



News Release

TSX-V: IFOS

ITAFOS REPORTS Q1 2023 RESULTS

HOUSTON, TX – May 10, 2023 – Itafos Inc. (TSX-V: IFOS) (the “Company”) reported today its Q1 2023 financial and operational highlights. The Company’s financial statements and management’s discussion and analysis for the three months ended March 31, 2023 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.

CEO Commentary

“We are pleased to report strong financial results and a continuation of our record safety performance in Q1 2023. In Q1 2023 our reported revenues of \$119.6 million and Adjusted EBITDA of \$43.0 million reflected lower phosphate prices compared with 2022 but remain well above the historical norms. We remain optimistic about the fundamentals of the agriculture sector and fertilizer demand in the North American markets we serve.”

“The Record of Decision issued on April 24th for the Husky 1/North Dry Ridge (“H1/NDR”) mine project followed by the receipt of the Notice to Proceed for H1/NDR, were the final steps to allow us to achieve our strategic goal of extending Conda’s mine life. The permit will allow us to work to continue to serve the North American fertilizer market through 2037 with potential to further extend the resource life through leases and third-party arrangements. The Itafos team at Conda is quickly mobilizing resources and operations to begin the development of H1/NDR.”⁴

“The process to explore and evaluate various strategic alternatives to enhance value for all Itafos shareholders announced by our Board in Q1 2023 is on-going. At the same time, we remained focused on running the Company to support our customers, maintain our safety performance and deliver on our financial results” said G. David Delaney, CEO of Itafos.

Q1 2023 Key Highlights

- revenues of \$119.6 million
- Adjusted EBITDA of \$43.0 million¹
- net income of \$28.2 million
- basic earnings of C\$0.20/share
- free cash flow of \$19.9 million¹

March 31, 2023 Key Highlights

- trailing 12 months Adjusted EBITDA of \$207.3 million¹
- net debt of \$73.2 million¹
- net leverage ratio of 0.4x¹

Maintained FY 2023 Guidance

- Adjusted EBITDA guidance of \$140 to \$180 million
- net income guidance of \$35 to \$65 million
- basic earnings guidance of C\$0.25 to C\$0.45/share
- maintenance capex guidance of \$15 to \$25 million¹
- growth capex guidance of \$40 to \$50 million¹
- free cash flow guidance of \$70 to \$100 million

¹ Adjusted EBITDA, trailing 12 months Adjusted EBITDA, maintenance capex, growth capex, net debt, net leverage ratio and free cash flow are each a non-IFRS financial measure. For additional information on non-IFRS and other financial measures, see “Non-IFRS financial measures” below. International Financial Reporting Standards (“IFRS”).

Q1 2023 Market Highlights

Diammonium phosphate (“DAP”) New Orleans (“NOLA”) prices averaged \$615/st in Q1 2023 compared to \$794/st in Q1 2022, down 23% year-over-year. Specific factors driving the year-over-year decline in DAP NOLA were as follows:

- weakened demand in response to historically high 2022 phosphate prices;
- the softening of global ammonia and sulphur prices;
- the softening of historically high crop prices; and
- increased phosphate exports out of Russia.

Q1 2023 Financial Highlights

For Q1 2023, the Company’s financial highlights were as follows:

- revenues of \$119.6 million in Q1 2023 compared to \$149.9 million in Q1 2022;
- Adjusted EBITDA of \$43.0 million in Q1 2023 compared to \$60.4 million in Q1 2022;
- net income of \$28.2 million in Q1 2023 compared to \$33.0 million in Q1 2022;
- basic earnings of C\$0.20/share in Q1 2023 compared to C\$0.22/share in Q1 2022; and
- free cash flow of \$19.9 million in Q1 2023 compared to \$54.4 million in Q1 2022.

The decrease in the Company’s Q1 2023 financial performance compared to Q1 2022 was primarily due to lower realized prices off the commodity cycle highs of the prior year, coupled with lower sales volumes at Conda, which were partially offset by higher sulfuric acid sales at Arraias.

The Company’s total capex² spend in Q1 2023 was \$2.8 million compared to \$5.3 million in Q1 2022 with the decrease primarily due to the capital additions expended in the prior year relating to the HFSA build out at Conda during Q1 2022 and the Arraias sulfuric acid restart.

March 31, 2023 Highlights

As at March 31, 2023, the Company had trailing 12 months Adjusted EBITDA of \$207.3 million compared to \$224.8 million at the end of 2022 with the decrease primarily due to the same factors that resulted in lower revenues, which were partially offset by lower input costs at Conda.

Also as at March 31, 2023, the Company had net debt of \$73.2 million compared to \$88.3 million at the end of 2022, with the reduction due to the repayment of principal debt outstanding from free cash flows generated and higher cash and cash equivalents. The Company’s net debt as at March 31, 2023 was comprised of \$50.7 million in cash and \$123.9 million in debt (gross of deferred financing costs). As at March 31, 2023 and the end of 2022, the Company’s net leverage ratio was 0.4x.

As at March 31, 2023, the Company had liquidity³ of \$73.4 million comprised of \$50.7 million in cash and \$22.7 million in ABL Facility undrawn borrowing capacity.

Q1 2023 Operational Highlights

Environmental, Health and Safety (“EHS”)

- Sustained EHS excellence, including no reportable environmental releases or recordable incidents, which resulted in a consolidated total recordable incident frequency rate (“TRIFR”) of 0.12.

Conda

- Produced 82,145 tonnes P₂O₅ at Conda in Q1 2023 compared to 89,096 tonnes P₂O₅ in Q1 2022 with the decrease primarily due to lower throughput resulting from extreme winter conditions and unplanned downtime;
- Generated revenues of \$116.0 million at Conda in Q1 2023 compared to \$147.5 million in Q1 2022 primarily due to lower sales volumes and lower realized prices; and
- Generated Adjusted EBITDA at Conda of \$47.5 million in Q1 2023 compared to \$64.4 million in Q1 2022 primarily due to the same factors that resulted in lower revenues, which were partially offset by lower input costs.

² Total capex is a non-IFRS financial measure. For additional information on non-IFRS and other financial measures, see “Non-IFRS financial measures” below.

³ Liquidity is a non-IFRS financial measure. For additional information on non-IFRS and other financial measures, see “Non-IFRS financial measures” below.

Q1 2023 Other Highlights

- Produced 20,614 tonnes of sulfuric acid at Arraias in Q1 2023 compared to 9,651 in Q1 2022 with the increase due to a full quarter of sulfuric acid production and sales in Q1 2023 compared to a partial quarter in Q1 2022 (the sulfuric acid plant was restarted in February 2022);
- Generated Adjusted EBITDA at Arraias of \$0.2 million in Q1 2023 compared to \$0.7 million loss in Q1 2022 with the increase primarily due to higher revenues and lower selling, general and administrative expenses, which were partially offset by higher cost of goods sold; and
- Continued evaluation of strategic alternatives for non-North American assets.

Subsequent Events

- On April 10, 2023, the Company announced Evgenii Iorich stepped down as member of the Company's Board of Directors effective as of April 6, 2023. Mr. Iorich served as a director of the Company since July 11, 2017.
- On April 24, 2023, the Company announced the Record of Decision for the H1/NDR mine development project. The H1/NDR project will be internally funded and comprises primarily of infrastructure and mine development. Mineral resources from H1/NDR are expected in 2026⁴, providing an uninterrupted supply as Rasmussen Valley Mine reaches the end of its useful life.
- On May 1, 2023, the Company issued 324,056 shares (net of 104,264 shares withheld to pay applicable taxes) due to vesting under its RSU Plan.
- On May 10, 2023, the Company announced the receipt of the Notice to Proceed for the H1/NDR mine development project. Upon receipt of the Notice to Proceed, the Company has begun capital activities associated with the mine development project.

Market Outlook

Although 2023 prices have moderated off the historically high 2022 prices, the Company expects relatively stable market fundamentals and global agriculture and phosphate fertilizer fundamentals to continue. Accordingly, the Company expects continued durability in pricing and volume fundamentals in the phosphate fertilizer markets.

Specific factors the Company expects to support the continued strength in the global phosphate fertilizer markets through 2023 are as follows:

- no significant phosphate supply capacity additions;
- sustained crop prices;
- improved phosphate application following lower demand associated with historically high pricing; and
- ongoing phosphate export restrictions from China.

The Company expects the sulfur and sulfuric acid market to remain under pressure globally through 2023 due to increased refinery activity and softer demand from phosphate producers and metals consumers.

Financial Outlook

The Company maintained its guidance for 2023 as follows:

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

	FY 2023
Adjusted EBITDA	\$ 140-180
Net income	35-65
Basic earnings (C\$/share)	0.25-0.45
Maintenance capex	15-25
Growth capex	40-50
Free cash flow	70-100

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;
- executing on the requisite infrastructure and civil works required for the mine development for H1/NDR; and
- conducting the strategic review process (including evaluating potential strategic alternatives for the company as outlined in the news release dated March 13, 2023).

⁴ Timeline for H1/NDR based on management estimates and subject to certain assumptions, including successful permitting and development activities. The H1/NDR mine life extension is based on a Preliminary Economic Assessment ("2019 PEA") included in the Conda Technical Report (as defined below). The 2019 PEA on the H1 and NDR properties is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the 2019 PEA will be realized. Readers are referred to the Conda Technical Report for the applicable qualifications and assumptions in connection with its 2019 PEA.

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 located in Idaho, US with production capacity as follows:
 - approximately 550kt per year of monoammonium phosphate (“MAP”), MAP with micronutrients (“MAP+”), superphosphoric acid (“SPA”), merchant grade phosphoric acid (“MGA”) and ammonium polyphosphate (“APP”); and
 - approximately 27kt per year of hydrofluorosilicic acid (“HFSA”);
- Arraias – a vertically integrated phosphate fertilizer business located in Tocantins, Brazil with production capacity as follows:
 - approximately 500kt per year of single superphosphate (“SSP”) and SSP with micronutrients (“SSP+”); and
 - approximately 40kt per year of excess sulfuric acid (220kt per year gross sulfuric acid production capacity);
- 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; and
- Araxá – a vertically integrated rare earth elements and niobium mine and extraction plant project located in Minas Gerais, Brazil.

In addition to the businesses and projects described above, the Company also owns Mantaro (Junin, Peru), which is a phosphate mine project that is in process of being wound down.

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 Castlelake, 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.

Forward-Looking Information

Certain information contained in this news release constitutes forward-looking information, including statements with respect to: the timing for commencement of operations at H1 / NDR; the expected resource life of H1 / NDR; the sources of funding to be used for the development of H1 / NDR; economic and market trends with respect to the global agriculture and phosphate fertilizer markets. 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.

The forward-looking information contained in this news release 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. Those 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 the forward-looking information. These include the Company's expectations and assumptions with respect to the following: commodity prices; operating results; safety risks; changes to the Company's mineral reserves and resources; risk that timing of expected permitting will not be met; changes to mine development and completion; foreign operations risks; changes to regulation; environmental risks; the impact of adverse weather and climate change; general economic changes, including inflation and foreign exchange rates; the actions of the Company's competitors and counterparties; financing, liquidity, credit and capital risks; the loss of key personnel; impairment risks; cybersecurity risks; risks relating to transportation and infrastructure; changes to equipment and suppliers; adverse litigation; changes to permitting and licensing; loss of land title and access rights; changes to insurance and uninsured risks; the potential for malicious acts; market volatility; changes to technology; changes to tax laws; the risk of operating in foreign jurisdictions; and the risks posed by a controlling shareholder and other conflicts of interest. Readers are cautioned that the foregoing list of risks, uncertainties and assumptions is not exhaustive.

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. Additional risks and uncertainties affecting the forward-looking information contained in this news release are described in greater detail in the Company's current Annual Information Form and current Management's Discussion and Analysis available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.itafos.com. 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. The reader is cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable securities law. 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.

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.

NEITHER THE TSX-V NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX-V) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE.

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Scientific and Technical Information

The scientific and technical information contained in this news release related to Mineral Resources for Conda and Farim has been reviewed and approved by Jerry DeWolfe, Professional Geologist (P.Geo.) with the Association of Professional Engineers and Geoscientists of Alberta. Mr. DeWolfe is a full-time employee of WSP Canada Inc. and is independent of the Company. The scientific and technical information contained in this news release related to Mineral Reserves for Conda and Farim has been reviewed and approved by Edward Minnes, Professional Engineer (P.E.) licensed by the State of Missouri. Mr. Minnes is a part-time employee of WSP USA Inc. and is independent of the Company. The Company's latest technical report in respect of Conda is entitled, "NI 43-101 Technical Report on Itafos Conda and Paris Hills Mineral Projects, Idaho, USA," with an effective date of July 1, 2019 (the "Conda Technical Report") and is available under the Company's website at www.itafos.com and under the Company's profile on SEDAR at www.sedar.com.

Non-IFRS Financial Measures

This press release contains 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 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 below.

DEFINITIONS

The Company defines its non-IFRS measures as follows:

Non-IFRS measure	Definition	Most directly comparable IFRS measure	Why the Company uses the measure
EBITDA	Earnings before interest, taxes, depreciation, depletion and amortization	Net income (loss) and operating income (loss)	EBITDA is a valuable indicator of the Company's ability to generate operating income
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)	Adjusted EBITDA is a valuable indicator of the Company's ability to generate operating income from its core operating activities normalized to remove the impact of non-cash, extraordinary and non-recurring items. The Company provides guidance on Adjusted EBITDA as useful supplemental information to investors, analysts, lenders, and others
Trailing 12 months Adjusted EBITDA	Adjusted EBITDA for the current and preceding three quarters	Net income (loss) and operating income (loss) for the current and preceding three quarters	The Company uses the trailing 12 months Adjusted EBITDA in the calculation of the net leverage ratio (non-IFRS measure)
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	The Company uses total capex in the calculation of total cash capex (non-IFRS measure)
Maintenance capex	Portion of total capex relating to the maintenance of ongoing operations	Additions to property, plant and equipment and mineral properties	Maintenance capex is a valuable indicator of the Company's required capital expenditures to sustain operations at existing levels
Growth capex	Portion of total capex relating to the development of growth opportunities	Additions to property, plant and equipment and mineral properties	Growth capex is a valuable indicator of the Company's capital expenditures related to growth opportunities.
Net debt	Debt less cash and cash equivalents plus deferred financing costs (does not consider lease liabilities)	Current debt, long-term debt and cash and cash equivalents	Net debt Debt less cash and cash equivalents plus deferred financing costs (does not consider lease liabilities) Current debt, long-term debt and cash and cash equivalents Net debt is a valuable indicator of the Company's net debt position as it removes the impact of deferring financing costs.
Net leverage ratio	Net debt divided by trailing 12 months Adjusted EBITDA	Current debt, long-term debt and cash and cash equivalents; net income (loss) and operating income (loss) for the current and preceding three quarters	The Company's net leverage ratio is a valuable indicator of its ability to service its debt from its core operating activities.
Liquidity	Cash and cash equivalents plus undrawn committed borrowing capacity	Cash and cash equivalents	Liquidity is a valuable indicator of the Company's liquidity
Free cash flow	Cash flows from operating activities, which excludes payment of interest expense, plus cash flows from investing activities less cash growth capex	Cash flows from operating activities and cash flows from investing activities	Free cash flow is a valuable indicator of the Company's ability to generate cash flows from operations after giving effect to required capital expenditures to sustain operations at existing levels. Free cash flow is a valuable indicator of the Company's cash flow available for debt service or to fund growth opportunities. The Company provides guidance on free cash flow as useful supplemental information to investors, analysts, lenders, and others.

EBITDA, ADJUSTED EBITDA AND TRAILING 12 MONTHS ADJUSTED EBITDA

For the three months ended March 31, 2023 and 2022

For the three months ended March 31, 2023, the Company had EBITDA and Adjusted EBITDA by segment as follows:

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Net income (loss)	\$	27,985	\$	(248)	\$	70	\$	400	\$	28,207
Finance (income) expense, net		1,702		(136)		84		3,836		5,486
Current and deferred income tax expense (recovery)		8,416		—		—		(12,598)		(4,182)
Depreciation and depletion		9,384		681		3		47		10,115
EBITDA	\$	47,487	\$	297	\$	157	\$	(8,315)	\$	39,626
Unrealized foreign exchange (gain) loss		—		(76)		(401)		488		11
Share-based payment expense		—		—		—		2,700		2,700
Transaction costs		—		—		—		711		711
Other income, net		(17)		(32)		(38)		—		(87)
Adjusted EBITDA	\$	47,470	\$	189	\$	(282)	\$	(4,416)	\$	42,961

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Operating income (loss)	\$	38,088	\$	(492)	\$	(285)	\$	(7,875)	\$	29,436
Depreciation and depletion		9,384		681		3		47		10,115
Realized foreign exchange loss		(2)		—		—		1		(1)
Share-based payment expense		—		—		—		2,700		2,700
Transaction costs		—		—		—		711		711
Adjusted EBITDA	\$	47,470	\$	189	\$	(282)	\$	(4,416)	\$	42,961

For the three months ended March 31, 2022, the Company had EBITDA and Adjusted EBITDA by segment as follows:

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Net income (loss)	\$	49,735	\$	(544)	\$	(687)	\$	(15,495)	\$	33,009
Finance expense, net		1,206		226		2		8,258		9,692
Current and deferred income tax expense (recovery)		15,379		—		—		(3,334)		12,045
Depreciation and depletion		6,454		372		4		49		6,879
EBITDA	\$	72,774	\$	54	\$	(681)	\$	(10,522)	\$	61,625
Unrealized foreign exchange (gain) loss		—		(718)		406		(19)		(331)
Share-based payment expense		—		—		—		5,935		5,935
Transaction costs		—		—		30		205		235
Non-recurring compensation expenses		—		—		—		1,282		1,282
Other (income) expense, net		(8,386)		11		10		—		(8,365)
Adjusted EBITDA	\$	64,388	\$	(653)	\$	(235)	\$	(3,119)	\$	60,381

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Operating income (loss)	\$	57,935	\$	(1,025)	\$	(269)	\$	(10,582)	\$	46,059
Depreciation and depletion		6,454		372		4		49		6,879
Realized foreign exchange gain		(1)		—		—		(8)		(9)
Share-based payment expense		—		—		—		5,935		5,935
Transaction costs		—		—		30		205		235
Non-recurring compensation expenses		—		—		—		1,282		1,282
Adjusted EBITDA	\$	64,388	\$	(653)	\$	(235)	\$	(3,119)	\$	60,381

As at March 31, 2023 and December 31, 2022

As at March 31, 2023 and December 31, 2022, the Company had trailing 12 months Adjusted EBITDA as follows:

<i>(unaudited in thousands of US Dollars)</i>	March 31, 2023	December 31, 2022
For the three months ended March 31, 2023	\$ 42,961	\$ —
For the three months ended December 31, 2022	50,130	50,130
For the three months ended September 30, 2022	50,656	50,656
For the three months ended June 30, 2022	63,591	63,591
For the three months ended March 31, 2022	—	60,381
Trailing 12 months Adjusted EBITDA	\$ 207,338	\$ 224,758

TOTAL CAPEX

For the three months ended March 31, 2023 and 2022

For the three months ended March 31, 2023 the Company had capex by segment as follows:

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	\$ 8,251	\$	(799)	\$	—	\$	9	\$	7,461
Additions to mineral properties	694		881		72		—		1,647
Additions to asset retirement obligations	(6,181)		(56)		—		—		(6,237)
Additions to right-of-use assets	—		(22)		—		—		(22)
Total capex	\$ 2,764	\$	4	\$	72	\$	9	\$	2,849
Accrued capex	(611)		—		—		—		(611)
Total cash capex	\$ 2,153	\$	4	\$	72	\$	9	\$	2,238
Maintenance capex	\$ 1,450	\$	—	\$	—	\$	9	\$	1,459
Accrued maintenance capex	(273)		—		—		—		(273)
Cash maintenance capex	\$ 1,177	\$	—	\$	—	\$	9	\$	1,186
Growth capex	\$ 1,314	\$	4	\$	72	\$	—	\$	1,390
Accrued growth capex	(338)		—		—		—		(338)
Cash growth capex	\$ 976	\$	4	\$	72	\$	—	\$	1,052

For the three months ended March 31, 2022, the Company had capex by segment as follows:

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	\$ 4,547	\$	2,010	\$	—	\$	5	\$	6,562
Additions to mineral properties	1,250		—		36		—		1,286
Additions to asset retirement obligations	(1,178)		(1,336)		—		—		(2,514)
Additions to right-of-use assets	—		(35)		—		—		(35)
Total capex	\$ 4,619	\$	639	\$	36	\$	5	\$	5,299
Accrued capex	(331)		—		—		—		(331)
Total cash capex	\$ 4,288	\$	639	\$	36	\$	5	\$	4,968
Maintenance capex	\$ 459	\$	448	\$	—	\$	5	\$	912
Accrued maintenance capex	—		—		—		—		—
Cash maintenance capex	\$ 459	\$	448	\$	—	\$	5	\$	912
Growth capex	\$ 4,160	\$	191	\$	36	\$	—	\$	4,387
Accrued growth capex	(331)		—		—		—		(331)
Cash growth capex	\$ 3,829	\$	191	\$	36	\$	—	\$	4,056

NET DEBT AND NET LEVERAGE RATIO

As at March 31, 2023 and December 31, 2022, the Company had net debt as follows:

<i>(unaudited in thousands of US Dollars)</i>	March 31, 2023	December 31, 2022
Current debt	\$ 29,214	\$ 29,217
Long-term debt	92,250	98,907
Cash and cash equivalents	(50,745)	(42,811)
Deferred financing costs related to the Credit Facilities	2,446	3,006
Net debt	\$ 73,165	\$ 88,319

As at March 31, 2023 and December 31, 2022, the Company's net leverage ratio was as follows:

<i>(unaudited in thousands of US Dollars except as otherwise noted)</i>	March 31, 2023	December 31, 2022
Net debt	\$ 73,165	\$ 88,319
Trailing 12 months Adjusted EBITDA	207,338	224,758
Net leverage ratio	0.4x	0.4x

LIQUIDITY

As at March 31, 2023 and December 31, 2022, the Company had liquidity as follows:

<i>(unaudited in thousands of US Dollars)</i>	March 31, 2023	December 31, 2022
Cash and cash equivalents	\$ 50,745	\$ 42,811
ABL Facility undrawn borrowing capacity	22,728	21,447
Liquidity	\$ 73,473	\$ 64,258

FREE CASH FLOW

For the three months ended March 31, 2023 and 2022, the Company had free cash flow as follows:

<i>(unaudited in thousands of US Dollars)</i>	<i>For the three months ended March 31,</i>	
	2023	2022
Cash flows from operating activities	\$ 21,072	\$ 55,312
Cash flows used by investing activities	(2,238)	(4,968)
Less: Cash growth capex	1,052	4,056
Free cash flow	\$ 19,886	\$ 54,400