



## Corporate Presentation

“Pure-Play” Phosphate Fertilizer Company

March 2019

# Cautionary statements and forward-looking information

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## **FORWARD-LOOKING INFORMATION**

This presentation contains forward-looking information (“FLI”) regarding future events or the future performance of the company (“Itafos”). Generally, FLI can be identified by expressions of belief, expectation or intention, and often contain words such as “anticipates”, “believes”, “expects”, “estimates”, “intends”, “plans”, “could”, “may”, “might”, “should”, “would” or variations of such words. FLI is based on various assumptions, including with respect to fertilizer market growth, reserves and resources, mine life, production, operating costs, product sales and pricing, capital expenditures, financing sources and use of funds, operations and financial performance and business prospects and opportunities. While Itafos considers these assumptions to be reasonable based on information currently available, such assumptions may prove to be incorrect as FLI is subject to various risks and uncertainties that could cause actual events or results to differ materially from those projected. These risks and uncertainties include, but are not limited to: variations from Itafos’ assumptions regarding the matters mentioned above; changes in the agriculture, fertilizer, commodity, raw material, energy, transportation and financial market conditions and prices; fluctuations in currency exchange rates; changes in government policy and in environmental and other governmental regulation; inability to obtain necessary permits and licenses; timing and outcome of current and pending government and third party claims or lawsuits; ability to attract and retain skilled employees with relevant industry expertise; imprecision in mineral reserves and resources estimates; certainty of supply of raw materials; intermittency of operations and production; increases in production costs; ability to sell product; credit risk of offtake counterparties; ability to effectively integrate any future developments and/or acquisitions into its business structure; catastrophic events such as fires, floods, explosions, release of hazardous chemicals and seismic events; insurance and uninsured risks, as well as other risks and uncertainties reported by Itafos from time to time in its Management’s Discussion and Analysis filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com). FLI should not be read as a guarantee of future events or results. You are cautioned not to put undue reliance on FLI.

## **INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Itafos prepares its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. IFRS differs in certain respects from U.S. generally accepted accounting principles (“US GAAP”). Therefore, financial information presented herein may not be directly comparable to similar information presented by companies that prepare their financial statements in accordance with US GAAP.

## **NON-IFRS MEASURES**

There are certain non-IFRS measures used in this presentation, including but not limited to, Adjusted EBITDA (earnings before interest, taxes, depreciation, depletion and amortization adjusted for non-cash, extraordinary, non-recurring and other items unrelated to the Itafos’ core operating activities). Itafos’ presentation of non-IFRS measures may not be directly comparable to that of other companies.

## **MINERAL RESOURCES**

This presentation uses mineral reserve and resource classification terms that comply with reporting standards set forth in Canadian National Instrument (“NI”) 43-101 for all public disclosure of scientific and technical information concerning mineral projects by Canadian registered issuers. NI 43-101 standards differ significantly from standards set forth by the United States Securities and Exchange Commission (“SEC”). Therefore, information regarding mineralization presented herein may not be directly comparable to similar information disclosed by companies in accordance with SEC standards. For instance, mineral reserve estimates contained in this presentation may not qualify as “reserves” under SEC standards. You are cautioned not to assume that any part or all of the mineral resources identified as “Mineral Resource,” “Measured Mineral Resources,” “Indicated Mineral Resources” and “Inferred Mineral Resources” in this presentation will ever be converted into mineral reserves as defined in NI 43-101, be upgraded to a higher category, or be economically or legally mineable.

## **OTHER**

Please refer to the technical reports of Itafos and its affiliates available at [www.sedar.com](http://www.sedar.com).

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# 1 Executive summary



# Company overview

## Key highlights

- Itafos is a publicly traded (TSX-V: IFOS) vertically integrated phosphate fertilizers and specialty products company with an attractive portfolio of long-term strategic businesses and projects located in key fertilizer markets worldwide

- ✓ **Itafos Conda**, a vertically integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year of monoammonium phosphate (“MAP”), superphosphoric acid (“SPA”), merchant grade phosphoric acid (“MGA”) and specialty products including ammonium polyphosphate (“APP”) located in Idaho, U.S.
- ✓ **Itafos Arraias**, a vertically integrated phosphate fertilizer business with production and sales capacity of approx. 500kt per year of single superphosphate (“SSP”), SSP with micronutrients (“SSP+”) and other products and approx. 40kt per year of excess sulfuric acid located in Tocantins, Brazil
  - ✓ **Itafos Paris Hills**, a phosphate mine project located in Idaho, U.S.
  - ✓ **Itafos Farim**, a phosphate mine project located in Farim, Guinea Bissau
  - ✓ **Itafos Santana**, a vertically integrated phosphate fertilizer project located in Pará, Brazil
  - ✓ **Itafos Araxá**, a phosphate and rare earth oxide mine project located in Minas Gerais, Brazil
    - ✓ **Itafos Mantaro**, a phosphate mine project located in Junin, Peru

- Itafos is managed by an industry leading board of directors and experienced management team with extensive operations and commercial expertise
  - Former Potash Corp., OCP Group, Agrium, Cargill, KemWorks, GB Minerals and AEI senior executives
- Itafos’ largest shareholder is Castllake, which owns an approx. 57.7% interest in Itafos<sup>1</sup>
  - Global private investment firm managing approximately US\$13.5bn in assets<sup>2</sup>

Source: Itafos Information

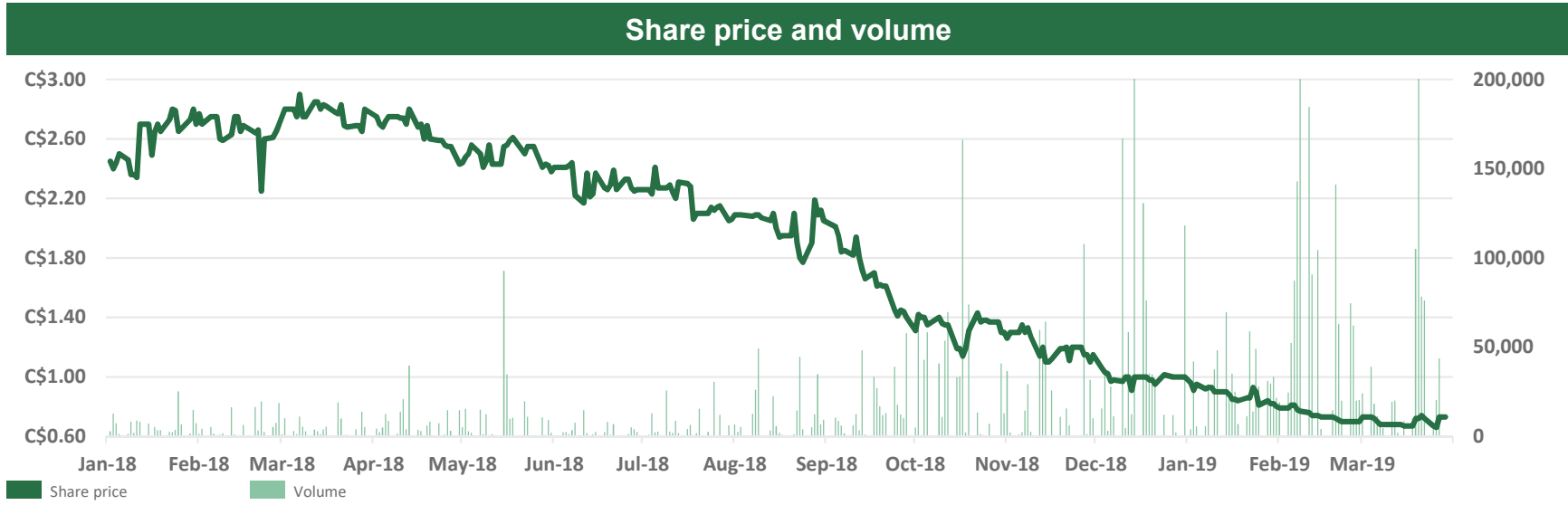


<sup>1</sup> Itafos had 142,070,301 ordinary shares issued and outstanding as of December 31, 2018

<sup>2</sup> As of December 31, 2018

# Capital markets overview<sup>1</sup>

Capitalization		Shareholders	
Exchange	▪ TSX-V		
Ticker	▪ IFOS		
Shares issued and outstanding	▪ 142,070,301		
Share price (C\$/share)	▪ C\$1.00		
Average daily volume (TTM)	▪ 26,292		
Market capitalization (C\$ 000s)	▪ C\$142,070		
Cash (US\$ 000s)	▪ US\$9,919		
Debt <sup>2</sup> (US\$ 000s)	▪ US\$164,113		



Source: TMX



<sup>1</sup> As of December 31, 2018 unless specified otherwise

<sup>2</sup> Considers current debt, current debentures, long-term debt and long-term debentures

# Strategy overview

## Mission

Itafos' mission is to be a leading “pure-play”, geographically diverse and vertically integrated phosphate fertilizer and specialty products company, creating value for all its stakeholders in a responsible and economically sustainable manner

## Strategy

**Itafos will achieve its mission by executing the following strategy**

- Owning and operating vertically integrated phosphate fertilizers and specialty products businesses that produce and sell premium products that its customers need
- Optimizing the portfolio, including mitigating critical risks and maximizing cash flow over the life of the businesses
- Positioning the company to meet its markets' increasing demand for phosphate fertilizers and specialty products

## Focus

**Itafos will execute its strategy by focusing on the following**

- Applying and maintaining technical, environmental, health, safety and governance best practices and excellence
- Producing, marketing and selling its phosphate fertilizers and specialty products through a combination of short to long-term contracts and wholesale market spot sales to crop retailers, farmers, producers and other offtakers
- Managing key inputs and other fixed expenses to reduce overall costs to produce, market and sell phosphate fertilizers and specialty products
- Developing and maintaining market knowledge and strong relationships with local governments, regulators, communities, employees, offtakers, suppliers and other key stakeholders
- Maintaining a flexible capital structure with moderate levels of debt
- Investing capital at attractive rates of return into brownfield and greenfield development projects and acquisitions of new businesses

# Investment highlights overview

## 1. Outstanding leadership

### Industry leading board of directors and experienced management team

- Industry leading board of directors with balanced mix of executive and board of directors level skillsets
- Experienced management team with extensive operations and commercial expertise relentlessly focused on safety, reliability and cost control

## 2. Attractive portfolio

### Owner and operator of attractive long-term and strategic phosphate businesses and projects located in key fertilizer markets worldwide

- Current fertilizer production and sales capacity of approx. 1.1Mt per year
- Measured and indicated resources of approx. 381.0Mt and inferred resources of approx. 489.1Mt (note: does not include resources from Itafos Conda)
- Diversified through geography, project development stage and business characteristics

## 3. Itafos Conda

### North American vertically integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year

- Vertically integrated producing asset base benefiting from consolidated operations and infrastructure and security of key raw material inputs
- Strategic position in attractive, consolidated North American fertilizer markets with long operating track-record consistently delivering responsible operating and commercial performance
- Operational flexibility offers multiple options to deliver P<sub>2</sub>O<sub>5</sub> value to market through combination of long-term contracts, short-term contracts and wholesale and retail market sales



## Investment highlights overview (cont'd)

### 4. Itafos Arraias

#### **Brazilian vertically integrated phosphate fertilizer business with production and sales capacity of approx. 500kt per year**

- Vertically integrated producing asset base benefiting from consolidated operations and infrastructure and security of key raw material inputs
- Strategic position in one of the fastest growing fertilizer markets in the world with significant and sustainable logistics costs competitive advantages in its core markets
- Adds competitive domestic supply to fertilizer market with disciplined sales and marketing strategy supported by growing demand, vertical integration, strategic position and respected team to execute

### 5. Itafos Farim

#### **West African, construction ready, high-grade and low cost phosphate rock mining project that has an extensive geological reserve base with significant expansion potential**

- Extensive geological deposit with potential to increase mine life (estimated measured and indicated resources of 105.6Mt at avg. 28.4% P<sub>2</sub>O<sub>5</sub>, including reserves)
- Expected phosphate rock concentrate production of 1.34Mt per year at avg. 34% P<sub>2</sub>O<sub>5</sub>
- Low capex and opex
- Access to existing infrastructure including 70km of paved road covering most of the route from site to deep water port and ability to ship product globally
- High quality phosphate rock is becoming more attractive and demanding pricing premium

### 6. Compelling economics

#### **Compelling economic profile anchored by operating businesses and development pipeline**

- Near-term and predictable cash flow profile driven by Itafos Conda and Itafos Arraias along with commercial operations of Itafos Farim in 2H 2020
- Moderate levels of debt provide flexibility through market cycles and facilitate growth strategy
- Valuation upside opportunity supported by continued de-risking of Itafos Farim and Itafos' development pipeline generally and robust industry M&A activity

Source: Itafos Information

## 2 Investment highlights



ITAFOS

1

## Industry leading board of directors

Name	Role	Experience
Brent de Jong	Director and Chairman	<ul style="list-style-type: none"> <li>Partner at Castlelake, responsible for the firm's investments in emerging markets</li> <li>Over 20 years of investment and asset management experience</li> <li>Previous experience includes CEO of Zaff Capital LP and senior roles at Ashmore Investment Management and JP Morgan</li> </ul>
Evgenij Iorich	Director	<ul style="list-style-type: none"> <li>Managing Partner at Pala, responsible for the firm's investments globally</li> <li>Over 15 years of investment and asset management experience</li> <li>Previous experience includes senior roles at Mechel</li> </ul>
David Delaney	Director	<ul style="list-style-type: none"> <li>Chief Commercial Officer at Farmer's Business Network Inc.</li> <li>Over 25 years of operations, commercial and finance experience</li> <li>Previous experience includes senior roles at Pain &amp; Partners (strategic advisor), Potash Corp. (COO and President of Sales and Marketing), Arcadian Corp and Allied Chemical</li> </ul>
Dr. Mhamed Ibnabdeljalil	Director	<ul style="list-style-type: none"> <li>Founder and Managing Partner of Spika Ventures LLC</li> <li>Over 20 years of corporate development, commercial and research and development experience</li> <li>Previous experience includes senior roles at OCP Group (CCO and EVP), Monodrive Inc. and Texas Instruments</li> </ul>
Ron Wilkinson	Director	<ul style="list-style-type: none"> <li>Strategic advisor to public and private companies</li> <li>Over 40 years of operations, commercial and administration experience</li> <li>Previous experience includes senior roles at Agrium (SVP and President), Viridian, Sherritt and Imperial Oil/Exxon Chemical and director on industry boards including the Canadian Fertilizer Institute, Profertil and Canpotex</li> </ul>
Anthony Cina	Director	<ul style="list-style-type: none"> <li>Board advisor, corporate director and consultant at Emergent Technologies Holdings, LP</li> <li>Over 30 years of business strategy, finance and administration experience</li> <li>Previous experience includes senior roles at Yamana Gold (SVP of Business Administration), Itafos (CFO from June 2009 through June 2012) and founding partner of an audit, accounting and tax practice</li> </ul>

Balanced mix of executive and board of directors level skillsets

Source: Itafos Information

## 1

## Experienced management team









Name	Role	Experience
Brian Zatarain	CEO	<ul style="list-style-type: none"> <li>Senior executive with 20+ years of hands-on and diverse corporate and business development, M&amp;A, capital raising and investment management experience</li> <li>Previous experience includes senior roles at Zaff Capital LP (co-founder and Managing Director) and AEI (EVP and CRO)</li> </ul>
George Burdette	CFO	<ul style="list-style-type: none"> <li>Senior executive with 12+ years of corporate development, financial, commercial and investment management experience</li> <li>Previous experience includes senior roles at First Solar (Director Project Finance), Zaff Capital (Principal) and AEI (Manager)</li> </ul>
Sarvin Patel	VP Commercial	<ul style="list-style-type: none"> <li>Senior executive with 17+ years of business development, M&amp;A, principal investing and risk management experience</li> <li>Previous experience includes senior roles at Carval Investors and Cargill (VP)</li> </ul>
Olga Kovalik	VP Development	<ul style="list-style-type: none"> <li>Senior executive with 20+ years of business development, finance and construction experience</li> <li>Previous experience includes senior roles at GB Minerals (VP of Development and Construction), Alcoa and various investment banking roles at UBS, Citigroup and Morgan Stanley</li> </ul>
Dr. Wynand van Dyk	VP Operations	<ul style="list-style-type: none"> <li>Senior executive with 25+ years of minerals processing, process optimization, engineering, operations and project management experience</li> <li>Previous experience includes senior roles at Lonmin Platinum Ltd. (Senior Technical Manager), and founder and director of Arete Consultants (strategic consultant to Anglo American, African Rainbow Minerals and De Beers, among others)</li> </ul>
Marten Walters	VP Engineering	<ul style="list-style-type: none"> <li>Senior executive with 35+ years of fertilizer industry experience</li> <li>Previous experience includes Founder and President of KemWorks (oversaw the modernization and restructuring of fertilizer plants for Agrium, Ammophos, Mosaic, ICS and Simplot)</li> </ul>
Tim Vedder	General Manager Itafos Conda	<ul style="list-style-type: none"> <li>Senior executive with 20+ years of operations and engineering experience</li> <li>Previous experience includes senior roles at Agrium (plant manager and senior engineer), Novellus Systems and engineering and platoon leadership roles in the U.S. Army</li> </ul>
Fernando Planchart	General Counsel	<ul style="list-style-type: none"> <li>Senior legal counsel with 15+ years of cross-border corporate, M&amp;A, tax legal experience (in-house and external)</li> <li>Previous experience includes senior roles at AEI, Fox, Horan &amp; Camerini, Macleod Dixon</li> </ul>

**Extensive operations and commercial expertise relentlessly focused on safety, reliability and cost control**

Source: Itafos Information

2

# Owner and operator of attractive long-term and strategic phosphate businesses and projects

							
	Operating business		Near-term project		Mid-term project		
	100% 	96.8% <sup>1</sup> 	100% 	100% 	99.4% <sup>1</sup> 	100% 	100% 
	<b>Itafos Conda</b>	<b>Itafos Arraias</b>	<b>Itafos Paris Hills</b>	<b>Itafos Farim</b>	<b>Itafos Santana</b>	<b>Itafos Araxá</b>	<b>Itafos Mantaro</b>
<b>Description</b>	▪ Integrated mine and fertilizer business	▪ Integrated mine and fertilizer business	▪ Mine project	▪ Mine project	▪ Integrated mine and fertilizer project	▪ Mine project	▪ Mine project
<b>Reserves<sup>2</sup></b>	▪ Under review	▪ Under review	▪ Under review	▪ 44.0Mt at avg. 30.0% P <sub>2</sub> O <sub>5</sub>	▪ Under review	▪ N/A	▪ N/A
<b>M&amp;I resources (including reserves)<sup>2</sup></b>	▪ Under review	▪ 79.0Mt at avg. 4.9% P <sub>2</sub> O <sub>5</sub>	▪ 90.1Mt at avg. 25.1% P <sub>2</sub> O <sub>5</sub>	▪ 105.6Mt at avg. 28.4% P <sub>2</sub> O <sub>5</sub>	▪ 60.4Mt at avg. 12.0% P <sub>2</sub> O <sub>5</sub>	▪ 6.4Mt at avg. 8.4% P <sub>2</sub> O <sub>5</sub>	▪ 39.5Mt at avg. 10.0% P <sub>2</sub> O <sub>5</sub>
<b>Inferred resources<sup>2</sup></b>	▪ Under review	▪ 12.7Mt at avg. 3.9% P <sub>2</sub> O <sub>5</sub>	▪ 14.0Mt at avg. 25.0% P <sub>2</sub> O <sub>5</sub>	▪ 37.6Mt at avg. 27.7% P <sub>2</sub> O <sub>5</sub>	▪ 26.6Mt at avg. 5.6% P <sub>2</sub> O <sub>5</sub>	▪ 21.9Mt at avg. 7.9% P <sub>2</sub> O <sub>5</sub>	▪ 376.3Mt at avg. 9.0% P <sub>2</sub> O <sub>5</sub>
<b>Mine life</b>	▪ Under review	▪ Under review	▪ Under review	▪ 25 years	▪ Under review	▪ Pending feasibility	▪ Pending feasibility
<b>Products</b>	▪ MAP ▪ SPA ▪ MGA ▪ APP	▪ SSP, SSP+ ▪ Other ▪ Excess sulfuric acid	▪ Phosphate rock	▪ Phosphate rock	▪ SSP ▪ Excess sulfuric acid	▪ Phosphate rock ▪ Rare earth oxides	▪ Phosphate rock oxides
<b>Production and sales capacity</b>	▪ 550kt per year	▪ 500kt per year	▪ 1.0Mt per year	▪ 1.3Mt per year	▪ 500kt per year	▪ Pending feasibility	▪ Pending feasibility

- ✓ Current fertilizer production and sales capacity of approx. 1.1Mt per year
- ✓ Measured and indicated resources of approx. 381.0Mt and inferred resources of approx. 489.1Mt (note: does not include resources from Itafos Conda)
- ✓ Diversified through geography, project development stage and business characteristics

**Located in key fertilizer markets worldwide**

Source: Itafos Information



<sup>1</sup> 3rd party interest represented by preferred non-voting shares issued by Itafos in 2018 upon exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings

<sup>2</sup> Itafos is in process of preparing and/or updating its technical reports; Refer to "Appendix B: Portfolio highlights" for detail

## Itafos Conda ... A North American vertically integrated phosphate fertilizer business

### Key highlights

- Located in Conda, Idaho, near Soda Springs, Idaho, approx. 50 miles southeast of Pocatello, Idaho
- Production and sales capacity of approx. 550kt per year of MAP, SPA, MGA and APP serving the North American fertilizer markets
- Owns phosphate ore mines located approx. 15 miles from the production facilities with clear line of site to extend mine life through development of Itafos Husky 1/North Dry Ridge, Itafos Paris Hills and other alternatives
- Phosphate ore conventionally open pit mined by a 3<sup>rd</sup> party operator on a cost plus basis and transported by truck and rail to the production facilities
- Sulfuric acid internally produced (approx. 40%) and purchased from 3<sup>rd</sup> parties (approx. 60%), together with sulfur, on a price tied to sulfur and sulfuric acid benchmarks
- Ammonia purchased from Nutrien pursuant to supply agreements through 2023 with price tied to phosphate benchmark
- Total of 260 employees and 221 contractors (mostly from 3<sup>rd</sup> party mining operator)

Product	Gross production	Net saleable product	Key highlights
MAP	335kt	335kt	<ul style="list-style-type: none"> <li>▪ Produced by reacting ammonia with phosphoric acid</li> <li>▪ Solid granule fertilizer used on crops such as wheat and barley</li> </ul>
SPA	162kt	140kt	<ul style="list-style-type: none"> <li>▪ Produced by concentrating phosphoric acid to a level of 68-72% phosphate</li> <li>▪ Liquid fertilizer used to make liquid ammonium phosphate fertilizer products (e.g., APP), known for easy and precise applications to crops such as corn, soybeans, wheat, cotton and specialty crops</li> <li>▪ Approx. 22kt transferred to make APP</li> </ul>
APP	65kt	65kt	<ul style="list-style-type: none"> <li>▪ Produced by reacting ammonia with SPA</li> <li>▪ Liquid fertilizer used for ammonium phosphate fertilizer products</li> </ul>
MGA	168kt	2kt	<ul style="list-style-type: none"> <li>▪ Produced by concentrating phosphoric acid to a level of 52% phosphate</li> <li>▪ Majority is upgraded to SPA with minimal quantities sold to market</li> <li>▪ Liquid fertilizer used for various crop and industrial applications</li> </ul>

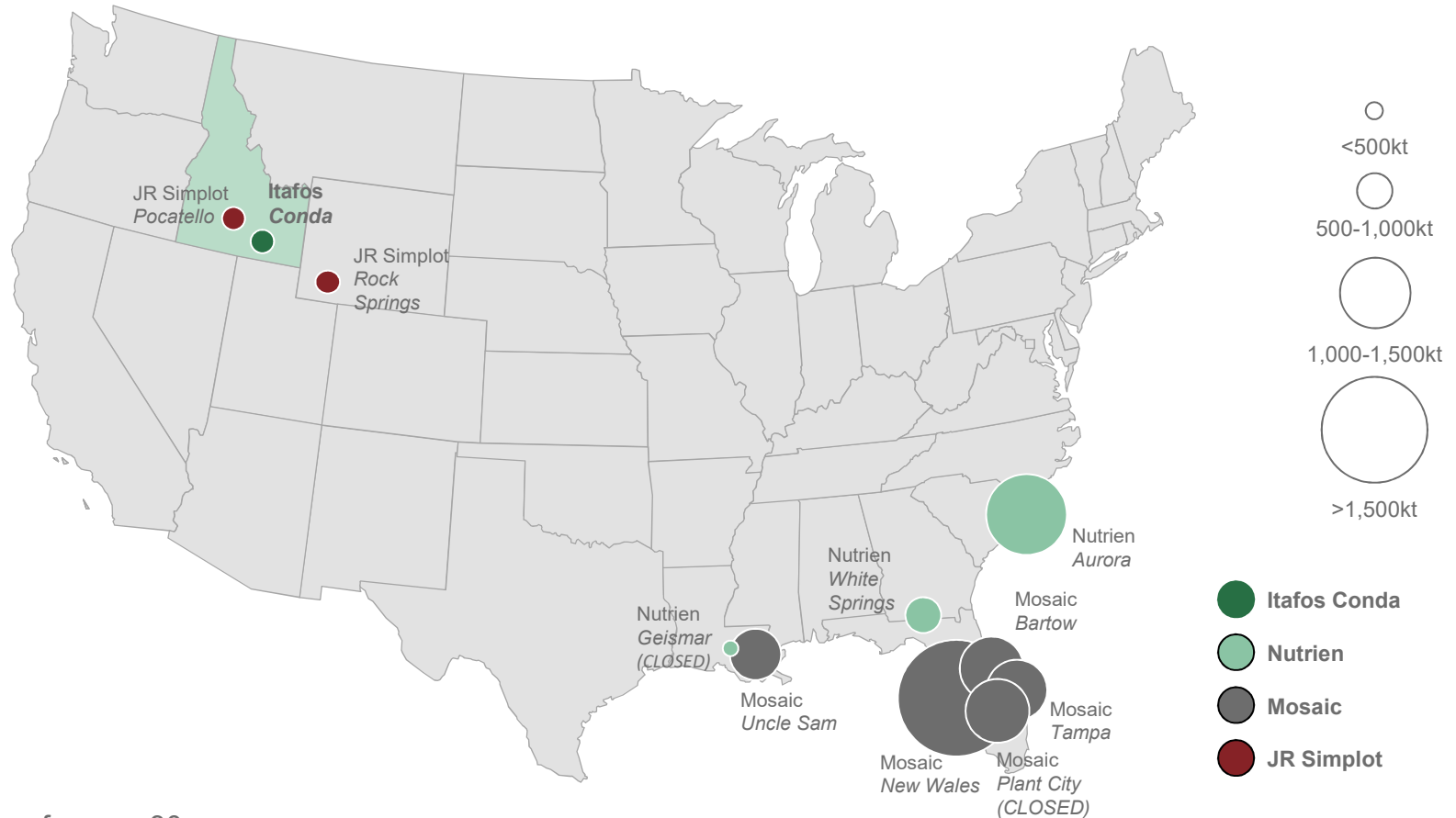
**Production and sales capacity of approx. 550kt per year**

Source: Itafos Information

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# Strategic position in attractive, consolidated North American fertilizer market

## Key highlights



- Operating for over 30 years
- Geographically separate from majority of production in the U.S. and close to key markets
- Imports of phosphate fertilizers into U.S. primarily into NOLA and require further distribution

Long operating track-record consistently delivering responsible operating and commercial performance

Source: Itafos Information; IFA

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# Operational flexibility offers multiple options to deliver P<sub>2</sub>O<sub>5</sub> value to market

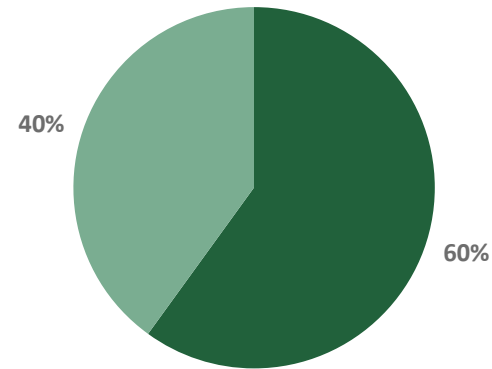
## Key highlights

- Itafos Conda's products sold into the North American fertilizer markets
- Itafos Conda partners with leading crop services companies that have the trust of the grower market and who have the infrastructure to reach the maximum number of growers within the target sales region
- MAP sold to Nutrien pursuant to MAP offtake agreement through 2023 with price tied to phosphate benchmark
- SPA, MGA and APP sold to crop input retailers who re-sell to end users

## SPA is a high-value product

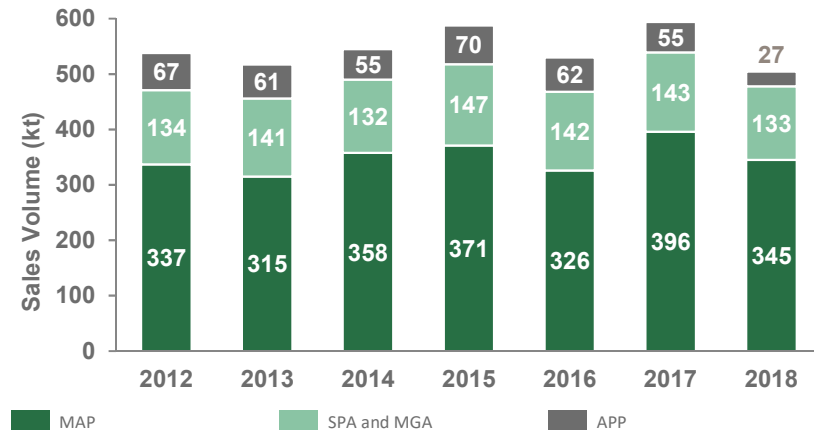
- SPA sells at a price of US\$1-2 and APP sells at a price of US\$3-5 per point higher on US\$/P<sub>2</sub>O<sub>5</sub> basis compared to MAP
- U.S. market demand is approx. 870kt with 90-95% coming from agriculture, of which 2/3 is used in production of liquid ammonium phosphate
  - 16 states represent approx. 80% of SPA demand
- Demand for SPA is primarily linked to corn dynamics, also to high value crops like grapes and vegetables
- Itafos Conda is one of three key U.S. SPA producers

## Composition of customers



Wholesale Retail

## Historical sales volumes



## Long-term contracts, short-term contracts and wholesale and retail market sales

Source: Itafos Information; IFA



## Itafos Arraias ... A Brazilian vertically integrated phosphate fertilizer business

### Key highlights

- Located in Arraias, Brazil, in close proximity to the border of Goiás and Tocantins states
- Production and sales capacity of approx. 500kt per year of SSP, SSP+ and other products serving the Brazilian fertilizer markets
- Currently focusing on implementing Repurpose Plan to optimize Itafos Arraias' finished fertilizer production with a multi-product portfolio of higher grade SSP, SSP+ and value added premium PK compound products and procuring higher-grade phosphate rock from third parties and, once operational, from Itafos Farim
- Owns phosphate ore mines located approx. 10 miles from the production facilities (approx. 79.0Mt of measured and indicated resources<sup>1</sup>)
- Phosphate ore conventionally open pit mined by a 3<sup>rd</sup> party operator on a cost per ton basis and transported by truck to the production facilities
- Sulfuric acid internally produced (approx. 100%) with sulfur purchased from 3<sup>rd</sup> parties, on a price tied to sulfur benchmarks
- Ammonia purchased from 3<sup>rd</sup> parties on a price tied to ammonia benchmarks
- Total of 284 employees and 243 contractors (mostly from 3<sup>rd</sup> party mining operator)

Product	Gross production	Net saleable product	Key highlights
SSP, SSP+, Other	500kt	500kt	<ul style="list-style-type: none"> <li>▪ Produced by reacting phosphate rock with sulfuric acid and ammonia and potentially compounds with other nutrients</li> <li>▪ Solid granule fertilizer used on crops such as soybeans</li> </ul>
Sulfuric Acid	210kt	40kt	<ul style="list-style-type: none"> <li>▪ Used in acidulation process with excess production sold into local sulfuric acid markets</li> </ul>

**Production and sales capacity of approx. 500kt per year**

Source: Itafos Information

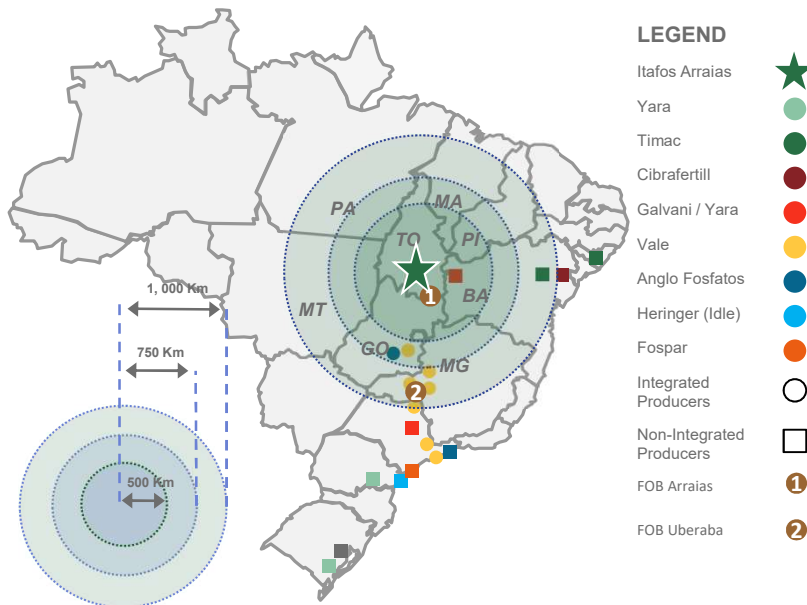


<sup>1</sup> The latest technical report for Itafos Arraias titled "Updated Technical Report Itafos Arraias SSP Project, Tocantins State, Brazil" and dated as of March 27, 2013 is filed under Itafos' profile on SEDAR.; Itafos is in process of updating such technical report to confirm reserve and resource estimates

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# Strategic position in one of the fastest growing fertilizer markets in the world

## Target region and domestic capacity



- Itafos Arraias is vertically integrated, while competitors, in central Brazil, are generally not
- Itafos Arraias' target region includes eight states within Cerrado region (Bahia, Goias, Mato Grosso, S. Piaui, Maranhao, Tocantins, Pará, Minas Gerais)

## Logistics costs

- Capacity is scattered along coastal locations and in southern states
- Some competitors are located >700km away while some of the nearest ports are >1,000km away
- Assuming US\$0.06-0.07/t/km for logistics, cost advantage to Itafos Arraias expected in the range of US\$20-25/t in its core markets

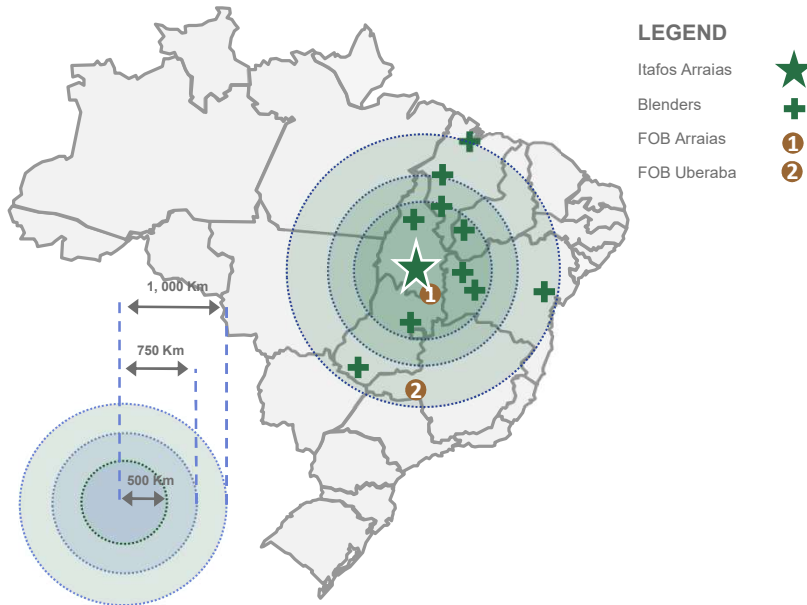
Significant and sustainable logistics costs competitive advantages in its core markets

Source: Itafos Information; ANDA; Ministry of Agriculture; Agroconsult; Secex; ICIS

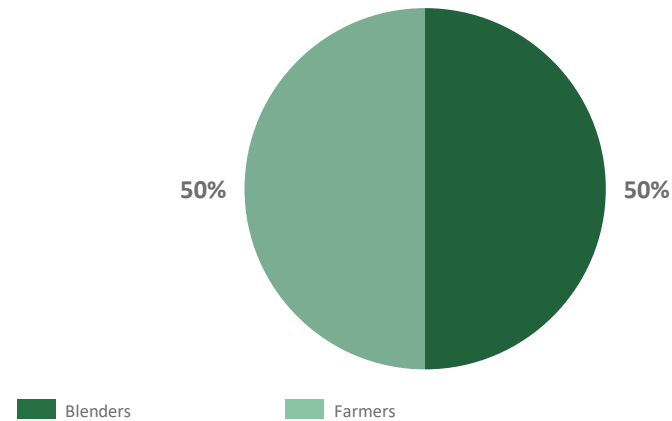
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# Adds competitive domestic supply to fertilizer market with disciplined sales and marketing strategy

## Target region



## Composition of customers



## Key highlights

- Lean sales team design which is based on leveraging agents network for a more efficient market reach
- Strong relationship with main distributors (blenders)
  - Focus on a few large blenders, providing easier access and ability to pay cash for products
  - Work with blenders to develop “venda a ordem” sales, where Itafos Arraias ships product direct to farmer but in the name of the blender
- Pursue direct sales to farmers in regions where there is no direct competition with blenders
  - Priority on prepaid volumes for direct to farmer sales in order to minimize credit risk

Supported by growing demand, vertical integration, strategic position and respected team to execute

Source: Itafos Information; ANDA

## Itafos Farim ... A West African, construction ready, high-grade and low cost phosphate rock mining project

### Key highlights

- Located near Farim, 120km northeast of Bissau
- Extensive geological deposit with potential to increase mine life
  - Estimated measured and indicated resources of 105.6Mt at avg. 28.4% P<sub>2</sub>O<sub>5</sub> (includes estimated proven and probable reserves of 44.0Mt at avg. 30.0% P<sub>2</sub>O<sub>5</sub>)
- Expected phosphate rock concentrate production of 1.34Mt per year at avg. 34% P<sub>2</sub>O<sub>5</sub>
  - Estimated mine life of 25 years
- Low capex and opex
  - Estimated unlevered capex of US\$200-220mm (contract mining)
  - Estimated opex of US\$60-66/t per year (contract mining)
- Access to existing infrastructure including 70km of paved road covering most of the route from site to port
  - Port to be located at Ponta Chugue and will be able to receive 65,000 Dead Weight Tonne (“DWT”) ships
  - Port to be 100% owned by Itafos
- Ability to ship product globally, beyond the natural market of the Atlantic Basin
  - Freight cost advantage to ship product to the U.S. and Atlantic basin

### Reserve and resources highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
Reserves	44.0	30.0%	13.2
M&I resources (incl. reserves)	105.6	28.4%	30.0
Inferred resources	37.6	27.7%	10.4

### Extensive geological reserve base with significant expansion potential

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Farim titled “NI 43-101 Technical Report on the Farim Phosphate Project” and dated as of September 14, 2015 is filed under GB Minerals Ltd.’s profile on SEDAR; Measured and indicated resources inclusive of reserves

## Itafos Farim ... A West African, construction ready, high-grade and low cost phosphate rock mining project (cont'd)

Milestones	Status	Highlights
<b>Feasibility Study</b>	▪ Complete	▪ Reviewed by independent technical consultants
<b>Environmental and social impact assessment ("ESIA")</b>	▪ Complete	▪ Based on IFC guidelines and Equator principles and reviewed by independent technical consultants
<b>Environmental baseline monitoring</b>	▪ Ongoing	▪ Baseline air, noise and water quality measurements taken
<b>Resettlement action plan</b>	▪ Complete	<ul style="list-style-type: none"> <li>▪ Resettlement action plan and architectural designs for replacement housing complete</li> <li>▪ Implementation phase for host site relocation and livelihood restitution now in place</li> <li>▪ First settlement relocation expected to occur in late Q2 2019 with the remaining households being relocated over an 18-24 month period</li> </ul>
<b>Permits and licenses</b>	▪ Near complete	<ul style="list-style-type: none"> <li>▪ Operating license received</li> <li>▪ Environmental permit received</li> </ul>
<b>Engineering, studies and fieldwork</b>	▪ Ongoing	<ul style="list-style-type: none"> <li>▪ Almost all necessary test work completed and integrated into the designs</li> <li>▪ All required geotechnical drilling completed and integrated into the designs</li> <li>▪ Three pilot plant tests performed with similar results confirming that process design is robust</li> <li>▪ Sand, aggregate and cement from local suppliers tested for suitability</li> <li>▪ River bathymetry study complete and navigable route determined</li> <li>▪ Detailed engineering of wharf at port site in process</li> </ul>
<b>Construction camp</b>	▪ Near complete	<ul style="list-style-type: none"> <li>▪ Civil works for construction camp completed</li> <li>▪ Camp consists of modular units that are currently being assembled on site</li> </ul>
<b>Execution</b>	▪ Ongoing	<ul style="list-style-type: none"> <li>▪ Negotiations with selected EPCM contractor near complete</li> <li>▪ Selected contractors in Guinea Bissau, Senegal, Ghana and Togo have pre-qualified</li> <li>▪ Hiring of owners' team in progress</li> </ul>
<b>Offtake agreements</b>	▪ Ongoing	▪ Negotiation of offtake agreements in process
<b>Financing</b>	▪ Near complete	<ul style="list-style-type: none"> <li>▪ Extensive due diligence completed by lender and independent consultants</li> <li>▪ Board meeting for final lender approval expected for 2H 2019</li> </ul>

**Extensive geological reserve base with significant expansion potential**

Source: Itafos Information

## 5

## High quality phosphate rock is becoming more attractive

### Itafos Farim specification sheet

Element	Typical Range	Maximum
P <sub>2</sub> O <sub>5</sub>	34.0% +/- 0.5%	-
CO <sub>2</sub>	2.40% - 2.90%	3.10%
SO <sub>3</sub>	0.10% - 0.15%	0.20%
Acid Insol.	2.4% - 3.7%	4.27%
CaO	47.3% - 48.0%	49.0%
MgO	0.12% - 0.14%	0.15%
Fe <sub>2</sub> O <sub>3</sub>	2.3% - 2.7%	3.60%
Al <sub>2</sub> O <sub>3</sub>	0.28% - 0.40%	0.45%
Na <sub>2</sub> O	0.16% - 0.19%	0.20%
K <sub>2</sub> O	0.02% - 0.19%	0.03%
F	3.1% - 3.4%	3.69%
Cl	290 - 315 ppm	470 ppm
Cd	6.4 - 6.9 ppm	10 ppm
Organics	0.32% - 0.40%	0.45%
H <sub>2</sub> O	2% - 3%	5%
Adjusted MER <sup>1</sup>	0.06 to 0.08	0.10

Product size ranges from 1,180 µm to 20 µm with 60% coarse (1,180 µm to 106µm) and 38% fine (106µm to 20 µm)

### Proposed changes to EU regulation on fertilizers

- EU Parliament voted to reduce allowable Cadmium levels in fertilizers sold across the EU
  - Current level of 60mg/kg to 40mg/kg P<sub>2</sub>O<sub>5</sub> after six years
  - From 40mg/kg in year six to 20mg/kg P<sub>2</sub>O<sub>5</sub> after 16 years
- North and West African producers challenged to supply within these limits unless major changes are made to their beneficiation processes
  - Aside from capital investments, opex would likely increase in the US\$20-50/t range
- Low Cadmium levels in Itafos Farim phosphate rock make it an ideal source for the European market and any other jurisdiction with low Cadmium requirements

### Expanded market opportunity

- Itafos Farim phosphate rock can be used to make DAP and MAP
- Offtake agreements being negotiated; Strong indication of interest given high quality of Itafos Farim phosphate rock
- Offtake agreements are multi-year, fixed volume basis with pricing tied to global benchmarks

### Demanding pricing premium

Source: Itafos Information



<sup>1</sup> MER (minor element ratio) is defined as (%Fe<sub>2</sub>O<sub>3</sub> + %Al<sub>2</sub>O<sub>3</sub> + %MgO) / %P<sub>2</sub>O<sub>5</sub> and is a measure of the impurity level. Adjusted MER accounts for pyritic iron that is inferred through analyzed pyritic sulfur

## 6

## Compelling economic profile

Metric	2019	2020	2021	Notes
(US\$)				
Adjusted EBITDA	\$35-45 mm	\$55-75 mm	\$85-115 mm	<ul style="list-style-type: none"> <li>Considers current pricing environment for phosphate rock, fertilizer and key inputs pricing</li> <li>Considers Itafos Conda sulfuric acid contract re-pricing in 2019</li> <li>Considers Itafos Arraias Repurpose Plan</li> <li>Considers Itafos Farim commercial operations in 2H 2020 (contract mining scenario)</li> <li>Considers corporate costs of \$8-12mm per year</li> </ul>
Maintenance capex	\$25-35 mm	\$30-40 mm	\$25-35 mm	<ul style="list-style-type: none"> <li>Considers Itafos Conda, Itafos Arraias and Itafos Farim planned plant maintenance</li> </ul>
Growth capex	\$125-135 mm	\$105-115 mm	\$10-15 mm	<ul style="list-style-type: none"> <li>Considers Itafos Farim unlevered capex of \$200-220 mm in 2019-2020 (contract mining scenario)</li> <li>Considers Itafos Conda mine life extension initiatives unlevered capex</li> </ul>

*Note: Itafos Farim growth capex funding to include project financing of \$110-130 mm in 2019-2020; in self mining scenario vs contract mining scenario, Itafos Farim Adjusted EBITDA increases by approx. \$15-20 mm per year, unlevered capex increases by approx. \$50 mm (does not include financing costs and corporate cash burn during construction) and debt increases accordingly; Itafos Conda and Itafos Arraias effective tax rates expected at 26.5% and 15.3%, respectively*

- ✓ Near-term and predictable cash flow profile driven by Itafos Conda and Itafos Arraias along with commercial operations of Itafos Farim in 2H 2020
  - ✓ Moderate levels of debt provide flexibility through market cycles and facilitate growth strategy
- ✓ Valuation upside opportunity supported by continued de-risking of Itafos Farim and Itafos' development pipeline generally and robust industry M&A activity

**Anchored by operating businesses and development pipeline**

Source: Itafos Information



Note that FLI should not be read as a guarantee of future events or results; You are cautioned not to put undue reliance on FLI; There are certain non-IFRS measures used in this presentation, including but not limited to Adjusted EBITDA

A

## Appendix A: Phosphate highlights

ITAFOS 



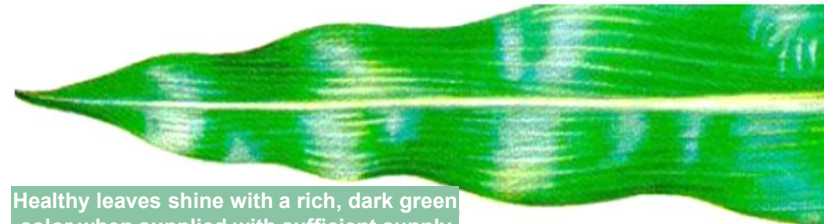


# Phosphate is a critical nutrient

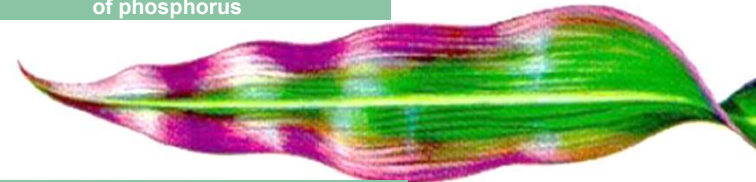
## Why phosphorus?

- All life forms need the element Phosphorus (P), which is involved in photosynthesis, energy transfer, cell division and enlargement
- Important in root formation and growth that improves the quality of fruit and vegetable crops
- Vital to seed formation, improves water usage and helps hasten maturity
- Approx. 85% of phosphate consumption is used for fertilizer manufacturing
- Phosphate fertilizers account for a quarter of total NPK fertilizers consumed globally
- Phosphate consumption is driven by key megatrends, resulting in need for increased crop yields
  - Population growth
  - Limited arable land availability
  - Rising incomes and purchasing power in developing countries lead to shifts in dietary habits towards more meat and dairy products, which require more crops as feed
- Phosphorous is a critical nutrient required to support growers for higher yields

## Effect of phosphorus on plant and crop growth



Healthy leaves shine with a rich, dark green color when supplied with sufficient supply of phosphorus



Phosphorus shortage marks leaves with reddish-purple, particularly on young plant



Without phosphate-based fertilizers

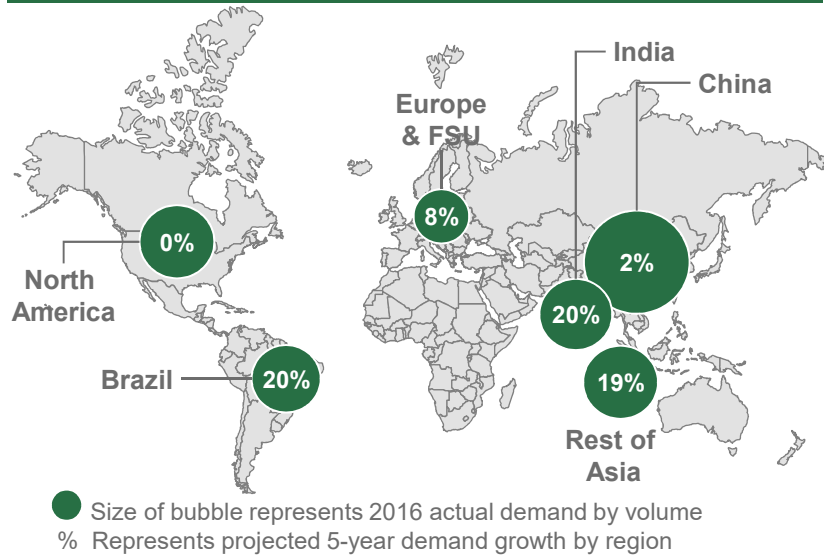
With phosphate-based fertilizer

Well positioned to benefit from agriculture and food megatrends

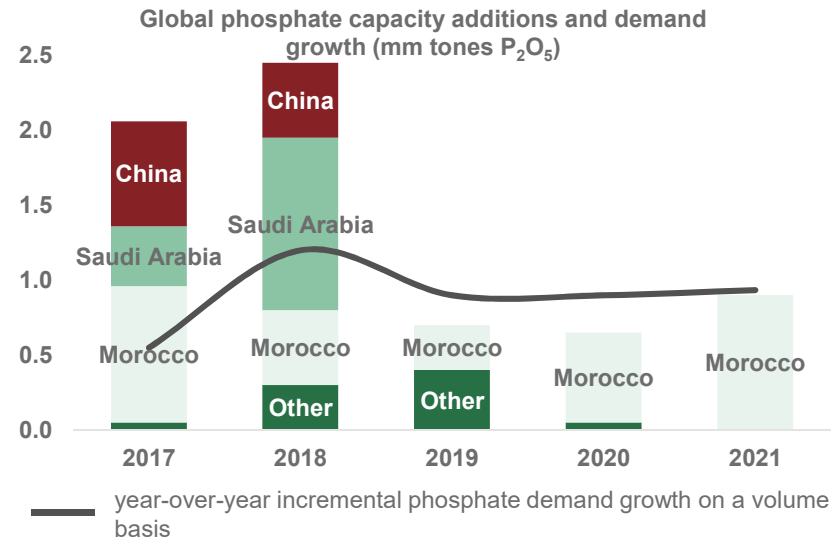
Source: Itafos Information

# Phosphate supply/demand expected to stabilize in mid-term

## Projected 5-year phosphate demand growth



## Global supply to be outpaced by demand growth



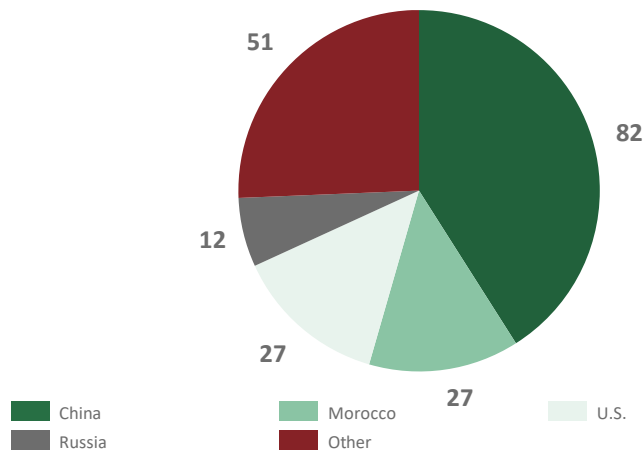
- Phosphate demand is supported by strong fundamentals
  - Global phosphate demand in 2016 was approx. 66,000kt, on a DAP/MAP/NSP/TSP basis and expected to grow approx. 9%, or approx. 2% CAGR over the next five years to a total of 75,000kt
  - Key markets like Brazil and India expected to grow approx. 20% in the next five years
  - Brazil is 4<sup>th</sup> largest fertilizer consumption market in the world
- New supply coming on-stream causing market imbalance in near-term, however, pace of new capacity expansions set to lessen after 2018, with planned expansions less than projected demand growth from 2019 onwards
  - Saudi Arabia (Ma'aden) and Morocco (OCP) are main producers with large expansions
  - Ma'aden and OCP expansions are expected to continue coming on-line gradually over the next five years
  - Lower-for-longer price forecasts have curbed further large project initiatives from other parts of the world, leaving OCP as the sole large incremental producer by 2020+

## Driven by positive demand outlook

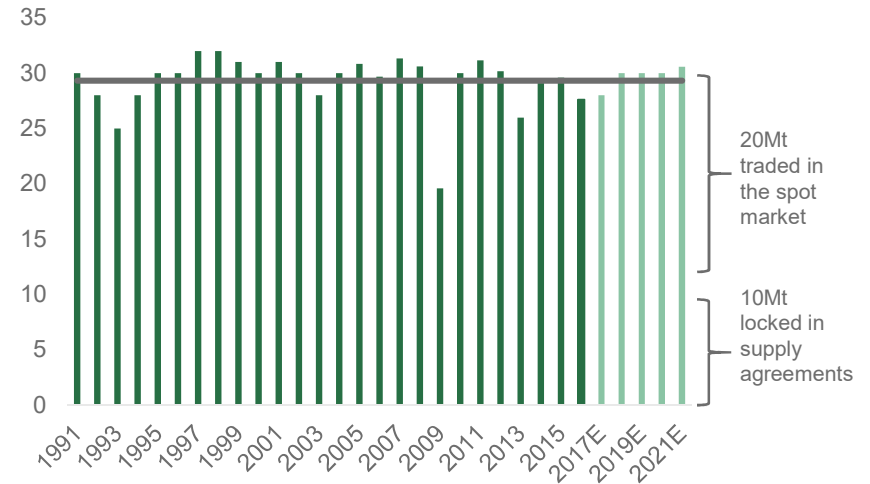
Source: Phosphate – DAP/MAP/TSP shipments from CRU Phosphate Outlook July 2017; Mosaic and Agrium Public Information

# “Traded” phosphate rock market volumes have not grown significantly over last 20 years

Global annual phosphate rock production (Mt)



Phosphate rock trade 1991 – 2021E



## Increased supply of phosphate rock...

- Approx. 30Mt production added since 2005 (supply was approx. 200Mt in 2016)
- Phosphate rock production growth in-line with fertilizer consumption increase
- Chinese production dominates the market (approx. 41%)
- The increased supply of phosphate rock globally did not influence the “traded” phosphate rock market volumes because most of this was in Asia (China) and tied to integrated granulation plants within China

## ... had no observed impact on “tradeable rock” offer

- Of the approx. 30Mt “traded” market, approx. 10Mt is sold towards DAP/MAP production, which is limited by supply sources
- OCP, which supplies the higher quality traded phosphate rock, has expanded into granulation (taking some of their own traded volume and supplying it to themselves), helping to further balance supply/demand

## “Traded” phosphate rock supply remains stable

Source: CRU, IFA, Itafos Information

B

## Appendix B: Portfolio highlights

ITAFOS 



# Portfolio highlights

Item	Itafos Conda	Itafos Arraias	Itafos Paris Hills	Itafos Farim	Itafos Santana	Itafos Araxá	Itafos Mantaro
<b>Itafos Ownership</b>	▪ 100%	▪ 96.8% <sup>1</sup>	▪ 100%	▪ 100%	▪ 99.4% <sup>1</sup>	▪ 100%	▪ 100%
<b>Location</b>	▪ Idaho, U.S.	▪ Tocantins, Brazil	▪ Idaho, U.S.	▪ Farim, Guinea Bissau	▪ Pará, Brazil	▪ Minas Gerais, Brazil	▪ Junin, Peru
<b>Status</b>	▪ Operating business	▪ Operating business	▪ Near-term project	▪ Near-term project	▪ Mid-term project	▪ Mid-term project	▪ Mid-term project
<b>Commercial operations date</b>	▪ Over 30 years	▪ Mid-year 2018	▪ Under review	▪ 2H 2020 (estimate)	▪ Pending feasibility	▪ Pending feasibility	▪ Pending feasibility
<b>Reserves<sup>2</sup></b>	▪ Under review	▪ Under review	▪ Under review	▪ 44.0Mt at avg. 30.0% P <sub>2</sub> O <sub>5</sub>	▪ Under review	▪ N/A	▪ N/A
<b>M&amp;I resources (including reserves)<sup>2</sup></b>	▪ Under review	▪ 79.0Mt at avg. 4.9% P <sub>2</sub> O <sub>5</sub>	▪ 90.1Mt at avg. 25.1% P <sub>2</sub> O <sub>5</sub>	▪ 105.6Mt at avg. 28.4% P <sub>2</sub> O <sub>5</sub>	▪ 60.4Mt at avg. 12.0% P <sub>2</sub> O <sub>5</sub>	▪ 6.4Mt at avg. 8.4% P <sub>2</sub> O <sub>5</sub>	▪ 39.5Mt at avg. 10.0% P <sub>2</sub> O <sub>5</sub>
<b>Inferred resources<sup>2</sup></b>	▪ Under review	▪ 12.7Mt at avg. 3.9% P <sub>2</sub> O <sub>5</sub>	▪ 14.0Mt at avg. 25.0% P <sub>2</sub> O <sub>5</sub>	▪ 37.6Mt at avg. 27.7% P <sub>2</sub> O <sub>5</sub>	▪ 26.6Mt at avg. 5.6% P <sub>2</sub> O <sub>5</sub>	▪ 21.9Mt at avg. 7.9% P <sub>2</sub> O <sub>5</sub>	▪ 376.3Mt at avg. 9.0% P <sub>2</sub> O <sub>5</sub>
<b>Mine life</b>	▪ Under review	▪ Under review	▪ Under review	▪ 25 years	▪ Under review	▪ Pending feasibility	▪ Pending feasibility
<b>Products</b>	▪ MAP ▪ SPA ▪ MGA ▪ APP	▪ SSP, SSP+ ▪ Other ▪ Excess sulfuric acid	▪ Phosphate rock	▪ Phosphate rock	▪ SSP ▪ Excess sulfuric acid	▪ Phosphate rock ▪ Rare earth oxides	▪ Phosphate rock oxides
<b>Production and sales capacity</b>	▪ 550kt per year	▪ 500kt per year	▪ 1.0Mt per year	▪ 1.3Mt per year	▪ 500kt per year	▪ Pending feasibility	▪ Pending feasibility

- Itafos is in process of preparing a technical report for Itafos Conda
- Given the lapse in time since the latest technical reports for Itafos Arraias, Itafos Paris Hills and Itafos Santana were prepared, Itafos is in process of updating such technical reports to confirm reserve and resource estimates

Source: Itafos Information



<sup>1</sup> 3rd party interest represented by preferred non-voting shares issued by Itafos in 2018 upon exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings

<sup>2</sup> Measured and indicated resources inclusive of reserves; Refer to subsequent slides for detail

# Itafos Conda overview

Operating  
business

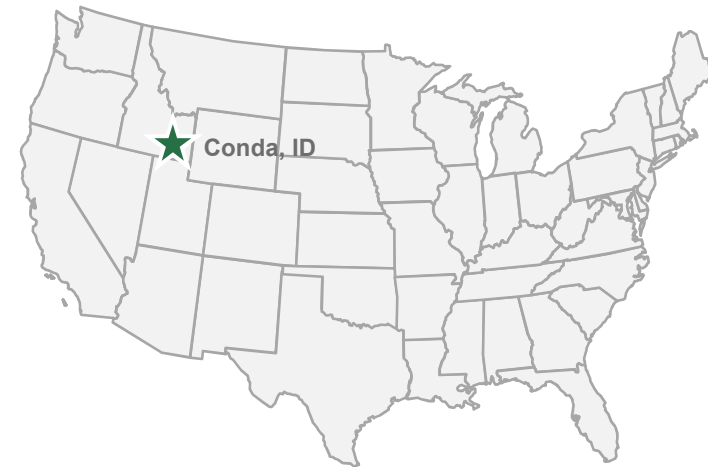
## Key highlights

- 100% owned by Itafos
- Vertically-integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year
- Produces MAP, SPA, MGA and APP to be sold to wholesale and retail customers
- Located in Conda, Idaho, U.S. on a property consisting of approx. 1,693 ha of land and close to existing infrastructure

## Status

- In process of preparing a technical report for Itafos Conda, including Itafos Paris Hills, Itafos Husky 1/North Dry Ridge, Itafos Rasmussen Valley and Itafos Lanes Creek
- Currently focusing on increasing mine life and on integration and optimization initiatives

## Location highlights



## Resource highlights

- Existing permitted mining assets include Itafos Rasmussen Valley Mine and Itafos Lanes Creek Mine
- Existing unpermitted mining assets include Itafos Husky1/North Dry Ridge and Itafos Paris Hills which will be integrated into Itafos Conda

One of three key SPA producers in the U.S., strategically located in the West

Source: Itafos Information

# Itafos Conda photos

Operating business

Mine



Plant



Sulfuric acid plant



Community involvement



# Itafos Arraias overview

Operating  
business

## Key highlights

- Owned 96.8% by Itafos
- Vertically-integrated phosphate fertilizer business with production and sales capacity of approx. 500kt per year and sulfuric acid production capacity of approx. 210kt per year
- Produces SSP, SSP+ and other products to be sold to blenders and farmers and excess sulfuric acid to be sold to industrial customers
- Located in Tocantins, Brazil on approx. 105,421 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 79.0Mt at an average grade of 4.9% P<sub>2</sub>O<sub>5</sub>

## Status

- Completed technical report in March 2013<sup>1</sup>
- In process of updating such technical report to confirm reserve and resource estimates
- Currently focusing on implementing Repurpose Plan to optimize Itafos Arraias' finished fertilizer production with a multi-product portfolio of higher grade SSP, SSP+ and value added premium PK compound products and procuring higher-grade phosphate rock from third parties and, once operational, from Itafos Farim

## Location highlights



## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
M&I resources	79.0	4.9%	3.9
Inferred resources	12.7	3.9%	0.5

- Existing permitted mines include Itafos Near Mine, Itafos Canabrava and Itafos Domingos

**Only operational vertically integrated phosphate rock mine and SSP production operation in central Brazil**

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Arraias titled "Updated Technical Report Itafos Arraias SSP Project, Tocantins State, Brazil" and dated as of March 27, 2013 is filed under Itafos' profile on SEDAR. Itafos is in process of updating such technical report to confirm reserve and resource estimates



# Itafos Arraias photos

Operating business

Mine



Reclaimer



Beneficiation plant



Community involvement



# Itafos Paris Hills overview

Near-term project

## Key highlights

- Owned 100% by Itafos
- Phosphate rock mine development project
- Expected to produce phosphate rock to be integrated with Itafos Conda
- Located in Idaho, U.S. on a property consisting of approx. 1,010 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 90.1Mt at an average grade of 25.1% P<sub>2</sub>O<sub>5</sub> with expected phosphate rock production of 1.0Mt per year

## Status

- Completed technical report in January 2013<sup>1</sup>
- In process of updating such technical report to confirm reserve and resource estimates
- Currently focusing on finalizing permitting and advancing integration efforts with Itafos Conda

## Location highlights



## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
<b>Lower zone</b>			
M&I resources	29.8	30.0%	8.9
Inferred resources	4.6	29.9%	1.4
<b>Upper zone</b>			
M&I resources	60.3	22.7%	13.7
Inferred resources	9.4	22.6%	2.1

One of the highest grade undeveloped phosphate rock mine projects located in mining friendly jurisdiction

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Paris Hills titled "NI 43-101 Technical Paris Hills Project" and dated as of January 18, 2013 is filed under Stonegate Agricom Ltd.'s profile on SEDAR; Itafos is in process of updating such technical report to confirm reserve and resource estimates

# Itafos Farim overview

Near-term project

## Key highlights

- Owned 100% by Itafos
- Phosphate rock mine development project
- Expected to produce phosphate rock to be sold to producers of phosphate based fertilizers
- Located in Farim, Guinea Bissau on a property consisting of approx. 30,625 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 105.6Mt at an average grade of 28.4% P<sub>2</sub>O<sub>5</sub> with expected phosphate rock production of 1.34Mt per year
- Expected average mine life of 25 years

## Status

- Completed technical report and ESIA in September 2015<sup>1</sup>
- Currently focusing on finalizing permitting, negotiating offtake agreements, selecting contractors, and securing project financing
- Expected commercial operations date in 2H 2020

## Location highlights



## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
Reserves	44.0	30.0%	13.2
M&I resources (incl. reserves)	105.6	28.4%	30.0
Inferred resources	37.6	27.7%	10.4

One of the highest grade undeveloped phosphate rock mine projects located near key infrastructure

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Farim titled "NI 43-101 Technical Report on the Farim Phosphate Project" and dated as of September 14, 2015 is filed under GB Minerals Ltd.'s profile on SEDAR.; Measured and indicated resources inclusive of reserves

# Itafos Farim photos

Near-term project

Mine



Port



Construction camp



Community involvement



# Itafos Santana overview

Mid-term project

## Key highlights

- Owned 99.4% by Itafos
- Integrated phosphate rock mine and SSP production facility development project with expected SSP production of approx. 500kt per year and sulfuric acid production of approx. 230kt per year
- Expected to produce SSP to be sold to blenders and farmers
- Located in Pará, Brazil on a property consisting of approx. 235,150 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 60.4Mt at an average grade of 12.0% P<sub>2</sub>O<sub>5</sub>

## Status

- Completed technical report in October 2013<sup>1</sup>
- In process of updating such technical report to confirm reserve and resource estimates
- Currently focusing on maintaining the integrity of the concession and evaluating strategic alternatives

## Location highlights



## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
M&I resources	60.4	12.0%	7.2
Inferred resources	26.6	5.6%	1.5

Integrated phosphate rock mine and SSP production project located in growing Brazil agricultural market

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Santana titled "Feasibility Study – Santana Phosphate Project Pará State, Brazil" and dated as of October 28, 2013 is filed under the Itafos' profile on SEDAR; Itafos is in process of updating such technical report to confirm reserve and resource estimates

# Itafos Araxá overview

Mid-term project

## Key highlights

- Owned 100% by Itafos
- Phosphate rock and rare earth oxide mine development project
- Expected to produce phosphate rock and rare earth oxides to be sold to producers of phosphate based fertilizers and rare earth products
- Located in Minas Gerais, Brazil on a property consisting of approx. 214 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 6.4Mt at an average grade of 8.4% P<sub>2</sub>O<sub>5</sub> with production to be determined in definitive feasibility

## Location highlights



## Status

- Completed technical report in October 2012<sup>1</sup>
- In process of updating such technical report to confirm reserve and resource estimates
- Currently focusing on maintaining the integrity of the concession and evaluating strategic alternatives

## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
M&I resources	6.4	8.4%	0.5
Inferred resources	21.9	7.9%	1.7

High grade phosphate rock and rare earth oxide mine project located near key infrastructure

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Araxá titled "A Preliminary Economic Assessment...Independent Technical Report on...Araxá Project" dated October 1, 2012 as amended and restated January 25, 2013 is filed under Itafos' profile on SEDAR; Itafos is in process of updating such technical report to confirm reserve and resource estimates

# Itafos Mantaro overview

Mid-term project

## Key highlights

- Owned 100% by Itafos
- Phosphate rock mine development project
- Expected to produce phosphate rock to be sold to producers of phosphate based fertilizers
- Located in Junin, Peru on a property consisting of approx. 12,800 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 39.5Mt at an average grade of 10.0% P<sub>2</sub>O<sub>5</sub> with production to be determined in definitive feasibility
- Potential upside from East and Far East Zones estimated to contain 705-725Mt at an average grade of 9-9.5% P<sub>2</sub>O<sub>5</sub>

## Status

- Completed technical report in February 2010<sup>1</sup>
- In process of updating such technical report to confirm reserve and resource estimates
- Currently focusing on maintaining the integrity of the concession and evaluating strategic alternatives

## Location highlights



## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	Grade (%)	P <sub>2</sub> O <sub>5</sub> (Mt)
<b>West Zone</b>			
M&I resources	39.5	10.0%	4.0
Inferred resources	376.3	9.0%	33.9

Large-scale phosphate rock mine project located near key infrastructure

Source: Itafos Information



<sup>1</sup> The latest technical report for Itafos Mantaro titled "NI 43-101 Technical Report on Mantaro Phosphate Deposit" dated February 21, 2010 is filed under Stonegate Agricom Ltd.'s profile 39 on SEDAR; Itafos is in process of updating such technical report to confirm reserve and resource estimates

## c Appendix C: Financial highlights



# Income statement

Income statement	2018	2017	Δ US\$	Δ %
<b>Income statement (US\$ 000s)</b>				
<b>Revenues, net</b>	<b>302,182</b>	-	<b>302,182</b>	<b>NA</b>
Cost of goods sold	276,553	-	276,553	NA
Impairments	146,627	-	146,627	NA
	<b>(120,998)</b>	-	<b>(120,998)</b>	<b>NA</b>
<b>Expenses</b>				
<b>Selling, general and administrative expenses</b>	<b>21,788</b>	<b>19,447</b>	<b>2,341</b>	<b>12%</b>
<b>Operating loss</b>	<b>(142,786)</b>	<b>(19,447)</b>	<b>(123,339)</b>	<b>634%</b>
Foreign exchange loss	(665)	(1,165)	500	-43%
Other income (expense)	(653)	2,740	(3,393)	-124%
Gain on fair valuation of Itafos Conda, net	46,902	-	46,902	NA
Finance expense, net	(15,866)	(1,263)	(14,603)	1156%
Gain (loss) from investments in associates	7,910	(2,400)	10,310	-430%
Warrant expense	-	(6,962)	6,962	-100%
<b>Loss before income taxes</b>	<b>(105,158)</b>	<b>(28,497)</b>	<b>(76,661)</b>	<b>269%</b>
Current and deferred income tax expense	8,329	1,914	6,415	335%
<b>Net loss attributable to shareholders of the parent</b>	<b>(113,487)</b>	<b>(30,411)</b>	<b>(83,076)</b>	<b>273%</b>
Net loss attributable to non-controlling interest	-	-	-	NA
<b>Net loss</b>	<b>(113,487)</b>	<b>(30,411)</b>	<b>(83,076)</b>	<b>273%</b>
<b>Basic loss per share</b>	<b>(0.82)</b>	<b>(0.39)</b>	<b>(0.43)</b>	<b>110%</b>
<b>Fully diluted loss per share</b>	<b>(0.82)</b>	<b>(0.39)</b>	<b>(0.43)</b>	<b>110%</b>

Source: Itafos' 2018 consolidated financial statements

# Balance sheet

Balance sheet	2018	2017	Δ US\$	Δ %
<b>Assets (US\$ 000s)</b>				
Cash and cash equivalents	9,919	63,677	(53,758)	-84%
Accounts receivable	35,907	116	35,791	30854%
Short-term investments	2,106	-	2,106	NA
Inventories, net	133,840	8,277	125,563	1517%
Other current assets	12,704	9,005	3,699	41%
<b>Total current assets</b>	<b>194,476</b>	<b>81,075</b>	<b>113,401</b>	<b>140%</b>
Property, plant and equipment, net	245,418	263,427	(18,009)	-7%
Mineral properties, net	124,286	47,195	77,091	163%
Investments in associates	-	15,074	(15,074)	-100%
Deferred tax assets	1,157	-	1,157	NA
Other long-term assets	11,082	14,520	(3,438)	-24%
<b>Total non-current assets</b>	<b>381,943</b>	<b>340,216</b>	<b>41,727</b>	<b>12%</b>
<b>Total assets</b>	<b>576,419</b>	<b>421,291</b>	<b>155,128</b>	<b>37%</b>
<b>Liabilities and equity (US\$ 000s)</b>				
Accounts payable and accrued liabilities	75,601	16,888	58,713	348%
Provisions	494	542	(48)	-9%
Current debt	325	25,530	(25,205)	-99%
Contract liabilities	2,067	-	2,067	NA
Current debentures	942	1,193	(251)	-21%
<b>Total current liabilities</b>	<b>79,429</b>	<b>44,153</b>	<b>35,276</b>	<b>80%</b>
Long-term debt	160,258	-	160,258	NA
Long-term debentures	2,588	3,769	(1,181)	-31%
Deferred tax liabilities	14,961	-	14,961	NA
Long-term provisions	39,148	2,952	36,196	1226%
Other long-term liabilities	8,256	8,818	(562)	-6%
<b>Total long-term liabilities</b>	<b>225,211</b>	<b>15,539</b>	<b>209,672</b>	<b>1349%</b>
Share capital	515,029	486,562	28,467	6%
Contributed surplus	246,626	246,626	-	0%
Cumulative translation adjustment reserve	3,655	8,455	(4,800)	-57%
Deficit	(502,593)	(389,106)	(113,487)	29%
<b>Equity attributable to shareholders of the parent</b>	<b>262,717</b>	<b>352,537</b>	<b>(89,820)</b>	<b>-25%</b>
Non-controlling interest	9,062	9,062	-	0%
<b>Total equity</b>	<b>271,779</b>	<b>361,599</b>	<b>(89,820)</b>	<b>-25%</b>
<b>Total liabilities and equity</b>	<b>576,419</b>	<b>421,291</b>	<b>155,128</b>	<b>37%</b>

Source: Itafos' 2018 consolidated financial statements

# Cash flow statement

Cash flow statement	2018	2017	Δ US\$	Δ %
<b>Operating activities (US\$ 000)</b>				
<b>Net income (loss)</b>	<b>(113,487)</b>	<b>(30,411)</b>	<b>(83,076)</b>	<b>273%</b>
Depreciation and depletion	27,069	125	26,944	21555%
Cash settlement of share-based payments	(140)	-	(140)	NA
Share-based payment (recovery) expense	21	994	(973)	-98%
Current and deferred income tax expense	8,329	1,450	6,879	474%
Gain on fair valuation of Itafos Conda, net	(46,902)	-	(46,902)	NA
Loss on Brazilian warrants	-	6,962	(6,962)	-100%
(Gain) loss from investments in associates	(7,910)	2,400	(10,310)	-430%
Unrealized foreign exchange loss	693	1,165	(472)	-41%
Impairments	146,627	-	146,627	NA
Finance expense, net	15,866	1,263	-	-
Net change in non-cash working capital	(48,905)	(9,690)	(39,215)	405%
<b>Cash flows from operating activities</b>	<b>(18,739)</b>	<b>(25,742)</b>	<b>7,003</b>	<b>-27%</b>
<b>Investing activities (US\$ 000s)</b>				
Addition of property, plant and equipment and mineral properties	(63,325)	(38,421)	(24,904)	65%
Acquisition of Itafos Conda	(66,500)	-	(66,500)	NA
Cash received from Itafos Conda working capital adjustment	6,872	-	6,872	NA
Cash received from Itafos Conda at acquisition	725	-	725	NA
Short-term investments	(2,106)	-	(2,106)	NA
Acquisition of GBL	(25,539)	-	(25,539)	NA
Issuance of promissory note to GBL	(4,500)	(5,000)	500	-10%
Cash received from GBL at acquisition	2,898	-	2,898	NA
Investments in associates	-	(930)	930	-100%
<b>Cash flows from investing activities</b>	<b>(151,475)</b>	<b>(44,351)</b>	<b>(107,124)</b>	<b>242%</b>
<b>Financing activities (US\$ 000)</b>				
Proceeds from debt financing	132,671	\$24,000	108,671	453%
Repayment of debt financing	(4,966)	-	(4,966)	NA
Payment of interest expense	(8,733)	-	(8,733)	NA
Payment of financing related costs	(2,079)	-	(2,079)	NA
Proceeds from debt financing subsequently settled with issuance of shares	-	9,750	(9,750)	-100%
Net proceeds from issuance of shares	-	97,027	(97,027)	-100%
<b>Cash flows from financing activities</b>	<b>116,893</b>	<b>130,777</b>	<b>(13,884)</b>	<b>-11%</b>
<b>Cash, end of period (US\$ 000s)</b>				
Effect of foreign exchange of non-US Dollar denominated cash	(437)	118	(555)	-470%
Increase (decrease) in cash	(53,758)	60,802	(114,560)	-188%
Cash, beginning of period	63,677	2,875	60,802	2115%
<b>Cash, end of period</b>	<b>9,919</b>	<b>63,677</b>	<b>(53,758)</b>	<b>-84%</b>

Source: Itafos' 2018 consolidated financial statements