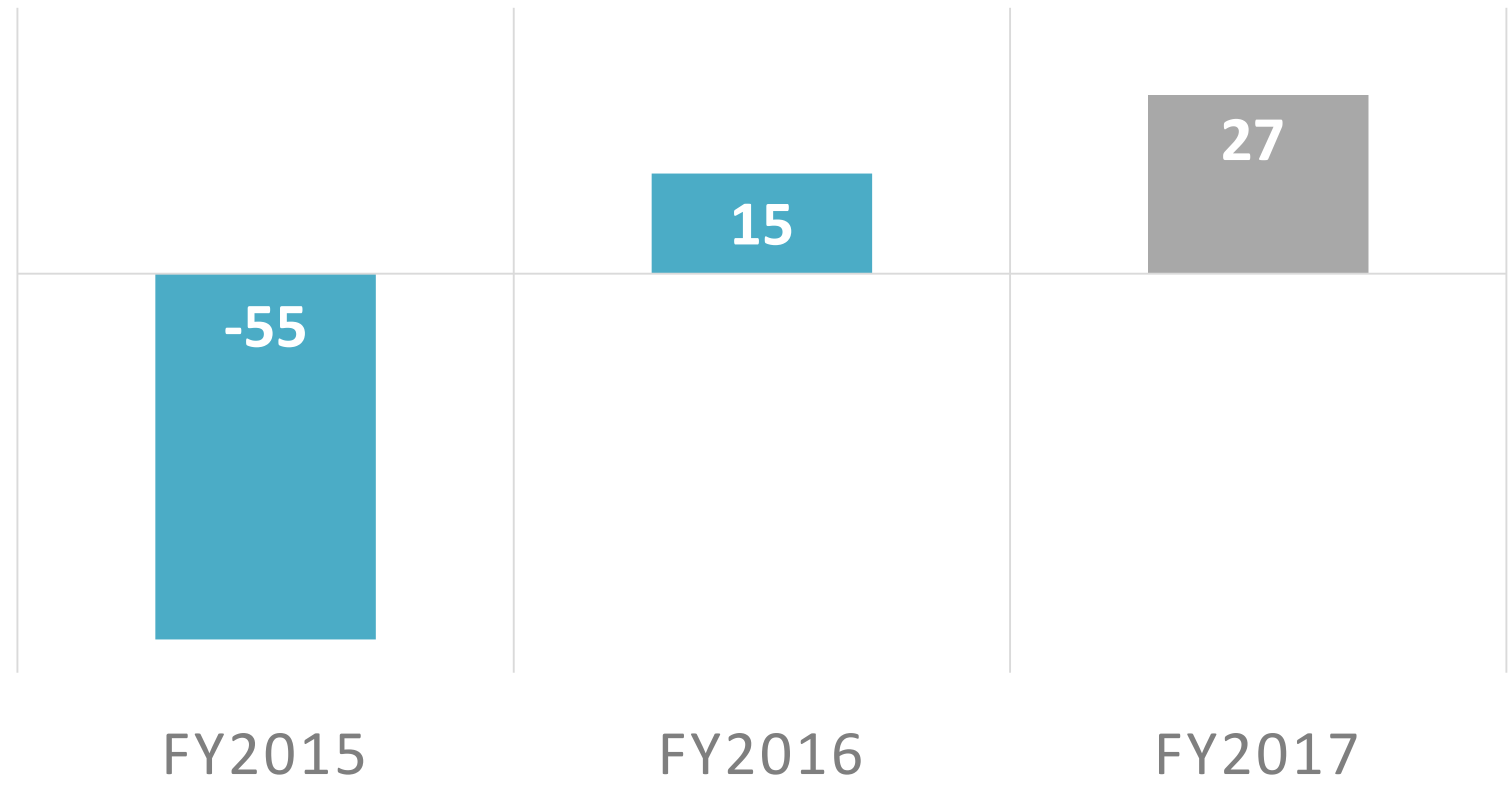
In millions of USD





EBITDA[1]

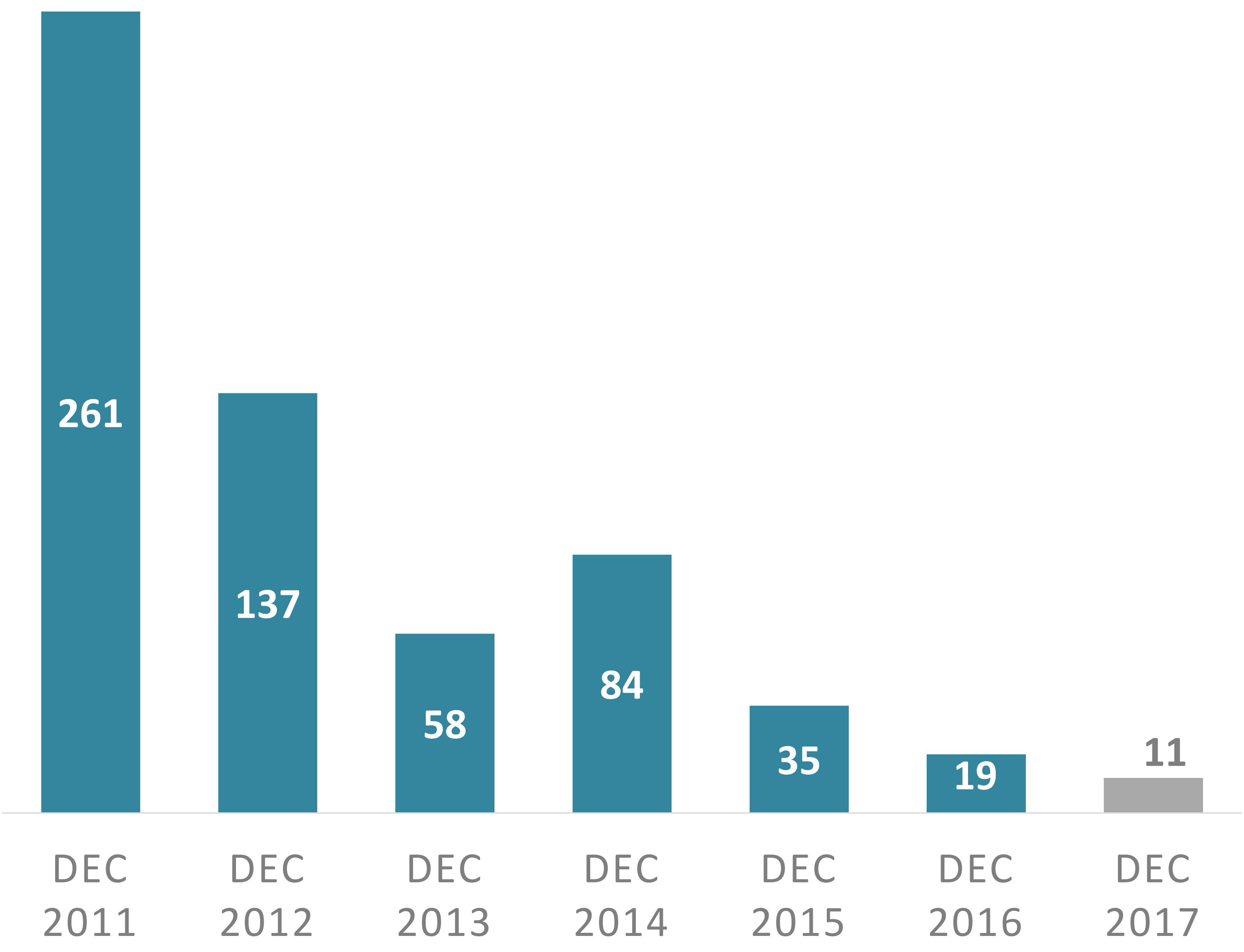




[1] See Non-IFRS Measures

Net Debt Evolution

In millions of USD



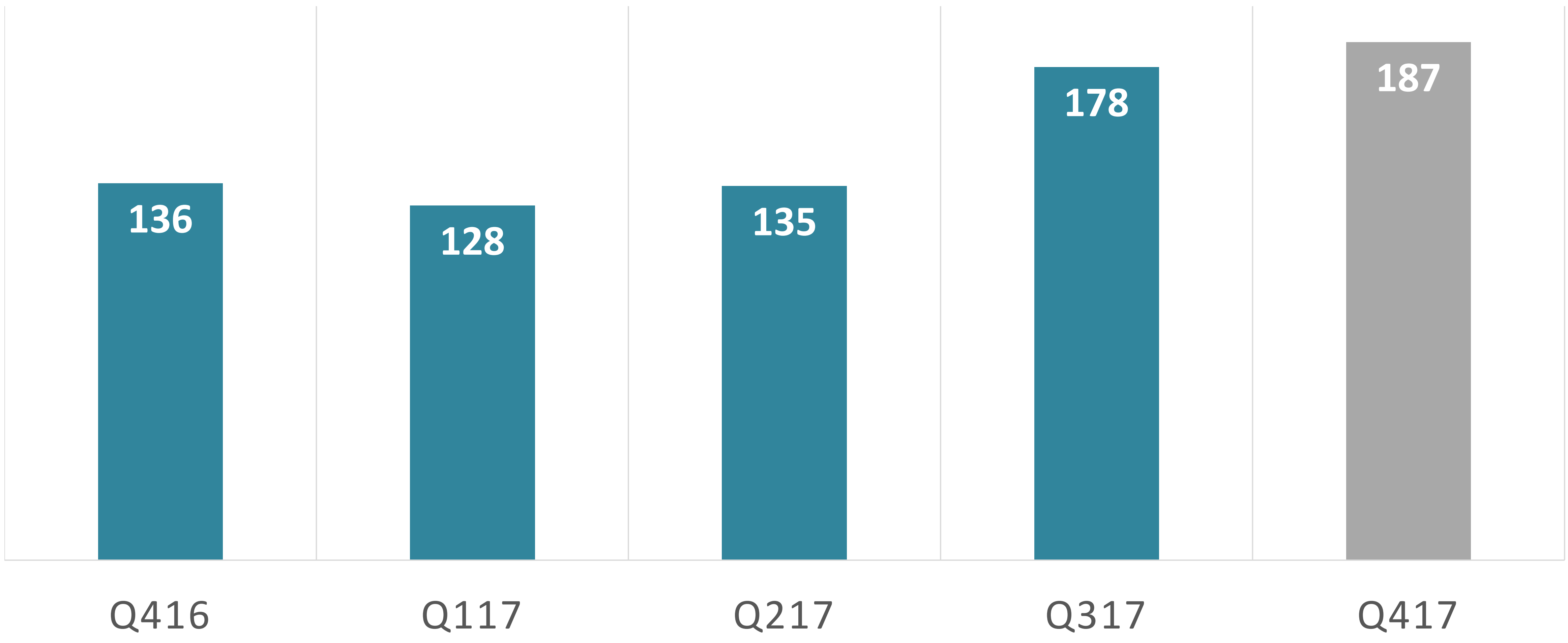
$(250) **Debt Reduction since DEC 2011**

$(73) **Debt Reduction since DEC 2014**

Liquidity	Dec. 31, 2016	Dec. 31, 2017
Cash and cash equivalents	$24.3M	$34.0M

Backlog

In number of days

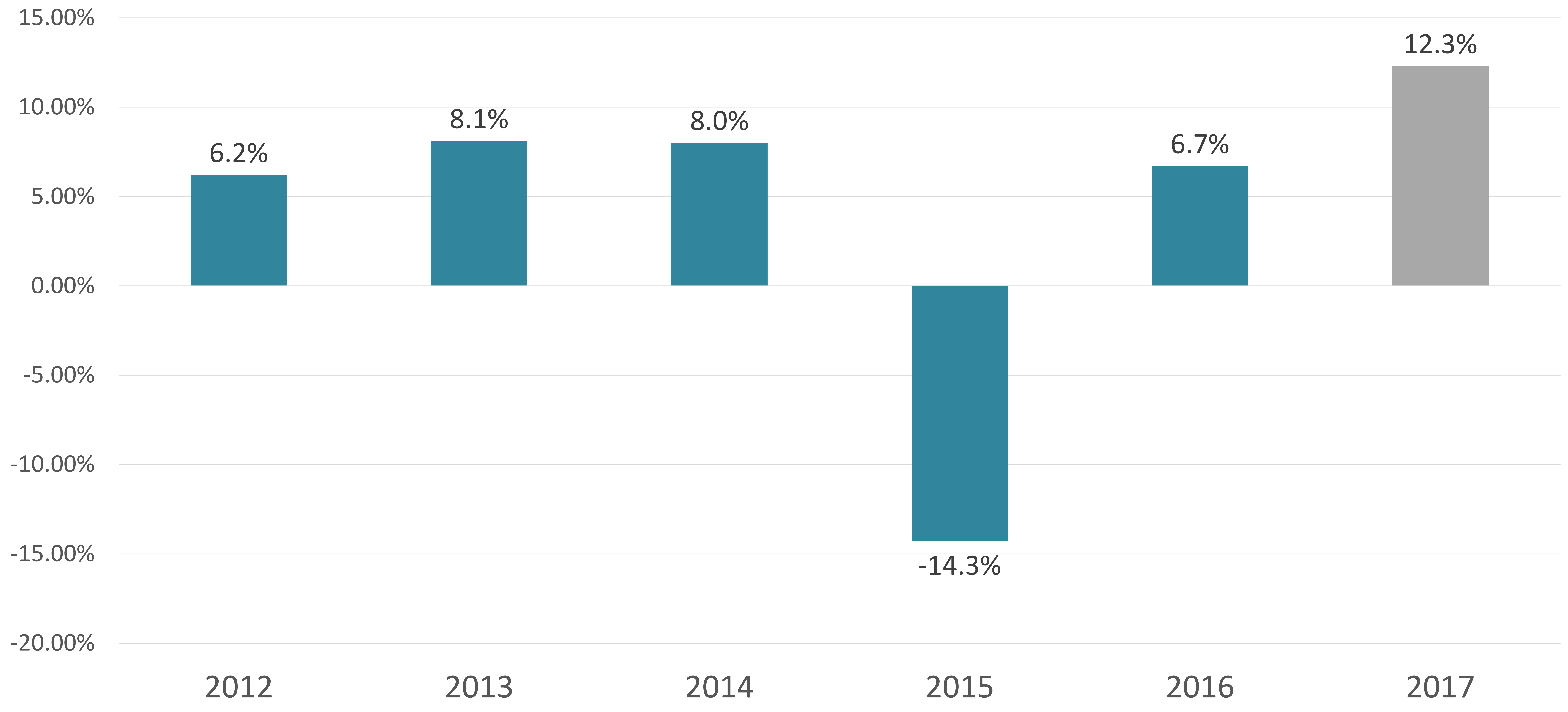


Backlog[1] reached as at December 31, 2017 a level of 187 days of sales outstanding, higher than previous quarter following the renewal pattern of most contracts which generally occurs in the fourth quarter or the first quarter of the year. Bookings[1] in Q4 2017 reached 108 days compared to 118 days in Q3 2017 and 78 days in Q4 2016.

[1] See Non-IFRS Measures

ROCE[1]

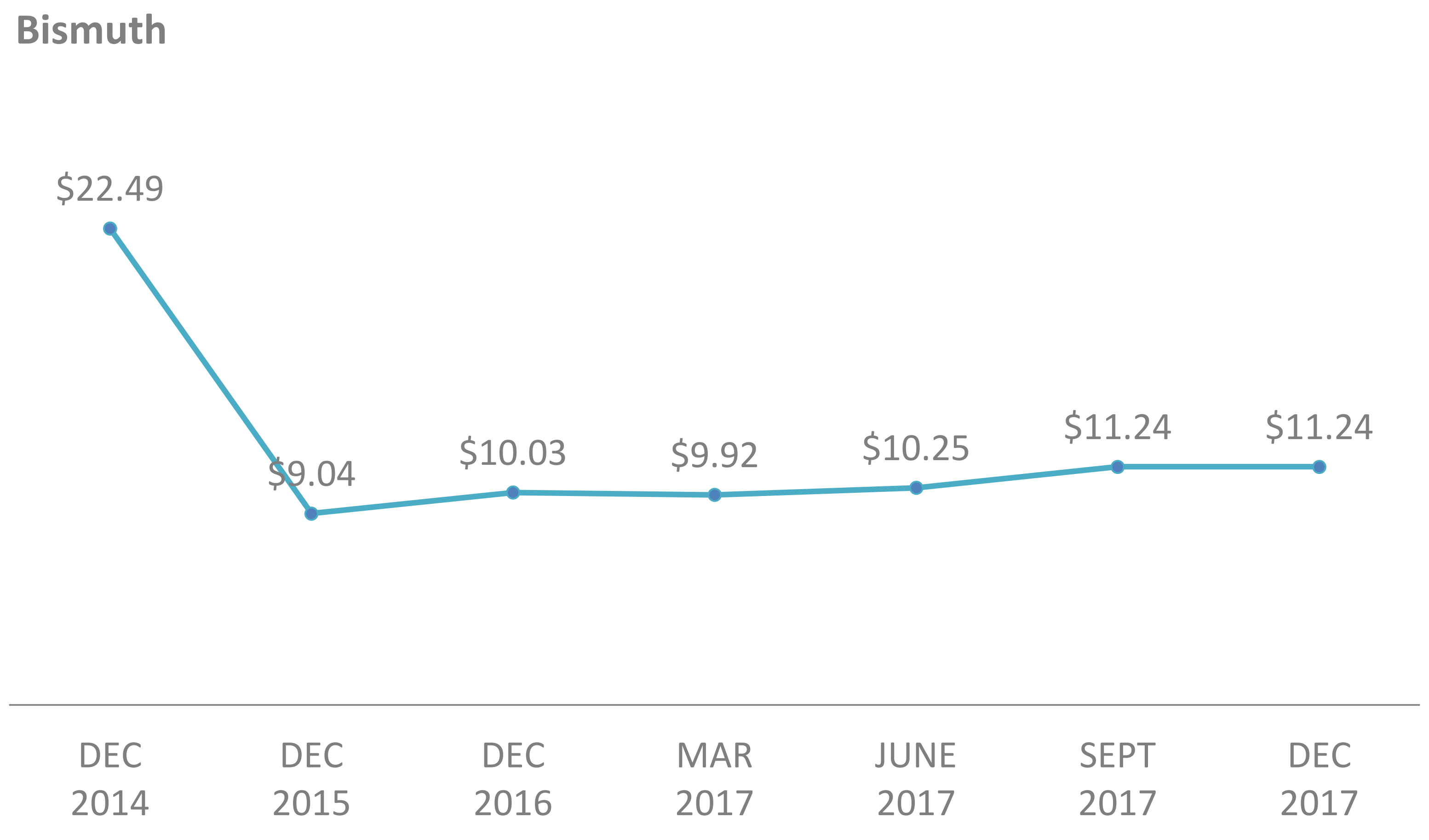
Quarter ended December 31, 2017

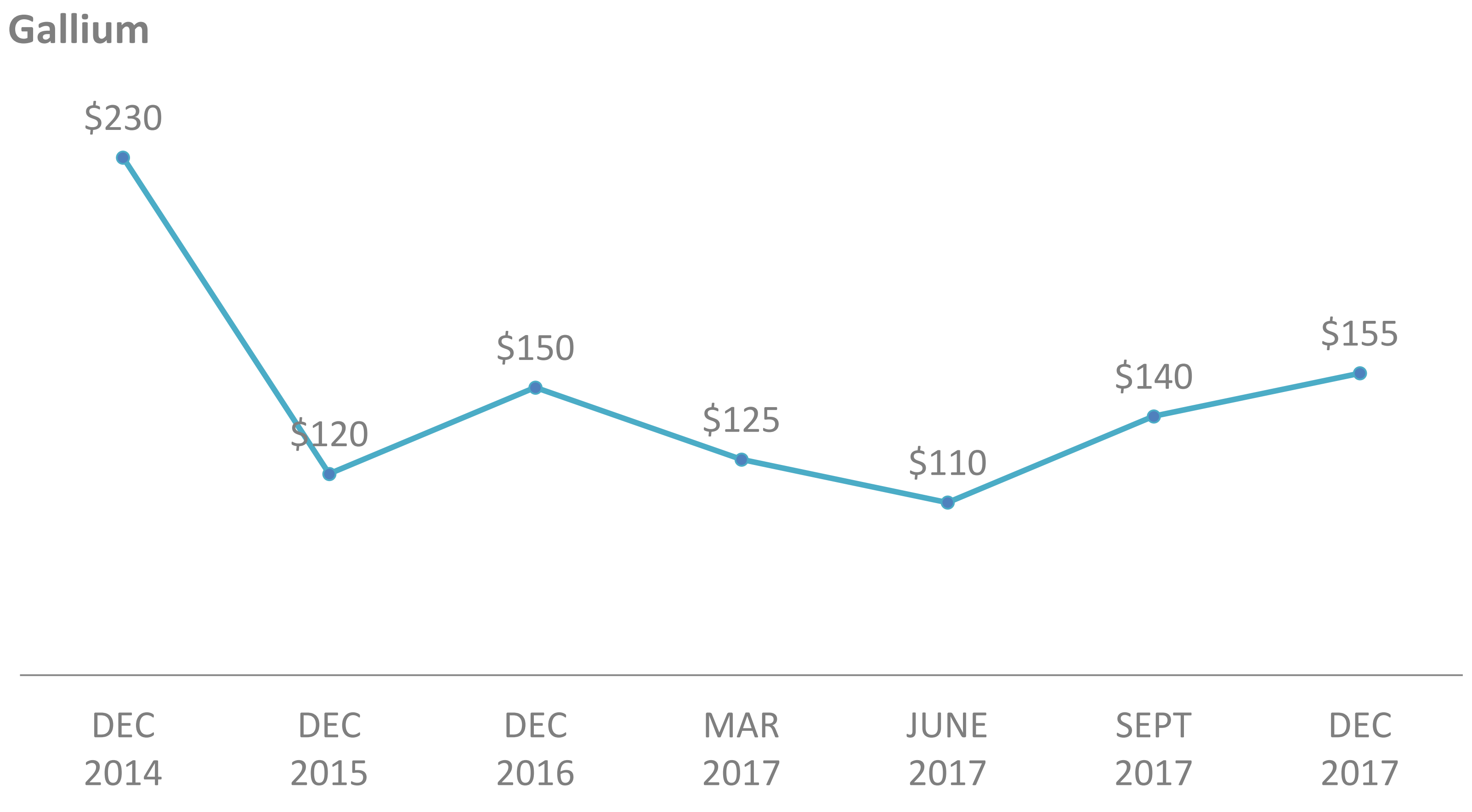


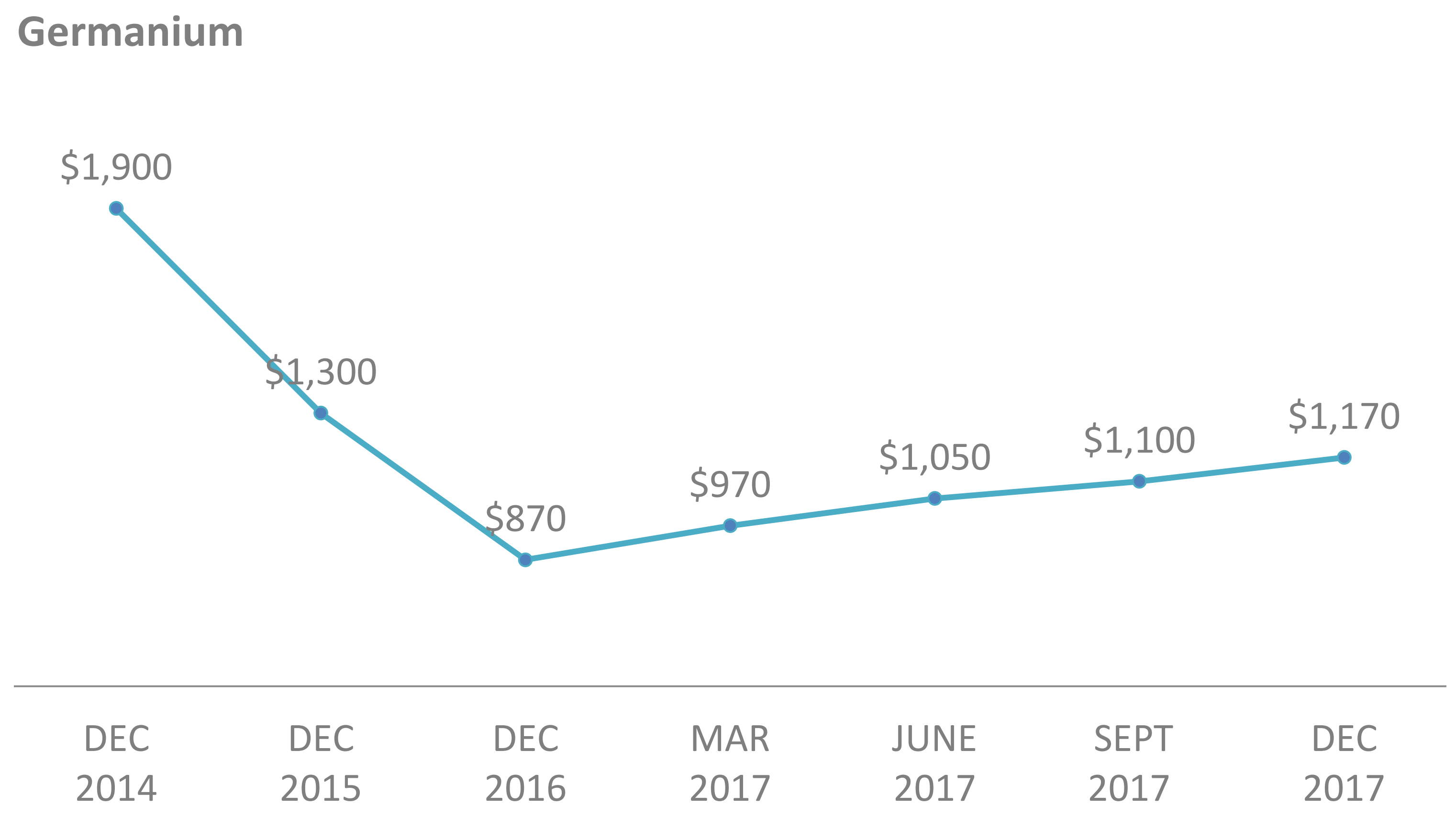
[1] See Non-IFRS Measures

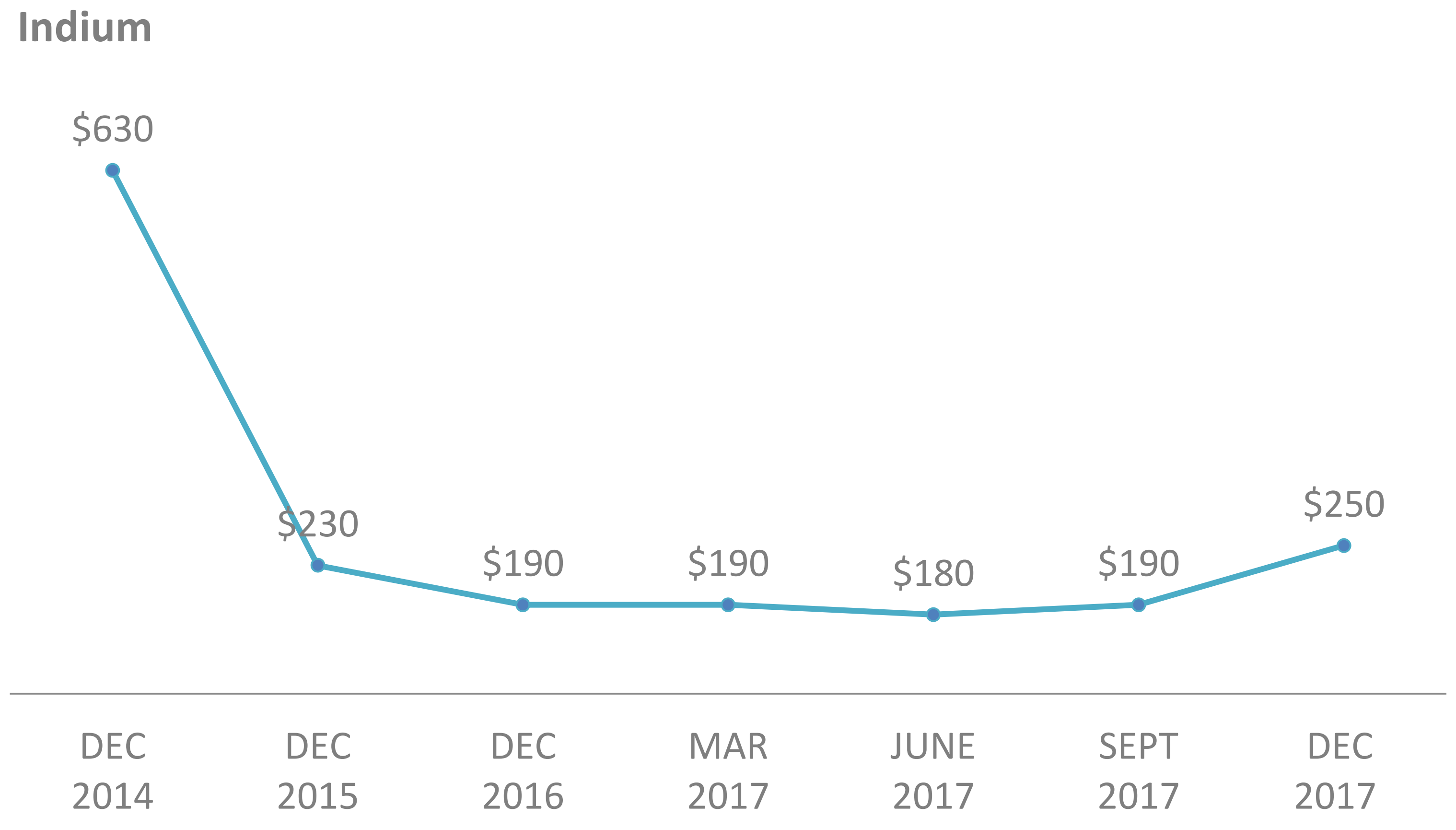
Metal Prices
in U.S. dollars per kilo

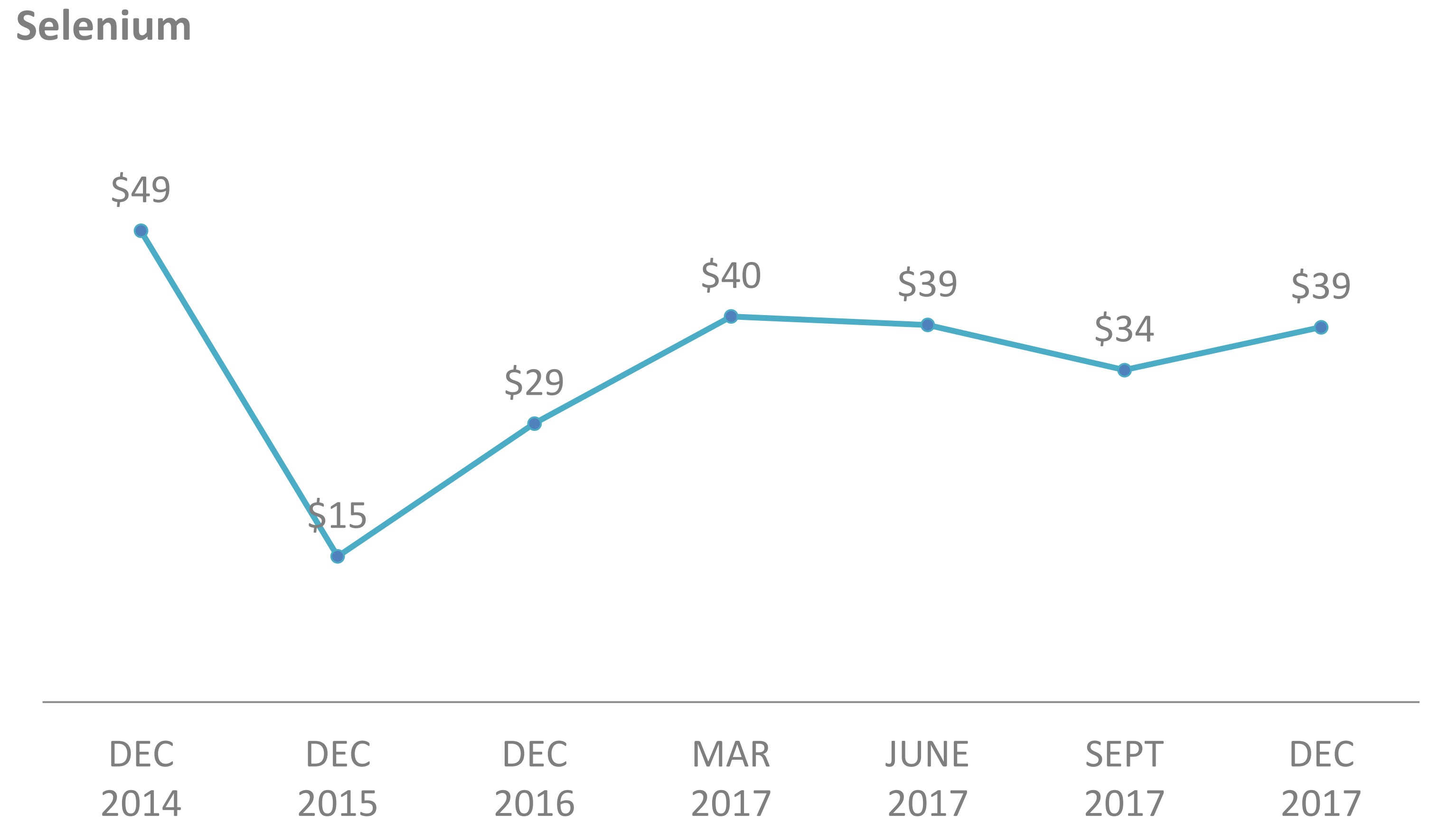
5N PLUS
Enabling Technology's Performance

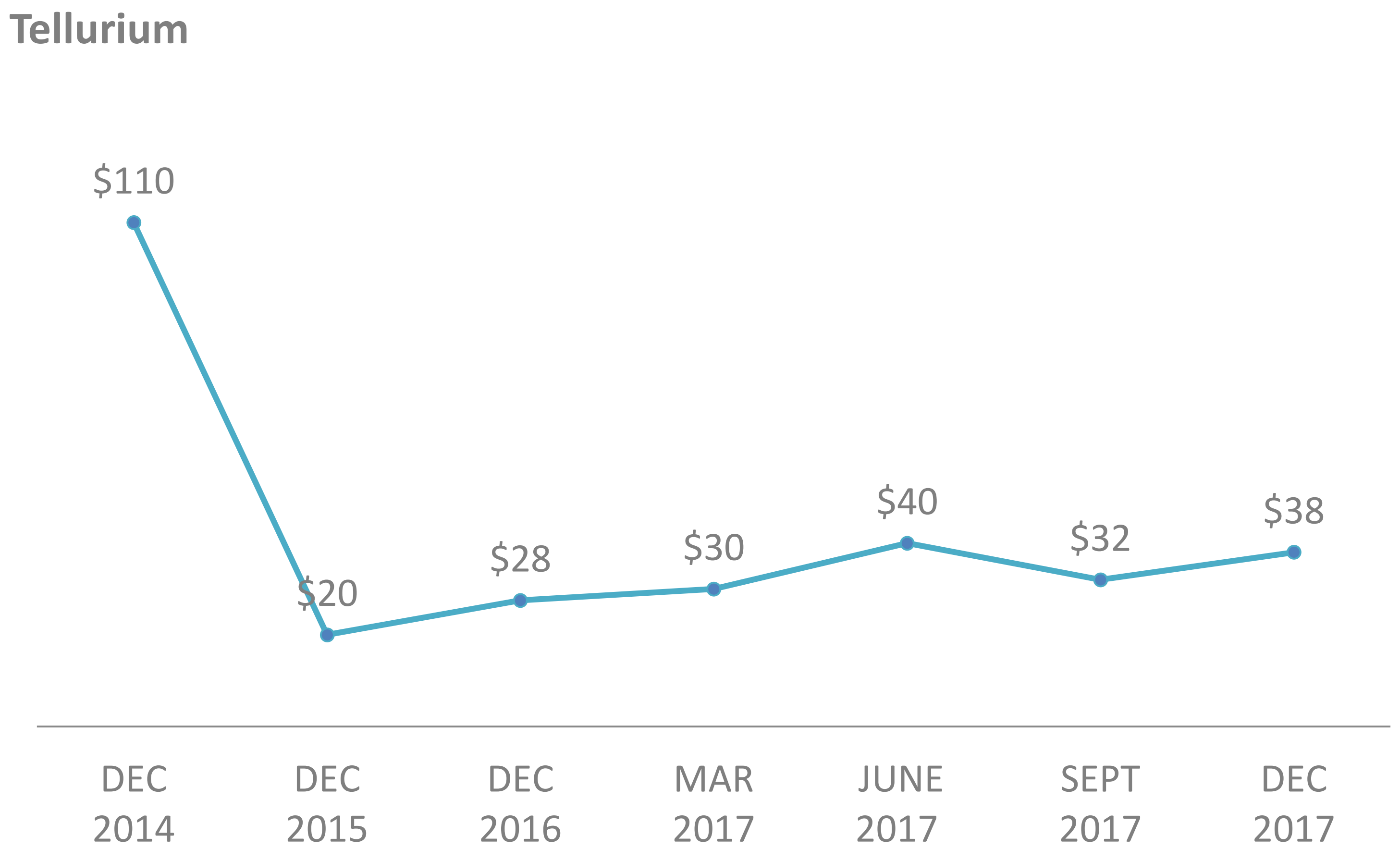












5N PLUS

Enabling Technology's Performance

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, 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. 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.

Non-IFRS Measures

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.