



Corporate Presentation  
“Pure-Play” Phosphate Fertilizer Company  
July 2019

# Cautionary statements and forward-looking information

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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 US 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.

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There are certain non-IFRS measures used in this presentation, including but not limited to, EBITDA, Adjusted EBITDA, total capex, maintenance capex, growth capex and net debt. For definitions of the non-IFRS measures used herein refer to Annex III. Itafos’ presentation of non-IFRS measures may not be directly comparable to that of other companies.

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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. The reader is 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**

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

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# Company overview

# Itafos is an integrated pure-play phosphate fertilizer platform company

## Value proposition



1

**Solid phosphate market fundamentals with expected improvements in pricing**

2

**Strategically positioned assets with significant market share in target markets**

3

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

4

**Compelling economic profile**

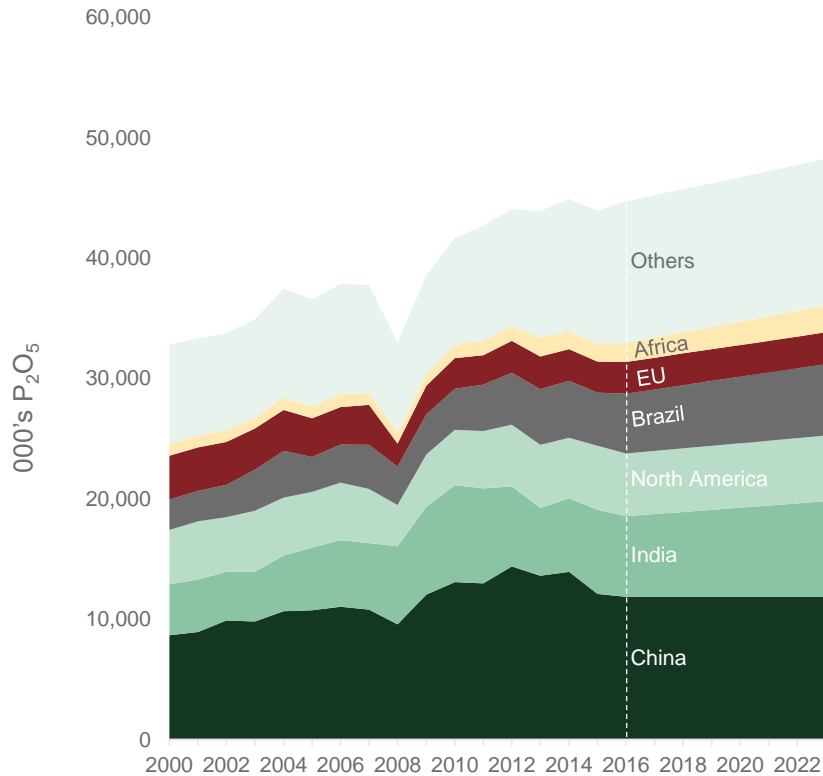
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**Significant upside potential**

# Phosphate fertilizer demand is expected to experience steady growth...

## Global phosphate fertilizer demand growth

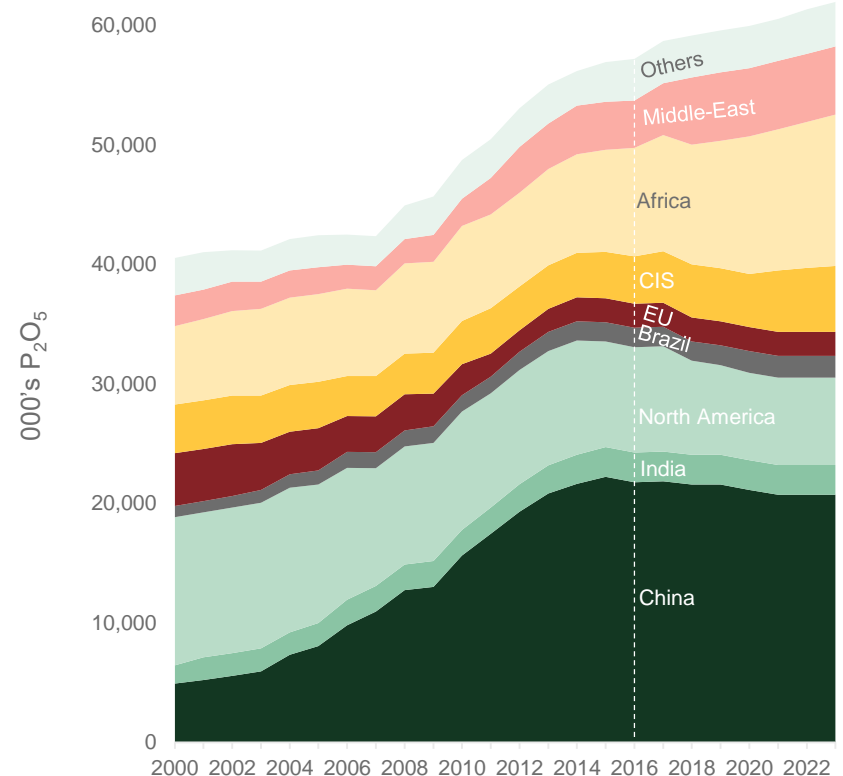
+1.2% CAGR<sup>2</sup>



- Global phosphate fertilizer demand growth of 1.2% CAGR through 2023

## Global phosphate fertilizer supply capacity<sup>1</sup>

+1.1% CAGR<sup>2</sup>

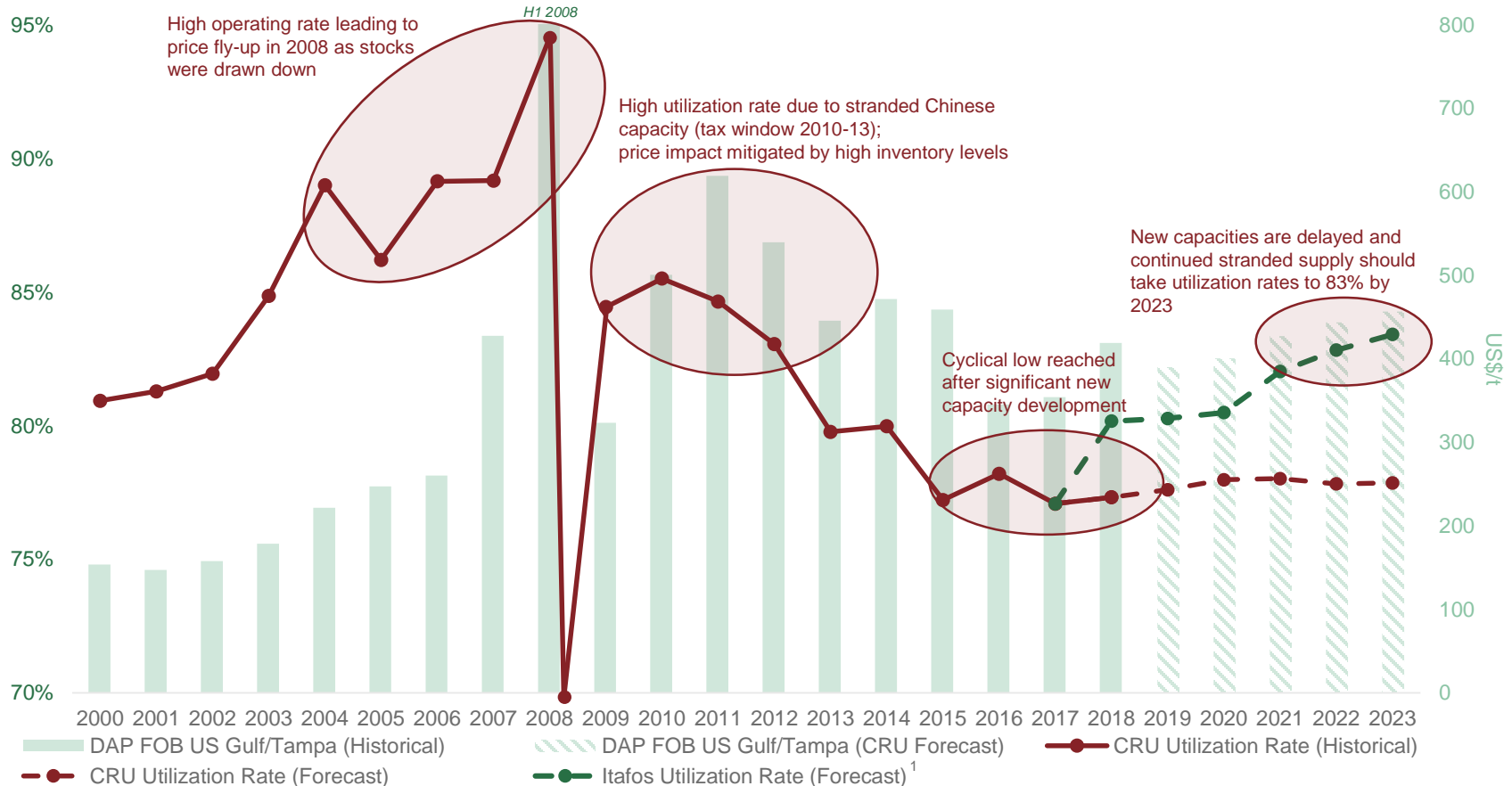


- Global phosphate fertilizer supply capacity expanding mostly in North Africa, partially offset by closures in US and China
- However, supply is constrained by phosphoric acid capacity, making it a better proxy for capacity use

Source: IFA, CRU Phosphate Market Outlook April 2019 (firm and probable projects)

# ...and prices are expected to improve with rising utilization rates, consistent with historical trends

## Phosphate price vs. capacity utilization rate evolution

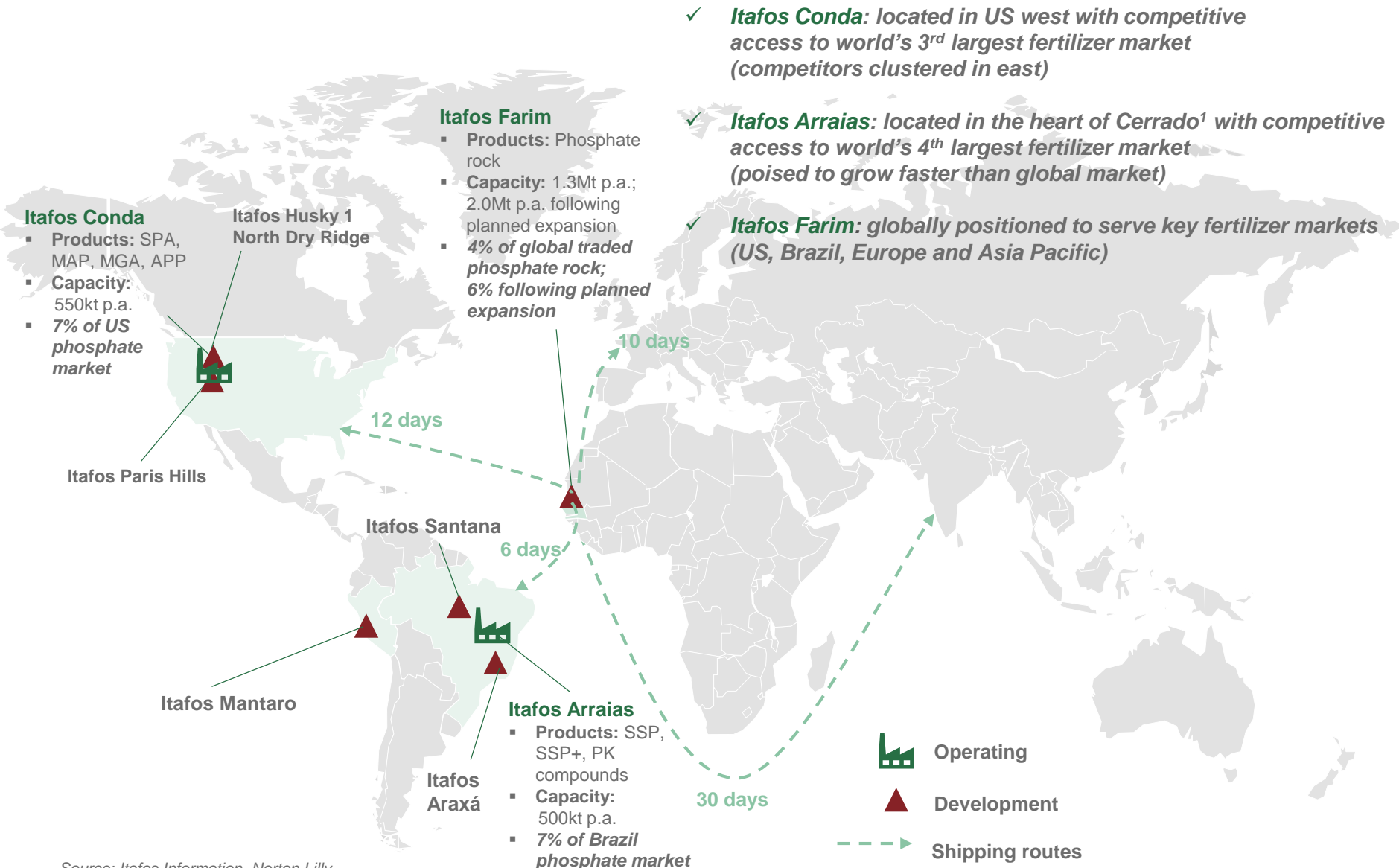


- Itafos forecasts utilization rates to increase back to 80-85% as commissioning of new capacity is delayed while demand continues to grow
- Phosphate fertilizer prices are expected to improve after recent bottoming out in lock step with higher utilization rates

Source: IFA, CRU Phosphate Market Outlook April 2019, Itafos Information



# Owner and operator of strategically positioned assets



Source: Itafos Information, Norton Lilly



# Led by an industry leading board of directors and experienced management team...

## Board of directors

### Brent de Jong (Chairman)

- ✓ Partner at Castlelake
- ✓ Former CEO of Zaff Capital LP

### Dr. Mhamed Ibnabdeljalil (Interim CEO)

- ✓ Managing Partner of Spika Ventures LLC
- ✓ Former CCO and EVP at OCP Group

### Evgenij Iorich

- ✓ Managing partner at Pala
- ✓ Former senior roles at Mechel

### David Delaney

- ✓ CCO at Farmer's Business Network Inc.
- ✓ Former COO and President of Sales & Marketing at PotashCorp

### Ron Wilkinson

- ✓ Strategic advisor to public and private companies
- ✓ Former SVP and President, Agrium

### Anthony Cina

- ✓ Board advisor and director at Emergent Technologies Holdings, LP;
- ✓ Former SVP of Business Administration at Yamana Gold

## Management team

**Dr. Mhamed Ibnabdeljalil**  
Director, Interim CEO

*Former CCO and EVP at  
OCP Group*

**George Burdette**  
CFO

*Former Director Project  
Finance at First Solar*

**Sarvin Patel**  
VP Commercial

*Former VP at Carval and  
Cargill*

**Olga Kovalik**  
VP Development

*Former VP Development &  
Construction, GB Minerals*

**Dr. Wynand van Dyk**  
VP Operations

*Former Consultant, Arete  
Consultants*

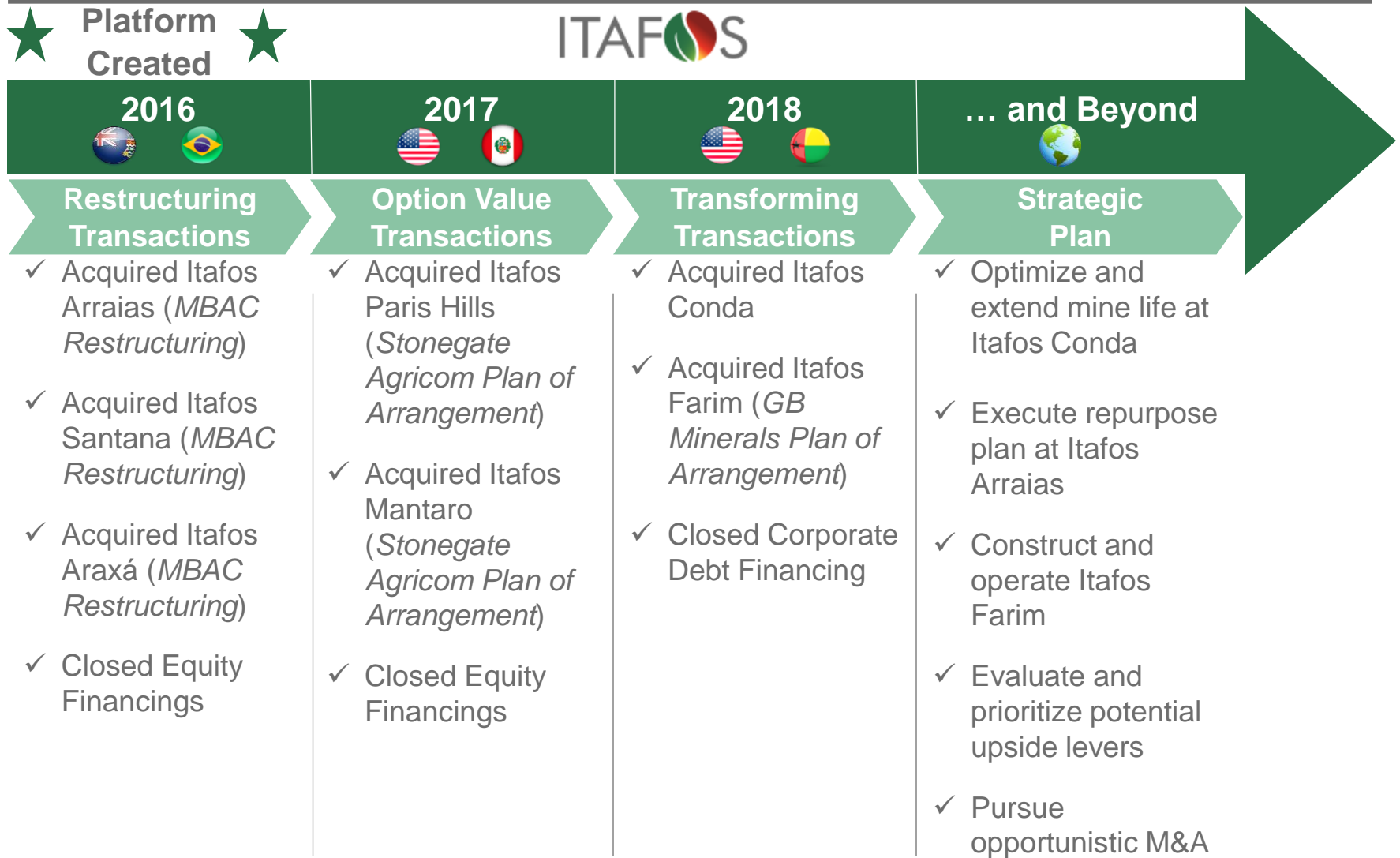
**Tim Vedder**  
GM Itafos Conda

*Former Plant Manager and  
Senior Engineer at Agrium*

**Fernando Planchart**  
General Counsel

*Former Senior In-House  
Counsel at AEI*

# ...with a demonstrated track record of executing to plan

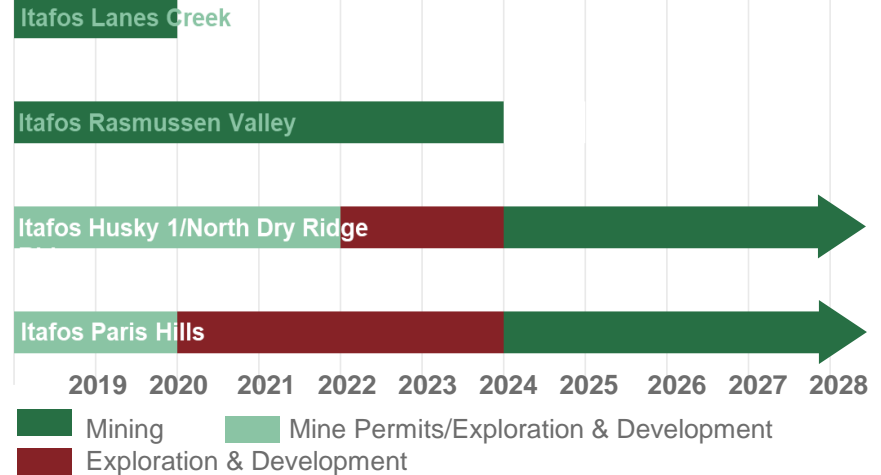


# Itafos Conda represents 7% of US phosphate market with 550kt p.a. capacity

## Plant



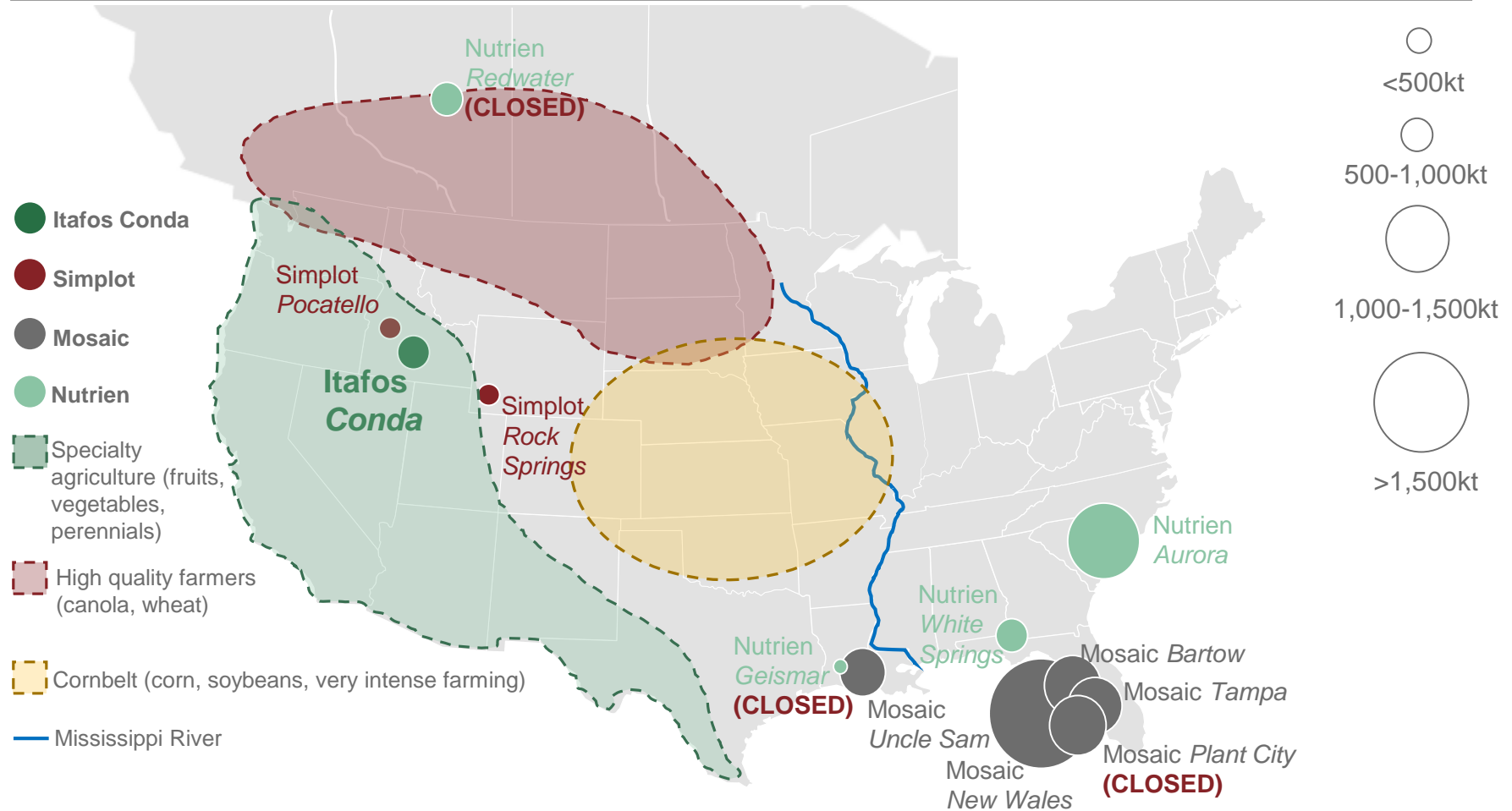
## Mine life<sup>1</sup>



## Key highlights

- 30 year operating track-record
- Produces and sells a range of premium specialty liquid and dry phosphates: SPA, MAP, MGA and APP to wholesale and retail clients
- Long-term MAP offtake and ammonia supply agreement
- Owns permitted phosphate ore mines Itafos Lanes Creek and Itafos Rasmussen Valley
- Focusing on extending mine life through development of Itafos Husky 1/North Dry Ridge, Itafos Paris Hills and other alternatives
- **Pro forma EBITDA of US\$60mm with significant upside potential**

# Itafos Conda is strategically positioned in attractive, consolidated North American fertilizer market

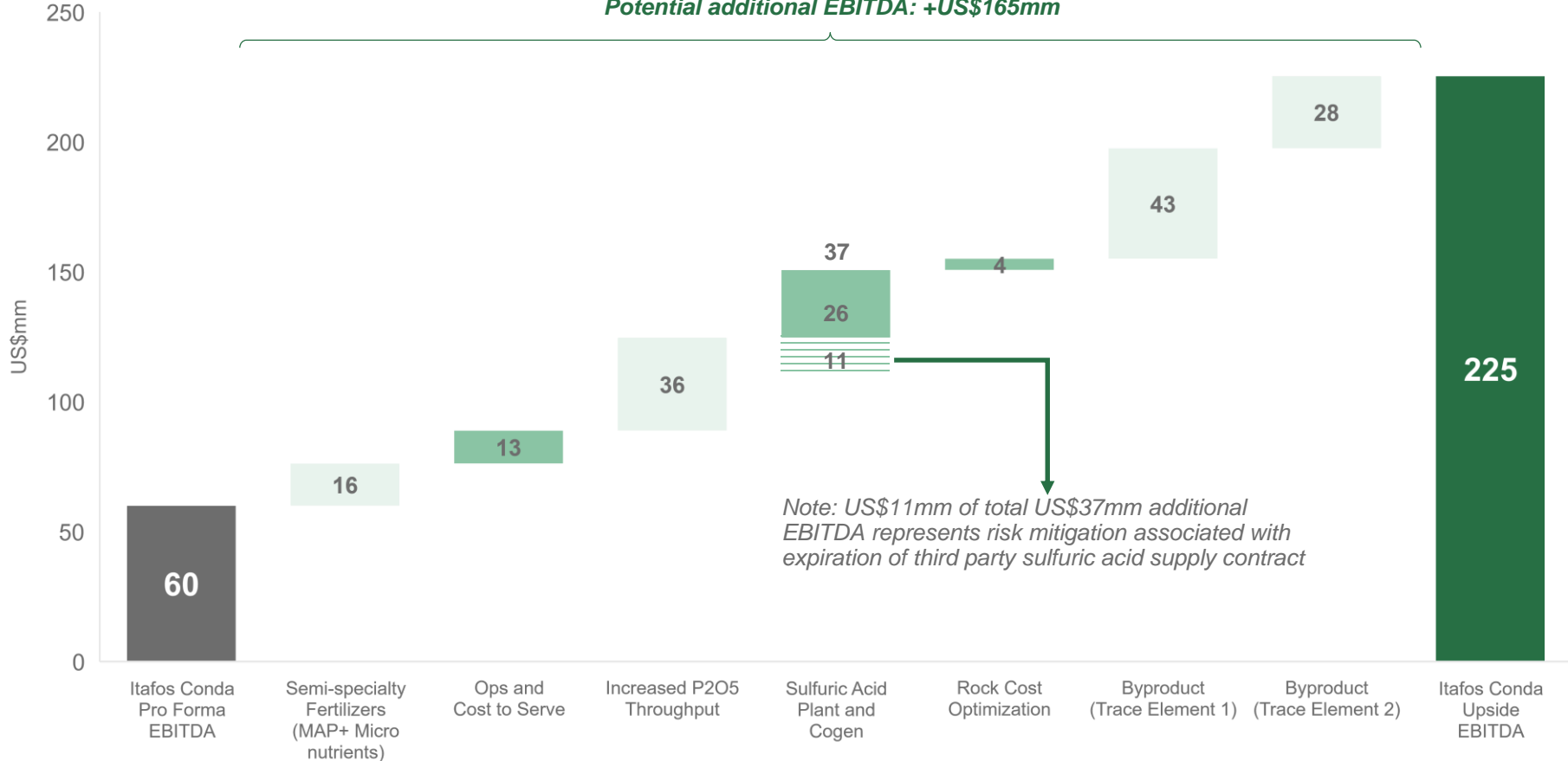


- One of three key SPA producers in US, strategically located in west
- Geographically separate from majority of US production and imports (NOLA)
- Close to key premium markets

# Itafos Conda has potentially actionable levers to achieve up to US\$225mm EBITDA

## Itafos Conda EBITDA

Potential additional EBITDA: +US\$165mm



Upside Capex (US\$mm)	9	15	40	180	5	85	30	364
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Short-term

Mid-term

Pro Forma EBITDA

Potential Cost Optimization

Potential Revenue Optimization

Upside EBITDA

# Itafos Arraias represents 7% of Brazil phosphate market with 500kt p.a. capacity

## Acidulation and granulation plants



## Sulfuric acid plant



## Key highlights

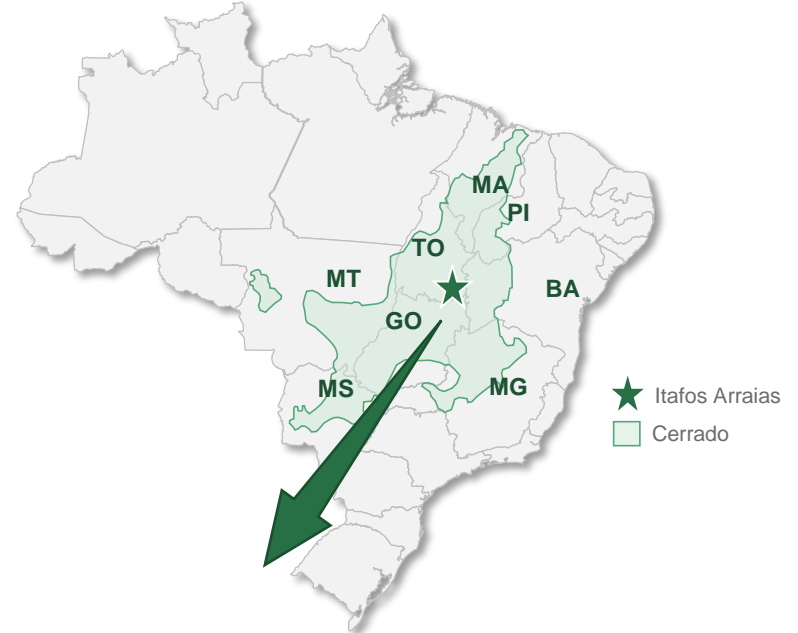
- Designed as vertically integrated phosphate mine and fertilizer business<sup>1</sup>
- Currently repurposing plant to focus on high grade SSP, SSP+ and premium PK compounds
- Purchases high-grade phosphate rock from third parties and, once operational, from Itafos Farim
- Large capacity in the heart of Cerrado, Brazil's fastest growing agriculture area
- **Pro forma EBITDA of US\$30mm with significant upside potential**



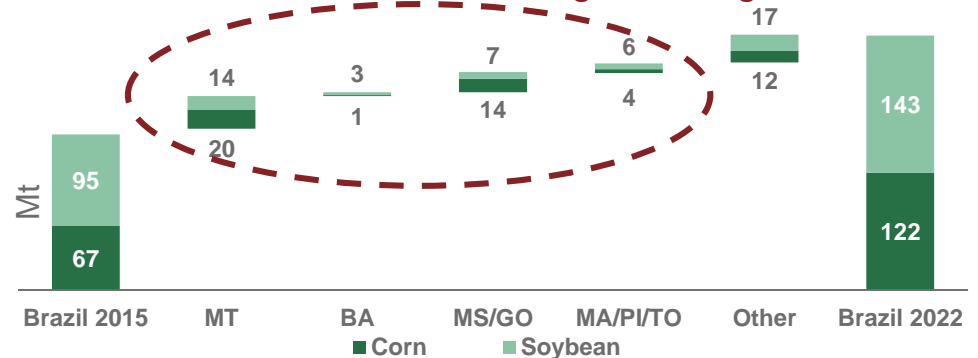
# Itafos Arraias is strategically positioned in one of the world's fastest growing fertilizer markets

## Key highlights

- Brazil is world's 4<sup>th</sup> largest fertilizer market and is set to grow faster than global average through 2022
- Cerrado is Brazil's most promising agricultural region, expected to drive >60% of country's agricultural growth
- Cerrado is expected to consume 1.8Mt of SSP and 450kt of PK compounds by 2022
- Itafos Arraias is located in the heart of Cerrado, benefiting from growing fertilizer demand and freight cost advantages<sup>1</sup>
- One of two SSP producers and only PK compounds producer in Cerrado



**Cerrado to drive +60% of Brazil's agricultural growth<sup>2</sup>**



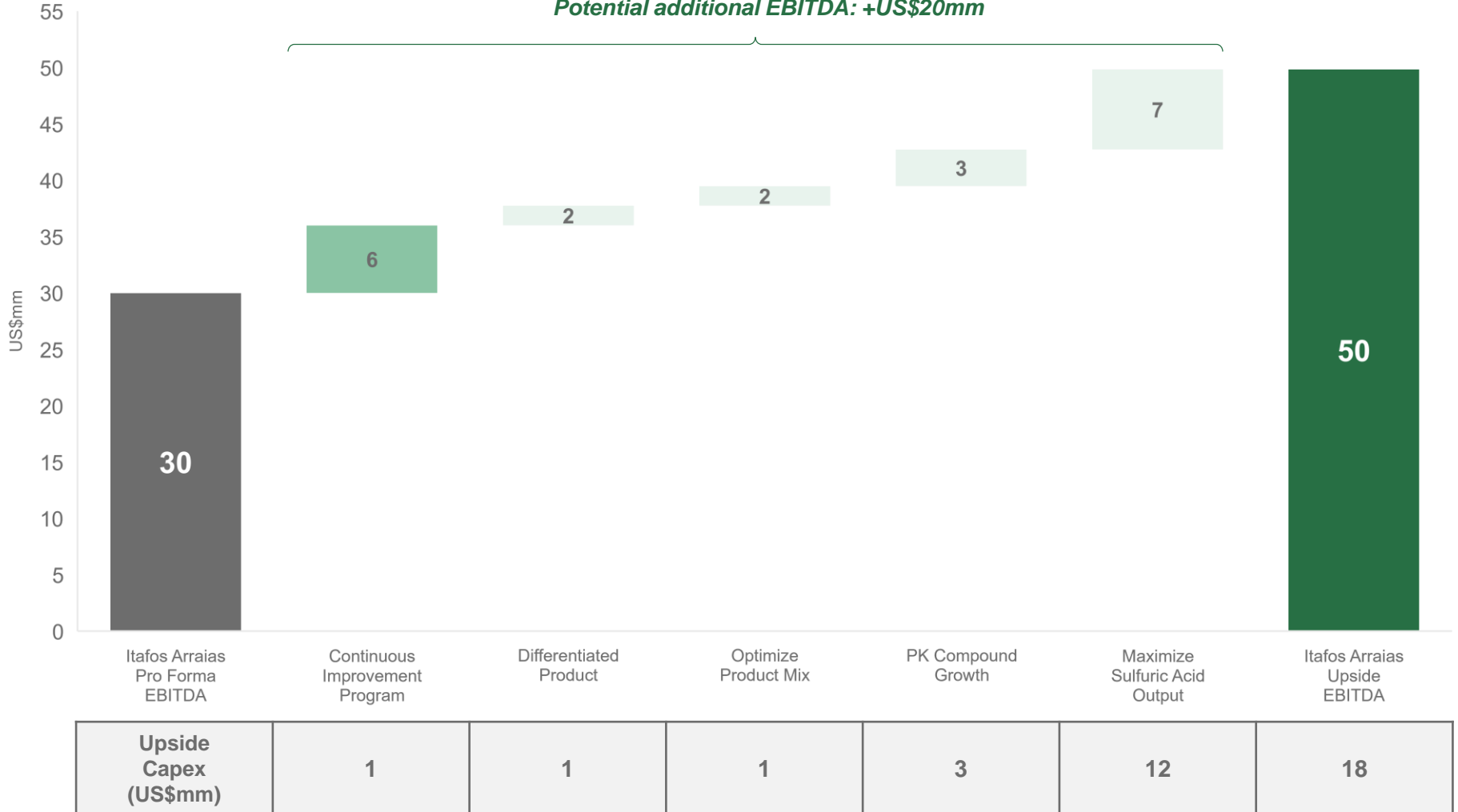
Source: Itafos Information; ANDA; Agroconsult; CRU



# Itafos Arraias has potentially actionable levers to to achieve up to US\$50mm EBITDA

## Itafos Arraias EBITDA

Potential additional EBITDA: +US\$20mm



Short-term

Mid-term

Pro Forma EBITDA

Potential Cost Optimization

Potential Revenue Optimization

Upside EBITDA

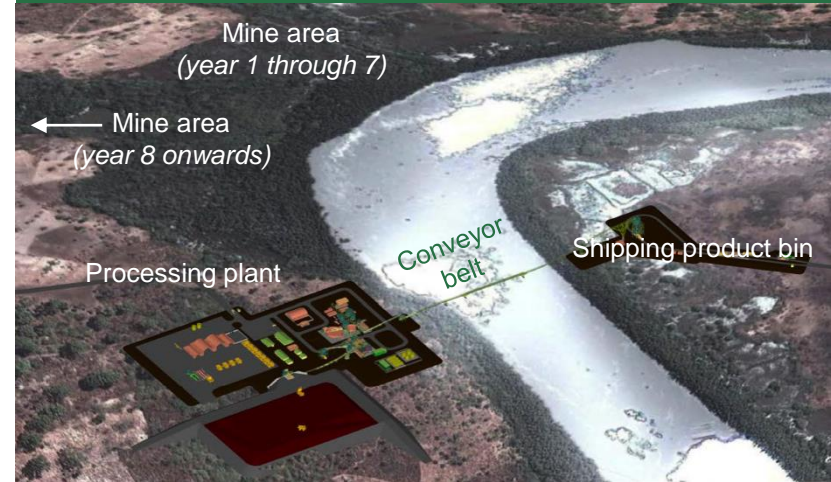
# Itafos Farim is expected to represent 4% of global traded phosphate rock with 1.3Mt p.a. capacity

## High quality phosphate rock

Item	Unit	Value
P <sub>2</sub> O <sub>5</sub>	%	34%
Cadmium	ppm	6.4-6.9
CaO/P <sub>2</sub> O <sub>5</sub>	x	<1.5x

- ✓ **34% P<sub>2</sub>O<sub>5</sub> content compared to benchmark of 30.5%**
- ✓ **Cadmium levels are one of lowest in industry and 60% below current EU's environmental regulations<sup>1</sup>**
- ✓ **CaO/P<sub>2</sub>O<sub>5</sub> ratio is <1.5x requiring lower sulfuric acid consumption than benchmark of >1.6x**

## Mine



## Key highlights

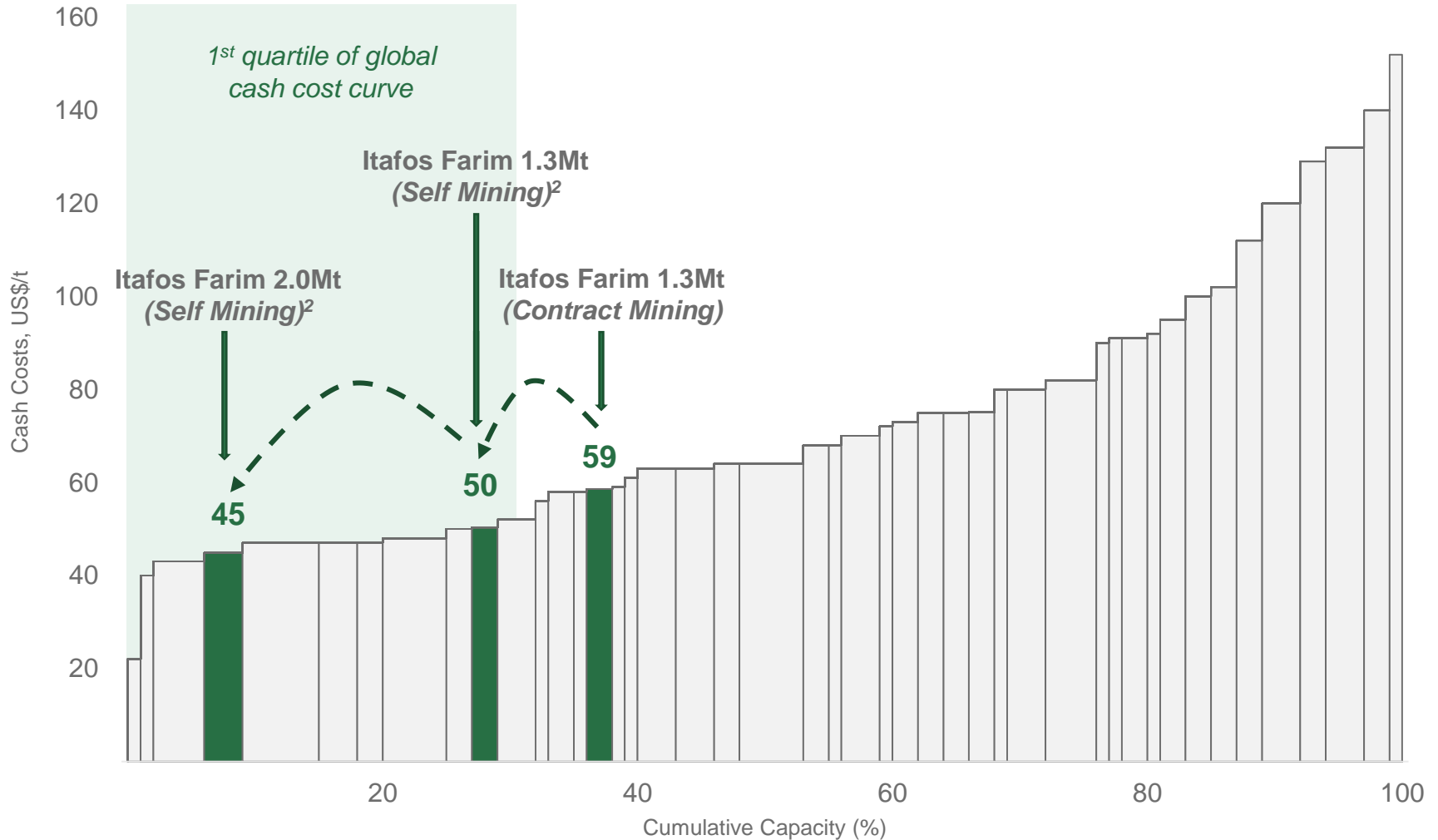
- Expected to produce and sell high quality phosphate rock to global fertilizers producers
- 25 year mine life with extensive additional resource expansion potential
- Expected unlevered capex of US\$200-220mm capex with commercial operations in Q1 2021
- Expected cash cost<sup>2</sup> of US\$59/t, which positions Itafos Farim as one of the lowest cost phosphate rock projects in the world
- Expected to represent 6% of global traded phosphate rock as production increases to 2.0Mt p.a.
- **Pro forma EBITDA of US\$65mm with significant upside potential**

# Itafos Farim being de-risked and project is on path to commercial production

Milestones	Status	Key highlights
<b>Feasibility study</b>	✓	<ul style="list-style-type: none"> <li>Reviewed by independent technical consultants</li> </ul>
<b>Environmental/social impact assessment</b>	✓	<ul style="list-style-type: none"> <li>Based on IFC guidelines and Equator principles and reviewed by independent technical consultants</li> </ul>
<b>Environmental monitoring</b>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Air, noise and water quality measurements taken</li> </ul>
<b>Resettlement action plan</b>	✓	<ul style="list-style-type: none"> <li>First resettlement expected to occur in Q3 2019</li> <li>Remaining resettlements expected over an 18-24 month period</li> </ul>
<b>Permits and licenses</b>	<ul style="list-style-type: none"> <li>Near complete</li> </ul>	<ul style="list-style-type: none"> <li>Environmental and operating permits approved</li> </ul>
<b>Engineering, studies and fieldwork</b>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>River bathymetry study complete and navigable route determined</li> <li>Detailed engineering of wharf at port site well advanced</li> <li>Geotech and hydrogeological drilling complete</li> </ul>
<b>Execution</b>	<ul style="list-style-type: none"> <li>Near complete</li> </ul>	<ul style="list-style-type: none"> <li>Negotiations with EPCM contractor near complete</li> <li>Selection of marine works contract in process</li> <li>Hiring of owners' team well advanced</li> </ul>
<b>Offtake agreements</b>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Negotiation of offtake agreements in process</li> </ul>
<b>Financing</b>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Extensive due diligence completed</li> <li>Board meeting for final lender approval expected for 2H 2019</li> </ul>

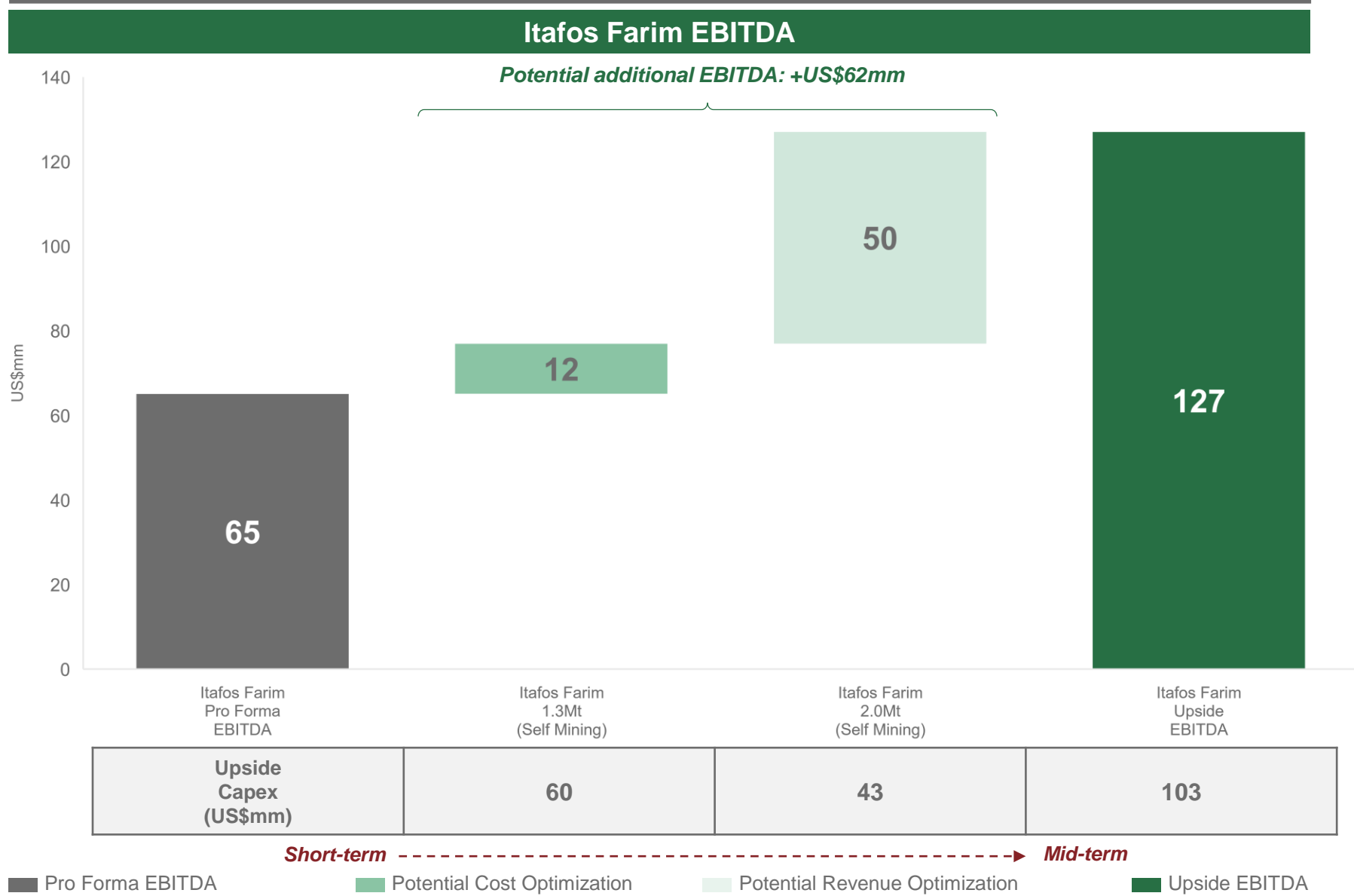
# Itafos Farim is within 1<sup>st</sup> quartile of global cash cost curve with clear steps to further reduce costs

## Phosphate rock projects expected cash costs<sup>1</sup>



Source: CRU, Itafos Information

# Itafos Farim has potentially actionable levers to achieve up to US\$127mm EBITDA



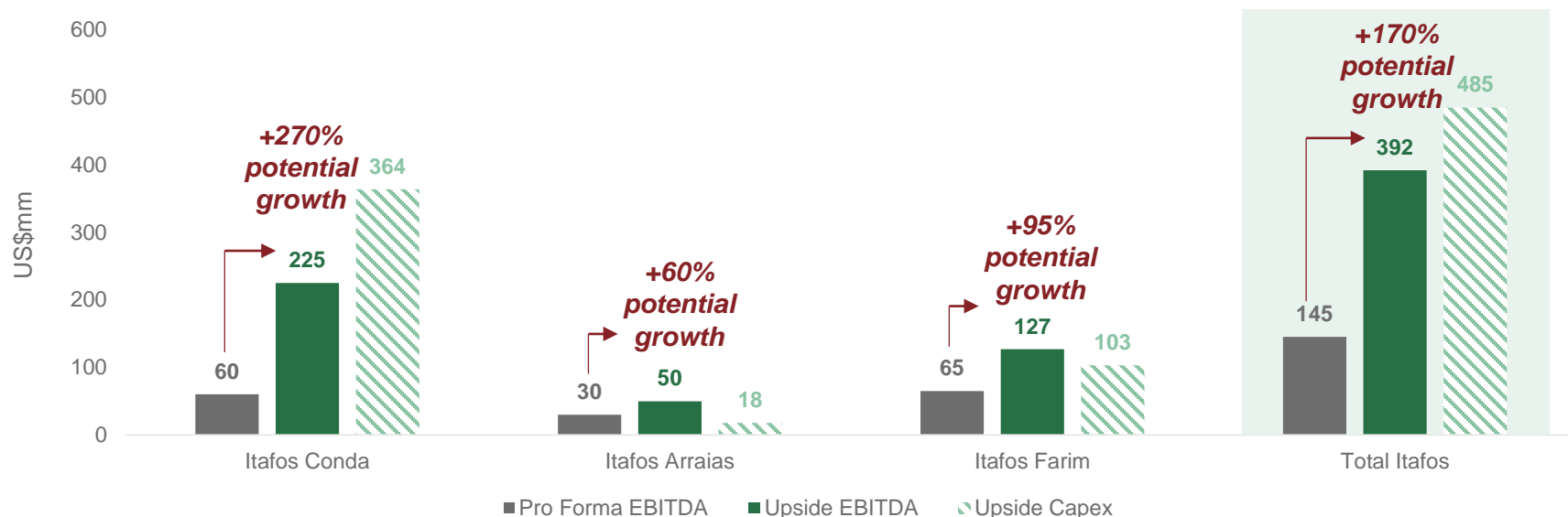
# Compelling economic profile...

Metric	2019	2020	2021	2022	2023	Notes
(US\$ mm)						
Adjusted EBITDA	\$20-30	\$45-65	\$95-125	\$105-145	\$130-180	<ul style="list-style-type: none"> <li>Considers current pricing environment for phosphate rock, fertilizer and key inputs</li> <li>Considers Itafos Arraias repurpose plan</li> <li>Considers Itafos Farim commercial operations in Q1 2021 (contract mining scenario)</li> <li>Considers corporate costs of US\$8-12mm per year</li> </ul>
Maintenance capex	\$20-30	\$25-35	\$20-30	\$30-40	\$20-30	<ul style="list-style-type: none"> <li>Considers Itafos Conda, Itafos Arraias and Itafos Farim planned plant maintenance</li> </ul>
Growth capex	\$70-80	\$170-180	\$15-25	\$15-25	\$15-25	<ul style="list-style-type: none"> <li>Considers Itafos Farim unlevered capex of US\$200-220mm in 2019-2020 (contract mining scenario)</li> <li>Considers Itafos Conda mine life extension initiatives unlevered capex</li> </ul>
Net debt	\$145-165	\$330-350	\$315-335	\$290-310	\$225-245	<ul style="list-style-type: none"> <li>Considers Itafos debt and debentures</li> <li>Considers Itafos Arraias debentures</li> <li>Considers US\$200-220mm of project financing in 2020-2021</li> </ul>

*Note: Growth capex to be funded by a combination of cash flow from operations, project financing and equity issuances; Net debt does not include potential additional financing for growth capex or working capital requirements*

# ...with significant upside potential

## Itafos pro forma EBITDA, upside EBITDA and upside capex



Note: Total pro forma and upside EBITDAs presented net of approximate midpoint of guidance corporate costs; Upside capex is incremental to guidance maintenance capex and growth capex and does not consider incremental maintenance capex

- Combined potential additional EBITDA of US\$247mm through potentially actionable levers at Itafos Conda, Itafos Arraias and Itafos Farim
- Potentially actionable levers will be evaluated, implemented and financed following a disciplined investment approach



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## Annex I: Portfolio highlights



# Portfolio highlights

Item	Itafos Conda	Itafos Arraias	Itafos Paris Hills	Itafos Farim	Itafos Santana	Itafos Mantaro	Itafos Araxá
<b>Itafos Ownership</b>	▪ 100%	▪ 97.0% <sup>1</sup>	▪ 100%	▪ 100%	▪ 99.4% <sup>1</sup>	▪ 100%	▪ 100%
<b>Location</b>	▪ Idaho, US	▪ Tocantins, Brazil	▪ Idaho, US	▪ Farim, Guinea Bissau	▪ Pará, Brazil	▪ Junin, Peru	▪ Minas Gerais, Brazil
<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	▪ Q1 2021 (estimate)	▪ Under review	▪ Under review	▪ Under review
<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	▪ Under review	▪ Under review
<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>	▪ 39.5Mt at avg. 10.0% P <sub>2</sub> O <sub>5</sub>	▪ 6.3Mt at avg. 5.0% TREO and 1.0% Nb <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>	▪ 376.3Mt at avg. 9.0% P <sub>2</sub> O <sub>5</sub>	▪ 21.9Mt at avg. 4.0% TREO and 0.6% Nb <sub>2</sub> O <sub>5</sub>
<b>Mine life</b>	▪ Under review	▪ Under review	▪ Under review	▪ 25 years	▪ Under review	▪ Under review	▪ Under review
<b>Products</b>	▪ SPA ▪ MAP ▪ MGA ▪ APP	▪ SSP, SSP+ ▪ PK compounds ▪ Excess sulfuric acid	▪ Phosphate rock	▪ Phosphate rock	▪ SSP ▪ Excess sulfuric acid	▪ Phosphate rock	▪ Rare earth oxides ▪ Niobium oxide
<b>Production and sales capacity</b>	▪ 550kt per year	▪ 500kt per year SSP, SSP+ and PK compounds ▪ 40kt per year excess sulfuric acid	▪ 1.0Mt per year	▪ 1.3Mt per year	▪ 500kt per year SSP ▪ 30kt per year excess sulfuric acid	▪ Under review	▪ 8.7kt per year rare earth oxides ▪ 0.7kt per year niobium oxide

- Itafos is in process of preparing an NI 43-101 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

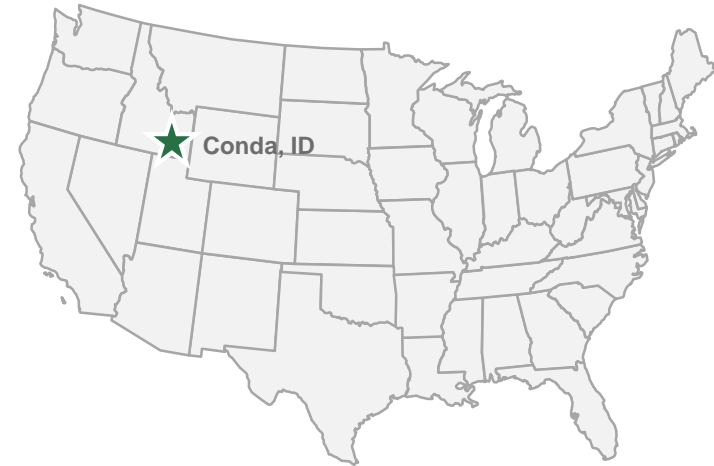
## Key highlights

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

## Status

- 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

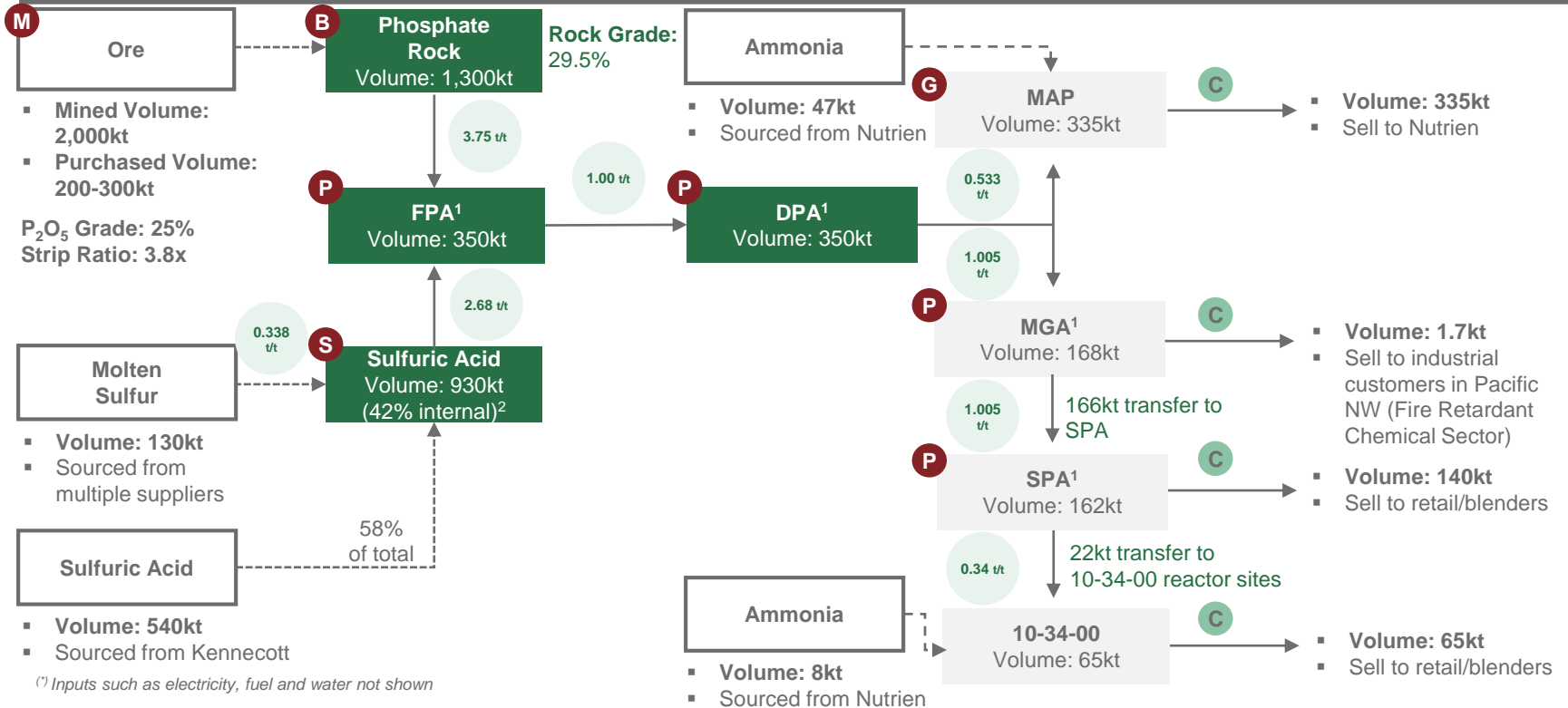


## Resource highlights

- 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

# Itafos Conda expected process overview

Operating business



Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>2018-2024: Ore is extracted from Rasmussen Valley and Lanes Creek mines and transported from the mines to the plant by rail</li> <li>2024+: Ore will be extracted from Itafos Paris Hills and/or other alternative mines and transported from the mines to the plant by truck</li> </ul>
<b>B</b> Beneficiation	<ul style="list-style-type: none"> <li>Ore is fed into a wash plant in order to have its size reduced and to remove impurities, producing phosphate rock</li> <li>P<sub>2</sub>O<sub>5</sub> recovery is approx. 77% and mass recovery is approx. 66%</li> </ul>
<b>S</b> Sulfuric Acid	<ul style="list-style-type: none"> <li>Produces sulfuric acid and steam for use in other plant areas. Sulfuric acid is fed into phosphoric acid and granulation plants</li> </ul>
<b>P</b> Phosphoric Acid Production	<ul style="list-style-type: none"> <li>Converts phosphate rock to phosphoric acid, recovering phosphoric acid and removing gypsum solids</li> <li>Evaporates phosphoric acid, removing water to concentrate it. Evaporated phosphoric acid is then used to make SPA and MGA</li> </ul>
<b>G</b> Granulation	<ul style="list-style-type: none"> <li>Phosphoric acid and ammonia are granulated and fed through a dryer and screened to produce MAP</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer through truck and rail</li> </ul>

# Itafos Conda photos

Operating business

## Mine



## Plant



## Sulfuric acid plant



## Community involvement





# Itafos Arraias overview

Operating  
business

## Key highlights

- Owned 97.0% by Itafos
- Designed as 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
- Currently repurposing plant to produce SSP, SSP+ and premium PK compounds 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 compounds products and procuring higher-grade phosphate rock from third parties and, once operational, from Itafos Farim

## Location highlights

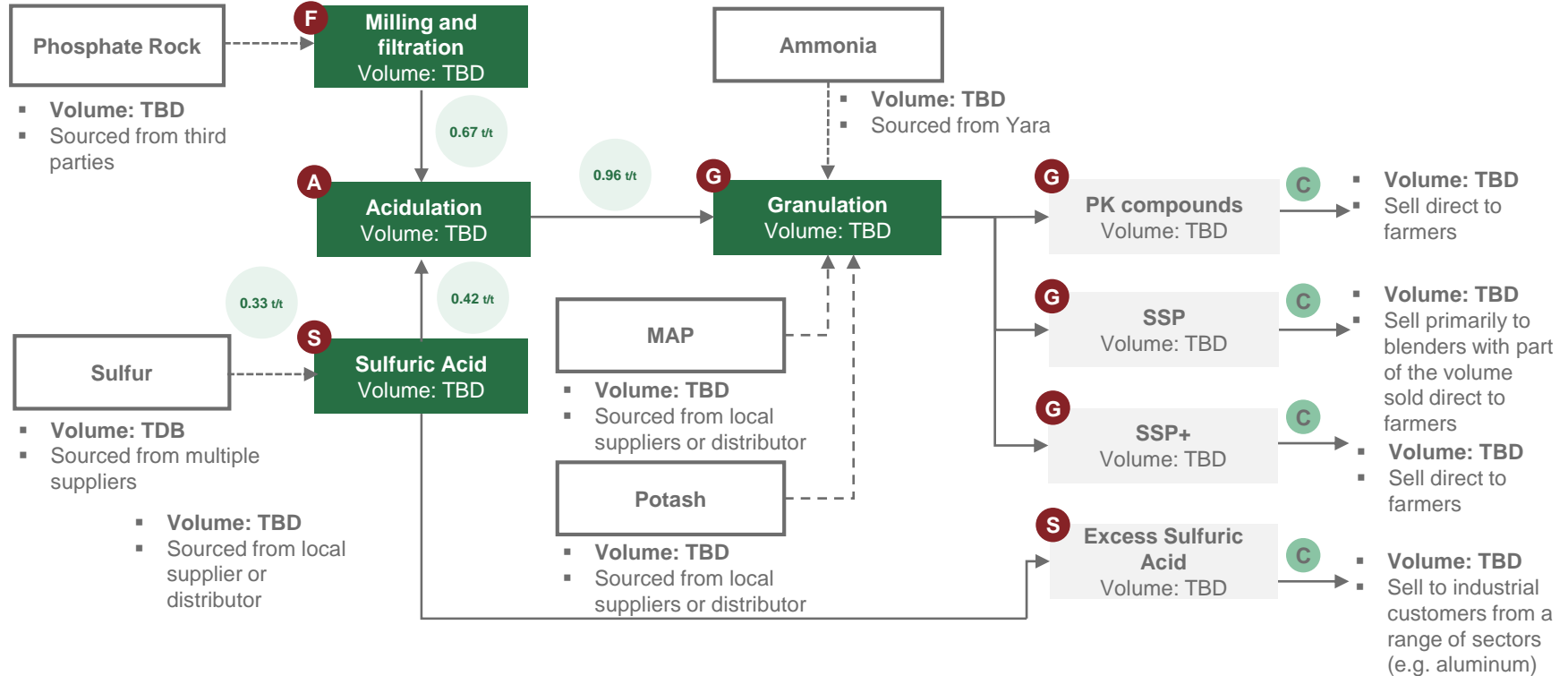


## Resource highlights<sup>1</sup>

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
- Existing permitted mines have been idled in connection with advancing the repurpose plan; however, all licenses and permits will be maintained in good standing and comply with existing regulations

## Key highlights



Area	Description
<b>F</b> Mill and filter	<ul style="list-style-type: none"> <li>Purchased high-grade phosphate rock concentrate is fed through a small mill, thickener and filter to grind phosphate rock</li> </ul>
<b>S</b> Sulfuric Acid	<ul style="list-style-type: none"> <li>Produces sulfuric acid and steam for use in the turbine generator and other plant areas. The electricity produced, from a 6.5MW onsite co-gen power plant, can provide over 50% of the entire Itafos Arraias needs. Sulfuric acid is fed into the acidulation plant</li> </ul>
<b>A</b> Acidulation	<ul style="list-style-type: none"> <li>Phosphate rock is reacted with sulfuric acid, forming SSP powder. No gypsum waste is created in this process</li> </ul>
<b>G</b> Granulation	<ul style="list-style-type: none"> <li>Acidulated phosphate rock, potash and ammonia granulated and fed through a dryer and screened to produce SSP, SSP+ and PK compounds</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer by truck, either in bulk or in big bags</li> </ul>



# Itafos Arraias photos

Operating  
business

## Mine<sup>1</sup>



## 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, US 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

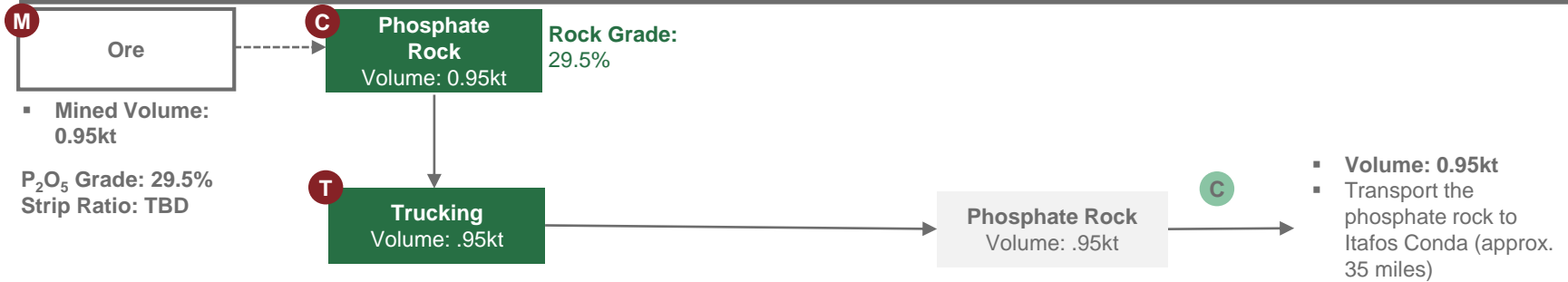


## Resource highlights<sup>1</sup>

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

# Itafos Paris Hills expected process overview

Near-term project



*(\*) Inputs such as electricity, fuel and water not shown*

Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>Ore will be extracted from Itafos Paris Hills mine and stockpiled</li> </ul>
<b>C</b> Crushing	<ul style="list-style-type: none"> <li>Ore will be crushed in order to prepare the phosphate rock to a suitable size for transport to Itafos Conda. No further processing of the ore will take place following crushing</li> </ul>
<b>T</b> Trucking	<ul style="list-style-type: none"> <li>Phosphate rock will be trucked approx. 35 miles to Itafos Conda</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to Itafos Conda</li> </ul>

# 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 1.3Mt 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 Q1 2021

## Location highlights

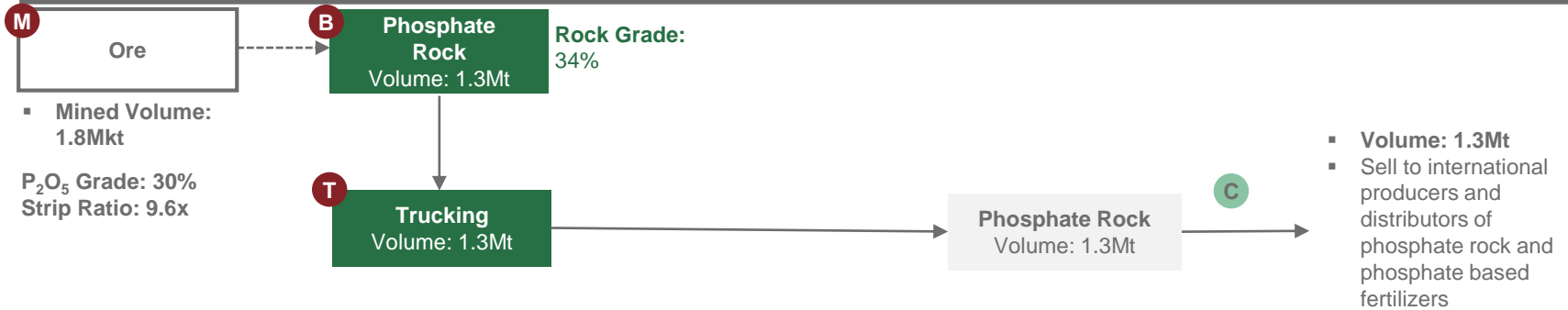


## Resource highlights<sup>1</sup>

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

# Itafos Farim expected process overview

Near-term project



<sup>(\*)</sup> Inputs such as electricity, fuel and water not shown

Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>Ore will be extracted from Itafos Farim mine and transported from the mine to the plant by truck</li> </ul>
<b>B</b> Beneficiation	<ul style="list-style-type: none"> <li>Mine feed will undergo scrubbing to remove clay and other impurities followed by de-sliming and drying, producing phosphate rock</li> <li>P<sub>2</sub>O<sub>5</sub> recovery will be approx. 79.9% and mass recovery will be approx. 77%</li> </ul>
<b>T</b> Trucking	<ul style="list-style-type: none"> <li>Phosphate rock will be trucked 75km to the new port site at Ponta Chugue (100% owned by Itafos Farim)</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer through ship</li> </ul>



# 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 mine and fertilizer plant 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. 38,424 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



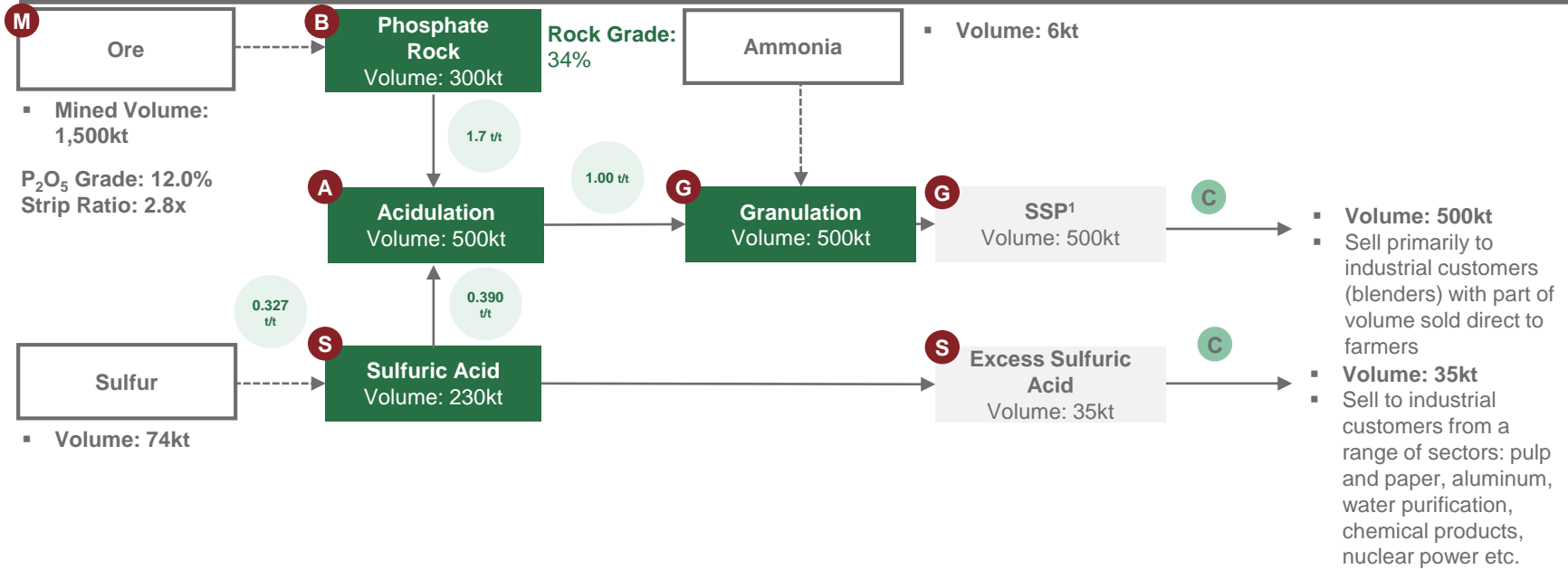
## Resource highlights<sup>1</sup>

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



# Itafos Santana expected process overview

Mid-term project



(<sup>1</sup>) Inputs such as electricity, fuel and water are not shown on the diagram above

Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>Ore will be extracted from Itafos Santana mine and transported from the mine to the plant by truck</li> </ul>
<b>B</b> Beneficiation	<ul style="list-style-type: none"> <li>Ore will be fed into a wash plant in order to have its size reduced and to remove impurities, producing phosphate rock</li> <li>P<sub>2</sub>O<sub>5</sub> recovery will be approx. 55% and mass recovery will be approx. 20%</li> </ul>
<b>S</b> Sulfuric Acid <sup>2</sup>	<ul style="list-style-type: none"> <li>Plant produces sulfuric acid. Steam generated in the process is used in the turbine generator and other plant areas. The electricity produced from a 8.0MWh onsite co-gen power plant will provide &gt;60% of the entire Itafos Santana's needs. Sulfuric acid will be fed into the acidulation plant</li> </ul>
<b>A</b> Acidulation	<ul style="list-style-type: none"> <li>Phosphate rock will be reacted with sulfuric acid, forming SSP powder. No gypsum waste is created in this process</li> </ul>
<b>G</b> Granulation	<ul style="list-style-type: none"> <li>SSP powder and ammonia will be granulated and put through a dryer and screened to produce granulated SSP</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer through truck</li> </ul>

# 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 expected production under review
- 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

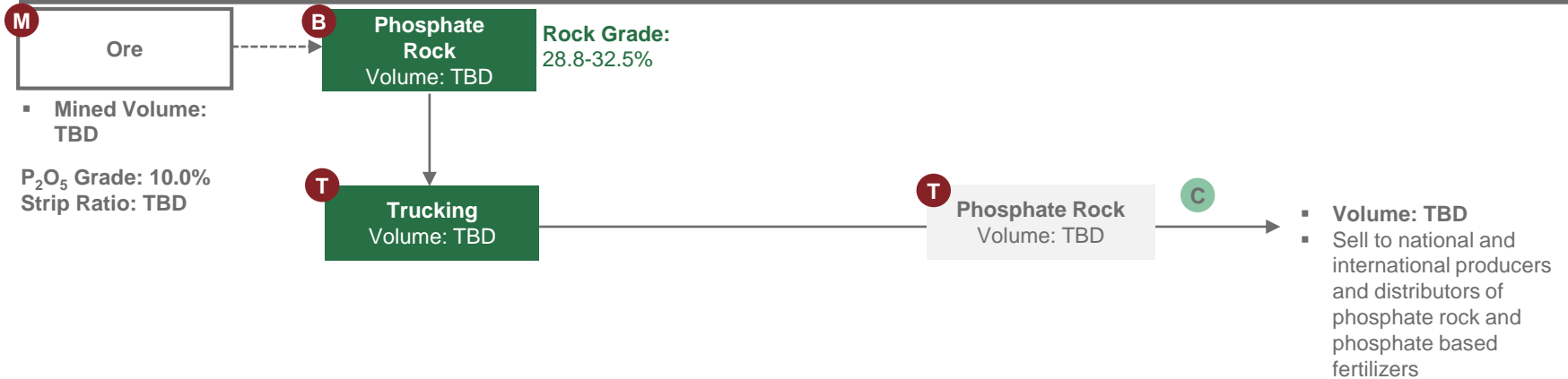


## Resource highlights<sup>1</sup>

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

# Itafos Mantaro expected process overview

Mid-term project



<sup>(\*)</sup> Inputs such as electricity, fuel and water not shown

Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>Ore will be extracted from Itafos Mantaro mine and transported from the mine to the plant by truck</li> </ul>
<b>B</b> Beneficiation	<ul style="list-style-type: none"> <li>Mine feed will undergo scrubbing to remove clay and other impurities followed by de-sliming and drying, producing phosphate rock</li> <li>P<sub>2</sub>O<sub>5</sub> recovery and mass recovery to be determined</li> </ul>
<b>T</b> Trucking	<ul style="list-style-type: none"> <li>Phosphate rock will be trucked 75km to a port</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer through truck</li> </ul>

# Itafos Araxá overview

Mid-term  
project

## Key highlights

- Owned 100% by Itafos
- Vertically integrated rare earth elements and niobium mine and extraction plant development project
- Expected to produce rare earth oxides and niobium oxide to serve international markets
- Located in Mina Gerais, Brazil on a property consisting of approx. 211 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 6.3Mt at an average grade of 5.0% total rare earth oxides (TREO) and an average grade of 1.0% Nb<sub>2</sub>O<sub>5</sub> with expected production and sales capacity of 8.7kt per year of REOs and 0.7kt per year of niobium oxide

## 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

## Location highlights

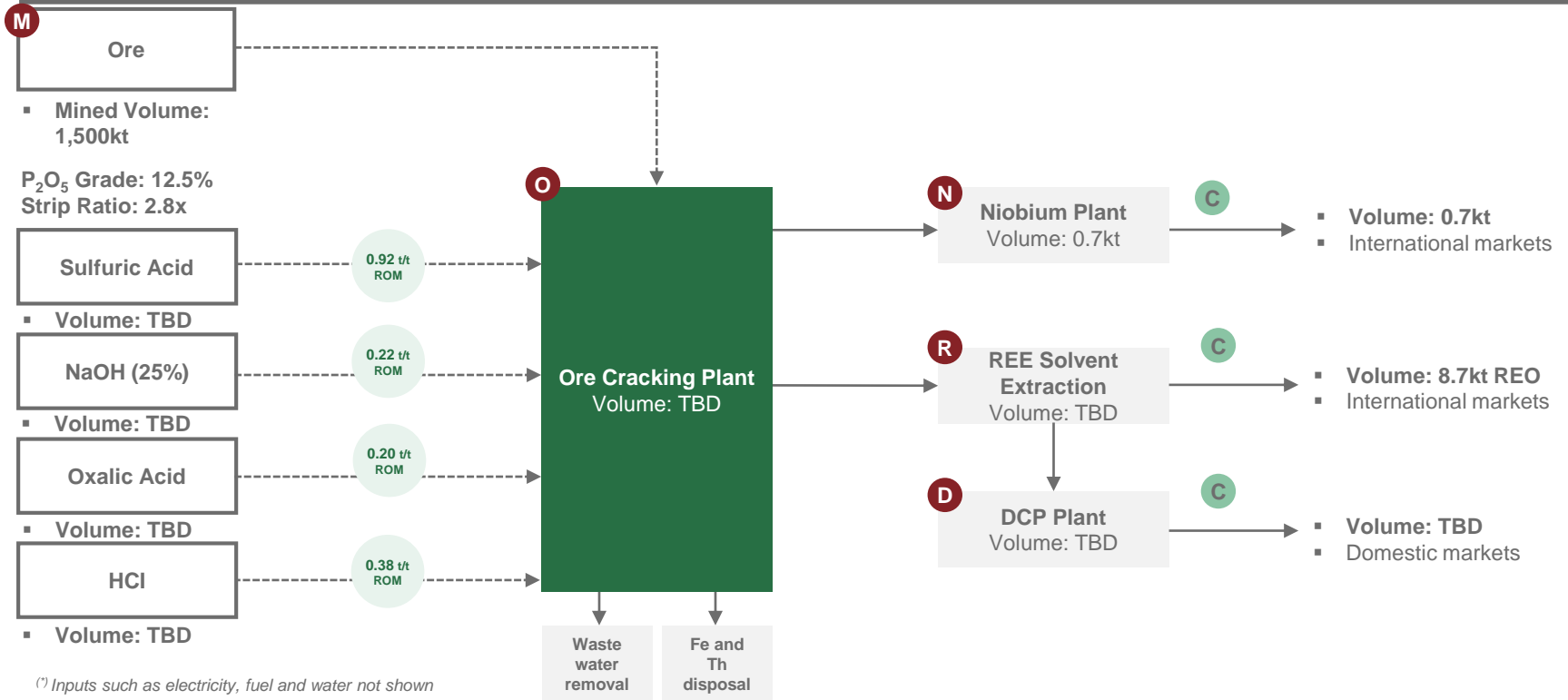


## Resource highlights<sup>1</sup>

Item	Tonnes (Mt)	TREO Grade (%)	TREO (kt)	Nb <sub>2</sub> O <sub>5</sub> Grade (%)	Nb <sub>2</sub> O <sub>5</sub> (kt)
M&I resources	6.3	5.0	317.6	1.0%	64.7
Inferred resources	21.9	4.0	875.4	0.6%	140.4

# Itafos Araxá expected process overview

Mid-term project



Area	Description
<b>M</b> Mine	<ul style="list-style-type: none"> <li>Ore will be extracted from Itafos Araxá mine and transported from the mine to the plant by truck</li> </ul>
<b>O</b> Ore Cracking	<ul style="list-style-type: none"> <li>Ore will be fed into crusher, grinder and mill in order to have its size reduced and to remove impurities. Thereafter, ore will be reacted with multiple reagents, forming precipitation of a niobium concentrate, precipitation of a rare earth elements concentrate and phosphoric acid</li> </ul>
<b>N</b> Niobium Plant	<ul style="list-style-type: none"> <li>Niobium concentrate will be treated, forming Niobium Oxide</li> </ul>
<b>R</b> REE Plant	<ul style="list-style-type: none"> <li>Rare earth elements concentrate will be treated, forming rare earth elements individual oxides (REOs)</li> </ul>
<b>D</b> DCP Plant	<ul style="list-style-type: none"> <li>Phosphoric acid will react with Calcium Hydroxide, forming Dicalcium Phosphate</li> </ul>
<b>C</b> Customer	<ul style="list-style-type: none"> <li>Transported to customer through truck and ship</li> </ul>

3

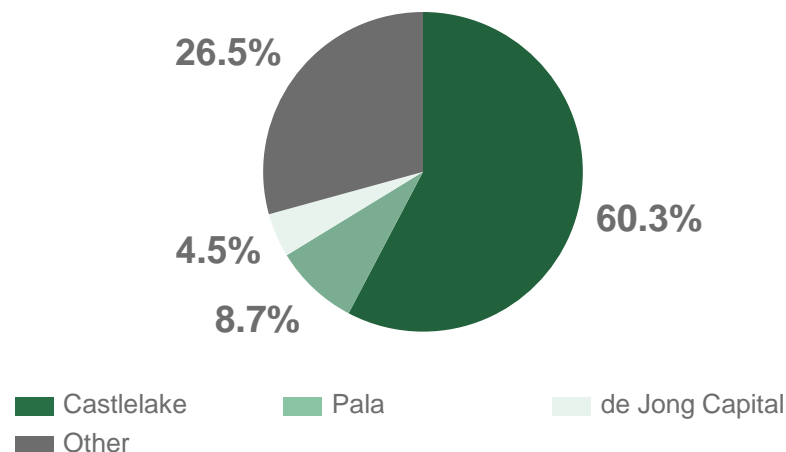
## Annex II: Financial highlights

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

## Capitalization<sup>1</sup>

Exchange	▪ TSX-V
Ticker	▪ IFOS
Shares outstanding	▪ 140,298,801
Share price (/share)	▪ C\$1.38
Average daily volume (TTM)	▪ 44,764
Market capitalization (000s)	▪ C\$193,612
Cash <sup>2</sup> (000s)	▪ US\$10,550
Debt <sup>2,3</sup> (000s)	▪ US\$170,730

## Shareholders<sup>4</sup>



## Share price and volume



Source: TMX



# Income statement

Income statement	1Q19	1Q18	Δ US\$	Δ %
<b>Income statement (US\$ 000s)</b>				
<b>Revenues, net</b>	<b>73,178</b>	<b>58,116</b>	<b>15,062</b>	<b>26%</b>
Cost of goods sold	(73,340)	(47,252)	(26,088)	55%
Impairments	-	-	-	-
	<b>(162)</b>	<b>10,864</b>	<b>(11,026)</b>	<b>(101%)</b>
<b>Expenses</b>				
<b>Selling, general and administrative expenses</b>	<b>(5,848)</b>	<b>(8,223)</b>	<b>2,375</b>	<b>(29%)</b>
<b>Operating loss</b>	<b>(6,010)</b>	<b>2,641</b>	<b>(8,651)</b>	<b>NA</b>
Foreign exchange loss	(858)	(29)	(829)	NA
Other income (expense)	700	(191)	891	NA
Gain on fair valuation of Itafos Conda, net	-	46,902	(46,902)	-
Finance expense, net	(5,441)	(2,125)	(3,316)	156%
Gain (loss) from investments in associates	-	7,909	(7,909)	-
Warrant expense	-	-	-	-
<b>Loss before income taxes</b>	<b>(11,609)</b>	<b>55,107</b>	<b>(66,716)</b>	<b>(121%)</b>
Current and deferred income tax expense	(1,722)	(3,783)	2,061	(54%)
<b>Net loss attributable to shareholders of the parent</b>	<b>(13,331)</b>	<b>51,324</b>	<b>(64,655)</b>	<b>(126%)</b>
Net loss attributable to non-controlling interest	-	-	-	-
<b>Net loss</b>	<b>(13,331)</b>	<b>51,324</b>	<b>(64,655)</b>	<b>(126%)</b>
<b>Basic loss per share</b>	<b>(0.09)</b>	<b>0.37</b>	<b>(0.46)</b>	<b>(124%)</b>
<b>Fully diluted loss per share</b>	<b>(0.09)</b>	<b>0.36</b>	<b>(0.45)</b>	<b>(125%)</b>

Source: Itafos' Q1 2019 consolidated financial statements

# Balance sheet

Balance sheet	1Q19	4Q18	Δ US\$	Δ %
<b>Assets (US\$ 000s)</b>				
Cash and cash equivalents	10,550	9,919	631	6%
Accounts receivable	24,325	35,907	(11,582)	(32%)
Short-term investments	-	2,106	(2,106)	(100%)
Inventories, net	138,595	133,840	4,755	4%
Other current assets	8,618	12,704	(4,086)	(32%)
<b>Total current assets</b>	<b>182,088</b>	<b>194,476</b>	<b>(12,388)</b>	<b>(6%)</b>
Property, plant and equipment, net	256,218	245,418	10,800	4%
Mineral properties, net	124,492	124,286	206	0%
Investments in associates	-	-	-	-
Deferred tax assets	1,157	1,157	-	-
Other long-term assets	11,384	11,082	302	3%
<b>Total non-current assets</b>	<b>393,251</b>	<b>381,943</b>	<b>11,308</b>	<b>3%</b>
<b>Total assets</b>	<b>575,339</b>	<b>576,419</b>	<b>(1,080)</b>	<b>(0%)</b>
<b>Liabilities and equity (US\$ 000s)</b>				
Accounts payable and accrued liabilities	64,684	75,601	(10,917)	(14%)
Provisions	617	494	123	25%
Current debt	1,413	325	1,088	NA
Contract liabilities	3,994	2,067	1,927	93%
Current debentures	1,012	942	70	7%
Other current liabilities	3,331	-	3,331	NA
<b>Total current liabilities</b>	<b>75,051</b>	<b>79,429</b>	<b>(4,378)</b>	<b>(6%)</b>
Long-term debt	165,663	160,258	5,405	3%
Long-term debentures	2,642	2,588	54	2%
Deferred tax liabilities	13,663	14,961	(1,298)	(9%)
Long-term provisions	41,198	39,148	2,050	5%
Other long-term liabilities	18,666	8,256	10,410	126%
<b>Total long-term liabilities</b>	<b>241,832</b>	<b>225,211</b>	<b>16,621</b>	<b>7%</b>
Share capital	514,155	515,029	(874)	(0%)
Contributed surplus	246,626	246,626	-	-
Cumulative translation adjustment reserve	5,039	3,655	1,384	38%
Deficit	(516,426)	(502,593)	(13,833)	3%
<b>Equity attributable to shareholders of the parent</b>	<b>249,394</b>	<b>262,717</b>	<b>(13,323)</b>	<b>(5%)</b>
Non-controlling interest	9,062	9,062	-	-
<b>Total equity</b>	<b>258,456</b>	<b>271,779</b>	<b>(13,323)</b>	<b>(5%)</b>
<b>Total liabilities and equity</b>	<b>575,339</b>	<b>576,419</b>	<b>(1,080)</b>	<b>(0%)</b>

Source: Itafos' Q1 2019 consolidated financial statements

# Cash flow statement

Cash flow statement	1Q19	1Q18	Δ US\$	Δ %
<b>Operating activities (US\$ 000s)</b>				
<b>Net income (loss)</b>	<b>(13,331)</b>	<b>51,324</b>	<b>(64,655)</b>	<b>(126%)</b>
Depreciation and depletion	8,772	3,085	5,687	184%
Cash settlement of share-based payments	(9)	-	(9)	NA
Share-based payment (recovery) expense	(142)	616	(758)	(123%)
Current and deferred income tax expense	1,722	3,783	(2,061)	(54%)
Gain on fair valuation of Itafos Conda, net	-	(46,902)	46,902	-
Loss on Brazilian warrants	-	-	-	-
(Gain) loss from investments in associates	-	(7,909)	7,909	-
Unrealized foreign exchange loss	499	29	470	NA
Impairments	-	-	-	-
Finance expense, net	5,441	2,126	3,315	156%
Net change in non-cash working capital	4,479	(19,086)	23,565	(123%)
<b>Cash flows from operating activities</b>	<b>7,431</b>	<b>(12,934)</b>	<b>20,365</b>	<b>(157%)</b>
<b>Investing activities (US\$ 000s)</b>				
Addition of property, plant and equipment and mineral properties	(5,176)	(8,455)	3,279	(39%)
Acquisition of Itafos Conda	-	(66,500)	66,500	-
Cash received from Itafos Conda working capital adjustment	-	-	-	-
Cash received from Itafos Conda at acquisition	-	725	(725)	-
Short-term investments	2,106	-	2,106	-
Acquisition of GBL	-	(25,539)	25,539	-
Issuance of promissory note to GBL	-	(4,500)	4,500	-
Cash received from GBL at acquisition	-	2,898	(2,898)	-
Investments in associates	-	-	-	-
<b>Cash flows from investing activities</b>	<b>(3,070)</b>	<b>(101,371)</b>	<b>98,301</b>	<b>(97%)</b>
<b>Financing activities (US\$ 000s)</b>				
Proceeds from debt financing	-	61,421	(61,421)	(100%)
Repayment of debt financing	-	-	-	-
Payment of interest expense	(2,042)	-	(2,042)	-
Payment of financing related costs	(806)	-	(806)	-
Proceeds from debt financing subsequently settled with issuance of shares	-	-	-	-
Net proceeds from issuance of shares	-	-	-	-
Repurchase of shares through the NCIB	(874)	-	(874)	-
<b>Cash flows from financing activities</b>	<b>(3,722)</b>	<b>61,421</b>	<b>(65,143)</b>	<b>(106%)</b>
<b>Cash, end of period (US\$ 000s)</b>				
Effect of foreign exchange of non-US Dollar denominated cash	(8)	2	(10)	NA
Increase (decrease) in cash	631	(52,882)	53,513	(101%)
Cash, beginning of period	9,919	63,677	(53,758)	(84%)
<b>Cash, end of period</b>	<b>10,550</b>	<b>10,795</b>	<b>(245)</b>	<b>(2%)</b>

Source: Itafos' Q1 2019 consolidated financial statements

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## Annex III: Definitions

# Non-IFRS financial measures

The Company considers both IFRS and certain non-IFRS measures to assess 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. 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. The Company believes the non-IFRS measures provide useful supplemental information to investors, analysts, lenders and others in order to evaluate the Company's operational and financial performance. These non-IFRS financial measures should not be considered as a substitute for, nor superior to, measures of financial performance prepared in accordance with IFRS.

The Company considers non-IFRS measures as follows:

Non-IFRS measure	Definition	Most directly comparable IFRS measure
<b>EBITDA</b>	Earnings before interest, taxes, depreciation, depletion and amortization	Net income (loss) and operating income (loss)
<b>Adjusted EBITDA</b>	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)
<b>Total capex</b>	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
<b>Maintenance capex</b>	Portion of total capex relating to the maintenance of ongoing operations of the Company	Additions to property, plant and equipment and mineral properties
<b>Growth capex</b>	Portion of total capex relating to development of growth opportunities of the Company	Additions to property, plant and equipment and mineral properties
<b>Net debt</b>	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

# Glossary of product acronyms

Acronym	Definition	Asset
MAP	Monoammonium phosphate	Itafos Conda
SPA	Superphosphoric acid	Itafos Conda
MGA	Merchant grade phosphoric acid	Itafos Conda
APP	Ammonium polyphosphate	Itafos Conda
SSP	Single superphosphate	Itafos Arraias
SSP+	SSP with micronutrients	Itafos Arraias
PK compounds	Phosphate potassium compounds	Itafos Arraias
REO	Rare earth oxides	Itafos Araxá
REE	Rare earth elements	Itafos Araxá
TREO	Total rare earth oxides	Itafos Araxá
DCP	Dicalcium phosphate	Itafos Araxá