NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

and

MANAGEMENT PROXY CIRCULAR

of

5N PLUS INC.

to be held on

February 11, 2019

Dated January 11, 2019

5N PLUS INC.
4385 Garand,
Montréal, Québec, H4R 2B4

LETTER TO SHAREHOLDERS

January 11, 2019

Dear shareholder,

It is my pleasure to invite you to join our board of directors (the "**Board**") and the management ("**Managemen**t") of 5N Plus Inc. ("**5N Plus**" or the "**Corporation**") for a special meeting of the holders (the "**Shareholders**") of common shares of the Corporation (the "**Common Shares**"), which is scheduled to convene at 10:00 a.m. (Montréal time) on Monday, February 11, 2019 at the offices of Stikeman Elliott LLP, Room Mount-Royal located at 1155 René-Lévesque West Blvd, 41st floor, Montréal, Québec, H3B 3V2 (the "**Meeting**").

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass a special resolution to approve the reduction of stated capital of the Common Shares to US$5 million. The special resolution, if approved, will result in a decrease in the stated capital of the Common Shares with a corresponding aggregate increase in the contributed surplus account maintained in respect of the Common Shares on the Corporation's financial statements. The reduction of stated capital will not result in a reduction in the number of Common Shares outstanding or any immediate Canadian income tax consequences to Shareholders. The Board believes that the reduction of stated capital will benefit the Corporation on a go-forward basis by providing more flexibility in managing the Corporation's capital structure, including its ability to pay dividends and repurchase Common Shares. The reduction in stated capital will not result in any change to shareholders' equity as presented in the Corporation's financial statements and therefore will not affect the Corporation's book value. The reduction of stated capital will also have no impact on the day-to-day operations of the Corporation and will not, on its own, alter the financial condition of the Corporation.

I invite you to attend the Meeting if you can. Should you have any questions for the Board or Management, the Meeting is an excellent place to raise those questions. If you cannot attend in person, I encourage you to exercise the power of your proxy, which is well explained in the accompanying management proxy circular.

I appreciate your participation, and I look forward to seeing you this February in Montréal. Sincerely,

(s) Arjang J. (AJ) Roshan

Arjang J. (AJ) Roshan
President and Chief Executive Officer

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF 5N PLUS INC.

You are invited to the special meeting of shareholders (the "**Meeting**") of 5N Plus Inc. (the "**Corporation**"). The Meeting will be held on February 11, 2019 at 10:00 a.m. (Montréal time) at:

Stikeman Elliott LLP, Room Mount-Royal
1155 René-Lévesque West Blvd, 41st floor
Montréal, Québec, H3B 3V2

The purposes of the Meeting are:

1. To consider and, if thought advisable, to pass a special resolution (the "**Stated Capital Resolution**"), the full text of which is included as Schedule A to the management proxy circular of the Corporation dated January 11, 2019 (the "**Management Proxy Circular**") that accompanies and forms part of this notice of special meeting of shareholders ("**Notice of Meeting**"), to approve the reduction of the stated capital of the Corporation's common shares to US$5 million, as more particularly described in the Management Proxy Circular; and

2. To transact such other business as may properly be brought before the Meeting or any adjournment thereof.

If you are unable to attend the Meeting in person, please date, sign and return the enclosed form of proxy. Proxies to be used at the Meeting must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1. In order to be valid, proxies must be submitted to Computershare Investor Services Inc. before 5:00 p.m. (Montréal time) on Thursday, February 7, 2019 or, in the event that the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for any adjournment or postponement of the Meeting. The chair of the Meeting may waive this cut-off at his or her discretion without notice. The proxies may also be submitted directly to the Secretary of the Corporation before the commencement of the Meeting or at any adjournment thereof.

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary. If you fail to follow these instructions, your shares may not be eligible to be voted at the Meeting.

DATED at Montréal, Québec
January 11, 2019

By order of the Board of Directors

(s) Arjang J. (AJ) Roshan

Arjang J. (AJ) Roshan
President and Chief Executive Officer

MANAGEMENT PROXY CIRCULAR OF 5N PLUS INC.

General Information

Cautionary Note Regarding Forward-Looking Information

Certain statements in this management proxy circular (the "**Management Proxy Circular**") may be forward-looking within the meaning of applicable securities laws. Forward-looking information and statements are based on the best estimates available to 5N Plus Inc. ("**5N Plus**" or the "**Corporation**") at the time and involve known and unknown risks, uncertainties or other factors that may cause the Corporation'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 Corporation's business and activities appears under the heading "Risk and Uncertainties" of the Corporation's 2017 Management's Discussion and Analysis dated February 20, 2018 which is available on SEDAR under the Corporation's profile at www.sedar.com. 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 Management Proxy Circular 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 the Corporation. The forward-looking information and statements contained in this Management Proxy Circular are made as of the date hereof and the Corporation will not update such forward-looking information unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

Information contained in this Management Proxy Circular

No person is authorized to give any information or to make any representation other than those contained in this Management Proxy Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. Except as otherwise indicated, the information contained herein is given as of the date of this Management Proxy Circular. The delivery of this Management Proxy Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date of this Management Proxy Circular. Unless otherwise indicated, all references to "dollars" and the symbol "$" in this Management Proxy Circular are to Canadian dollars. Unless the context otherwise requires, all references to the "**Meeting**" in this Management Proxy Circular are references to the special meeting of shareholders of the Corporation to be held on February 11, 2019 and includes all adjournments and postponements thereof.

Solicitation of Proxies by Management

This Management Proxy Circular is provided in connection with the solicitation by the management of the Corporation of proxies to be used at the Meeting. The solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation.

Appointment of Proxies

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. Each shareholder is entitled to appoint a person, who need not be a shareholder, to represent him, her or it at the Meeting (other than those whose names are printed on the accompanying form of proxy) by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy. To be valid, the duly completed form of proxy must be deposited at the offices of Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 prior to 5:00 p.m. on February 7, 2019 or, in the event that the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for any adjournment or postponement of the Meeting. The chair of the Meeting may waive this cut-off at his or her discretion without notice. The proxies may also be submitted directly to the Secretary of the Corporation before the commencement of the Meeting or at any adjournment thereof. The instrument appointing a proxyholder must be executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporate body, by its authorized officer or officers.

Shareholders who hold their shares through an intermediary are not entitled to vote at the Meeting through a proxy. Applicable securities laws and regulations require intermediaries to seek voting instructions from non-registered shareholders in advance of the Meeting. If you are a non-registered shareholder, you should carefully follow the instructions of your intermediary, including on how and when voting instructions are to be provided, in order to have your shares voted at the Meeting. See "Non-Registered Shareholders".

Revocation of Proxies

A shareholder who has given a proxy may revoke it, as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The revocation of a proxy, in order to be acted upon, must be deposited with Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 prior to 5:00 p.m. on February 7, 2019 or with the Secretary of the Corporation before the commencement of the Meeting or at any adjournment thereof.

Exercise of Discretion by Proxies

In the absence of any direction to the contrary, shares represented by properly executed proxies in favour of the persons designated in the enclosed form of proxy will be voted FOR each of the matters referred to in the accompanying notice of Meeting. Instructions with respect to voting will be respected by the persons designated in the enclosed form of proxy. With respect to amendments or variations to matters identified in the notice of Meeting and with respect to other matters that may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. At the time of printing this Management Proxy Circular, management of the Corporation knows of no such amendments, variations or other matters.

Non-Registered Shareholders

Only registered shareholders or the persons they appoint as their proxies are permitted to be present and/or vote at the Meeting. However, in many cases, shares beneficially owned by a non-registered shareholder (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Corporation's common shares (the "**Common Shares**") (such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans), or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, entitled "Communication with Beneficial Owners of Securities of a Reporting Issuer", the Corporation has distributed copies of the notice of Meeting and this Management Proxy Circular (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Holders and therefore the Corporation is not sending the Meeting Materials directly to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived its right to receive it. Intermediaries often use service companies to forward Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived their right to receive this Management Proxy Circular will either:

(a) typically, be provided with a computerized form (often called a "**voting instruction form**") which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or

(b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company.

Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form must be delivered. A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

Record Date and Quorum

The Corporation's board of directors (the "**Board**") has fixed January 7, 2019 as the record date (the "**Record Date**") for the purpose of determining which shareholders will be entitled to receive notice of and to vote at the Meeting. Only shareholders of record as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting. Shareholders who acquire Common Shares after the Record Date will not be entitled to vote such Common Shares at the Meeting. As at the Record Date, there were 84,609,791 Common Shares of the Corporation issued and outstanding.

The quorum for the transaction of business at the Meeting consists of two or more shareholders present in person and personally holding or representing by proxy not less than 10% of the issued and outstanding Common Shares on the Record Date. If a quorum is present at the opening of the Meeting, shareholders present or represented by proxy may proceed with the business of the Meeting and may continue the Meeting even though a quorum is not present throughout the Meeting.

Subject to the *Canada Business Corporations Act* (the "**CBCA**"), any question at the Meeting shall be decided by a show of hands, unless a ballot thereon is required or demanded in accordance with the by-laws of the Corporation.

Voting Shares

As at the Record Date, there were 84,609,791 Common Shares of the Corporation issued and outstanding. Each Common Share entitles the holder thereof to one vote. Pursuant to the CBCA, the Corporation is required to prepare, no later than 10 days after the Record Date, an alphabetical list of shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during normal business hours at the head office of the Corporation, 4385 Garand, Montréal, Québec, H4R 2B4 and at the Meeting.

Board Recommendation and Approval Requirement

The Board recommends that shareholders vote FOR the special resolution to approve the reduction of the stated capital of the Common Shares to US$5 million (the "Stated Capital Resolution"). To be effective, the Stated Capital Resolution must be approved by not less than two-thirds of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STATED CAPITAL RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST THE STATED CAPITAL RESOLUTION.

Principal Holders of Voting Securities

As at the Record Date, to the knowledge of the directors and executive officers of the Corporation, the following are the only persons who beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the issued and outstanding Common Shares:

Name and place of residence	Number of Common Shares held	Percentage of Common Shares Outstanding
Caisse de dépôt et placement du Québec(1)	15,857,050	18.74%
Letko, Brosseau & Associates Inc.(2) (Montréal, Québec, Canada)	15,247,614	18.02%

(1) The information was provided by Caisse de dépôt et placement du Québec and is current as at January 7, 2019.

(2) The information was provided by Letko, Brosseau & Associates Inc. and is current as at January 7, 2019.

Indebtedness of Directors and Executive Officers

No person who is, or who was at any time during the fiscal year ended December 31, 2018, a director, executive officer or senior officer of the Corporation or a subsidiary thereof, and no associate of such persons, is, or was at any time since the beginning of the fiscal year ended December 31, 2018, indebted to the Corporation or a subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the fiscal year ended December 31, 2018 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation.

Interest of Certain Persons or Companies in Matters to be Acted Upon and in Material Transactions

For the purposes of this Management Proxy Circular, "informed person" means: (i) a director or executive officer of the Corporation; (ii) a director or executive officer of a person or corporation that is itself an informed person or subsidiary of the Corporation; (iii) any person or corporation who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or corporation as underwriter in the course of a distribution; and (iv) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the Corporation's knowledge, no informed person of the Corporation, and no associate or affiliate of the foregoing person, at any time since the beginning of the fiscal year ended December 31, 2018, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction that has materially affected the Corporation, or in any proposed transaction that could materially affect the Corporation, or in any matter to be acted upon at this Meeting.

Particulars of the Matter to be Acted Upon

Reduction of Stated Capital

Pursuant to Section 38(1) of the CBCA, the Corporation may by special resolution reduce its stated capital for any purpose. Accordingly, at the Meeting, shareholders will be asked to consider and, if thought advisable, to pass the Stated Capital Resolution, the full text of which is included as Schedule A to this Circular, to approve the reduction of the stated capital of the Common Shares to US$5 million (the "**Stated Capital Reduction**"). If approved, the Stated Capital Reduction will be effective as of February 11, 2019.

Reasons for the Stated Capital Reduction

A corporation is required to maintain a stated capital account for each class of shares that it issues and to add to that account the full amount of consideration that it receives for the shares that it issues. In addition, under the CBCA, a corporation is restricted from declaring and paying dividends on its shares and repurchasing its shares unless it can meet certain financial tests, including that there are reasonable grounds for believing that, after giving effect to the payment of the dividend or repurchase of shares, the corporation would be able to pay its liabilities as they become due and the realizable value of the corporation's assets would be more than the aggregate of its liabilities and stated capital of all classes of shares. The reduction in stated capital will not result in any change to shareholders' equity as presented in the Corporation's financial statements and therefore will not affect the Corporation's book value. The reduction of stated capital will also have no impact on the day-to-day operations of the Corporation and will not, on its own, alter the financial condition of the Corporation.

The Board believes that the reduction of stated capital will benefit the Corporation on a go-forward basis by providing more flexibility in managing the Corporation's capital structure, including its ability to pay dividends and repurchase Common Shares.

Certain Canadian Federal Income Tax Considerations with respect to the Stated Capital Reduction

THE FOLLOWING IS A SUMMARY OF CERTAIN CANADIAN FEDERAL INCOME TAX CONSEQUENCES OF THE REDUCTION OF STATED CAPITAL OF THE COMMON SHARES. IT IS OF A GENERAL NATURE ONLY AND IS NOT INTENDED TO CONSTITUTE NOR SHOULD IT BE CONSTRUED TO CONSTITUTE LEGAL OR TAX ADVICE TO ANY PARTICULAR SHAREHOLDER. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE CONSEQUENCES OF THE REDUCTION OF STATED CAPITAL, TAKING INTO ACCOUNT THEIR OWN PARTICULAR CIRCUMSTANCES AND ANY APPLICABLE FOREIGN, PROVINCIAL OR TERRITORIAL LEGISLATION.

The following is a summary of the principal Canadian federal income tax considerations related to the proposed Stated Capital Reduction that are generally applicable to shareholders. This summary is based on the current provisions of the Income Tax Act (Canada) (the "**Tax Act**"), the regulations to the Tax Act, and the current published administrative practices and assessing policies of the Canada Revenue Agency (publicly available prior to the date hereof). This summary also takes into account all proposed amendments to the Tax Act and regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), and assumes that the Proposed Amendments will be enacted in the form proposed, although no assurances can be given in this regard. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental, regulatory, or judicial action or decision, or changes in the administrative practices and assessing policies of the Canada Revenue Agency, nor does it take into account provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below.

The proposed Stated Capital Reduction should not result in any immediate Canadian income tax consequences to a shareholder. Since no amount will be paid by the Corporation on the Stated Capital Reduction, shareholders should not be deemed to have received a divided and there should not be any reduction in a shareholder's adjusted cost base of the Common Shares for purposes of the Tax Act. However, the Stated Capital Reduction will reduce the paid-up capital (within the meaning of the Tax Act) of the Common Shares ("**PUC**") by an amount equal to the reduction in stated capital. Such reduction in the PUC of the Common Shares may have future Canadian federal income tax consequences to a shareholder in certain circumstances, including, but not limited to, if the Corporation repurchases or redeems any Common Shares, on a distribution of assets from the Corporation to its shareholders, or if the Corporation is wound-up.

Limitation on Reduction of Stated Capital under the CBCA

Section 38(3) of the CBCA provides that a corporation shall not reduce its stated capital if there are reasonable grounds for believing that: (i) the corporation is, or would after the reduction be, unable to pay its liabilities as they become due; or (ii) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

In recommending the Stated Capital Resolution for approval, the Board has reasonable grounds for believing that: (i) the Corporation is, or would, after the Stated Capital Reduction, be able to pay its liabilities as they become due; and (ii) the realizable value of the Corporation's assets would thereby be equal to or greater than the aggregate of the Corporation's liabilities.

Other Matters

Management of the Corporation knows of no other amendment or variation matter to come before the Meeting other than those referred to in the notice of Meeting accompanying this Management Proxy Circular. However, if any other matters should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

Additional Information

Financial information about the Corporation is contained in its annual audited consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2017, and additional information about the Corporation is available on SEDAR under the Corporation's profile at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

(a) the latest annual information form of the Corporation together with any document, or the pertinent pages of any document, incorporated by reference therein;

(b) the annual audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2017 together with the accompanying report of the auditors thereon and any unaudited condensed, interim, consolidated financial statements of the Corporation for periods subsequent to December 31, 2017 and Management's Discussion and Analysis with respect thereto; or

(c) this Management Proxy Circular;

please send your request to:

5N Plus Inc.
4385 Garand
Montréal, Québec H4R 2B4
Telephone: (514) 856-0644
Telecopier: (514) 856-9611

Authorization

The contents and the mailing of this Management Proxy Circular have been approved by the Board of Directors of the Corporation.

(s) Arjang J. (AJ) Roshan

Arjang J. (AJ) Roshan
President and Chief Executive Officer

Montréal, Québec
January 11, 2019

SCHEDULE "A"

STATED CAPITAL RESOLUTION

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. The stated capital of the common shares of 5N Plus Inc. (the "**Corporation**") be reduced to US$5 million and the amount of the reduction be added to the contributed surplus of the Corporation pursuant to Section 38(1) of the *Canada Business Corporation Act*.

2. Notwithstanding that this Special Resolution has been duly adopted by the shareholders of the Corporation, the board of directors of the Corporation be and it is hereby authorized, in its sole discretion, to revoke this special resolution in whole or in part at any time prior to its being given effect without further notice to, or approval of, the shareholders of the Corporation.

3. Any director or officer of the Corporation is hereby authorized and directed, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such documents, agreements and instruments, and to do or to cause to be done all such other acts and things, as such person determines to be necessary or desirable in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."