5N Plus Process Technology Investments Substantially Enhance Capability, Increase Capacity and Improve Environmental Footprint

Montreal, Québec, October 28, 2020 – 5N Plus Inc. (“5N Plus”), a leading global producer of specialty chemicals and engineered materials, today announced that it has completed the series of investments totaling nearly US$10 million, announced in the summer of 2019 (refer to July 24, 2019 5N Plus Press Release). This investment program has focused on select sites, especially in Europe and China, with the Eco-Friendly Materials segment being the major beneficiary of the program. Early results have confirmed notable transformations of the production environment targeted by these investments, particularly in Lubeck, Germany and Shangyu, China.

At the core of these transformations are novel production processes that allow a far greater degree of manufacturing automation than has been possible with conventional production systems. Their rollout has enabled higher quality and consistency of production while improving production yield and reducing manufacturing cycle time. In addition, these investments have further reduced the environmental impact of production activities, benefiting local environments and allowing for reductions in environmental taxes.

5N Plus is the world’s largest producer of bismuth-based Active Pharmaceutical Ingredients (API) used in the treatment of conditions ranging from gastro-intestinal complications to mastitis and bacteria-related conditions. The Company’s facility in Lubeck, Germany is the manufacturing, sales and research & development center for this business. These process technology investments have materially transformed the facility’s ability to not only enhance its competitive position in the market, but also position 5N Plus for further expansion into API-related businesses. Early feedback from customers has been positive, particularly regarding the benefits associated with production flexibility along with greater control of product quality and consistency. Similar benefits have been demonstrated at the Company’s facility in Shangyu, China, where 5N Plus manufactures specialty chemicals and essential precursors for the local market.

Paul Tancell, Executive Vice President for Eco-Friendly Materials at 5N Plus, commented: “We are delighted with the improvements enabled by the recent package of investments. The new processes constitute fundamental changes to the production environments in our principal manufacturing sites. Furthermore, the investment program has enhanced the competitiveness of our global operations and positioned our businesses for future growth and profitability.”

Mr. Tancell added: “We will continue to harness all opportunities afforded by process and production technologies that enable reductions in operating costs and improvements to the environment and communities in which we are present.”
About 5N Plus Inc.
5N Plus is a leading global producer of engineered materials and specialty chemicals with integrated recycling and refining assets to manage the sustainability of its business model. The Company is headquartered in Montreal, Québec, Canada and operates R&D, manufacturing and commercial centers in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to manufacture products which are used as enabling precursors by its customers in a number of advanced electronics, optoelectronics, pharmaceutical, health, renewable energy and industrial applications. Many of the materials produced by 5N Plus are critical for the functionality and performance of the products and systems produced by its customers, many of whom are leaders within their industry.

Forward-Looking Statements and Disclaimer
Certain statements in this press release 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. A description of the risks affecting the Company’s business and activities appears under the heading “Risk and Uncertainties” of the 5N Plus’ 2019 MD&A dated February 25, 2020 and note 10 of the unaudited condensed interim consolidated financial statements for the three and six-month periods ended periods ended June 30, 2020 and 2019 available on www.sedar.com.

The Company is not aware of any significant changes to its risk factors previously disclosed, however since January 2020, the gradual outbreak of the novel strain of the coronavirus, COVID-19 and its declaration as a pandemic by the World Health Organization, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures have caused material disruption to businesses globally resulting in an economic slowdown. While the Company has been able to mitigate the short-term impact from the crisis without significant loss of production capacity and customer demand, it is not possible to reliably estimate the length, severity and long-term impact the global pandemic may have on the Company’s financial results, conditions and cash flows. The outbreak of the COVID-19 should be considered a new risk factor.

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 press release 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 press release 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.

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