Earnings Conference Call
Quarter ended
December 31, 2018

Forward-Looking Statements

This presentation may contain forward-looking information 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 associated with our growth strategy, credit, liquidity, interest rate, litigation, 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 including China, 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 this MD&A dated February 26, 2019. 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 MD&A 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 MD&A 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.

5N PLUS
Enabling Performance

Highlights of Q4 and FY 2018

Quarter ended December 31, 2018

Reaching midpoint of 5N21 and delivering results ahead of plan

Fiscal year 2018 was the third year in which 5N Plus grew its earnings. This performance was delivered despite unfavorable movement of metal notations associated with the Company's business, throughout 2018 as compared to stable or favorable movement of the same notations in 2016 and 2017. The Company's performance in 2018 is a clear proof that the new business model is delivering on its commitments and the Company is well on track to deliver 5N21 targets.

During 2018, the demand for the Company's products remained strong and the diversity of the markets in which 5N Plus participates remained an asset. During the same period, the Company continued to invest on its growth initiatives which aim to further improve quality and sustainability of the Company's earnings. Moreover, in 2018, 5N Plus remained somewhat unaffected by the trade and tariff related themes mainly due to the positioning of its assets, with emphasis on local entities supporting local markets and optimizing the Company's supply chain to become more diverse and agile.

During the year, Adjusted EBITDA[1] and EBITDA[1] reached $32.4 million and $29.0 million, compared to $29.6 million and $26.9 million in 2017. This performance reflects strong demand for the Company's product, improved product mix, and tangible reduction in earnings volatility.

The Adjusted EBITDA and EBITDA for the fourth quarter reached $6.9 million and $5.6 million in 2018 compared to $6.8 million and $4.4 million in 2017. The fourth quarter results are historically marked by cyclical pattern.

Net earnings for the year 2018 reached $14.0 million or $0.17 per share, compared to $12.0 million or $0.14 per share for the year 2017, the highest level reached in recent years.

Revenue in 2018 reached $218.0 million compared to $220.0 million in 2017. The lower sales figure is mainly driven by the lower sales of lower margin products with high content of metal and lower pass-through revenue from metals which are used as consumables in the Company's products. Consistent with the Company's strategic plan, over the past three years, the amount of metals utilized in the Company's products have reduced markedly which in turn has reduced earnings volatility considerably.

Return on Capital Employed (ROCE)[1] reached 15.1% in 2018, similar to 2017, while compared to 8.2% in 2016 reflecting the overall margin expansion associated with the Company's products and services, and better management of capital employed.

Net debt[1] stood at $22.2 million as at December 31, 2018 from $11.4 million for the same period last year, impacted by working capital, more specifically due to a decrease in trade and accrued liabilities and an increase in inventory aimed at hedging commercial positions.

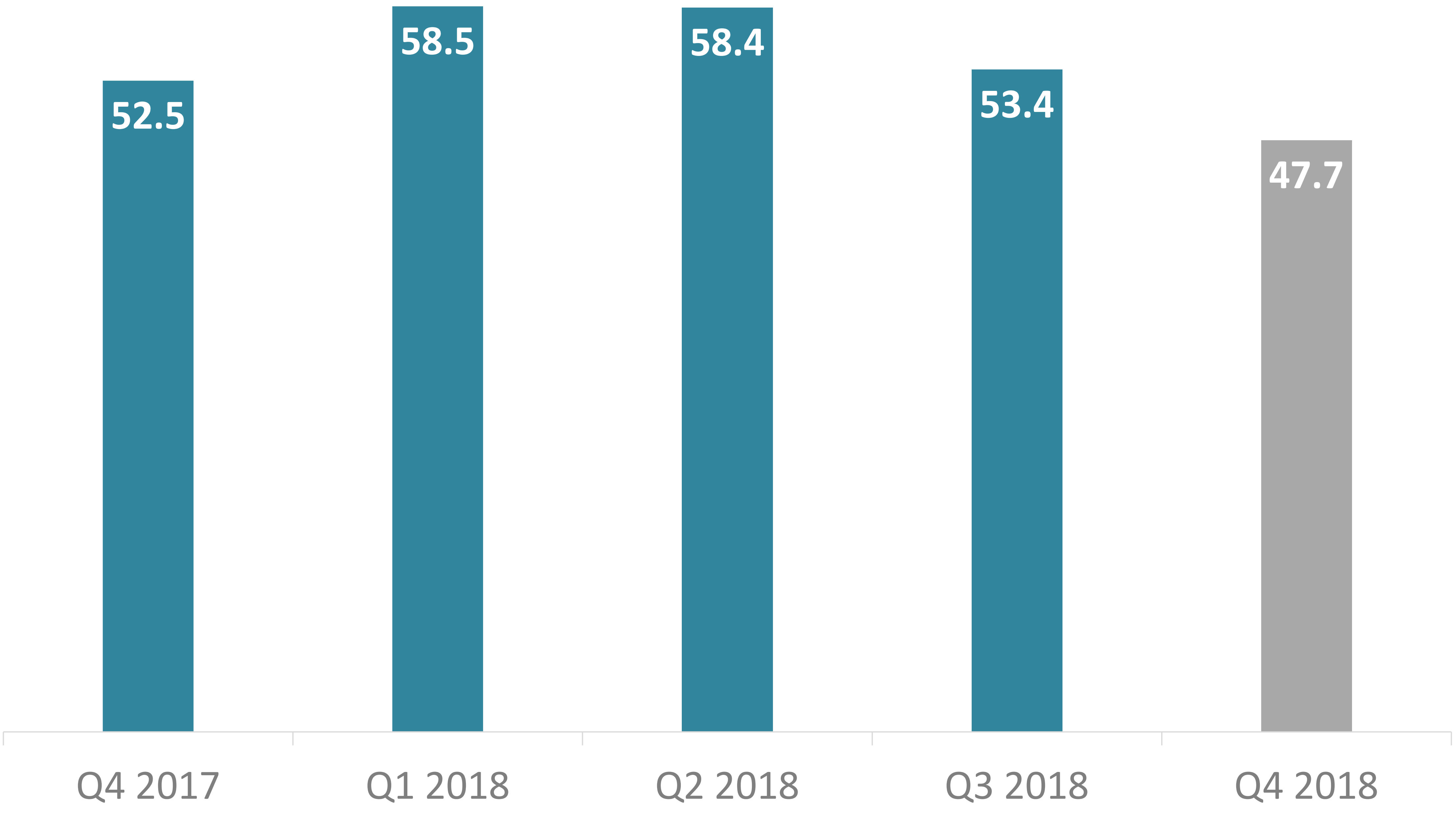
Backlog[1] reached as at December 31, 2018 a level of 217 days of sales outstanding, higher than previous quarter, and last year ending at a level of 187 days. Bookings[1] in Q4 2018 reached 105 days compared to 86 days in Q3 2018 and 108 days in Q4 2017.

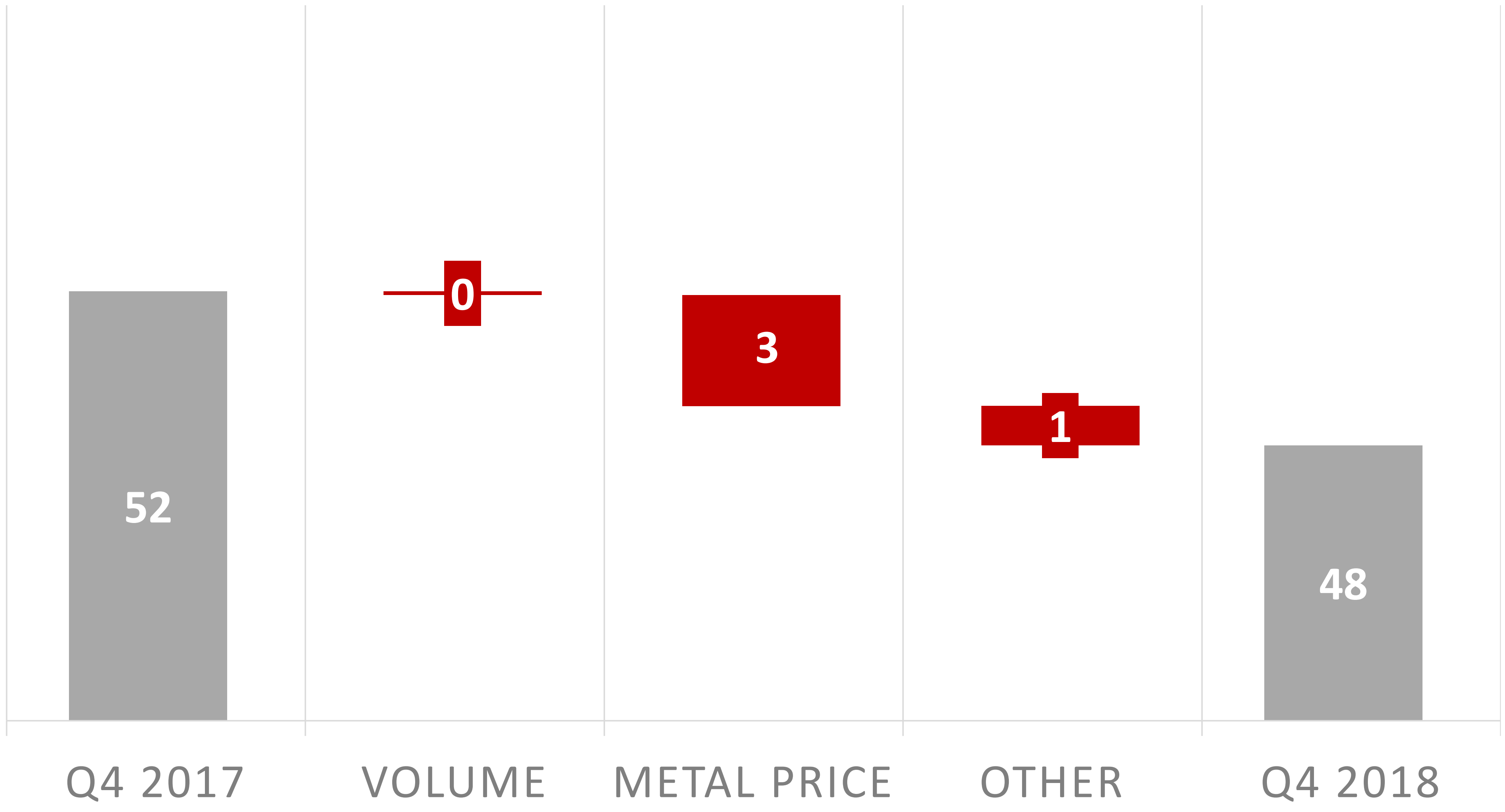
[1] See Non-IFRS Measures

Revenue

Quarter ended December 31, 2018

IN MILLIONS OF USD





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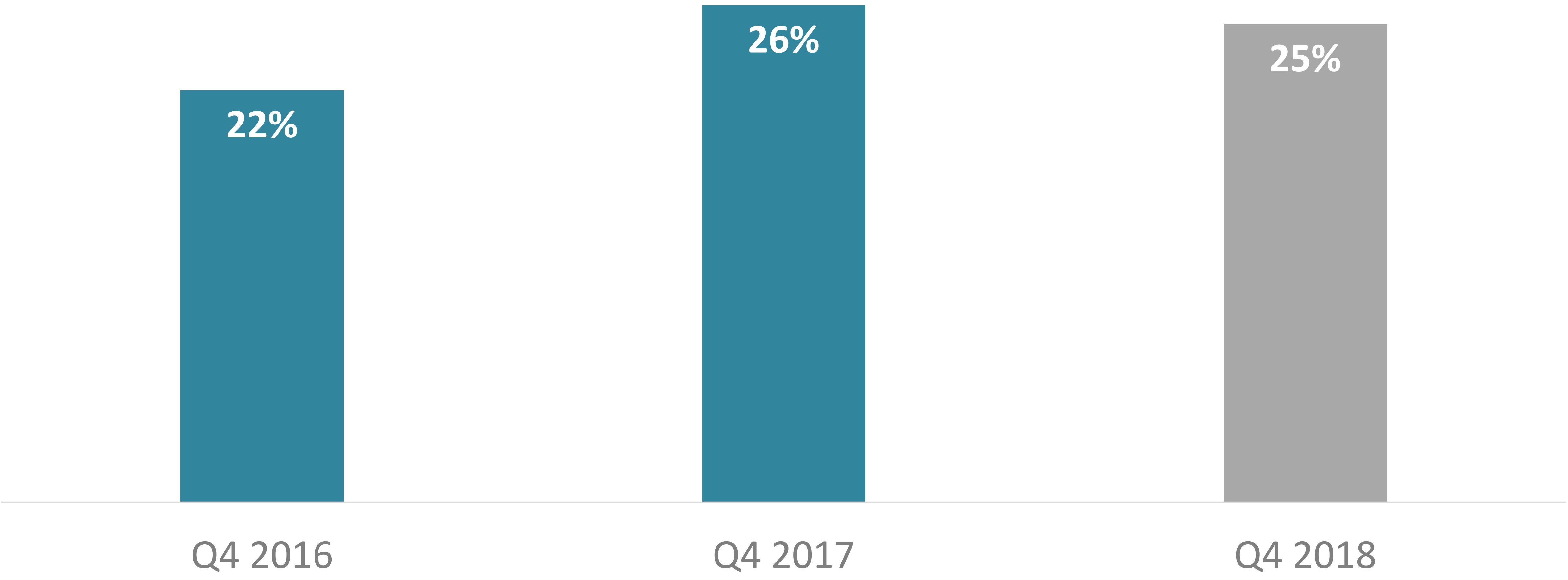
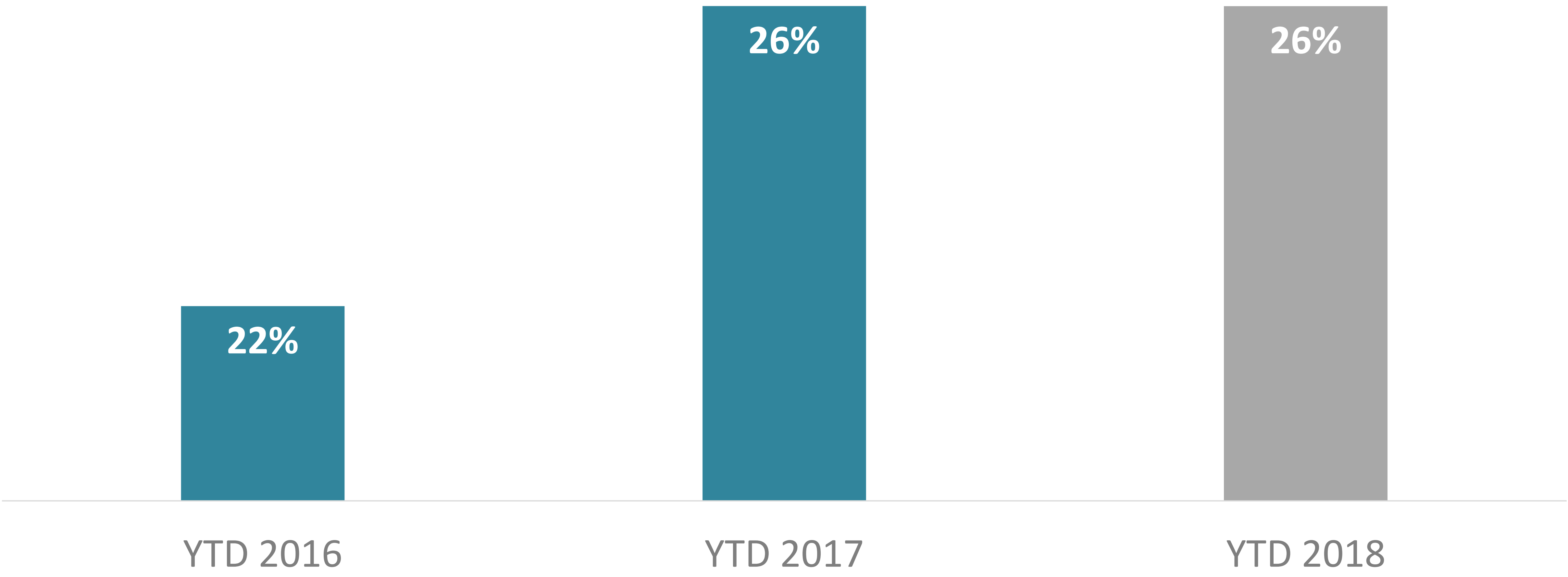
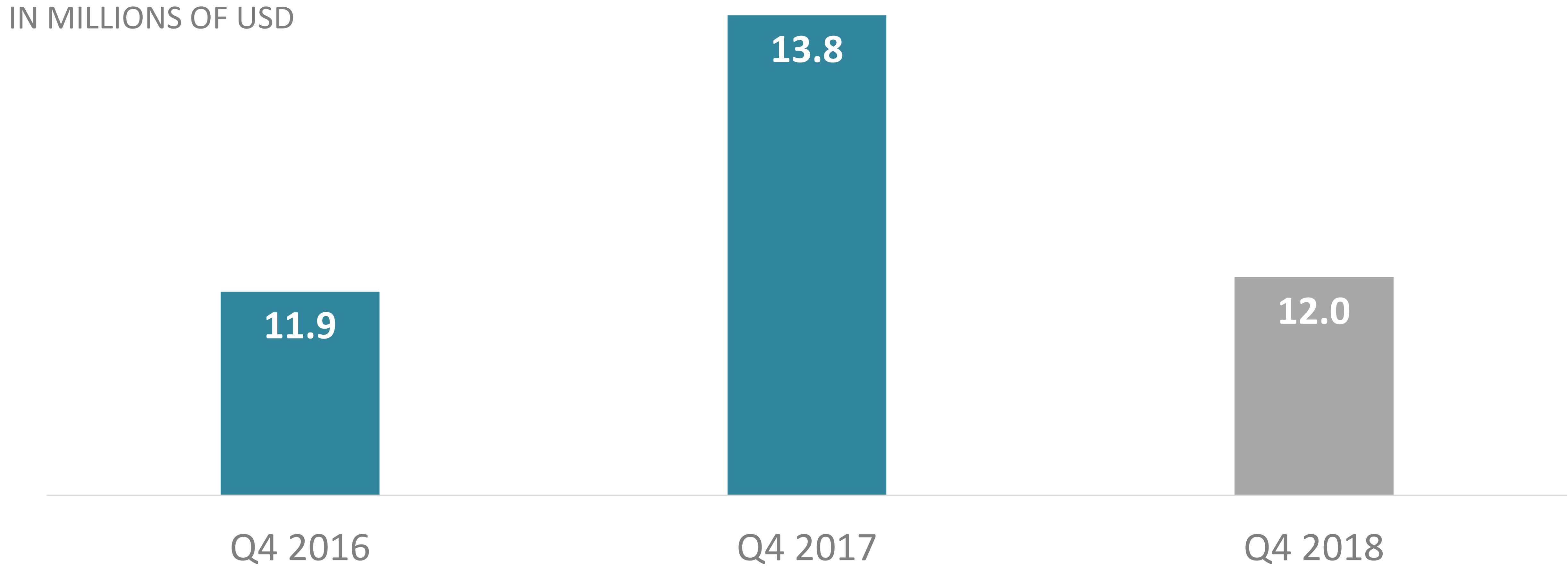
Gross Margin

Quarter ended December 31, 2018





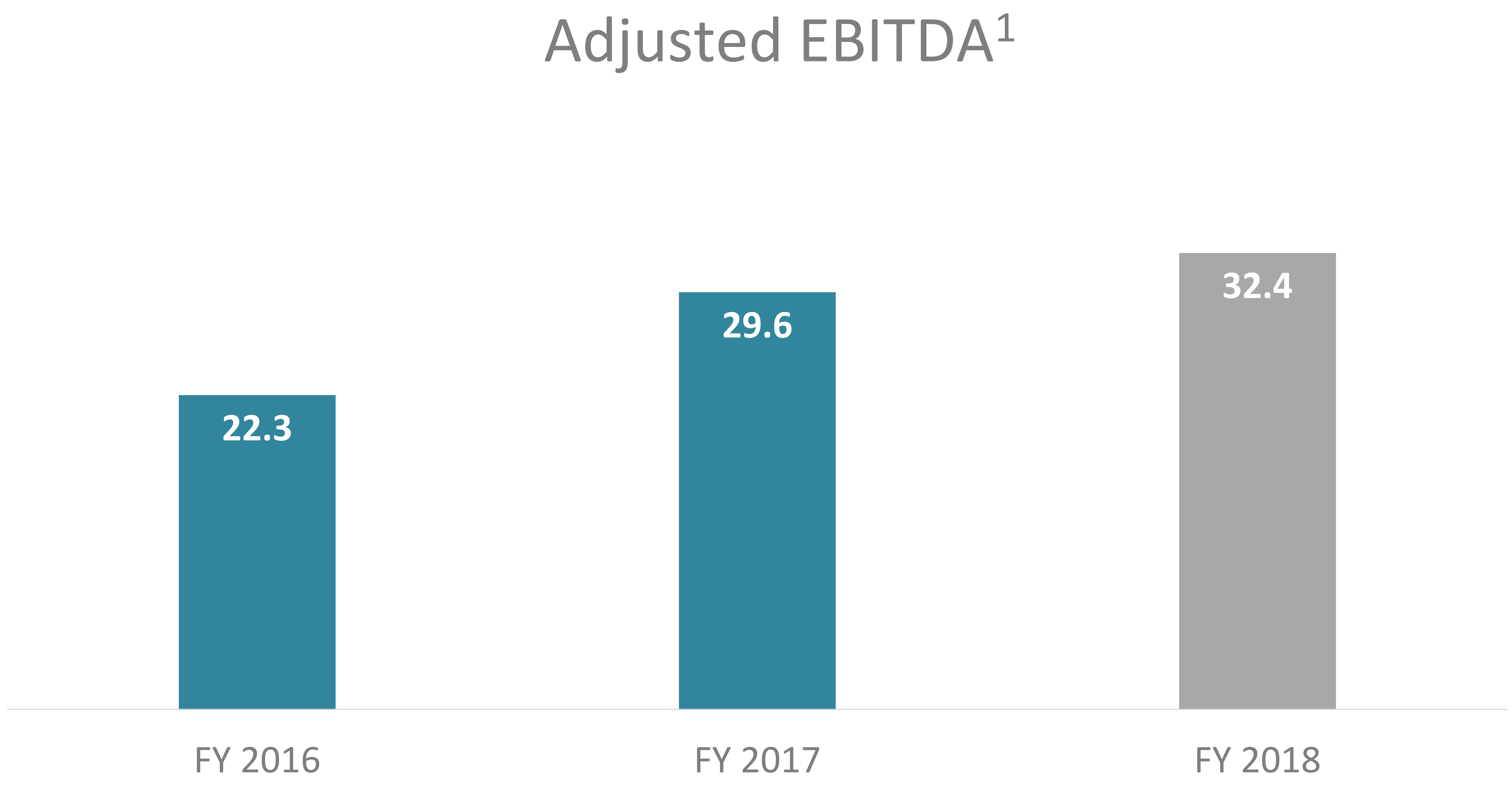


[1] See Non-IFRS Measures

Adjusted EBITDA AND EBITDA

Quarter ended December 31, 2018

IN MILLIONS OF USD

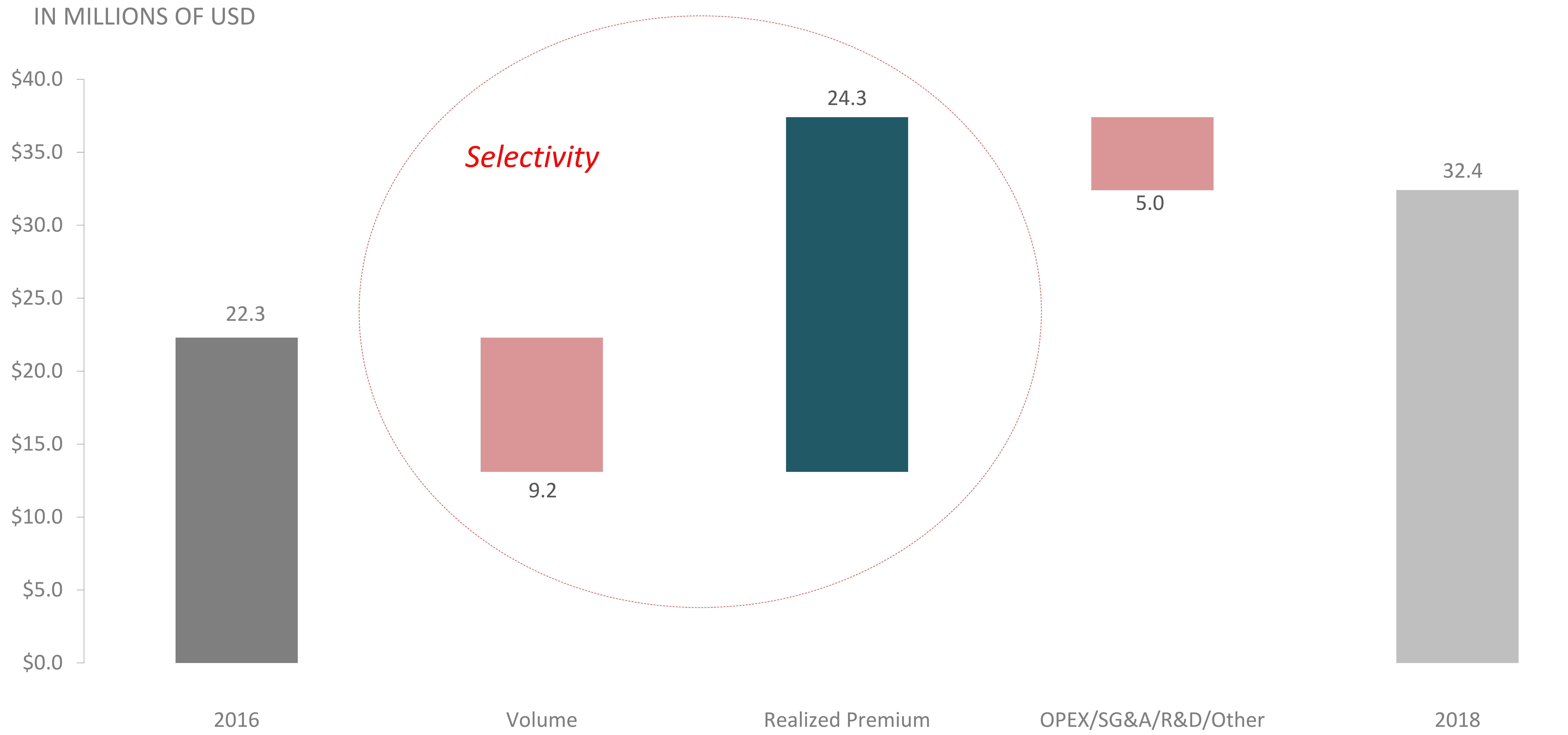


IN MILLIONS OF USD

[1] See Non-IFRS Measures

Quarter ended December 31, 2018

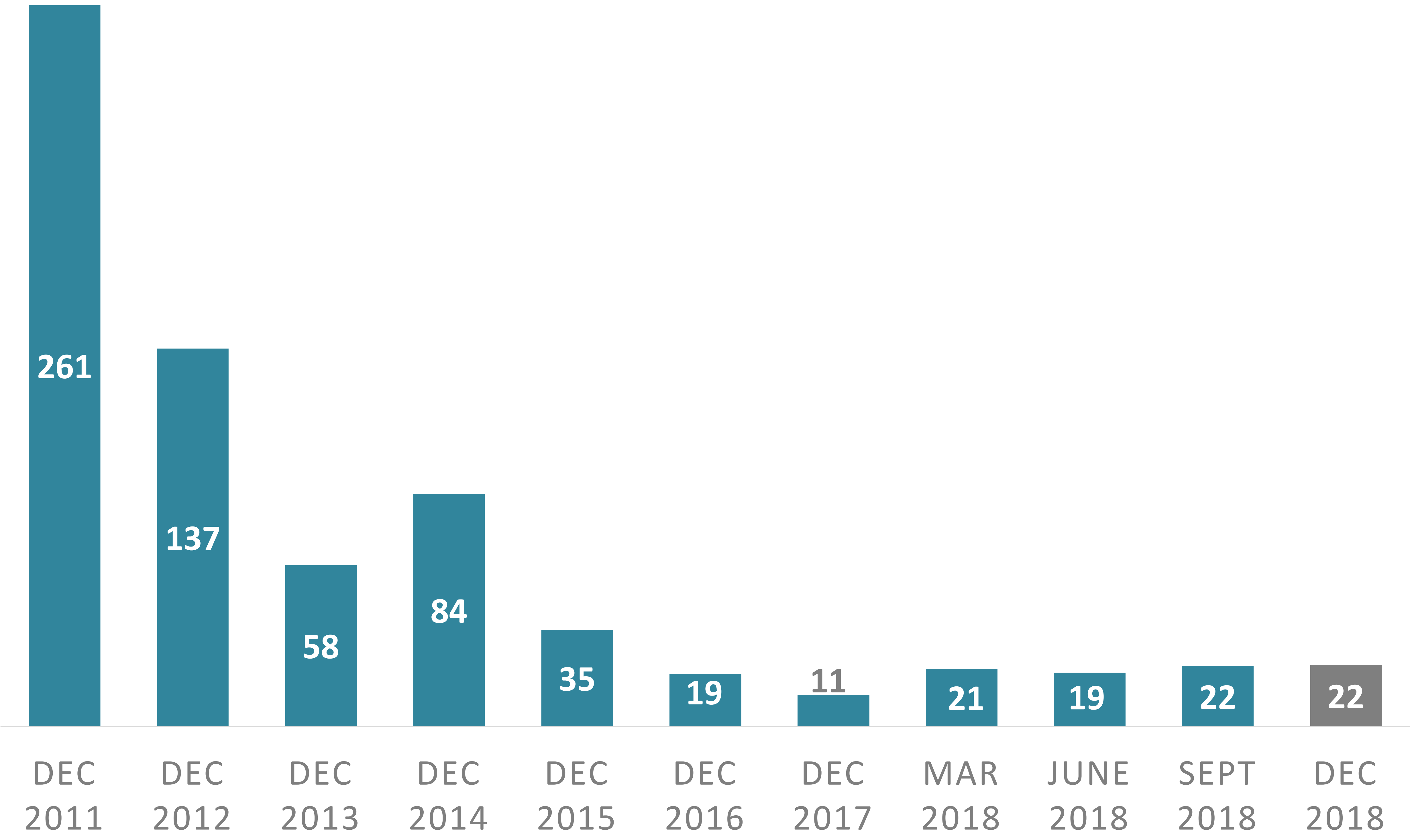
Adjusted EBITDA – Bridge 2018 vs 2016 – Halfway 5N21



Net Debt Evolution

Quarter ended December 31, 2018

IN MILLIONS OF USD

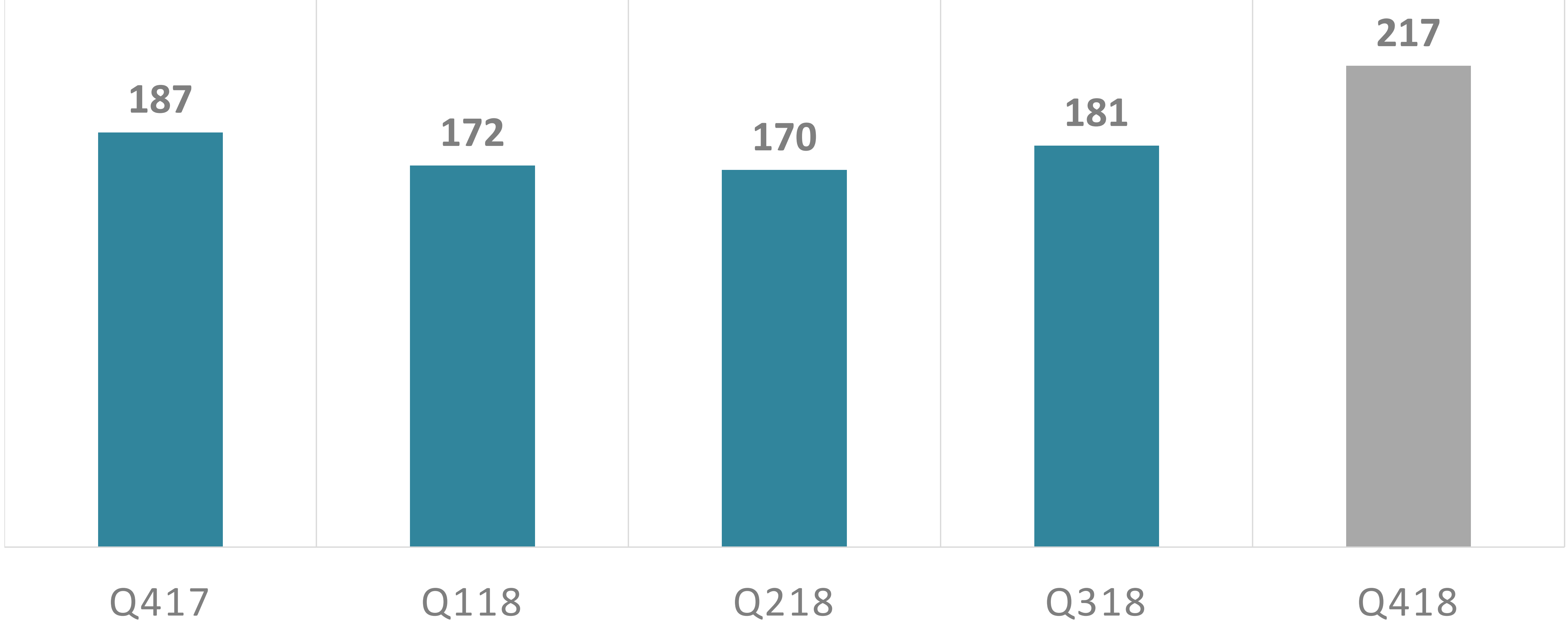


- High level of liquidity maintained at US$26.7 million at the end of Q4 2018.
- Net Debt is impacted by the recent increase in working capital requirements.
- On April 24, 2018, 5N Plus announced the closing of a US$79 million senior secured multi-currency revolving syndicated credit facility, with a US$30 million accordion feature which would increase the total size of the facility to US$109 million, replacing its existing US$50 million credit facility.
- On June 28, 2018, the Company made a drawdown of US$30 million to partially redeem its debentures.
- On February 6, 2019, the Company closed a $25.0 million unsecured subordinated term loan.

[1] See Non-IFRS Measures

Backlog

IN NUMBER OF DAYS



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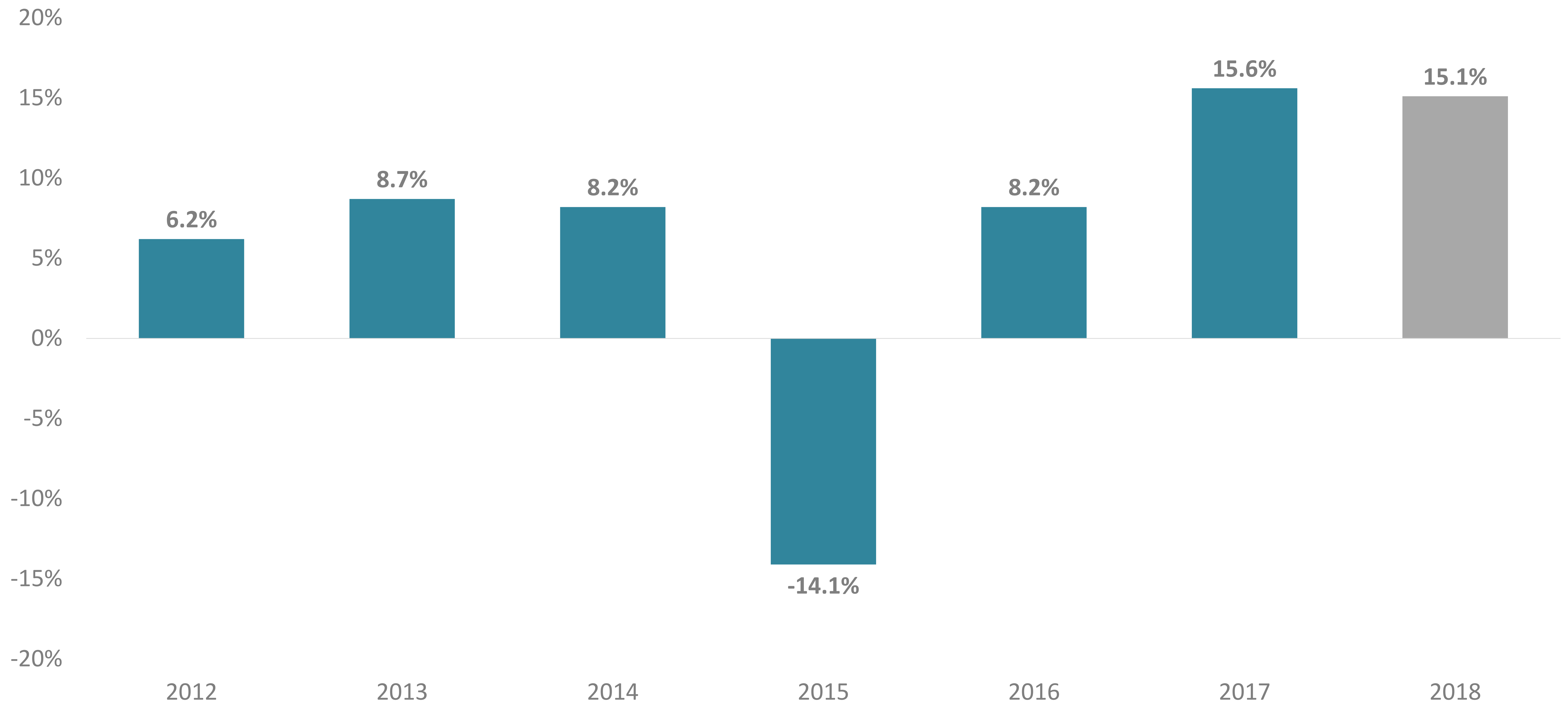
[1] See Non-IFRS Measures

ROCE

Quarter ended December 31, 2018

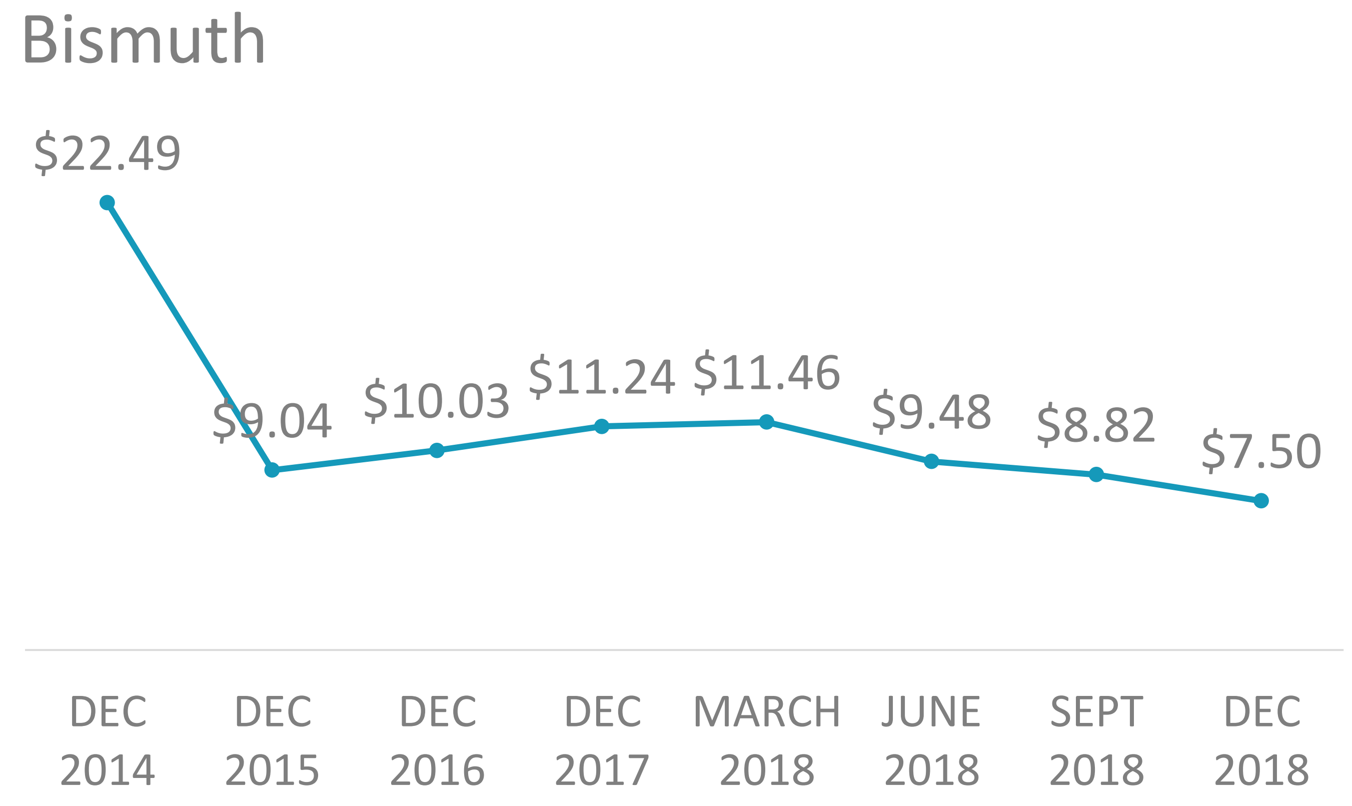


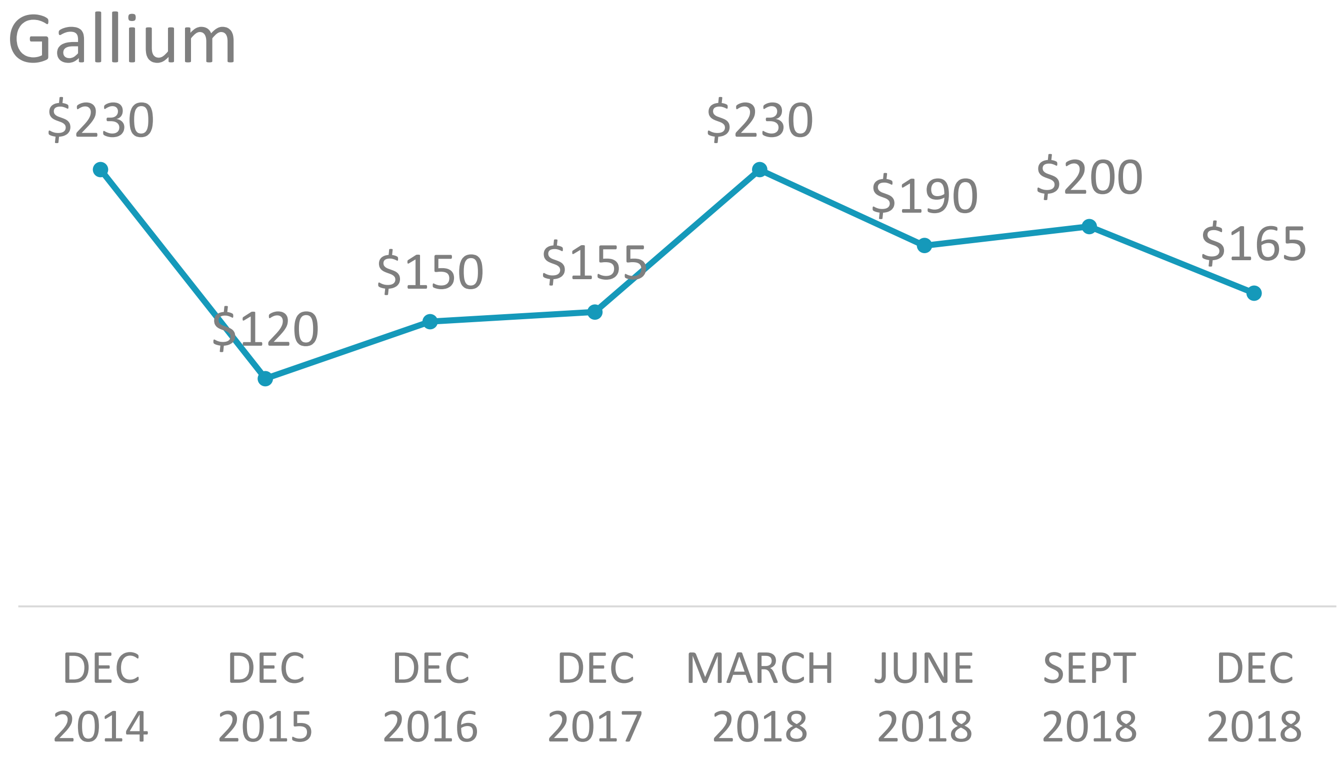
[1] See Non-IFRS Measures

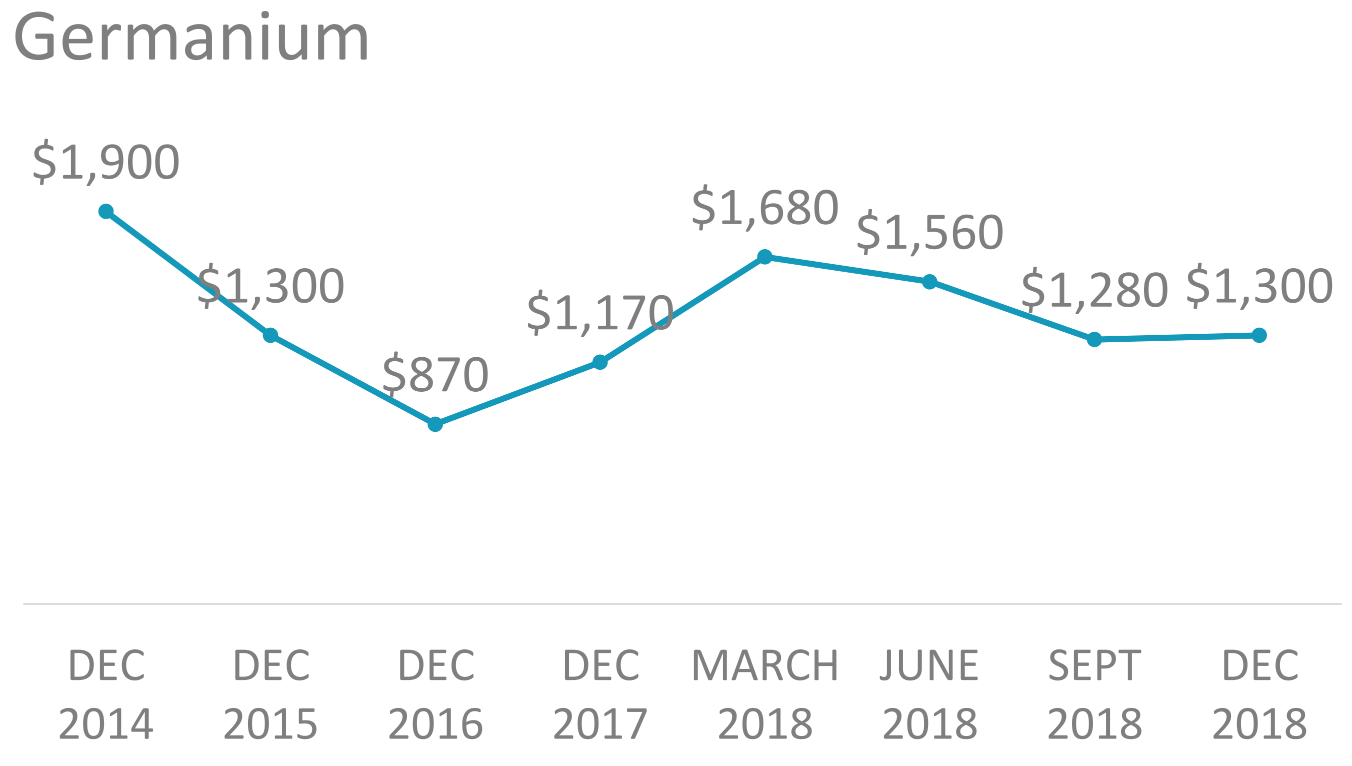
Metal Prices in U.S. dollars per kilo

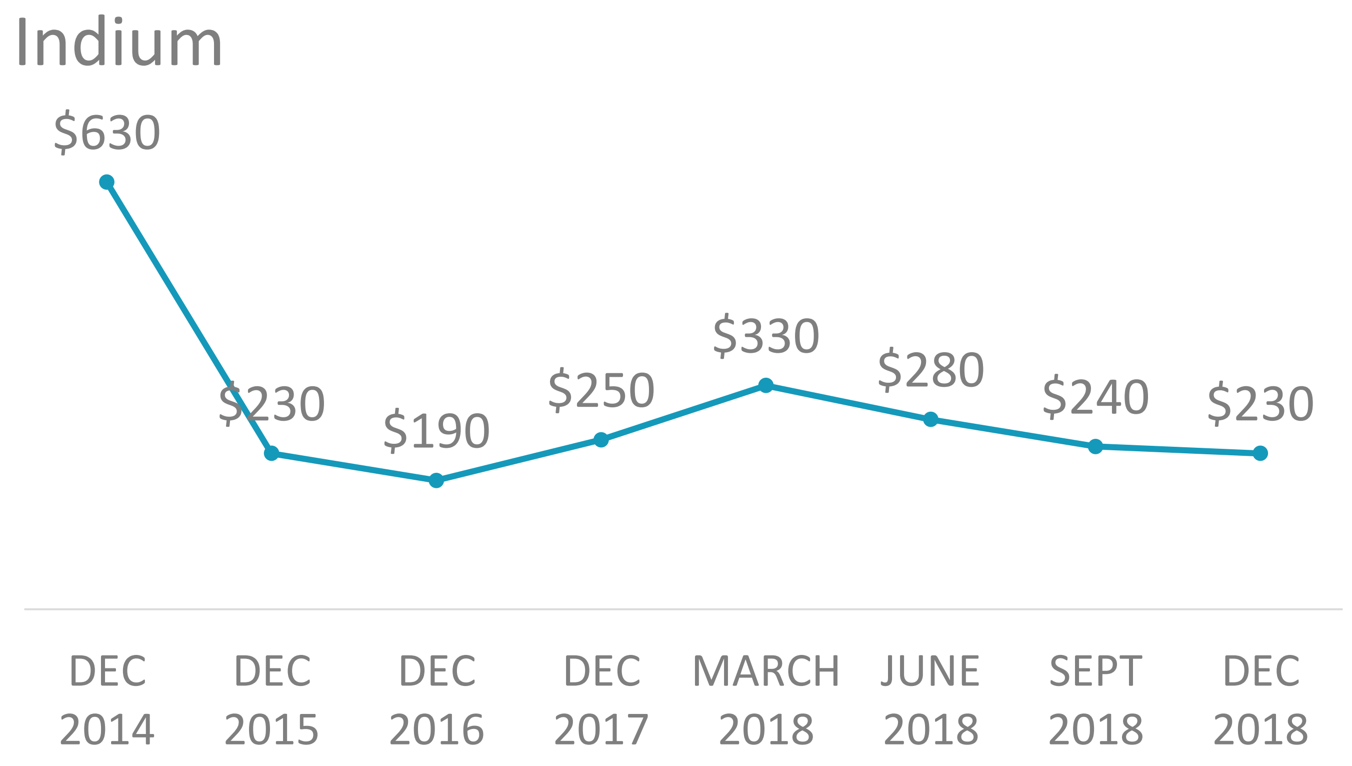
Quarter ended December 31, 2018

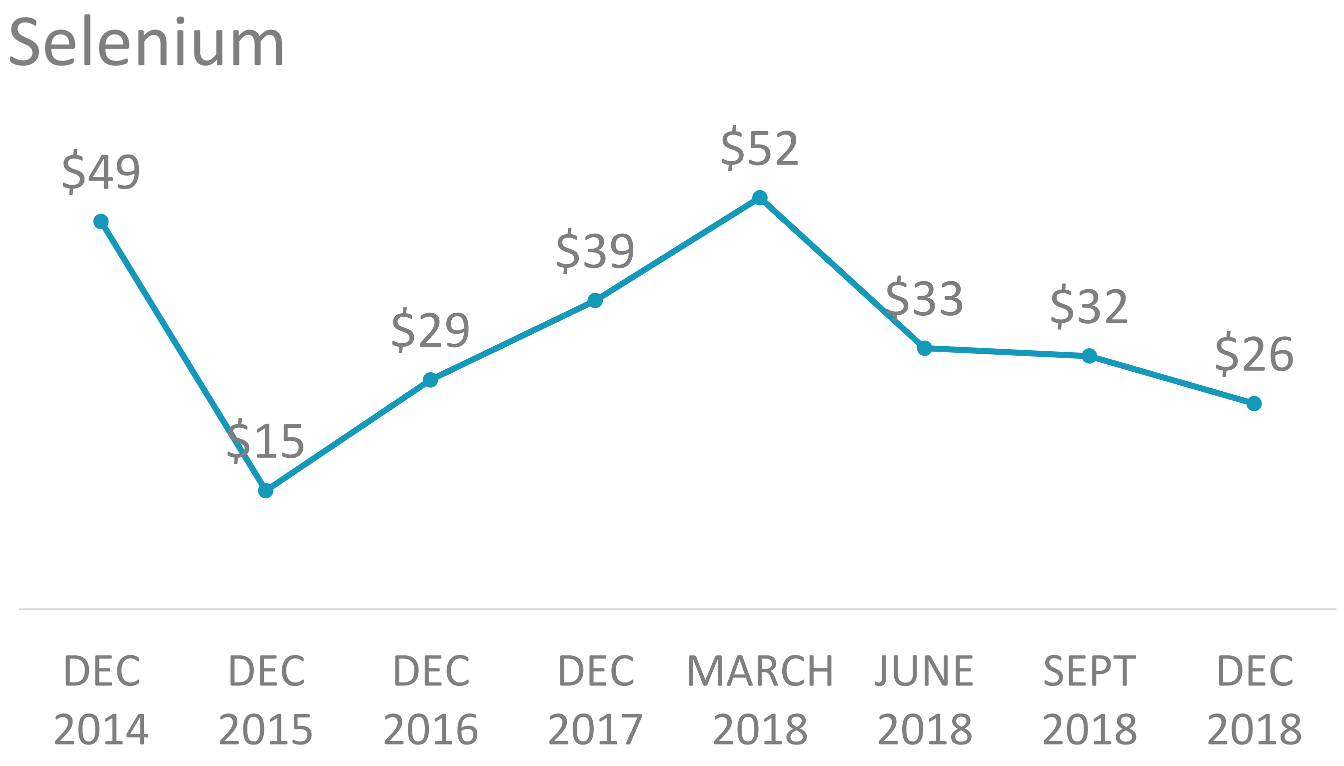
Source: Low Metal Bulletin

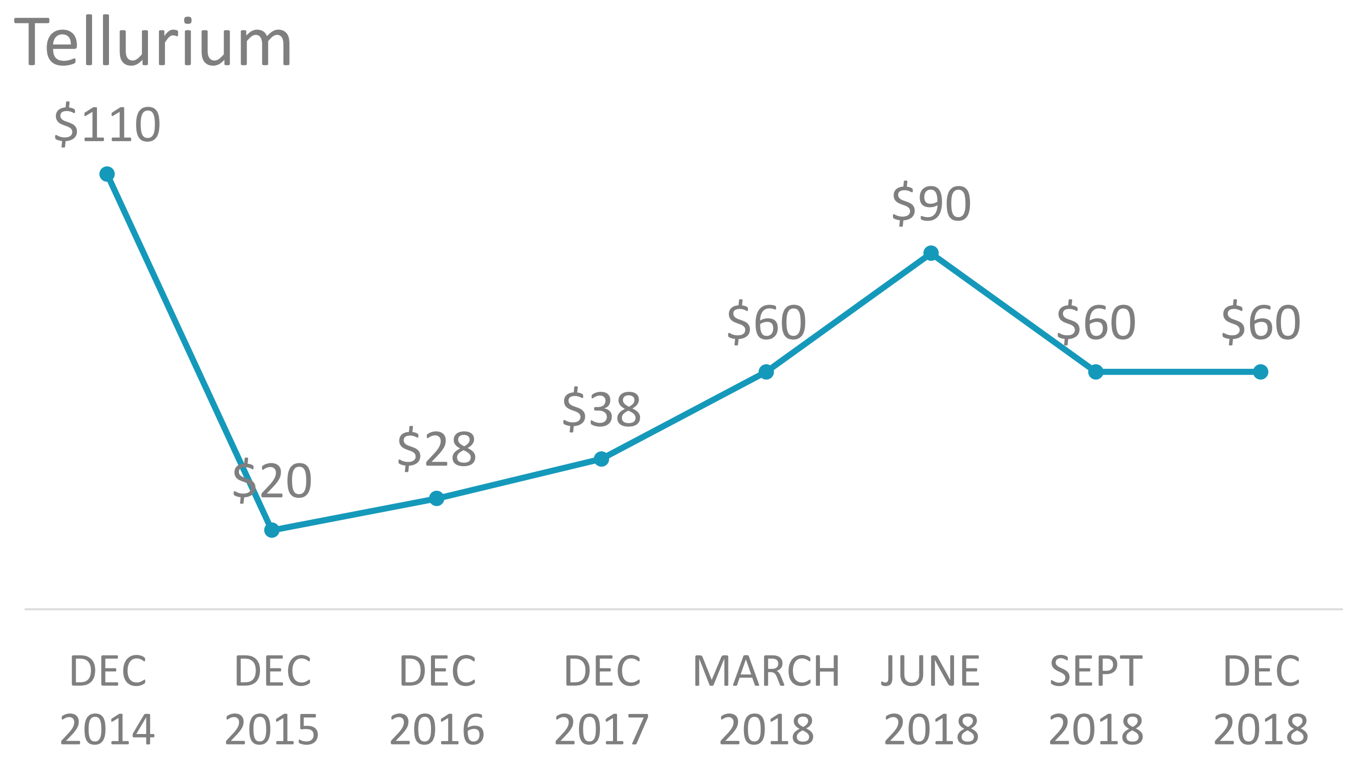












Non-IFRS Measures

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 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.

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.