Management's Discussion and Analysis of Operations and Financial Condition
For the three and nine months ended September 30, 2019 and 2018

TABLE OF CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS AND FINANCIAL CONDITION

This management's discussion and analysis of operations and financial condition ("MD&A") is as of November 29, 2019 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements For the three and nine months ended September 30, 2019 (the "Interim Financial Statements"), the Company's audited consolidated financial statements for the year ended December 31, 2018 (the "Audited Financial Statements") and accompanying management's discussion and analysis of operations and financial condition for the year ended December 31, 2018 (the "Annual MD&A"). Unless otherwise specified, all figures in this MD&A are presented in thousands of US Dollars ("$") and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and Interpretations issued by the International Financial Reporting Interpretations Committee applicable to the preparation of condensed interim financial statements, including International Accounting Standards 34 Interim Financial Reporting.

This MD&A considers both IFRS and certain non-IFRS measures that management considers to evaluate the Company's operational and financial performance. Non-IFRS measures are a numerical measure of a company's performance, that either include or exclude amounts that are not normally included or excluded from the most directly comparable IFRS measures. Management believes that the non-IFRS measures provide useful supplemental information to investors, analysts, lenders and others. In evaluating non-IFRS measures, investors, analysts, lenders and others should consider that non-IFRS measures do not have any standardized meaning under IFRS and that the methodology applied by the Company in calculating such non-IFRS measures may differ among companies and analysts. Non-IFRS financial measures should not be considered as a substitute for, nor superior to, measures of financial performance prepared in accordance with IFRS. Definitions and reconciliations of non-IFRS measures to the most directly comparable IFRS measures are included in Section 6 of this MD&A.

This MD&A contains ''forward-looking information" within the meaning of applicable Canadian securities legislation. Management believes that forward-looking information provides useful supplemental information to investors, analysts, lenders and others. In evaluating forward-looking information, investors, lenders and others should consider that forward looking information may not be appropriate for other purposes and are cautioned not to put undue reliance on forward-looking information. Forward-looking information contained in this MD&A is based on the opinions, assumptions and estimates of management set out herein, which management believes are reasonable as at the date the statements are made. Such opinions, assumptions and estimates are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in forward-looking information. Although the Company has attempted to identify crucial factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Cautionary statements regarding forward-looking information and risks and uncertainties affecting forward-looking information are included in Section 8 of this MD&A.

A copy of this MD&A and additional information relating to the Company is available under the Company's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com *and on the Company's website at* www.itafos.com.

1. GENERAL COMPANY INFORMATION

OVERVIEW

Itafos (TSXV: IFOS) (the "Company") is a 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.

The Company owns, operates and is developing the following businesses and projects:

- Itafos Conda – a vertically integrated phosphate mine and fertilizer business with production and sales capacity of approximately 550kt per year of monoammonium phosphate ("MAP"), MAP with micronutrients ("MAP+"), superphosphoric acid ("SPA"), merchant grade phosphoric acid ("MGA") and specialty products including ammonium polyphosphate ("APP") located in Idaho, US;
- Itafos Arraias – a phosphate fertilizer business with production and sales capacity of approximately 500kt per year of single superphosphate ("SSP"), SSP with micronutrients ("SSP+"), premium PK compounds and approximately 40kt per year of excess sulfuric acid located in Tocantins, Brazil;
- Itafos Farim – a high-grade phosphate mine project located in Farim, Guinea-Bissau;
- Itafos Paris Hills – a high-grade phosphate mine project located in Idaho, US;
- Itafos Santana – a vertically integrated high-grade phosphate mine and fertilizer plant project located in Pará, Brazil;
- Itafos Mantaro – a large phosphate mine project located in Junin, Peru; and
- Itafos Araxá – a vertically integrated rare earth elements and niobium mine and extraction plant project located in Minas Gerais, Brazil.

The Company's principal shareholder is CL Fertilizers Holding LLC ("CLF"). CLF is an affiliate of Castlelake L.P., a global private investment firm (see Note 22 in the Interim Financial Statements).

The Company's shares trade on the TSX Venture Exchange ("TSXV") under the trading symbol "IFOS". The Company's registered office is at Ugland House, Grand Cayman, Cayman Islands KY1-1104.

BUSINESSES AND PROJECTS

Key highlights of the Company's businesses and projects are as follows:

Item	Itafos Conda	Itafos Arraias	Itafos Farim	Itafos Paris Hills	Itafos Santana	Itafos Mantaro	Itafos Araxá
Ownership[i]	100%	97.0%	100%	100%	99.4%	100%	100%
Location	Idaho, US	Tocantins, Brazil	Farim, Guinea-Bissau	Idaho, US	Pará, Brazil	Junin, Peru	Minas Gerais, Brazil
Status	Operating business	Operating business	Near-term project	Mid-term project	Mid-term project	Mid-term project	Mid-term project
Reserves	Under review	Under review	44.0Mt at avg. 30.0% P_2O_5	Under review	Under review	Under review	Under review
Measured and indicated resources (including reserves)	49.0Mt at avg. 25.5% P_2O_5	79.0Mt at avg. 4.9% P_2O_5	105.6Mt at avg. 28.4% P_2O_5	88.0Mt at avg. 24.9% P_2O_5	60.4Mt at avg. 12.0% P_2O_5	39.5Mt at avg. 10.0% P_2O_5	6.3Mt at avg. 5.0% TREO and at avg. 1.0% Nb_2O_5
Inferred resources	0.7Mt at avg. 25% P_2O_5	12.7Mt at avg. 3.9% P_2O_5	37.6Mt at avg. 27.7% P_2O_5	10.4Mt at avg. 24.8% P_2O_5	26.6Mt at avg. 5.6% P_2O_5	376.3Mt at avg. 9.0% P_2O_5	21.9Mt at avg. 4.0% TREO and 0.6% Nb_2O_5
Mine life	Under review	Under review	25 years	Under review	Under review	Under review	Under review
Products	MAP, MAP+, SPA, MGA and APP	SSP, SSP+, PK compounds and excess sulfuric acid	Phosphate rock	Phosphate rock	SSP and excess sulfuric acid	Phosphate rock	Rare earth oxides and niobium oxide
Annual production and sales capacity[ii]	550kt	500kt SSP, SSP+ and PK compounds and 40kt excess sulfuric acid	1.3Mt	1.0Mt	500kt SSP and 30kt excess sulfuric acid	Under review	8.7kt rare earth oxides and 0.7kt niobium oxide

i. Non-controlling interests represented by preferred non-voting shares issued by Itafos in 2018 upon exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings.
ii. Itafos Arraias' annual production and sales capacity considers design capacity.

The Company's businesses and projects are described in greater detail in the Annual MD&A. The Company's latest respective technical reports are filed on SEDAR. On October 30, 2019, the Company announced the results of the technical report titled "NI 43-101 Technical Report on the Itafos Conda and Itafos Paris Hills Mineral Projects, Idaho, USA" (the "Itafos Conda Technical Report"), which will be filed on SEDAR within 45 days from the announcement. For Itafos Arraias and Itafos Santana, the Company is in process of evaluating the latest respective technical reports given the lapse in time since such technical reports were prepared.

2. HIGHLIGHTS

OVERALL HIGHLIGHTS

For the three months ended September 30, 2019, the Company's overall highlights were as follows:

- experienced significant and continued downward pressure on fertilizer prices in key markets including North America and Brazil;
- continued strong operational and environmental, health and safety performance at Itafos Conda;
- launched new semi-specialty fertilizer product MAP+ at Itafos Conda;
- implemented plan at Itafos Arraias to optimize finished fertilizer production and launched a multi-product portfolio of higher grade SSP and SSP+ and premium PK compounds (the "Repurpose Plan");
- advanced development of Itafos Farim, with focus on permitting, negotiating offtake agreements, finalizing works contractors and procurement packages and securing project financing;
- completed $15,000 capital raise in the form of convertible unsecured promissory notes issued to CLF (the "CLF Promissory Note") (see Note 12 in the Interim Financial Statements);
- executed the fourth amendment (the "Fourth Amendment") to the secured term credit facility (the "Facility") to sculpt financial covenants and provide additional flexibility to raise working capital financings at Itafos Conda and Itafos Arraias (see Note 12 in the Interim Financial Statements);
- launched aggressive corporate wide cost savings initiative; and
- advanced capital raising initiatives (see Notes 12 and 24 in the Interim Financial Statements).

Subsequent to the three months ended September 30, 2019, the Company's overall highlights were as follows:

- announced the results of the Itafos Conda Technical Report concluding increased resources from existing mines and defining Husky 1/North Dry Ridge ("H1/NDR") as the Company's path forward for mine development;
- closed a $20,000 secured working capital facility (the "Revolving Facility") at Itafos Conda and expanded commercial relationship with Gavilon Fertilizer, LLC ("Gavilon"), a subsidiary of The Gavilon Group, LLC (see Note 24 in the Interim Financial Statements);
- announced the decision to idle Itafos Arraias and suspend the Repurpose Plan at Itafos Arraias as part of a disciplined approach to capital allocation considering the continued downward pressure on global fertilizer prices; and
- announced the resignation of Brent de Jong as Chairman and member of the Company's Board of Directors and appointment of Anthony Cina to serve as Chairman on an interim basis.

FINANCIAL HIGHLIGHTS

For the three and nine months ended September 30, 2019 and 2018, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars except for per share amounts)	*For the three months ended September 30,* 2019	2018	*For the nine months ended September 30,* 2019	2018
Revenues, net	$ 81,749	$ 76,282	$ 257,999	$ 201,585
Operating income (loss)	$ (14,343)	$ (2,547)	$ (34,432)	$ 8,699
Net income (loss)	(20,778)	(14,390)	(55,706)	41,670
Adjusted EBITDA[i]	975	6,279	505	27,811
Maintenance capex[ii]	$ 2,109	$ 9,319	$ 19,156	$ 31,109
Growth capex[iii]	9,327	4,878	15,507	19,111
Basic loss per share	$ (0.15)	$ (0.10)	$ (0.40)	$ 0.30
Fully diluted income (loss) per share	$ (0.15)	$ (0.10)	$ (0.40)	$ 0.30

i. Adjusted EBITDA is a non-IFRS measure (see Section 6).
ii. Maintenance capex is a non-IFRS measure (see Section 6).
iii. Growth capex is a non-IFRS measure (see Section 6).

For the three and nine months ended September 30, 2019 and 2018, the Company's financial highlights were explained as follows:

- revenues were up year-over-year primarily due to higher MAP and SPA sales volumes as well as higher realized SPA prices, which were partially offset by lower realized MAP prices, at Itafos Conda and revenue contributions from Itafos Arraias during 2019, which had not achieved commercial production during H1 2018;
- net income (loss) was down year-over-year primarily due to a gain on the fair valuation of Itafos Conda and a gain from investments in associates related to the GB Minerals Ltd. ("GBL") Arrangement during Q1 2018 (see Note 4 in the Interim Financial Statements);
- adjusted EBITDA was down year-over-year primarily due to higher input costs at Itafos Conda and constrained production due to the implementation of the Repurpose Plan at Itafos Arraias during 2019, which had not achieved commercial production during H1 2018 (see Section 6);
- maintenance capex was down year-over-year primarily due to a partial planned plant turnaround at Itafos Conda during 2019 compared to a full planned plant turnaround at Itafos Conda during 2018 (see Section 6); and
- growth capex was down year-over-year primarily due to the capitalization of costs at Itafos Arraias during H1 2018 ahead of achieving commercial production, which were partially offset by development activities at Itafos Farim, gyp stack expansion and mine life extension activities at Itafos Conda during 2019 (see Section 6).

As at September 30, 2019 and December 31, 2018, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars)	**September 30, 2019**	**December 31, 2018**
Total assets	$ 568,630	$ 576,419
Total liabilities	352,951	304,640
Net debt[i]	171,919	152,088
Total equity	215,679	271,779

i. Net debt is a non-IFRS measure (see Section 6).

As at September 30, 2019 and December 31, 2018, the Company's financial highlights were explained as follows:

- total assets were down period-over-period primarily due to decreases in receivables and inventory at Itafos Conda and increases in depreciation of assets in service during 2019, which were partially offset by an increase in property, plant and equipment related to the application of IFRS 16 during 2019 (see Note 7 in the Interim Financial Statements) and growth capex during 2019;
- total liabilities were up period-over-period primarily due to increases as a result of the recognition of lease liabilities related to the application of IFRS 16 (see Note 13 in the Interim Financial Statements), increases in long-term provisions due to additions to asset retirement obligations at Itafos Conda and higher trade payables during 2019;
- net debt was up period-over-period primarily due to the CLF Promissory Note, paid-in-kind interest expense at corporate and additional equipment financing at Itafos Conda during 2019 (see Section 6); and
- total equity was down period-over-period primarily due to an increase in deficit due to the net loss and a decrease in share capital due to the repurchase of shares through the Normal Course Issuer Bid ("NCIB") during 2019 (see Note 14 in the Interim Financial Statements).

BUSINESS HIGHLIGHTS

Itafos Conda

For the three and nine months ended September 30, 2019, Itafos Conda continued its strong operational performance with overall production volumes up year-over-year. In addition, Itafos Conda sustained environmental, health and safety excellence including achievement of a notable milestone by exceeding one year without a reportable injury prior to one recordable injury occurring during Q3 2019 and continued avoidance of any chemical releases during 2019. Unusually cold and wet weather conditions across key growing regions affected short-term fertilizer buying patterns in the US and caused many growers to defer fertilizer purchases. These developments have elevated inventories to near historic highs, putting significant downward pressure on fertilizer prices in the short-term. SPA production and sales were constrained due to increased amounts of unfavorable ore elements, shortage of finished product rail cars and lack of sulfuric acid availability, which were impacted by weather and logistical challenges and correspondingly resulted in a shift to incremental MAP production. The increase in unfavorable ore elements, most notably magnesium oxide, resulted in evaporation capacity limitations, which negatively impacted SPA production. To mitigate the potential impact of unfavorable ore elements affecting future periods, Itafos Conda is taking steps to further optimize ore blending and evaluating selective beneficiation processes.

Itafos Conda's margins were compressed year-over-year primarily due to higher input costs, most notably purchased sulfuric acid, ore and natural gas. The higher input costs were related to sulfuric acid contract repricing in 2019, higher ore feed costs driven by reduced ore volumes due to mine sequencing and a spike in natural gas price driven by a supply disruption due to an off-site pipeline explosion, which negatively impacted the Sumas index in late 2018. To mitigate the potential impact of input costs affecting future periods, Itafos Conda made operational improvements to improve mining efficiencies during Q3 2019 and entered into a two-year fixed price natural gas supply agreement during Q4 2019.

During Q3 2019, Itafos Conda completed a pilot production run of a new semi-specialty fertilizer product, MAP+. The Company expects that production and sales of MAP+ will improve Itafos Conda's margin profile by reducing exposure to diammonium phosphate ("DAP") New Orleans ("NOLA") price fluctuations, requiring less P_2O_5 per tonne and limiting the commercial impact of lower near-term SPA production. Also during Q3 2019, Itafos Conda completed a significant amount of exploratory drilling work in support of the Itafos Conda Technical Report and environmental baselines in support of the permitting process for H1/NDR.

Also during 2019, Itafos Conda completed a partial planned plant turnaround compared to a full planned plant turnaround during 2018. For the three and nine months ended September 30, 2018, Itafos Conda's business highlights consider the period from the date of acquisition on January 12, 2018 through September 30, 2018 (see Note 4 in the Interim Financial Statements).

For the three and nine months ended September 30, 2019, and 2018, Itafos Conda's business highlights were as follows:

(unaudited in thousands of US Dollars except for volumes, prices and costs)	*For the three months ended September 30,* **2019**	**2018**	*For the nine months ended September 30,* **2019**	**2018**
Production volumes (t)				
MAP	94,323	96,979	285,326	270,663
MAP+	9,028	—	9,028	—
SPA[i]	36,523	42,529	109,054	110,079
MGA[ii]	467	281	1,078	281
APP	4,245	5,844	30,779	17,782
Sales volumes (t)				
MAP	108,243	64,335	307,006	226,199
MAP+	—	—	—	—
SPA[i]	28,636	28,793	96,275	87,290
MGA[ii]	397	281	1,078	281
APP	4,881	5,987	26,229	17,925
Realized price ($/t)[iii]				
MAP	$ 360	$ 448	$ 396	$ 425
MAP+	$ —	$ —	$ —	$ —
SPA[iv]	$ 938	$ 927	$ 982	$ 912
MGA[v]	$ 935	$ 936	$ 1,005	$ 936
APP	$ 463	$ 429	$ 471	$ 431
Revenues ($)				
MAP	$ 38,948	$ 28,809	$ 121,501	$ 96,051
MAP+	$ —	$ —	$ —	$ —
SPA, net	$ 26,869	$ 26,685	$ 94,584	$ 79,588
MGA, net	$ 371	$ 263	$ 1,083	$ 263
APP, net	$ 2,260	$ 2,570	$ 12,342	$ 7,728
Revenues per tonne P_2O_5[vi]	$ 787	$ 903	$ 863	$ 869
Cash costs per tonne P_2O_5[vii]	$ 672	$ 691	$ 732	$ 659
Adjusted EBITDA[viii]	$ 8,532	$ 13,592	$ 30,357	$ 43,855

i. SPA production and sales volumes (t) are presented on a 100% P_2O_5 basis.
ii. MGA production and sales volumes (t) are presented on a 100% P_2O_5 basis.
iii. Realized price ($/t) is a non-IFRS measure (see Section 6).
iv. SPA realized prices ($/t) are presented on a 100% P_2O_5 basis.
v. MGA realized prices ($/t) are presented on a 100% P_2O_5 basis.
vi. Revenues per tonne P_2O_5 is a non-IFRS measure (see Section 6).
vii. Cash costs per tonne P_2O_5 is a non-IFRS measure (see Section 6).
viii. Adjusted EBITDA is a non-IFRS measure (see Section 6).

For the three and nine months ended September 30, 2019 and 2018, Itafos Conda's business highlights were explained as follows:

- MAP production volumes were up year-over-year primarily due to a shift to incremental MAP production as a result of SPA production constraints and shortened 2018 due to acquisition timing and longer plant turnaround;
- MAP sales volumes were up year-over-year despite delayed spring demand due to higher MAP sales under the exclusive long-term MAP offtake agreement with Nutrien;
- MAP realized prices were down year-over-year primarily due to pressure on DAP NOLA to which the exclusive long-term MAP offtake agreement with Nutrien is linked;
- MAP+ production volumes were up year-over-year due to pilot production run during Q3 2019;
- SPA production volumes were flat year-over-year primarily due to production constraints during 2019 and shortened 2018 due to acquisition timing and longer plant turnaround;
- SPA sales volumes were up year-over-year primarily due to greater demand for liquid products during 2019;
- SPA realized prices were up year-over-year primarily due to favorable SPA market conditions relative to dry fertilizers;
- revenues per tonne P_2O_5 were down year-over-year primarily due to lower MAP realized prices during 2019, which were partially offset by higher SPA realized prices during 2019; and
- cash costs per tonne P_2O_5 were up year-over-year primarily due to higher input costs in 2019 (see Section 6).

Itafos Arraias

In July 2017, the Company completed the recommissioning of Itafos Arraias. On July 3, 2018, Itafos Arraias achieved commercial production. Despite having achieved commercial production, Itafos Arraias experienced operational challenges post declaration of commercial production resulting in lower than optimal levels of capacity utilization. During Q3 2018, the Company developed and implemented an efficiency improvement plan (the “Efficiency Improvement Plan”) to address the technical issues underlying the operational challenges and to return Itafos Arraias to optimal levels of capacity utilization by year end 2019. While certain of the operational challenges were resolved and the business improved, the Efficiency Improvement Plan did not achieve the results expected.

During 2019, the Company implemented the Repurpose Plan at Itafos Arraias in order to optimize Itafos Arraias’ finished fertilizer production with a multi-product portfolio of higher grade SSP, SSP+ and premium PK compounds. The Repurpose Plan at Itafos Arraias aimed to enhance Itafos Arraias’ competitive positioning and profitability while reducing its operational and environmental risk profile. To enable the Repurpose Plan, Itafos Arraias has been purchasing, receiving and processing higher grade phosphate rock from third parties during 2019, including entering into a multi-year phosphate rock supply agreement to purchase higher grade phosphate rock from the OCP Group. In addition, the Company has advanced other aspects of the Repurpose Plan, including production and sales of higher grade SSP and SSP+ and premium PK compounds, implementation of an efficient logistics process related to third party phosphate rock, reorganization of the site and commissioning of equipment. Also in connection with advancing implementation of the Repurpose Plan, during Q2 2019, the Company idled Itafos Arraias’ existing mines, tailings dam and the beneficiation plant.

In November 2019, the Company announced its decision to idle Itafos Arraias and to suspend the previously announced Repurpose Plan at Itafos Arraias as part of a disciplined approach to capital allocation considering the continued downward pressure on global fertilizer prices. Notwithstanding the idling of Itafos Arraias, Itafos Arraias has and will continue to maintain all licenses and permits in good standing and compliance with existing regulations.

For the three and nine months ended September 30, 2019, Itafos Arraias launched its new line of premium products following the completion of initial production and sales of higher grade SSP and SSP+ and premium PK compounds. Brazilian buyers continued to curtail purchases of locally produced SSP in favor of imported MAP product, taking advantage of global MAP oversupply. Despite lower MAP CFR Brazil prices during 2019, Itafos Arraias’ realized prices of SSP and SSP+ remained strong, largely driven by the shift in selling of higher grade SSP and a strong premium for sulfur-based products.

For the three and nine months ended September 30, 2018, Itafos Arraias’ business highlights consider that Itafos Arraias had not achieved commercial production during H1 2018.

For the three and nine months ended September 30, 2019 and 2018, Itafos Arraias' business highlights were as follows:

(unaudited in thousands of US Dollars except for volumes, prices and costs)	*For the three months ended September 30,* **2019**	2018	*For the nine months ended September 30,* **2019**	2018
Production volumes (t)				
SSP	34,502	50,135	61,013	50,135
SSP+	17,431	15,756	58,077	15,756
PK compounds	3,229	—	3,229	—
Excess sulfuric acid[i]	16,248	24,142	35,642	24,142
Sales volumes (t)				
SSP	29,039	89,695	51,089	89,695
SSP+	21,064	—	54,277	—
PK compounds	119	—	119	—
Excess sulfuric acid	16,248	24,142	35,642	24,142
Realized price ($/t)[ii]				
SSP	$ 193	$ 161	$ 197	$ 161
SSP+	$ 288	$ —	$ 263	$ —
PK compounds	$ 412	$ —	$ 412	$ —
Excess sulfuric acid	$ 98	$ 144	$ 116	$ 144
Revenues ($)				
SSP, net	$ 5,591	$ 14,484	$ 10,055	$ 14,484
SSP+, net	$ 6,073	$ —	$ 14,249	$ —
PK compounds	$ 49	$ —	$ 49	$ —
Excess sulfuric acid, net	$ 1,588	$ 3,471	$ 4,136	$ 3,471
Revenues per tonne P_2O_5[iii]	$ 1,485	$ 1,178	$ 1,498	$ 1,178
Cash costs per tonne P_2O_5[iv]	$ 1,594	$ 1,370	$ 2,021	$ 1,181
Adjusted EBITDA[v]	$ (3,000)	$ (5,277)	$ (17,738)	$ (9,346)

i. Excess sulfuric acid production volumes (t) are presented net of production for internal consumption.
ii. Realized price ($/t) is a non-IFRS measure (see Section 6).
iii. Revenues per tonne P_2O_5 is a non-IFRS measure (see Section 6).
iv. Cash costs per tonne P_2O_5 is a non-IFRS measure (see Section 6).
v. Adjusted EBITDA is a non-IFRS measure (see Section 6).

For the three and nine months ended September 30, 2019, Itafos Arraias' business highlights were as follows:

- SSP and SSP+ production and sales volumes were down year-over-year primarily due to the implementation of the Efficiency Improvement Plan and subsequent implementation of the Repurpose Plan during 2019;
- SSP and SSP+ realized prices were up year-over-year primarily due to the shift in selling of higher grade products during 2019;
- excess sulfuric acid production and sales volumes were down year-over-year primarily due to a planned sulfuric acid plant turnaround during Q1 2019 and an oversupplied market that limited sales opportunities during 2019;
- excess sulfuric acid realized prices were down year-over-year due to an oversupplied market during 2019;
- revenues per tonne P_2O_5 were up year-over-year primarily due to the shift in selling of higher grade products during 2019; and
- cash costs per tonne P_2O_5 were up year-over-year primarily due to lower than expected production and sales volumes as well as higher input costs due to the shift in selling of higher grade products during 2019 (see Section 6).

MARKET HIGHLIGHTS

Global Supply Highlights

For the three months ended September 30, 2019, global supply highlights were as follows:

- increasing production coming from the ramp-up of Ma'aden's Wa'ad al Shamal in Saudi Arabia and the OCP Group's Jorf Lasfar in Morocco led producers to aggressively compete for volumes worldwide;
- Russian players PhosAgro and Eurochem continued to move significant volumes into North America due to limited regional demand in Europe as planting transitions to harvesting;
- Chinese DAP producers continued to export to Asia and India at record levels during 2019, despite suggesting production cuts;
- high inventories built in the US, India and Brazil amid increasing cargoes from Morocco, Saudi Arabia and Russia with US inventories further elevated by weak spring application; and
- Mosaic announced the idling of its Louisiana phosphate operations to reduce production by 0.5Mt during 2019 on account of oversupply in the US market.

Global Demand Highlights

For the three months ended September 30, 2019, global demand highlights were as follows:

- India continued to import DAP during Q3 2019 despite sizeable inventories as lingering low fertilizer prices stimulated significant import demand;
- India maintained robust domestic DAP production assisted by weak raw materials prices, especially following the large discount on phosphoric acid contracts between Indian buyers and OCP; and
- Brazil continued to be a useful outlet for overstocked North American channels during Q3 2019 as local buyers took advantage of low prices to secure fertilizer ahead of the main application season.

Global Pricing Highlights

For the three months ended September 30, 2019, global pricing highlights were as follows:

- DAP FOB NOLA averaged $324/t, down 28% year-over-year and dropping to a 10-year low due to continued elevated inventories;
- MAP CFR Brazil averaged $342/t, down 25% year-over-year due to continued elevated inventories;
- liquid phosphates continued to outpace dry phosphates due to a relatively tighter supply-demand balance; and
- input prices including sulfur and ammonia averaged down 29% and 45% year-over-year, respectively, due to lack of demand for sulfur and new ammonia supply entering the market such as EuroChem's Kingisepp in Russia.

OTHER HIGHLIGHTS

NCIB

On December 12, 2018, the Company received conditional acceptance from the TSXV to commence a NCIB. Through the NCIB, the Company may purchase, from time to time as it considers advisable over the 12-month period of the NCIB, up to an aggregate of 7,103,515 shares of the Company (the "Shares"), representing 5.0% of the Company's outstanding shares as at December 12, 2018. The NCIB commenced on December 14, 2018 and will terminate on the earlier of (i) the Company purchasing the Shares, (ii) the Company providing a notice of termination or (iii) 12 months following the commencement date. All purchases through the NCIB have been and will be made through the facilities of the TSXV or alternative Canadian trading systems at market prices or by such other means as may be permitted under applicable securities laws. A copy of the NCIB notice can be obtained free of charge by contacting the Company.

During the nine months ended September 30, 2019, the Company repurchased 1,771,500 shares through the NCIB for an aggregate amount of $1,028. Also during the nine months ended September 30, 2019, the Company cancelled the 1,771,500 shares repurchased through the NCIB (see Note 14 of the Interim Financial Statements).

3. OUTLOOK

BUSINESS OUTLOOK

The Company is executing its strategy by focusing on:

- extending Itafos Conda's current mine life through advancing permitting and development of H1/NDR;
- optimizing Itafos Conda's EBITDA generation potential;
- idling Itafos Arraias and evaluating strategic alternatives for the business;
- finalizing permitting, negotiating offtake agreements, finalizing works contractors and procurement packages and securing project financing for Itafos Farim;
- maintaining the integrity of the concessions and evaluating strategic alternatives for Itafos Paris Hills, Itafos Santana, Itafos Mantaro and Itafos Araxá;
- implementing aggressive corporate wide cost saving initiative; and
- advancing capital raising initiatives.

Itafos Conda

Itafos Conda is a vertically integrated phosphate mine and fertilizer business representing approximately 7% of US phosphate market capacity. Itafos Conda is strategically positioned in southeast Idaho, in close proximity to key North American fertilizer markets. On January 12, 2018, the Company completed the acquisition of Itafos Conda (see Note 4 in the Interim Financial Statements). The acquisition of Itafos Conda was a unique investment opportunity that was consistent with the Company's strategy and was immediately transformational. Itafos Conda has been operating for over 30 years and further diversifies the Company's portfolio through geography, project development stage and business characteristics. Itafos Conda owns the Rasmussen Valley ("RV") and Lanes Creek phosphate ore mines located approximately 15 miles from the production facilities.

The Company is working on extending Itafos Conda's current mine life through the safe and responsible execution of its development portfolio and other alternatives. The Company's development portfolio includes nearby development projects H1/NDR (located approximately 19 miles from Itafos Conda's production facilities) and Itafos Paris Hills (located approximately 35 miles from Itafos Conda's production facilities), which together with other alternatives, provide the Company with clear line of sight to achieve its objective of extending Itafos Conda's current mine life.

On October 30, 2019, the Company announced the results of the Itafos Conda Technical Report concluding increased resources from existing mines and defining H1/NDR as the Company's path forward for mine development (see Section 2). The Itafos Conda Technical Report concluded that, with respect to Itafos Conda's existing mines, the RV deposit contains Mineral Resource estimates of 15.2 million short tons. This Mineral Resource estimate for RV is a 37% increase over Itafos Conda's historical internal estimates. Further, the Itafos Conda Technical Report concluded that, with respect to Itafos Conda's mine development options, the H1/NDR deposits contain Mineral Resource estimates of 38.1 million short tons at approximately 24.3% P_2O_5. This Mineral Resource estimate for H1/NDR is a 60% increase over Itafos Conda's historical internal estimates.

On October 31, 2019, Itafos Conda closed the Revolving Facility and expanded its commercial relationship with Gavilon (see Section 2). The Revolving Facility is expected to improve Itafos Conda's financial flexibility and reduce its cost of capital.

Currently, the Company is focusing on extending Itafos Conda's current mine life through the safe and responsible development of H1/NDR and optimizing Itafos Conda's EBITDA generation potential.

H1/NDR's development milestones are as follows:

Milestone	Status	Highlights
Preliminary economic analysis ("PEA")	Ongoing	▪ Results announced concluding increased resources from existing mines and defining H1/NDR as the Company's path forward for mine development ▪ Technical report to be completed and filed on SEDAR within 45 days from October 30, 2019
Exploration and development	Ongoing	▪ Five exploration drilling programs for H1 completed; future drilling being evaluated ▪ Two exploration drilling programs for NDR completed; future drilling being evaluated ▪ Metallurgical drilling program for H1 completed during Q3 2019 ▪ Metallurgical drilling program for NDR in process
Environmental Impact Statement ("EIS")	Ongoing	▪ EIS by Bureau of Land Management in process
Environmental monitoring	Ongoing	▪ Environmental baselines completed for all resources except geochemical and groundwater, which are in process ▪ Environmental monitoring in process
Permits and licenses	Ongoing	▪ Federal phosphate leases secured ▪ National Environmental Policy Act process initiated ▪ Primary federal and state permitting in process
Engineering, studies and fieldwork	Ongoing	▪ Geotechnical slope stability analysis completed ▪ Groundwater fate and transport modeling in process; stormwater management plan to be created ▪ Metallurgy analysis in process ▪ Updated Mine and Reclamation Plan in process ▪ Analysis of existing and new infrastructure in process

Itafos Conda's EBITDA optimization milestones are as follows:

Milestone	Status	Highlights
MAP+	Near complete	▪ Pilot production run completed during Q3 2019 ▪ Integration into production plan in process ▪ Detailed capacity expansion planning and development of sales and marketing plan ongoing
Operations and cost to serve	Ongoing	▪ Lean Six Sigma proposal received and under review
Sulfuric acid plant expansion and cogeneration	Ongoing	▪ Pre-feasibility study originally completed in 2015 ▪ Updated proposals for construction requested
Rock cost optimization	Ongoing	▪ Tailings characterization by technical advisor in process
Byproduct (trace element 1)	Ongoing	▪ Pilot testing by technical advisor in process of being launched
Byproduct (trace element 2)	Ongoing	▪ Pilot testing by technical advisor in process of being launched
Increased P_2O_5 throughput	Ongoing	▪ Review by technical advisor in process

Itafos Arraias

Itafos Arraias was designed as a vertically integrated phosphate fertilizer business representing approximately 7% of Brazil phosphate market capacity. Itafos Arraias is strategically located in the Cerrado region of Brazil, one of the fastest growing fertilizer markets in the world. In July 2017, the Company completed the recommissioning of Itafos Arraias. On July 3, 2018, Itafos Arraias achieved commercial production. Despite having achieved commercial production, Itafos Arraias experienced operational challenges post declaration of commercial production resulting in lower than optimal levels of capacity utilization. During 2019, the Company implemented the Repurpose Plan to optimize Itafos Arraias' finished fertilizer production with a multi-product portfolio of higher grade SSP and SSP+ and premium PK compounds. In November 2019, the Company announced the decision to idle Itafos Arraias and suspend the Repurpose Plan at Itafos Arraias as part of a disciplined approach to capital allocation considering the continued downward pressure on global fertilizer prices (see Section 2). Currently, the Company is focusing on idling Itafos Arraias and evaluating strategic alternatives for the business.

Itafos Farim

Itafos Farim is a West African high-grade and low-cost phosphate rock mine project. Itafos Farim is one of the highest-grade undeveloped phosphate rock mine projects in the world. On February 27, 2018, the Company completed the acquisition of all of the issued and outstanding common shares not previously owned, directly or indirectly, by the Company of GBL, the owner of Itafos Farim (see Note 4 in the Interim Financial Statements). Currently, the Company is focusing on finalizing permitting, negotiating offtake agreements, finalizing works contractors and procurement packages and securing project financing for Itafos Farim.

Itafos Farim's development milestones are as follows:

Milestone	Status	Highlights
Feasibility study	Completed	▪ Independent technical consultant review completed
Environmental and social impact assessment ("ESIA")	Completed	▪ Based on IFC guidelines and Equator principles ▪ Independent technical consultant review completed
Resettlement action plan	Completed	▪ Submitted to and approved by the Government of Guinea-Bissau ▪ ESIA for resettlement area completed
Studies and fieldwork	Completed	▪ River bathymetry study completed and navigable route determined ▪ Geotech and hydrogeological drilling completed ▪ Four pilot plants tests performed
Permits and licenses	Near complete	▪ Environmental and operating permits approved ▪ Remaining permits (e.g. sanitation) will be obtained as the project nears construction and final drawings are available for review
Resettlement	Ongoing	▪ Construction of first 30 homes in process ▪ Preparation of agricultural land for livelihood restitution in process ▪ Remaining resettlements expected to be completed over an 18-24 month period
Environmental baseline monitoring	Ongoing	▪ Baseline air, noise and water quality measurements have been taken since 2016 and will continue for the duration of construction and mine life
Detailed Engineering and Construction	Ongoing	▪ Definitive estimate and schedule completed ▪ Work contractors and procurement packages finalized ▪ De-vegetation and earthworks ready to commence
Offtake agreements	Ongoing	▪ Negotiation of offtake agreements in process
Financing	Ongoing	▪ Extensive due diligence completed ▪ Final lender approval expected for H1 2020

Mid-Term Pipeline

Currently, the Company is focusing on maintaining the integrity of the concessions and evaluating strategic alternatives for Itafos Paris Hills, Itafos Santana, Itafos Mantaro and Itafos Araxá.

Corporate

Currently, the Company is focusing on advancing its corporate wide cost savings initiative to improve margins and preserve capital. In addition, the Company is focusing on advancing capital raise initiatives to fund its working capital and growth capex requirements. In light of the challenging global fertilizer market conditions, the Company is further evaluating project schedules and ramp up timing for its businesses and projects in order to reduce short-term capital raising requirements and preserve cash.

MARKET OUTLOOK

Global Supply Outlook

The Company's outlook on global supply is as follows:

- Chinese export availability should tighten as producers start to concentrate on supplying the domestic season and some exporter margins are forecasted to be negative;
- the OCP Group and Ma'aden are expected to remain competing for global market share as they continue to ramp-up new capacity; however, the OCP Group is demonstrating flexibility by pulling back DAP exports in favor of phosphoric acid;
- Russian suppliers are increasingly focused on domestic and regional markets; and
- Mosaic has indicated that it expects to restart its currently idled Louisiana phosphate operations during Q1 2020.

Global Demand Outlook

The Company's outlook on global demand is as follows:

- India is experiencing longer and heavier monsoon, which is expected to result in increased fertilizer consumption during Rabi season; however, such increased demand is not expected to offset weak demand in the US and China;
- US fall demand has been hampered by a late harvest and wet weather; however, fertilizer consumption is expected to improve by mid-year 2020 driven by the lack of application over the last year and relatively strong grain prices, with further upside potential if the Upper Mississippi River navigation is closed; and
- Brazilian MAP consumption could take place ahead of schedule due to a profitable 2019 crop, which left farmers with cash on hand, and fertilizer prices at their most affordable levels in 10 years.

Global Pricing Outlook

The Company's outlook on global pricing is as follows:

- prices are expected to remain challenged through mid-year 2020 term as increasing production from Saudi Arabia and Morocco should continue pressuring the market and elevated inventories are expected to take time to drawdown, particularly in the US;
- prices are expected to increase gradually during H2 2020 as supply retreats and demand starts to consume global inventories; and
- input prices are expected to continue moving in different directions, with sulfur forecasted to remain depressed through mid-2020 as the demand outlook remains muted, while ammonia markets are poised to tighten in Q4 2019 onward as supply retreats due to shutdowns in Trinidad and tensions in the Middle East, which could decrease exports.

4. OVERVIEW OF RESULTS

SUMMARY OF QUARTERLY RESULTS

For the three months ended September 30, 2019, June 30, 2019, March 31, 2019 and December 31, 2018, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except for per share amounts)	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Net income (loss)	$ (20,778)	$ (21,597)	$ (13,331)	$ (153,497)
Basic income (loss) per share	(0.15)	(0.15)	(0.09)	(1.08)
Diluted income (loss) per share	(0.15)	(0.15)	(0.09)	(1.08)
Total assets	$ 568,630	$ 566,575	$ 575,339	$ 576,419

For the three months ended September 30, 2018, June 30, 2018, March 31, 2018 and December 31, 2017, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except for per share amounts)	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Net income (loss)	$ (14,390)	$ 4,736	$ 51,324	$ (7,936)
Basic income (loss) per share	(0.10)	0.03	0.37	(0.01)
Diluted income (loss) per share	(0.10)	0.03	0.36	(0.01)
Total assets	$ 749,189	$ 760,789	$ 692,369	$ 421,291

5. STATEMENTS OF OPERATIONS

For the three and nine months ended September 30, 2019 and 2018, the Company's statements of operations were as follows:

(unaudited in thousands of US Dollars except for per share amounts)	*For the three months ended September 30,* 2019	2018	*For the nine months ended September 30,* 2019	2018
Revenues, net	$ 81,749	$ 76,282	$ 257,999	$ 201,585
Cost of goods sold	88,165	75,606	271,527	176,638
	$ (6,416)	676	$ (13,528)	24,947
Expenses				
Selling, general and administrative expenses	7,927	3,223	20,904	16,248
Operating income (loss)	$ (14,343)	$ (2,547)	$ (34,432)	$ 8,699
Foreign exchange gain (loss)	303	(748)	(1,513)	289
Other income (expense), net	(741)	(835)	(2,513)	(791)
Gain on fair valuation of Itafos Conda, net	—	—	—	46,902
Finance expense, net	(8,349)	(5,601)	(19,411)	(11,205)
Gain from investments in associates	—	—	—	7,910
Warrant expense (Note 18)	—	—	—	—
Income (loss) before income taxes	$ (23,130)	$ (9,731)	$ (57,869)	$ 51,804
Current and deferred income tax expense (recovery)	(2,352)	4,659	(2,163)	10,134
Net income (loss) attributable to shareholders of the parent	$ (20,778)	(14,390)	$ (55,706)	41,670
Net loss attributable to non-controlling interest	—	—	—	—
Net income (loss)	$ (20,778)	$ (14,390)	$ (55,706)	$ 41,670
Basic income (loss) per share	$ (0.15)	$ (0.10)	$ (0.40)	$ 0.30
Fully diluted income (loss) per share	$ (0.15)	$ (0.10)	$ (0.40)	$ 0.30

For the three and nine months ended September 30, 2019 and 2018, the Company's statements of operations were explained as follows:

- revenues were up year-over-year primarily due to higher MAP and SPA sales volumes as well as higher realized SPA prices, which were partially offset by lower realized MAP prices, at Itafos Conda and revenue contributions from Itafos Arraias during 2019, which had not achieved commercial production during H1 2018;
- cost of goods sold was up year-over-year primarily due to higher input costs at Itafos Conda and constrained production due to the implementation of the Repurpose Plan at Itafos Arraias during 2019, which had not achieved commercial production during H1 2018 (see Section 6);
- selling, general and administrative expenses were up year-over-year primarily due increased payroll expenses during 2019, which were partially offset by transaction costs recognized in 2018;
- foreign exchange gains and losses were primarily due to fluctuations of the Brazilian Real;
- other expense was up year-over-year primarily due to an increase in labor contingency during Q2 2019, which was partially offset by other income received from a third party to run power lines through Itafos Conda property during Q1 2019;
- gain on fair valuation of Itafos Conda was due to a one-time event related to the acquisition of Itafos Conda during 2018 (see Note 4 in the Interim Financial Statements);
- finance expense was up year-over-year primarily due to interest expense and loss on debt modification at corporate and application of IFRS 16 during 2019; and
- gain from investments in associates was due to a one-time event related to the completion of the GBL Arrangement during Q1 2018 (see Note 4 in the Interim Financial Statements); and current and deferred income tax expense (recovery) was down year-over-year due to increased net loss during 2019.

6. NON-IFRS FINANCIAL MEASURES

DEFINITIONS

The Company considers non-IFRS measures as follows:

Non-IFRS measure	Definition	Most directly comparable IFRS measure
EBITDA	Earnings before interest, taxes, depreciation, depletion and amortization	Net income (loss) and operating income (loss)
Adjusted EBITDA	EBITDA adjusted for non-cash, extraordinary, non-recurring and other items unrelated to the Company's core operating activities	Net income (loss) and operating income (loss)
Total capex	Additions to property, plant, and equipment and mineral properties adjusted for additions to asset retirement obligations, additions to right of use assets and capitalized interest	Additions to property, plant and equipment and mineral properties
Maintenance capex	Portion of total capex relating to the maintenance of ongoing operations of the Company	Additions to property, plant and equipment and mineral properties
Growth capex	Portion of total capex relating to development of growth opportunities of the Company	Additions to property, plant and equipment and mineral properties
Net debt	Debt and debentures less cash and cash equivalents and short-term investments	Current debt, current debentures, long-term debt, long-term debentures, cash and cash equivalents and short-term investments
Working capital	Current assets less current liabilities	Current assets and current liabilities
Realized price	Revenues, net divided by sales volumes	Revenues, net
Revenues per tonne P_2O_5	Revenues, net divided by sales volumes presented on P_2O_5 basis	Revenues, net
Cash costs	Cost of goods sold less net realizable value adjustments, depreciation, depletion and amortization	Cost of goods sold
Cash costs per tonne P_2O_5	Cash costs divided by sales volumes presented on P_2O_5 basis	Cost of goods sold

EBITDA AND ADJUSTED EBITDA

For the three months ended September 30, 2019 and 2018

For the three months ended September 30, 2019 the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ (2,478)**	**$ (4,571)**	**$ (3,099)**	**$ (10,630)**	**$ (20,778)**
Finance (income) expense, net	25	(18)	17	8,325	8,349
Current and deferred income tax expense (recovery)	(2,620)	—	—	268	(2,352)
Depreciation and depletion	12,390	2,736	74	58	15,258
EBITDA	**$ 7,317**	**$ (1,853)**	**$ (3,008)**	**$ (1,979)**	**$ 477**
Unrealized foreign exchange (gain) loss	74	(747)	(204)	(17)	(894)
Share-based payment expense	—	—	—	651	651
Other (income) expense, net	1,141	(400)	—	—	741
Adjusted EBITDA	**$ 8,532**	**$ (3,000)**	**$ (3,212)**	**$ (1,345)**	**$ 975**

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ (3,910)**	**$ (5,827)**	**$ (2,587)**	**$ (2,019)**	**$ (14,343)**
Depreciation and depletion	12,390	2,736	74	58	15,258
Foreign exchange gain (loss) - realized	52	91	(699)	(35)	(591)
Share-based payment expense	—	—	—	651	651
Adjusted EBITDA	**$ 8,532**	**$ (3,000)**	**$ (3,212)**	**$ (1,345)**	**$ 975**

For the three months ended September 30, 2019, Adjusted EBITDA increased by $1,011 due to the impact of IFRS 16 initial application (see Note 3 in the Interim Financial Statements).

For the three months ended September 30, 2018, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 3,659**	**$ (10,612)**	**$ (969)**	**$ (6,468)**	**$ (14,390)**
Finance expense, net	197	136	(3)	5,271	5,601
Current and deferred income tax expense	4,391	—	—	268	4,659
Depreciation and depletion	5,356	4,196	—	13	9,565
EBITDA	**$ 13,603**	**$ (6,280)**	**$ (972)**	**$ (916)**	5,435
Unrealized foreign exchange (gain) loss	2	151	44	10	207
Share-based payment (recovery)	—	—	—	(198)	(198)
Gain on fair valuation of Itafos Conda, net	—	—	—	—	—
Other (income) expense, net	(12)	852	—	(5)	835
Gain from investment in associates	—	—	—	—	—
Transaction costs	—	—	—	—	—
Adjusted EBITDA	**$ 13,593**	**$ (5,277)**	**$ (928)**	**$ (1,109)**	**$ 6,279**

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 8,237**	**$ (9,078)**	**$ (818)**	**$ (888)**	**$ (2,547)**
Depreciation and depletion	5,356	4,196	—	13	9,565
Foreign exchange gain (loss) - realized	—	(395)	(110)	(36)	(541)
Share-based payment (recovery)	—	—	—	(198)	(198)
Transaction costs	—	—	—	—	—
Adjusted EBITDA	**$ 13,593**	**$ (5,277)**	**$ (928)**	**$ (1,109)**	**$ 6,279**

For the three months ended September 30, 2018, Adjusted EBITDA was not impacted by IFRS 16 (see Note 3 in the Interim Financial Statements).

For the nine months ended September 30, 2019 and 2018

For the nine months ended September 30, 2019, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 3,314**	**$ (26,059)**	**$ (3,462)**	**$ (29,499)**	**$ (55,706)**
Finance (income) expense, net	214	63	38	19,096	19,411
Current and deferred income tax expense (recovery)	(3,011)	—	—	848	(2,163)
Depreciation and depletion	29,490	6,503	117	157	36,267
EBITDA	**$ 30,007**	**$ (19,493)**	**$ (3,307)**	**$ (9,398)**	**$ (2,191)**
Unrealized foreign exchange (gain) loss	60	(566)	(199)	(24)	(729)
Share-based payment expense	—	—	—	912	912
Other (income) expense, net	290	2,321	3	(101)	2,513
Adjusted EBITDA	**$ 30,357**	**$ (17,738)**	**$ (3,503)**	**$ (8,611)**	**$ 505**

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 682**	**$ (22,499)**	**$ (3,008)**	**$ (9,607)**	**$ (34,432)**
Depreciation and depletion	29,490	6,503	117	157	36,267
Foreign exchange gain (loss) - realized	185	(1,742)	(612)	(73)	(2,242)
Share-based payment (recovery) expense	—	—	—	912	912
Adjusted EBITDA	**$ 30,357**	**$ (17,738)**	**$ (3,503)**	**$ (8,611)**	**$ 505**

For the nine months ended September 30, 2019, Adjusted EBITDA increased by $2,999 due to the impact of IFRS 16 initial application (see Note 3 in the Interim Financial Statements).

For the nine months ended September 30, 2018, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)		**Itafos Conda**		**Itafos Arraias**		**Development and exploration**		**Corporate**		**Total**
Net income (loss)	**$**	**69,249**	**$**	**(13,700)**	**$**	**5,142**	**$**	**(19,021)**	**$**	**41,670**
Finance expense, net		517		449		97		10,142		11,205
Current and deferred income tax expense		9,250		—		—		884		10,134
Depreciation and depletion		11,779		4,270		—		34		16,083
EBITDA	**$**	**90,795**	**$**	**(8,981)**	**$**	**5,239**	**$**	**(7,961)**		79,092
Unrealized foreign exchange (gain) loss		8		(1,219)		662		(256)		(805)
Share-based payment expense		—		—		—		308		308
Gain on fair valuation of Itafos Conda, net		(46,902)		—		—		—		(46,902)
Other (income) expense, net		(46)		854		1		(18)		791
Gain from investment in associates		—		—		(7,910)		—		(7,910)
Transaction costs		—		—		—		3,237		3,237
Adjusted EBITDA	**$**	**43,855**	**$**	**(9,346)**	**$**	**(2,008)**	**$**	**(4,690)**	**$**	**27,811**

(unaudited in thousands of US Dollars)		**Itafos Conda**		**Itafos Arraias**		**Development and exploration**		**Corporate**		**Total**
Operating income (loss)	**$**	**32,071**	**$**	**(12,835)**	**$**	**(2,432)**	**$**	**(8,105)**	**$**	**8,699**
Depreciation and depletion		11,779		4,270		—		34		16,083
Foreign exchange gain (loss) - realized		5		(781)		424		(164)		(516)
Share-based payment expense		—		—		—		308		308
Transaction costs		—		—		—		3,237		3,237
Adjusted EBITDA	**$**	**43,855**	**$**	**(9,346)**	**$**	**(2,008)**	**$**	**(4,690)**	**$**	**27,811**

For the nine months ended September 30, 2018, Adjusted EBITDA was not impacted by IFRS 16 (see Note 3 in the Interim Financial Statements).

CAPEX

For the three months ended September 30, 2019 and 2018

For the three months ended September 30, 2019, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 1,271	$ 1,910	$ 166	$ 29	$ 3,376
Additions to mineral properties	6,388	—	4,434	—	10,822
Additions to asset retirement obligations	(2,204)	—	—	—	(2,204)
Additions to right of use assets	—	—	—	—	—
Capitalized interest	(558)	—	—	—	(558)
Total capex	**$ 4,897**	**$ 1,910**	**$ 4,600**	**$ 29**	**$ 11,436**
Maintenance capex	889	1,191	—	29	2,109
Growth capex	4,008	719	4,600	—	9,327

For the three months ended September 30, 2018, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)	Itafos Conda	Itafos Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 12,920	$ 1,099	$ 965	$ 16	$ 15,000
Additions to mineral properties	—	1,078	1,736	—	2,814
Additions to asset retirement obligations	(3,617)	—	—	—	(3,617)
Capitalized interest	—	—	—	—	—
Total capex	**$ 9,303**	**$ 2,177**	**$ 2,701**	**$ 16**	**$ 14,197**
Maintenance capex	9,303	—	—	16	9,319
Growth capex	—	2,177	2,701	—	4,878

For the nine months ended September 30, 2019 and 2018

For the nine months ended September 30, 2019, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Itafos Conda		Itafos Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	20,271	$	6,082	$	431	$	62	$	26,846
Additions to mineral properties		7,991		—		7,535		—		15,526
Additions to asset retirement obligations		(5,940)		—		—		—		(5,940)
Additions to right of use assets		(370)		—		—		—		(370)
Capitalized interest		(1,399)		—		—		—		(1,399)
Total capex	**$**	**20,553**	**$**	**6,082**	**$**	**7,966**	**$**	**62**	**$**	**34,663**
Maintenance capex		14,734		4,360		—		62		19,156
Growth capex		5,819		1,722		7,966		—		15,507

For the nine months ended September 30, 2018, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Itafos Conda		Itafos Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	59,118	$	18,618	$	1,165	$	63	$	78,964
Additions to mineral properties		1,240		1,078		2,940		—		5,258
Additions to asset retirement obligations		(29,312)		—		—		—		(29,312)
Capitalized interest		—		(4,690)		—		—		(4,690)
Total capex	**$**	**31,046**	**$**	**15,006**	**$**	**4,105**	**$**	**63**	**$**	**50,220**
Maintenance capex		31,046		—		—		63		31,109
Growth capex		—		15,006		4,105		—		19,111

NET DEBT

As at September 30, 2019 and December 31, 2018, the Company had net debt as follows:

(unaudited in thousands of US Dollars)		September 30, 2019		December 31, 2018
Current debt	$	1,594	$	325
Current debentures		980		942
Long-term debt		189,364		160,258
Long-term debentures		1,761		2,588
Cash and cash equivalents		(21,780)		(9,919)
Short-term investments		—		(2,106)
Net debt	**$**	**171,919**	**$**	**152,088**

CASH COSTS

For the three months ended September 30, 2019 and 2018

For the three months ended September 30, 2019, the Company had cash costs by segment as follows:

(unaudited in thousands of US Dollars except for volumes and costs)	Itafos Conda	Itafos Arraias	Total
Cost of goods sold	71,146	17,019	88,165
Net realizable value adjustments	(289)	—	(289)
Depreciation and depletion	(12,390)	(2,736)	(15,126)
Cash costs	**$ 58,467**	**$ 14,283**	**$ 72,750**
Tonnes P_2O_5 sold	86,979	8,959	95,938
Cash costs per tonne P_2O_5	**$ 672**	**$ 1,594**	**$ 758**

For the three months ended September 30, 2018, the Company had cash costs by segment as follows:

(unaudited in thousands of US Dollars except for volumes and costs)	Itafos Conda	Itafos Arraias	Total
Cost of goods sold	49,953	25,653	75,606
Net realizable value adjustments	—	(573)	(573)
Depreciation and depletion	(5,356)	(4,196)	(9,552)
Cash costs	**$ 44,597**	**$ 20,884**	**$ 65,481**
Tonnes P_2O_5 sold	64,564	15,248	79,812
Cash costs per tonne P_2O_5	**$ 691**	**$ 1,370**	**$ 820**

For the nine months ended September 30, 2019 and 2018

For the nine months ended September 30, 2019, the Company had cash costs by segment as follows:

(unaudited in thousands of US Dollars except for volumes and costs)	Itafos Conda	Itafos Arraias	Total
Cost of goods sold	225,223	46,304	271,527
Net realizable value adjustments	(1,203)	(1,367)	(2,570)
Depreciation and depletion	(29,490)	(6,503)	(35,993)
Cash costs	**$ 194,530**	**$ 38,434**	**$ 232,964**
Tonnes P_2O_5 sold	265,914	19,018	284,932
Cash costs per tonne P_2O_5	**$ 732**	**$ 2,021**	**$ 818**

For the nine months ended September 30, 2018, the Company had cash costs by segment as follows:

(unaudited in thousands of US Dollars except for volumes and costs)	Itafos Conda	Itafos Arraias	Total
Cost of goods sold	150,985	25,653	176,638
Net realizable value adjustments	—	(3,370)	(3,370)
Depreciation and depletion	(11,779)	(4,270)	(16,049)
Cash costs	**$ 139,206**	**$ 18,013**	**$ 157,219**
Tonnes P_2O_5 sold	211,289	15,248	226,537
Cash costs per tonne P_2O_5	**$ 659**	**$ 1,181**	**$ 694**

7. FINANCIAL CONDITION

LIQUIDITY

To achieve its mission and execute its strategy, the Company will continue to require capital to support its strategic initiatives and development objectives. In addition to cash flows from Itafos Conda, the Company intends to raise additional capital during 2019 and beyond through a combination of equity and debt financings.

Currently, the Company is focusing on advancing its corporate wide cost savings initiative to improve margins and preserve capital. In addition, the Company is focusing on advancing capital raise initiatives to fund its working capital and growth capex requirements. In light of the challenging global fertilizer market conditions, the Company is further evaluating project schedules and ramp up timing for its businesses and projects in order to reduce short-term capital raising requirements and preserve cash.

In connection with the Fourth Amendment to the Facility, the Company is required to complete a capital raise by December 31, 2019 of the lesser of $40,000 or 24.9% of the Company's market capitalization, inclusive of the CLF Promissory Note (the "Required Capital Raise") (see Notes 12 and 24 in the Interim Financial Statements). The Company has a demonstrated track record of securing financing and a strong capital base. In addition, the Company received a commitment from CLF in November 2019 to invest up to an incremental $36,000, if required, for the Company to meet its liabilities as and when they become due to ensure business continuity and ongoing operations through December 31, 2020. The investment amount may be reduced by any amount of new capital raised by the Company from investors other than CLF (see Notes 2 and 23 in the Interim Financial Statements).

On October 31, 2019, the Company closed the Revolving Facility and expanded its commercial relationship with Gavilon. The Revolving Facility considers an initial tranche of $10,000 drawn at closing, with an option, subject to certain terms and conditions, for Gavilon to commit to an additional tranche of $10,000. The proceeds of the Revolving Facility are being used for working capital and other general purposes of Itafos Conda. The Revolving Facility matures on October 31, 2021 and accrues interest at 8% per annum for any amounts outstanding and has a non-use fee of 4% per annum for any undrawn committed amounts. The Revolving Facility is secured by certain accounts receivable and inventory of Itafos Conda. In connection with the closing of the Revolving Facility, Itafos Conda expanded its commercial relationship with Gavilon, including supply of additional fertilizer product to Gavilon over the term of the Revolving Facility (see Note 24 in the Interim Financial Statements).

Beginning October 31, 2019, the cash interest accruing under the Facility increased by an additional 2% per annum and will continue accruing at such increased rate until the Required Capital Raise is completed (see Note 24 in the Interim Financial Statements).

On October 31, 2019, the minimum cash requirement under the Facility was reduced from $5,000 to $2,500 following the closing of the Revolving Facility (see Note 24 in the Interim Financial Statements).

As at September 30, 2019 and December 31, 2018, the Company's working capital was as follows:

(unaudited in thousands of US Dollars)		**September 30, 2019**		**December 31, 2018**
Cash	$	21,780	$	9,919
Accounts receivable		21,782		35,907
Short-term investments		—		2,106
Inventories, net		114,033		133,840
Other current assets		7,646		12,704
Accounts payable and accrued liabilities		(80,382)		(75,601)
Provisions		(2,301)		(494)
Current debt		(1,594)		(325)
Contract liabilities		(1,537)		(2,067)
Current debentures		(980)		(942)
Other current liabilities		(2,927)		—
Working capital[i]	**$**	**75,520**	**$**	**115,047**

i. Working capital is a non-IFRS financial measure (see Section 6).

On September 11, 2019, the Company raised $15,000 capital in the form of the CLF Promissory Note. The proceeds of the CLF Promissory Note are being used to fund the general working capital and capital expenditure needs of the Company and its subsidiaries (see Note 12 in the Interim Financial Statements).

On January 12, 2018, the Company completed the acquisition of Itafos Conda (see Note 4 in the Interim Financial Statements). With the acquisition of Itafos Conda, a cash flow generating business, the Company further solidified its operating performance and financial position.

On June 6, 2018, the Company closed the Facility. Of the $165,000 long-term debt financing, $90,000 was related to the exchange and settlement of promissory notes and related accrued interest issued during 2017 and Q1 2018 for short-term financing needs. The net proceeds of the Facility are being used to fund working capital and other cash requirements of Itafos Conda and Itafos Arraias, continued implementation of the Company's business development initiatives and other general corporate purposes (see Note 12 in the Interim Financial Statements).

BALANCE SHEETS

As at September 30, 2019 and December 31, 2018, the Company's summary balance sheets were as follows:

(unaudited in thousands of US Dollars)		September 30, 2019		December 31, 2018
Cash	$	21,780	$	9,919
Current assets (including cash)	$	165,241	$	194,476
Non-current assets		403,389		381,943
Total assets	**$**	**568,630**	**$**	**576,419**
Current liabilities (excluding current portion of debt)	$	88,127	$	79,104
Non-current liabilities (excluding long-term debt)		73,866		64,953
Debt (current and long-term)		190,958		160,583
Total liabilities	**$**	**352,951**	**$**	**304,640**
Equity attributable to shareholders of the parent	$	206,617	$	262,717
Non-controlling interest		9,062		9,062
Total equity	**$**	**215,679**	**$**	**271,779**

As at September 30, 2019 and December 31, 2018, the Company's summary balance sheets were explained as follows:

- total current assets were down period-over-period primarily due to decreases in accounts receivable, inventory and vendor deposits at Itafos Conda during 2019;
- total non-current assets were up period-over-period primarily due to increases in plant, property and equipment related to the initial application of IFRS 16 (see Note 3 in the Interim Financial Statements), in fixed asset additions primarily at Itafos Conda and Itafos Arraias (see Note 7 in the Interim Financial Statements) and in additions to asset retirement obligations at Itafos Conda during 2019, which were partially offset by an increase in depreciation of assets in service during 2019 (see Note 8 in the Interim Financial Statements);
- total current liabilities were up period-over-period primarily due to an increase in other current liabilities as a result of the recognition of lease liabilities related to the application of IFRS 16 during 2019 (see Note 13 in the Interim Financial Statements) and higher trade payables, which were partially offset by a decrease in accrued liabilities as a result of credits granted through the MAP offtake agreement during 2019 (see Note 4 in the Interim Financial Statements);
- total long-term liabilities were up period-over-period primarily due to increases in other long-term liabilities due to the recognition of lease liabilities related to the application of IFRS 16 (see Note 13 in the Interim Financial Statements) and long-term provisions due to additions to asset retirement obligations at Itafos Conda during 2019 (see Note 11 in the Interim Financial Statements);
- long-term debt was up period-over-period primarily due to the CLF Promissory Note, paid-in-kind interest at corporate and additional equipment financing at Itafos Conda during 2019 (see Note 12 in the Interim Financial Statements); and
- total equity was down period-over-period primarily due to an increase in deficit due to the net loss and a decrease in share capital due to the repurchase of shares through the NCIB during 2019 (see Note 14 in the Interim Financial Statements).

As at September 30, 2019 and December 31, 2018, the Company did not have any significant off-balance sheet arrangements.

CAPITAL RESOURCES

As at September 30, 2019, the Company's shares, Canadian debentures and restricted share units were as follows:

	Issue date		Exercise price	Securities outstanding
Shares	—	$	—	140,439,132
Canadian debentures	October 27, 2016		C$25.00	101,329
Restricted share units	—	$	—	4,628,725

As at September 30, 2019, CLF beneficially owned and controlled 85,559,293 shares of the Company, representing approximately 60.9% of the issued and outstanding shares on an undiluted basis. As at December 31, 2018, CLF beneficially owned and controlled 81,980,064 shares of the Company, representing approximately 57.7% of the issued and outstanding shares on an undiluted basis (see Note 14 in the Interim Financial Statements). CLF is a related party (see Note 22 in the Interim Financial Statements).

During Q3 2019, the Company issued 140,331 shares under the RSU Plan (See Note 13 in the Interim Financial Statements).

On June 6, 2018, the Company issued 2,750,000 shares to the syndicate of lenders (including CLF) in connection with the closing of the Facility (see Note 12 in the Interim Financial Statements).

On February 27, 2018, the Company issued 11,301,732 shares to GBL shareholders in connection with the GBL Arrangement (see Note 4 in the Interim Financial Statements).

FOREIGN EXCHANGE

The Company's presentation and functional currency is US Dollars. On February 27, 2018, the Company completed the acquisition of all of the issued and outstanding common shares not previously owned, directly or indirectly, by the Company of GBL, the owner of Itafos Farim (see Note 4 in the Interim Financial Statements). GBL's functional currency was Canadian Dollars and the functional currency of its subsidiary Itafos Farim, Sarl (formerly known as GBM Minerais Sarl) was Central African Francs. In May 2019, GBL changed its functional currency from Canadian Dollars to US Dollars and Itafos Farim, Sarl changed its functional currency from Central African Francs to US Dollars (see Note 2 in the Interim Financial Statements).

CASH FLOWS

For the three and nine months ended September 30, 2019 and 2018, the Company's cash flows were as follows:

(unaudited in thousands of US Dollars)	*For the three months ended September 30,* **2019**	**2018**	*For the nine months ended September 30,* **2019**	**2018**
Cash flows from (used by) operating activities	$ 13,507	$ (11,329)	$ 35,993	$ (17,289)
Cash flows used by investing activities	(16,598)	(21,584)	(28,707)	(138,452)
Cash flows from (used by) financing activities	10,853	(2,776)	4,516	119,383
Effect of foreign exchange of non-US Dollar denominated cash	86	40	59	(72)
Increase (decrease) in cash	**$ 7,848**	**$ (35,649)**	**$ 11,861**	**$ (36,430)**

For the three and nine months ended September 30, 2019 and 2018, the Company's cash flows were explained as follows:

- cash flows from (used by) operating activities were up year-over-year primarily due to net change in non-cash working capital during 2019 primarily related to lower inventory levels resulting from higher sales and accounts receivable at Itafos Conda due to timing of collections;
- cash flows used by investing activities were down year-over-year primarily due to the acquisition of Itafos Conda and completion of the GBL Arrangement during 2018 (see Note 4 in the Interim Financial Statements); and
- cash flows from (used by) financing activities were down year-over-year primarily due to the closing of the Facility during 2018, which was partially offset by the CLF Promissory Note (see Note 12 in the Interim Financial Statements).

CONTRACTUAL OBLIGATIONS

As at September 30, 2019, the Company has not had any significant changes in contractual obligations since as at December 31, 2018, other than those that arise through the ordinary course of business.

The Company's provisions are representative of the environmental and asset retirement obligations as well as legal contingencies that exist as at September 30, 2019. As at September 30, 2019, Itafos Conda and Itafos Arraias had environmental and asset retirement obligations of $36,515 and $7,899, respectively. Liabilities for costs are recorded when it is probable that obligations have been incurred and the amounts can be reasonably estimated (see Note 11 in the Interim Financial Statements).

8. BUSINESS RISKS AND UNCERTAINTIES

FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to the Company, information contained in this MD&A may constitute forward-looking information, including any information as to the Company's mission, strategy, outlook, plans or future operational and financial performance. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "estimates", "intends", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved."

Forward-looking information contained in this MD&A may include, without limitation, statements with respect to the Company's:

- mission, strategy and outlook;
- ability to carry out and complete any plan;
- ability to achieve future operational and financial results;
- ability to own and operate its operating projects;
- ability to develop and complete its development projects;
- ability to obtain necessary permits and licenses;
- ability to secure financing;
- expectations around commodity markets;
- expectations around resources and reserves, including those stipulated in technical reports;
- expectations around current estimates and potential increases of mine life; and
- expectations around environmental and asset retirement obligations.

RISKS AND UNCERTAINTIES

Forward-looking information contained in this MD&A may be affected by, without limitation, risks and uncertainties relating to the following:

- commodity price risks;
- operating risks;
- safety risks;
- mineral reserves and mineral resources risks;
- mine development and completion risks;
- foreign operations risks;
- regulatory risks;
- environmental risks;
- weather risks;
- climate change risks;
- currency risks;
- competition risks;
- counterparty risks;
- financing risks;
- additional capital risks;
- credit risks;
- key personnel risks;
- impairment risks;
- cybersecurity risks;
- transportation risks;
- infrastructure risks;
- equipment and supplies risks;
- litigation risks;
- permitting and licensing risks;
- land title and access rights risks;
- insurance and uninsured risks;
- acquisitions and integration risks;
- malicious acts risks;
- stock price volatility risks;
- limited operating history risks;
- technological advancement risks;
- tax risks;

- foreign subsidiaries risks;
- reputation damage risks;
- controlling shareholder risks; and
- conflicts of interest risks.

With the exception of the Required Capital Raise, for the three months ended September 30, 2019, there have been no changes to the risks and uncertainties that have materially affected, or are reasonably likely to materially affect, the Company's forward-looking information. The risks and uncertainties are described in greater detail in the Annual MD&A.

9. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the reported amounts of the assets, liabilities, revenue and expenses reported each period. Each of these estimates varies with respect to the level of judgment involved and the potential impact on the Company's reported financial results. Evaluations of estimates and judgments occur continuously. Estimates and judgments are based on historical experience and other factors including expectations of future events that are considered reasonable under the circumstances. If the Company's financial condition, change in financial condition or results of operations would be materially impacted by a different estimate or a change in estimate from period to period, estimates are deemed critical. By their nature, these estimates are subject to measurement uncertainty, and changes in these estimates may affect the financial statements of future periods (see Note 3 in the Audited Financial Statements).

10. CONTROLS AND PROCEDURES

The Company maintains controls and procedures, including disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") as defined in National Instrument 52-109. The Company's DC&P are intended to provide reasonable assurance that information required to be disclosed by the Company in its filings is reported accurately and timely. The Company's ICFR is intended to provide reasonable assurance regarding the reliability of the Company's financial reporting for external purposes in accordance with IFRS.

There are inherent limitations to the effectiveness of any system of DC&P and ICFR, including the possibility of human error and the circumvention or overriding of controls and procedures. Accordingly, even effective controls and procedures can only provide reasonable assurance of achieving their objectives.

The Company has identified certain risks in its controls and procedures related to segregation of duties resulting from limited administrative staffing and manual processes resulting from the acquisition of Itafos Conda and completion of the GBL Arrangement in Q1 2018. The Company is mitigating such risks through various measures, including automating processes and increasing oversight.

For the three months ended September 30, 2019, the Chief Executive Officer and the Chief Financial Officer have evaluated the Company's controls and procedures and concluded that as of such date, the Company's DC&P and ICFR are designed at a reasonable assurance level.

For the three months ended September 30, 2019, there have been no changes to the Company's controls and procedures that have materially affected, or are reasonably likely to materially affect, the Company's DC&P and ICFR.

11. OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Company's related party transactions include key management compensation and debt and debentures from CLF, its principal shareholder (see Note 22 in the Interim Financial Statements).

QUALIFIED PERSON

Unless otherwise indicated, the responsible Qualified person, within the guidelines set forth in NI 43-101, who has reviewed and approved the scientific and technical information contained in this MD&A regarding Itafos Conda and Itafos Paris Hills is Jerry DeWolfe, P.Geo. with the Association of Professional Engineers and Geoscientists of Alberta.

Unless otherwise indicated, the responsible Qualified person, within the guidelines set forth in NI 43-101, who has reviewed and approved the scientific and technical information contained in this MD&A regarding Itafos Arraias, Itafos Santana and Itafos Araxá is Carlos Guzmán, FAusIMM (229036), Mining Engineer, RM (Chilean Mining Commission).

Unless otherwise indicated, the responsible Qualified person, within the guidelines set forth in NI 43-101, who has reviewed and approved the scientific and technical information contained in this MD&A regarding Itafos Farim is Dan Markovik, P.Eng.

****