

ITAFOS REPORTS RECORD 2021 RESULTS, EXPECTS CONTINUED STRENGTH IN 2022**Q4 2021 Key Highlights**

- revenues of \$116.8 million
- adjusted EBITDA of \$47.9 million
- net income of \$24.3 million
- basic earnings of C\$0.16/share
- free cash flow of \$28.8 million

FY 2021 Key Highlights

- revenues of \$413.2 million
- adjusted EBITDA of \$143.4 million
- net income of \$51.4 million
- basic earnings of C\$0.35/share
- free cash flow of \$71.3 million

FY 2022 Guidance

- adjusted EBITDA of \$190-230 million
- net income of \$65-95 million
- basic earnings of C\$0.44-0.65/share
- maintenance capex of \$13-23 million
- growth capex of \$12-22 million
- free cash flow of \$135-165 million

CEO Commentary

“We made great progress in reshaping the fundamentals of our company during 2021, which resulted in record operational and financial performance, including full year revenues of \$413.2 million, adjusted EBITDA of \$143.4 million and world class safety metrics. We are looking to continue to build upon the foundation laid in 2021 with further improved financial and operational performance in 2022, aided by rising prices and solid volume demand in the markets in which we participate,” said G. David Delaney, CEO of Itafos.

“Our full-year guidance for 2022 reflects the continued strength of the business and our expectations of increasingly strong fundamentals in the agriculture and phosphate fertilizer markets. In 2022, we will continue to focus on our key priorities of deleveraging the balance sheet with cash flows from the business, extending Conda’s current mine life through permitting and development of H1/NDR and evaluating strategic alternatives for our non-North American assets.”

HOUSTON, TX – March 24, 2022 – Itafos Inc. (TSX-V: IFOS) (the “Company”) reported today its Q4 and full year (“FY”) 2021 financial and operational highlights. The Company’s financial statements, management’s discussion and analysis and annual information form for the year ended December 31, 2021 are available under the Company’s profile at www.sedar.com and on the Company’s website at www.itafos.com. All figures are in thousands of US Dollars except as otherwise noted.

Q4 and FY 2021 Market Highlights

DAP NOLA prices averaged \$715/st in Q4 2021 compared to \$368/st in Q4 2020, up 94% year-over-year driven by strong agriculture and phosphate fertilizer market supply and demand dynamics. Similarly, DAP NOLA prices averaged \$602/st in FY 2021 compared to \$312/st in FY 2020, up 93% year-over-year. Specific factors driving the year-over-year improvements in DAP NOLA were as follows:

- no significant phosphate fertilizer supply capacity additions in combination with lower production from existing capacity (due to both planned maintenance and unplanned disruptions), which resulted in continued drawdown of

global phosphate fertilizer inventory levels;

- strong phosphate fertilizer demand underpinned by global coarse grains and oilseeds at multi-year low stocks-to-use ratios and the highest prices in nearly a decade, supporting demand and fertilizer relative affordability; and
- increased restrictions and controls on exports of phosphates fertilizers from China and Russia.

Q4 2021 Financial Highlights

The Company's revenues, adjusted EBITDA, net income, basic earnings per share and free cash flow were all up in Q4 2021 compared to Q4 2020 as follows:

- revenues of \$116.8 million in Q4 2021 compared to \$75.1 million in Q4 2020;
- adjusted EBITDA of \$47.9 million in Q4 2021 compared to \$4.8 million in Q4 2020;
- net income (loss) of \$24.3 million in Q4 2021 compared to \$(9.4) million in Q4 2020;
- basic earnings (loss) of C\$0.16/share in Q4 2021 compared to C\$(0.07) in Q4 2020; and
- free cash flow of \$28.8 million in Q4 2021 compared to \$5.6 million in Q4 2020.

The Company's total capex spend in Q4 2021 was \$6.3 million compared to \$3.9 million in Q4 2020 with the increase reflecting activities related to the initiative to produce and sell HFSA at Conda, timing of maintenance projects at Conda and the sulfuric acid restart at Arraias.

FY 2021 Financial Highlights

The Company's revenues, adjusted EBITDA, net income, basic earnings per share and free cash flow were all up in FY 2021 compared to FY 2020 as follows:

- revenues of \$413.2 million in FY 2021 compared to \$260.2 million in FY 2020;
- adjusted EBITDA of \$143.4 million in FY 2021 compared to \$15.0 million in FY 2020;
- net income (loss) of \$51.4 million in FY 2021 compared to \$(62.3) million in FY 2020;
- basic earnings (loss) of C\$0.35/share in FY 2021 compared to C\$(0.46)/share in FY 2020; and
- free cash flow of \$71.3 million in FY 2021 compared to \$(10.3) million in FY 2020.

The Company's total capex spend in FY 2021 was \$34.8 million compared to \$15.2 million in FY 2020 with the increase reflecting the completion of a full scope plant turnaround at Conda during June 2021 (compared to a reduced scope turnaround in 2020), activities related to the initiative to produce and sell HFSA at Conda and the sulfuric acid restart at Arraias.

Debt Refinancing

On August 25, 2021, the Company announced that it closed a three-year \$205 million secured term loan (the "Term Loan"). The proceeds of the Term Loan were used to repay the Company's existing secured term credit facility (the "Credit Facility") and to pay related transaction costs and fees. In connection with the closing of the Term Loan, the Company also completed an amendment to its existing secured working capital facility at Conda (the "Conda ABL") to increase the commitment amount from \$20 million to \$40 million and extend the term, among other modifications as detailed below. Also in connection with the closing of the Term Loan, the Company completed an amendment to its existing unsecured and subordinated promissory note (the "Promissory Note") to cancel the remaining availability and extend the term, among other modifications.

December 31, 2021 Net Debt and Liquidity Highlights

As at December 31, 2021, the Company had net debt of \$217.7 million compared to \$233.9 million at the end of 2020 with the decrease primarily due to higher cash and cash equivalents. The Company's net debt as at December 31, 2021 was comprised of \$31.6 million in cash and \$249.3 million in debt (gross of deferred financing costs).

As at December 31, 2021, the Company had liquidity of \$37.4 million comprised of \$31.6 million in cash and \$5.9 million in Conda ABL undrawn borrowing capacity.

Q4 2021 Operational Highlights

EHS

- continued corporate-wide risk mitigation measures to address potential impacts to employees, contractors and operations as a result of the COVID-19 pandemic resulting in no material impact on operations;
- sustained EHS excellence, including no reportable environmental releases or recordable incidents; and

- published the inaugural ESG report.

Conda

- experienced a disruption in sulfuric acid supply from its primary supplier from the end of September 2021 to mid-November 2021;
- produced 137,628 tonnes in Q4 2021 compared to 145,665 tonnes in Q4 2020 with the increase primarily due to a disruption in sulfuric acid supply;
- generated revenues of \$116,784 in Q4 2021 compared to \$75,055 in Q4 2020 with the increase primarily due to higher realized prices, which were partially offset by lower sales volumes due to a disruption in sulfuric acid supply;
- generated adjusted EBITDA of \$52,849 in Q4 2021 compared to \$7,322 in Q4 2020 with the increase primarily due to the same factors that resulted in higher revenues and lower input costs (due to lower sales volumes);
- recorded net income of \$34,914 in Q4 2021 compared to \$190 in Q4 2020 with the increase primarily due to the same factors that resulted in higher adjusted EBITDA and lower depreciation and depletion, which were partially offset by higher finance and income tax expenses;
- realized a reduction in guarantee requirements from \$85,080 to \$77,739 as part of standard regulatory reviews by the respective governmental agencies;
- placed incremental surety bonds of \$10,191 to guarantee obligations under existing operating and environmental permits;
- posted incremental letters of credit of \$4,560 under the Conda ABL as collateral for surety bonds that guarantee obligations under existing operating and environmental permits;
- advanced activities related to the extension of Conda's mine life through permitting and development of H1/NDR, including progression of the NEPA EIS preparation and public engagement process; and
- advanced activities related to the optimization of Conda's EBITDA generation.

FY 2021 Operational Highlights

EHS

- continued corporate-wide risk mitigation measures to address potential impacts to employees, contractors and operations as a result of the COVID-19 pandemic resulting in no material impact on operations;
- sustained EHS excellence, including no reportable environmental releases and three recordable incidents, which resulted in a consolidated TRIFR of 0.41; and
- published the inaugural ESG report.

Conda

- completed a full scope plant turnaround at Conda during June 2021, including certain activities that had been deferred following the Company's decision to conduct a reduced scope plant turnaround in 2020 as part of Company's COVID-19 risk mitigation measures;
- experienced a disruption in sulfuric acid supply from its primary supplier from the end of September 2021 to mid-November 2021;
- produced 536,603 tonnes in FY 2021 compared to 516,480 tonnes in FY 2020 with the increase primarily due to a longer disruption in sulfuric acid supply in 2020 than in 2021, which was partially offset by the completion of a full scope plant turnaround at Conda during June 2021 compared to a reduced scope plant turnaround in 2020;
- generated revenues of \$413,247 in FY 2021 compared to \$255,524 in FY 2020 with the increase primarily due to higher realized prices, which were partially offset by lower sales volumes;
- generated adjusted EBITDA of \$160,582 in FY 2021 compared to \$34,336 in FY 2020 with the increase primarily due to the same factors that resulted in higher revenues, which were partially offset by higher input costs;
- recorded net income of \$102,794 in FY 2021 compared to \$2,818 in FY 2020 with the increase primarily due to the same factors that resulted in higher adjusted EBITDA and lower depreciation and depletion, which were partially offset by higher finance and income tax expenses;
- realized an increase in guarantee requirements from \$39,757 to \$77,739 as part of standard regulatory reviews by the respective governmental agencies;
- placed incremental surety bonds of \$37,982 to guarantee obligations under existing operating and environmental permits;
- amended the Conda ABL to increase the commitment amount from \$20,000 to \$40,000 and extend the term;
- posted incremental letters of credit of \$21,179 under the Conda ABL as collateral for surety bonds that guarantee obligations under existing operating and environmental permits;
- advanced activities related to the extension of Conda's mine life through permitting and development of H1/NDR, including progression of the NEPA EIS preparation and public engagement process; and
- advanced activities related to the optimization of Conda's EBITDA generation.

FY 2021 Other Highlights

Also during FY 2021, the Company:

- completed a redomiciliation from the Cayman Islands to the US;
- advanced the recommissioning of the previously idled sulfuric acid plant at Arraias; and
- continued evaluation of strategic alternative for non-North American assets.

Subsequent Events

Subsequent to December 31, 2021, the Company:

- announced the resumption of sulfuric acid production and sales at Arraias during February 2022. Subsequent to the restart, the Company decided in March 2022 to conduct further maintenance activities at the sulfuric acid plant, which are expected to be completed in April 2022;
- reached a settlement with insurers on a business interruption claim related to the 2020 disruption in sulfuric acid supply to Conda, which resulted in receipt of net insurance proceeds of \$8,675;
- received national recognition during the 87th North American Wildlife and Natural Resources Conference as the Bureau of Land Management awarded the Conversation Leadership Partner Award to the Southeast Idaho Habitat Mitigation Fund, which was developed and funded by Conda;
- posted incremental letters of credit of \$3,663 under the Conda ABL as collateral for Conda's surety bonds that guarantee obligations under existing operating and environmental permits; and
- granted 1,251,799 restricted share units ("RSUs") under its RSU plan, including 105,724 RSUs granted to directors, 466,251 RSUs granted to management and 679,824 RSUs granted to employees and contractors.

Market Outlook

The Company expects the current strength in the global agriculture and phosphate fertilizer fundamentals to continue in 2022. Accordingly, the Company expects continued strength in pricing and volume fundamentals in the phosphate fertilizer markets during H1 2022, followed by a moderate softening of prices during H2 2022.

Specific factors the Company expects to influence the continued strength in the global phosphate fertilizer markets during H1 2022 are as follows:

- low global inventory levels at the start of 2022;
- no significant phosphate fertilizer supply capacity additions;
- stable phosphate fertilizer demand;
- reduced supply from Russia and global disruption of fertilizer raw materials supply chains following Russia's invasion of Ukraine; and
- China's decision to severely restrict phosphate fertilizer exports through at least June 2022.

Specific factors the Company expects to influence the moderate softening of the global phosphate fertilizer markets during H2 2022 are as follows:

- return of global inventory to historical levels;
- increase of phosphate fertilizer supply from existing capacity maximizing run-rates; and
- increase of phosphate fertilizer exports from China upon easing of export restrictions.

The Company expects sulfur and sulfuric acid prices to remain at high levels globally due to solid demand from phosphates and metals consumers. The Company expects ammonia prices to also remain at high levels during H1 2022 (due to supply disruption from Ukraine and production shutdowns linked to higher natural gas prices in Europe), followed by a moderate softening during H2 2022.

Financial Outlook

The Company's guidance for 2022 is as follows:

*(in millions of US Dollars
except as otherwise noted)*

	H1 2022	H2 2022	FY 2022
Adjusted EBITDA	\$ 110-120	\$ 80-110	\$ 190-230
Net income	50-60	15-35	65-95
Basic earnings (C\$/share)	0.34-0.41	0.10-0.23	0.44-0.65
Maintenance capex	9-14	4-9	13-23
Growth capex	8-13	4-9	12-22
Free cash flow	95-105	40-60	135-165

In developing its guidance for 2022, the Company considered the following:

- Conda production and sales at capacity with planned maintenance during June 2022 (short turnaround) and advancement of growth activities, including extending Conda's mine life through permitting and development of H1/NDR and advancing EBITDA optimization initiatives;
- Arraias production and sales of sulfuric acid with a base load capacity of 10.5kt per month (remainder of operations remain idled);
- development and exploration segment activities, including maintaining Farim at construction ready state, maintaining the integrity of the concessions of Santana and Araxá and advancing the wind down of Paris Hills and Mantaro; and
- corporate segment activities, including selling, general and administrative expenses and debt service.

The assumptions considered by the Company in preparing its guidance for 2022 are as follows:

- latest market outlook for pricing and key inputs, including expected average DAP NOLA during 2022 of approximately \$690-750/st;
- Canadian Dollar to US Dollar exchange rate of C\$1.3 to \$1; and
- vesting of shares in accordance with the Company's restricted share unit plan (the "RSU Plan"), which is expected to result in approximately 190 million basic shares outstanding as at December 31, 2022.

Business Outlook

The Company continues to focus on the following key objectives to drive long-term value and shareholder returns:

- improving financial and operational performance;
- deleveraging the balance sheet;
- extending Conda's current mine life through permitting and development of H1/NDR;
- evaluating strategic alternatives for non-North American assets; and
- maintaining capital-lite investment approach.

About Itafos

The Company is a phosphate and specialty fertilizer company. The Company's businesses and projects are as follows:

- Conda – a vertically integrated phosphate fertilizer business with production capacity of approximately 550kt per year of monoammonium phosphate ("MAP"), MAP with micronutrients ("MAP+"), superphosphoric acid ("SPA"), merchant grade phosphoric acid ("MGA") and ammonium polyphosphate ("APP") located in Idaho, US;
- Arraias – a vertically integrated phosphate fertilizer business with production capacity of approximately 500kt per year of single superphosphate ("SSP"), SSP with micronutrients ("SSP+") and approximately 40kt per year of excess sulfuric acid (220kt per year gross sulfuric acid production capacity) located in Tocantins, Brazil;
- Farim – a high-grade phosphate mine project located in Farim, Guinea-Bissau;
- Santana – a vertically integrated high-grade phosphate mine and fertilizer plant project located in Pará, Brazil;
- Araxá – a vertically integrated rare earth elements and niobium mine and extraction plant project located in Minas Gerais, Brazil;
- Paris Hills – a phosphate mine project located in Idaho, US (wind down in process); and
- Mantaro – a phosphate mine project located in Junin, Peru (wind down in process).

The Company is a Delaware corporation that is headquartered in Houston, TX. The Company's shares trade on the TSX Venture Exchange ("TSX-V") under the ticker symbol "IFOS". The Company's principal shareholder is CL Fertilizers Holding LLC ("CLF"). CLF is an affiliate of Castlake, L.P., a global private investment firm.

For more information, or to join the Company's mailing list to receive notification of future news releases, please visit the Company's website at www.itafos.com.

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.

Non-IFRS measures included in this news release are defined as follows:

- "EBITDA" as earnings before interest, taxes, depreciation, depletion and amortization;
- "Adjusted EBITDA" as EBITDA adjusted for non-cash, extraordinary, non-recurring and other items unrelated to the Company's core operating activities;
- "Total capex" as additions to property, plant, and equipment and mineral properties adjusted for additions to asset retirement obligations, additions to right of use assets, capitalized interest and technical studies;
- "Maintenance capex" as portion of total capex relating to the maintenance of ongoing operations;
- "Growth capex" as portion of total capex relating to development of growth opportunities;
- "Cash growth capex" as growth capex less accrued growth capex;
- "Free cash flow" as cash flows from operating activities, which excludes payment of interest expense, plus cash flows from investing activities less cash growth capex;
- "Net debt" as debt less cash and cash equivalents plus deferred financing costs; and
- "Liquidity" as cash and cash equivalents plus undrawn committed borrowing capacity.

Reconciliations of non-IFRS measures to the most directly comparable IFRS measures are included in the Company's management's discussion and analysis available under the Company's profile at www.sedar.com and on the Company's website at www.itafos.com.

Other Defined Terms

Other defined terms included in this news release are as follows:

- Coronavirus disease 2019 ("COVID-19");
- Diammonium phosphate ("DAP") New Orleans ("NOLA"); and
- Environmental, Health and Safety ("EHS")
- Environmental Impact Statement ("EIS");
- Environmental, social and governance ("ESG")
- Husky 1/North Dry Ridge ("H1/NDR");
- Hydrofluorosilicic acid ("HFSA");
- Magnesium oxide ("MgO");
- National Environmental Policy Act ("NEPA");
- Total recordable incident frequency rate ("TRIFR").

Forward-Looking Information

Certain information contained in this news release constitutes forward-looking information. All information other than information of historical fact is forward-looking information. Statements that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future include, but are not limited to, statements regarding estimates and/or assumptions in respect of the Company's financial and business outlook are forward-looking information. The use of any of the words "intend", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "should", "would", "believe", "predict" and "potential" and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors that may cause actual

results or events to differ materially from those anticipated in such forward-looking information. No assurance can be given that this information will prove to be correct and such forward-looking information included in this news release should not be unduly relied upon.

Forward-looking information is subject to a number of risks and other factors that could cause actual results and events to vary materially from that anticipated by such forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to, the duration and spread of the COVID-19 pandemic and its severity; uncertainties of estimates of capital and operating costs and production estimates; the ability of the Company to meet its financial obligations and minimum commitments, fund capital expenditures and comply with covenants contained in the agreements that govern indebtedness; fluctuations in foreign exchange or interest rates and stock market volatility; the continued supply of sulfuric acid to Conda from its primary supplier and those risk factors set out in the Company's annual information form and other disclosure documents available under the Company's profile at www.sedar.com and on the Company's website at www.itafos.com. Readers are cautioned that the foregoing list of risks, uncertainties and assumptions are not exhaustive. The forward-looking information included in this news release is expressly qualified by this cautionary statement and is made as of the date of this news release. The Company undertakes no obligation to publicly update or revise any forward-looking information except as required by applicable securities laws.

This news release contains future oriented financial information and financial outlook information (together, "FOFI") about the Company's prospective results of operations, including statements regarding expected adjusted EBITDA, net income, basic earnings per share, maintenance capex, growth capex and free cash flow. FOFI is subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraph. The Company has included the FOFI to provide an outlook of management's expectations regarding anticipated activities and results, and such information may not be appropriate for other purposes. The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's reasonable estimates and judgements; however, actual results of operations and the resulting financial results may vary from the amounts set forth herein. Any financial outlook information speaks only as of the date on which it is made and the Company undertakes no obligation to publicly update or revise any financial outlook information except as required by applicable securities laws.

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