



## PRESS RELEASE

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### **5N Plus Inc. Reports Financial Results for the Third Quarter Ended September 30, 2014**

**Montreal, Québec, November 4, 2014** – 5N Plus Inc. (TSX:VNP), the leading producer of specialty metal and chemical products, today reported financial results for the third quarter ended September 30, 2014.

- Revenues for the third quarter of 2014 reached \$114.4 million, which corresponds to an increase of \$5.9 million or 5% compared to \$108.6 million for the third quarter of 2013.
- Adjusted EBITDA<sup>1</sup> for the third quarter of 2014 reached \$8.1 million up from \$5.8 million for the third quarter of 2013.
- Net earnings for the third quarter of 2014 reached \$4.2 million or \$0.05 per share compared to \$1.3 million or \$0.02 per share for the third quarter of 2013.
- Net debt<sup>1</sup> stood at \$75.9 million, up from June 30, 2014 and up from \$63.5 million as at September 30, 2013.
- Bookings<sup>1</sup> of \$101.3 million in the quarter, higher than third quarter of 2013. Bookings for the nine-month period ended September 30, 2014 increased by 17% and stood at \$360.5 million compared to \$307.2 million for the same period last year.
- On August 7, 2014, 5N Plus announced the closing of a senior secured multi-currency revolving credit facility of \$125 million maturing in August 2018 (with an additional \$25 million accordion feature) to replace its existing \$100 million senior secured revolving facility.

Jacques L'Ecuyer, President and Chief Executive Officer, said "We reported another solid quarter despite the usual summer slowdown and some margin erosion in our solar business. Combined with the results of the first two quarters of the year we are heading towards a record adjusted EBITDA level for 2014. Demand remains strong in most market segments as reflected in our backlog and bookings levels. This is especially true for our bismuth products which are on track to reach a record level for a second consecutive year.

Mr. L'Ecuyer continued, "We continue to focus on improving operational efficiency and expect to see gains in terms of costs, throughput and inventory levels in the coming quarters as we leverage several initiatives for which we have yet to reap the full benefits. These include ramping up of our bismuth refining activities in Laos as well as optimization of our footprint."

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<sup>1</sup> See Non-IFRS Measures

Mr. L'Ecuyer concluded, "We are excited by progress made in several new areas including our semiconductor substrate business where we continue to make both technical and commercial progress in material systems which now extend beyond germanium. This progress is a key component of our growth strategy as we aim to expand our range of value-added products and develop a stronger foothold in recycling and primary sourcing. We expect to report further progress in these areas in the coming quarters as they gradually positively impact our bottom line."

**About 5N Plus Inc.**

5N Plus is the leading producer of specialty metal and chemical products. Fully integrated with closed-loop recycling facilities, the Company is headquartered in Montreal, Québec, Canada and operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to produce products which are used in a number of advanced pharmaceutical, electronic and industrial applications. Typical products include purified metals such as bismuth, gallium, germanium, indium, selenium and tellurium, inorganic chemicals based on such metals and compound semiconductor wafers. Many of these are critical precursors and key enablers in markets such as solar, light-emitting diodes and eco-friendly materials.

**Forward-Looking Statements and Disclaimer**

This press release 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 press release 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' 2013 MD&A dated February 25, 2014 and note 13 of the unaudited interim condensed consolidated financial statements for the three and nine-month periods ended September 30, 2014 and 2013 available on SEDAR at [www.sedar.com](http://www.sedar.com). 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 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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**5N PLUS INC.**

**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Figures in thousands of United States dollars)

	As at September 30, 2014	As at December 31, 2013
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	10,288	22,427
Temporary investments (restricted)	2,190	2,490
Accounts receivable	63,143	60,616
Inventories	205,665	174,374
Income tax receivable	2,734	8,455
Derivative financial assets	147	955
Other current assets	2,521	2,290
<b>Total current assets</b>	<b>286,688</b>	<b>271,607</b>
Property, plant and equipment	65,093	59,614
Intangible assets	14,701	13,143
Deferred tax asset	13,767	13,387
Investments accounted for using the equity method	217	444
Other assets	6,864	7,045
<b>Total non-current assets</b>	<b>100,642</b>	<b>93,633</b>
<b>Total assets</b>	<b>387,330</b>	<b>365,240</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Bank indebtedness	4,985	10,462
Trade and accrued liabilities	53,843	65,016
Income tax payable	6,740	3,660
Derivative financial liabilities	-	3,284
Long-term debt due within one year	682	4,439
<b>Total current liabilities</b>	<b>66,250</b>	<b>86,861</b>
Long-term debt	35,110	68,346
Convertible debentures	47,568	-
Deferred tax liability	3,005	1,600
Retirement benefit obligation	16,952	15,887
Derivative financial liabilities	3,431	953
Other liabilities	15,164	1,064
<b>Total non-current liabilities</b>	<b>121,230</b>	<b>87,850</b>
<b>Total liabilities</b>	<b>187,480</b>	<b>174,711</b>
Shareholders' equity	199,852	190,052
Non-controlling interests	(2)	477
<b>Total equity</b>	<b>199,850</b>	<b>190,529</b>
<b>Total liabilities and equity</b>	<b>387,330</b>	<b>365,240</b>

**5N PLUS INC.****UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF EARNINGS****For the three-month and nine-month periods ended September 30, 2014 and 2013**

(Figures in thousands of United States dollars, except per share information)

	Three months		Nine months	
	2014	2013	2014	2013
	\$	\$	\$	\$
<b>Revenues</b>	114,438	108,570	393,414	339,596
Cost of sales	99,085	96,176	338,869	302,209
Selling, general and administrative expenses	8,480	7,682	28,283	27,459
Other expenses (income), net	1,844	2,289	6,023	(36,026)
Share of loss from joint ventures	130	28	227	281
	109,539	106,175	373,402	293,923
<b>Operating income</b>	<b>4,899</b>	<b>2,395</b>	<b>20,012</b>	<b>45,673</b>
<b>Gain on disposal of property, plant and equipment</b>	-	-	1,312	-
<b>Financial expenses</b>				
Interest on long-term debt	1,687	1,304	4,149	4,722
Imputed interest and other interest expense	1,075	308	1,760	2,023
Changes in fair value of debenture conversion option	(5,623)	-	(5,811)	-
Foreign exchange and derivative loss (gain)	824	(1,406)	314	(3,115)
	<b>(2,037)</b>	<b>206</b>	<b>412</b>	<b>3,630</b>
<b>Earnings before income taxes</b>	6,936	2,189	20,912	42,043
Income taxes expense	2,765	866	7,786	901
<b>Net earnings for the period</b>	<b>4,171</b>	<b>1,323</b>	<b>13,126</b>	<b>41,142</b>
<b>Attributable to:</b>				
Equity holders of 5N Plus Inc.	4,172	1,083	13,263	40,639
Non-controlling interests	(1)	240	(137)	503
	<b>4,171</b>	<b>1,323</b>	<b>13,126</b>	<b>41,142</b>
<b>Earnings per share attributable to equity holders of</b>				
<b>5N Plus Inc.</b>	\$0.05	\$0.01	\$0.16	\$0.48
<b>Basic earnings per share</b>	\$0.05	\$0.02	\$0.16	\$0.49
<b>Diluted earnings per share</b>	\$(0.01)	\$0.02	\$0.10	\$0.49

**5N PLUS INC.**

(Figures in thousands of United States dollars)

**Cash Flows**

	<b>Q3 2014</b>	Q3 2013	% Change	<b>YTD 2014</b>	YTD 2013	% Change
	\$	\$		\$	\$	
Funds from operations <sup>1</sup>	<b>982</b>	4,822	(80%)	<b>13,562</b>	10,990	23%
Net change in non-cash working capital items	<b>(528)</b>	20,042	(103%)	<b>(26,746)</b>	27,558	(197%)
Operating activities	<b>454</b>	24,864	(98%)	<b>(13,184)</b>	38,548	(134%)
Investing activities	<b>(5,906)</b>	(3,218)	84%	<b>(11,224)</b>	(7,993)	40%
Financing activities	<b>(5,305)</b>	(22,819)	(77%)	<b>12,853</b>	(25,920)	150%
Effect of foreign exchange rate changes on cash and cash equivalents related to operations	<b>(610)</b>	(676)	(10%)	<b>(584)</b>	(531)	10%
Net (decrease) increase in cash and cash equivalents	<b>(11,367)</b>	(1,849)	515%	<b>(12,139)</b>	4,104	(396%)

**Revenues by Segment**

	<b>Q3 2014</b>	Q3 2013	% Change	<b>YTD 2014</b>	YTD 2013	% Change
	\$	\$		\$	\$	
Electronic Materials Segment	<b>34,784</b>	41,960	(17%)	<b>127,469</b>	133,104	(4%)
Eco-Friendly Materials Segment	<b>79,654</b>	66,610	20%	<b>265,945</b>	206,492	29%
<b>Total Revenues</b>	<b>114,438</b>	108,570	5%	<b>393,414</b>	339,596	16%

**Adjusted EBITDA**

	<b>Q3 2014</b>	Q3 2013	% Change	<b>YTD 2014</b>	YTD 2013	% Change
	\$	\$		\$	\$	
Electronic Materials	<b>4,684</b>	5,780	(19%)	<b>18,789</b>	18,460	2%
Eco-Friendly Materials	<b>6,415</b>	1,786	259%	<b>19,061</b>	9,811	94%
Corporate	<b>(3,028)</b>	(1,791)	69%	<b>(8,462)</b>	(5,838)	45%
<b>Adjusted EBITDA<sup>1</sup></b>	<b>8,071</b>	5,775	40%	<b>29,388</b>	22,433	31%

**Backlog and Bookings**

	<b>BACKLOG<sup>1</sup></b>			<b>BOOKINGS<sup>1</sup></b>		
	<b>Q3 2014</b>	Q2 2014	Q3 2013	<b>Q3 2014</b>	Q2 2014	Q3 2013
	\$	\$	\$	\$	\$	\$
Electronic Materials	<b>79,753</b>	77,278	72,309	<b>37,259</b>	42,460	31,588
Eco-Friendly Materials	<b>57,430</b>	73,085	61,043	<b>63,999</b>	57,170	57,057
<b>Total</b>	<b>137,183</b>	150,363	133,352	<b>101,258</b>	99,630	88,645

<sup>1</sup> See Non-IFRS Measures