



Acquisition of Conda Phosphate Operations

Transaction Overview

November 2017

Cautionary statements and forward-looking information

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 U.S. generally accepted accounting principles (“US GAAP”). Therefore, financial information presented herein may not be directly comparable to similar information presented by companies that prepare their financial statements in accordance with US GAAP.

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There are a number of non-IFRS measures used in this presentation, including EBITDA (calculated to be earnings before interest, income taxes, provincial mining and other taxes, depreciation, amortization and other non-cash expenses). Itafos’ calculation of non-IFRS measures may not be comparable to 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. You are cautioned not to assume that any part or all of the mineral resources identified as “Mineral Resource,” “Measured Mineral Resources,” “Indicated Mineral Resources” and “Inferred Mineral Resources” in this presentation will ever be converted into mineral reserves as defined in NI 43-101, be upgraded to a higher category, or be economically or legally mineable.

QUALIFIED PERSON

Carlos Guzman, a Qualified Person under NI 43-101, has reviewed the technical content of Itafos-Arraias. Please refer to the technical report entitled “Updated Technical Report Itafos-Arraias SSP Project, Tocantins State, Brazil” dated March 27, 2013 and other technical reports of Itafos and its affiliates available at www.sedar.com.

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Executive Summary



Acquisition of Agrium's Conda Phosphate Operations, a North American vertically integrated fertilizer business

Key highlights

- On November 7, 2017 Itafos announced that it signed a definitive arm's length asset purchase agreement with Agrium Inc. ("Agrium") to acquire Agrium's Conda Phosphate Operations ("CPO"), a North American vertically integrated phosphate fertilizer business
- CPO, located in Conda, Idaho, produces approximately 550kt per year of mono-ammonium phosphate ("MAP"), super phosphoric acid ("SPA"), ammoniated polyphosphate ("APP") and merchant grade phosphoric acid ("MGA") serving the North American fertilizer market
- Transaction includes (i) environmental protocol agreements, (ii) long-term strategic ammonia supply and MAP off-take agreements and (iii) other services agreements including a long-term SPA tolling services agreement, a phosphate ore supply agreement and a transition services agreement as described in the following slide
- Transaction expected to be funded through a combination of an equity rights issuance launched on November 21, 2017 backstopped by Castlake, Itafos' largest shareholder, and modest levels of debt while maintaining conservative credit metrics and capital structure targets
- Formal integration plan and business plan in place and designed to implement a successful closing of the transaction and a disciplined transition of ownership to ensure CPO continues to operate safely, responsibly, reliably and efficiently as a long-term and competitive fertilizer market participant
- Transaction expected to close by year end 2017, subject to customary closing conditions, including (i) approval of the U.S. Federal Trade Commission, (ii) approval of the TSX Venture Exchange ("TSXV") and (iii) approvals to transfer contracts, permits and other acquired assets

Acquisition of CPO is an unique investment opportunity consistent with Itafos' corporate strategy and is immediately transformational

Robust transaction and commercial structure with a “your watch, our watch” construct for allocation of liabilities

Asset Purchase Agreement

- Itafos acquiring from Agrium all the assets required to operate CPO for a purchase price of US\$66,500,000, subject to an inventory adjustment at closing
- Transaction includes real property, equipment, inventory, permits, mining rights, contracts, customer and supplier lists, etc.
- Transaction excludes cash, accounts receivable, accounts payable, certain past liabilities and a “your watch, our watch” construct for environmental liabilities which will be allocated as described in the Protocol Agreements below

Protocol Agreements

- Defines the “your watch, our watch” construct for environmental liabilities and establishes responsibilities and how the parties will cooperate with each other on these matters
- Environmental Remediation: Environmental compliance activities and gypsum stack closure - *Agrium responsible and in the case of gypsum stack closure parties will share costs based on proportionate contribution of gypsum to gypsum stack*
- Lanes Creek: Mine abandonment and reclamation - *Itafos responsible and parties will share costs based on proportionate amount of phosphate ore mined from Lanes Creek*

Other Agreements

- Ammonia Supply Agreement: Agrium will sell 100% of ammonia required at CPO at a market reference price (DAP NOLA) times 40%
- MAP Offtake Agreement: Agrium will buy 100% of MAP produced at CPO at a market reference price (DAP NOLA) plus US\$14.1/t
- Phosphate Ore Supply Agreement: Agrium will sell remaining phosphate ore from the North Rasmussen mine, if any, to CPO at cost
- Tolling Agreement: Agrium will convert SPA to APP for CPO in Canada at a market price
- Transition Services Agreement: Agrium will provide transition services to CPO at cost

Acquisition of CPO is an unique investment opportunity consistent with Itafos' corporate strategy...

Improving mid to long-term phosphate fundamentals with opportunity to enter market at a low point in the cycle

- Phosphate is a critical agricultural nutrient, well positioned to benefit from agriculture and food megatrends
- Phosphate supply/demand balance expected to stabilize in the mid-term driven by solid global phosphate fundamentals and positive demand outlook
- Attractive entry into North American fertilizer market at low point in the cycle with phosphate fertilizer prices expected to gradually increase over the mid-term as demand outgrows recent supply capacity additions

Experienced management team and employees with relentless focus on safety, reliability, cost control and optimization

- All existing employees of CPO will be retained with only a small number of additional employees being recruited to replace functions currently carried out by Agrium
- Highly experienced management team with successful safety and operating track record consistently delivering safe, responsible, reliable and efficient production performance
- Key members of CPO team have been in place for over 15 years and are intimately familiar with CPO and all aspects of its operations

Vertically integrated North American phosphate fertilizer business with consolidated operations and infrastructure

- Vertically integrated producing asset base benefiting from consolidated operations and infrastructure and security of key raw material inputs
- Phosphate ore mining will be conducted by a 3rd party operator on a cost plus basis
- Sulfuric acid will be produced at CPO (~40%) and purchased from 3rd parties (~60%), together with sulfur, at a price tied to sulfur and sulfuric acid price benchmarks
- Ammonia will be purchased from Agrium at a price tied to phosphate price benchmark

.... and is immediately transformational

Strategically located assets in attractive domestic markets for MAP, SPA and APP

- Sales plan focused on selling MAP, SPA and APP to crop retailers who re-sell to end users
- Logistics advantage with strategically located assets to target key end markets vs. other phosphate fertilizer production (imports or domestic)
- MAP will be sold to Agrium at a price tied to phosphate price benchmark delivered at CPO
- SPA and APP are high value products and will be sold to crop retailers who formulate their own liquid blends delivered at crop retailers respective locations

Low cost supply of phosphate ore with potential to integrate Itafos-Paris Hills to extend CPO useful life

- CPO has an expected mine life through 2023, however, multiple options in place to extend mine life and resulting CPO useful life at comparable cost
- Develop Husky 1 and North Dry Ridge mines, located in close proximity to existing mines
- Integrate with Itafos-Paris Hills, located approximately 35 miles from CPO and owned 100% by Itafos
- Increase purchase of 3rd party phosphate ore from other local sources

Compelling economic and risk profile with transformational impact to Itafos

- Adds immediate operational and financial scale while diversifying geographic mix (i.e., North America), fertilizer product mix (i.e., MAP, SPA, APP and MGA) and single-business operations risk (i.e., multiple operating businesses)
- Accretive across per share financial metrics with significant increases to estimated run-rate product volumes (~120%), revenues (~340%) and EBITDA (~215%)
- Enhances management depth and platform flexibility which further supports strategic objectives including implementation of organic and new growth opportunities

Building a leading publicly traded and vertically integrated “pure-play” phosphate fertilizer business

Key highlights



	Operating	Near-term Pipeline	Mid-term Pipeline	Operating	Near-term Pipeline	Mid-term Pipeline
<p><i>Subject to closing of the transaction</i></p> <p>100%</p> <p>Itafos-CPO Operations</p> <p><i>Operational integrated phosphate rock mine and MAP, SPA and APP fertilizer business located in Idaho</i></p> <p><i>Under Review</i></p> <p>550kt per year of MAP, SPA, APP</p> <p><i>Under Review</i></p>	<p>100%</p> <p>Itafos-Arraias Operations</p> <p>Operational integrated phosphate rock mine and SSP fertilizer business located in Brazil</p> <p>91.7Mt of resources¹ at 4.8% P₂O₅</p> <p>500kt per year of SSP</p> <p>19 year mine life</p>	<p>100%</p> <p>Itafos-Paris Hills Project</p> <p>High grade phosphate rock mine project located in Idaho (approximately 35 miles from CPO)</p> <p>104.1Mt of resources¹ at 25.5% P₂O₅</p> <p>1.0Mt per year of phosphate rock</p> <p>19 year mine life</p>	<p>31.3%</p> <p>GBMINERALS (TSXV) GBL (GBL)</p> <p>100%</p> <p>GBL-Farim Project</p> <p>High grade phosphate rock mine project located in Guinea Bissau</p> <p>143.2Mt of resources¹ at 28.2% P₂O₅</p> <p>1.3Mt per year of phosphate rock</p> <p>19 year mine life</p>	<p>100%</p> <p>Itafos-Santana Project</p> <p>High grade integrated phosphate rock mine and SSP production project located in Brazil</p> <p>87.0Mt of resources¹ at 10.0% P₂O₅</p> <p>500kt per year of SSP</p> <p>25 year mine life</p>	<p>100%</p> <p>Itafos-Araxá Project</p> <p>Unique rare earth oxide mine project located in Brazil</p> <p>28.3Mt of resources¹ at 8.0% P₂O₅</p> <p>Pending feasibility</p> <p>32 year mine life</p>	<p>100%</p> <p>Itafos-Mantaro Project</p> <p>Large phosphate rock mine project located in Brazil near key infrastructure</p> <p>415.8Mt of resources¹ at 9.1% P₂O₅</p> <p>Pending feasibility</p> <p>Pending feasibility</p>

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

Source: Itafos Estimates



¹ Resources inclusive of reserves, measured and indicated resources and inferred resources; Itafos-Paris Hills resources include lower zone and upper zone resources; See www.sedar.com and November 2017 Corporate Presentation for additional information

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Appendix: Conda Phosphate Operations

Conda Phosphate Operations Overview

Key highlights

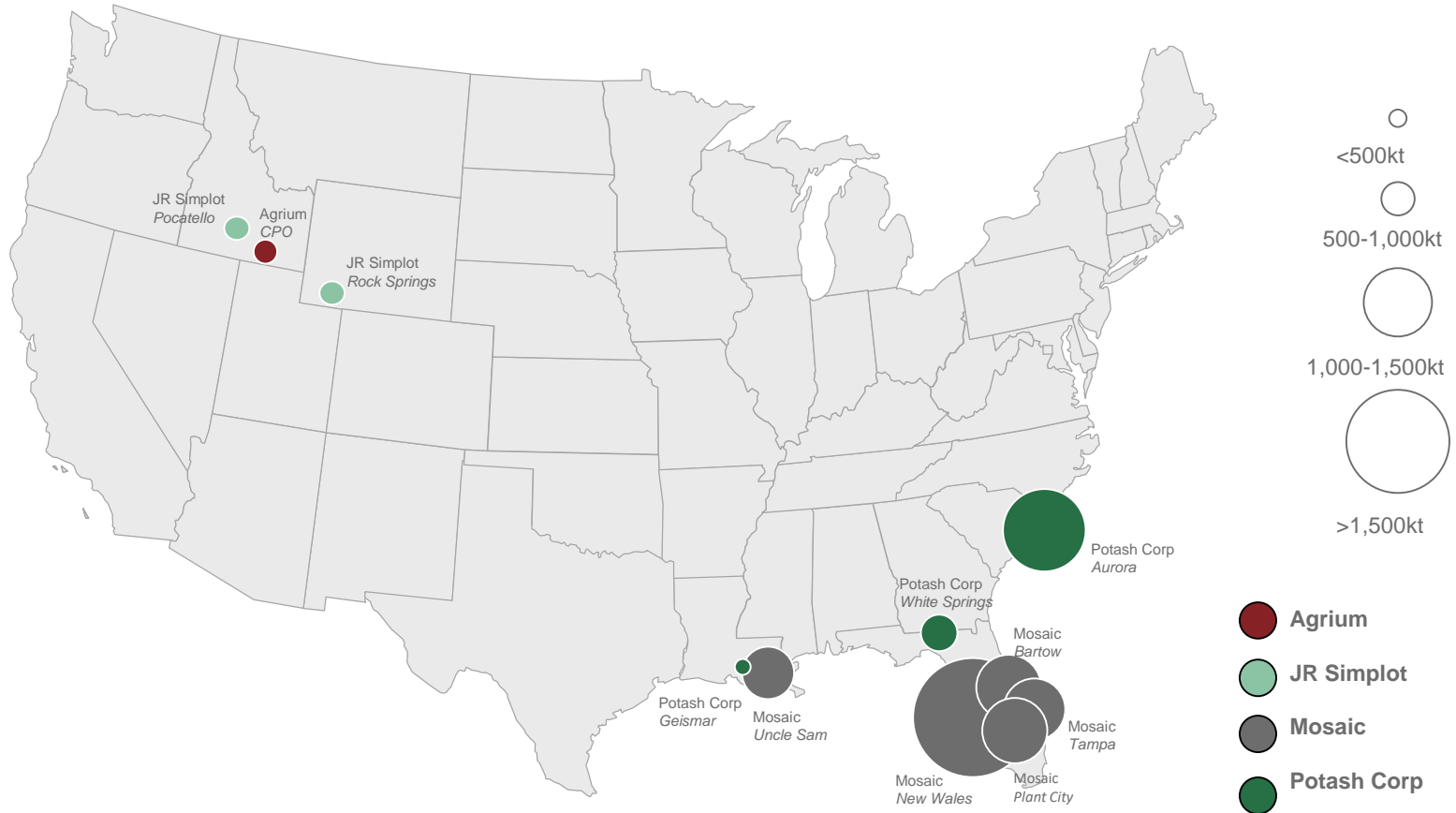
- Vertically integrated phosphate fertilizer business located in Conda, Idaho, north of the community of Soda Springs, Idaho, approximately 50 miles southeast of Pocatello, Idaho
- Produces approximately 550kt per year of MAP, SPA, APP and MGA serving the North American fertilizer market
- Owns phosphate ore mines located approximately 15 miles north of CPO with a combined reserve life through 2023 and ability to extend mine life and resulting CPO useful life through various alternatives
- Phosphate ore will be conventionally open pit mined by a 3rd party operator on a cost plus basis and transported by truck and rail to CPO site
- Sulfuric acid will be produced at CPO (~40%) and purchased from 3rd parties (~60%), together with sulfur, on a price tied to sulfur and sulfuric acid price benchmarks
- Ammonia will be purchased from Agrium on a price tied to phosphate price benchmark
- Total of 275 employees and over 250 contractors (mostly from 3rd party mining operator)

Product	Gross production	Net saleable product	Key highlights
Phosphoric Acid	350kt	0	<ul style="list-style-type: none"> ▪ Intermediary product
MAP	340kt	340kt	<ul style="list-style-type: none"> ▪ Produced by reacting ammonia with phosphoric acid ▪ Solid granule fertilizer used on crops such as wheat and barley
SPA	162kt	140kt	<ul style="list-style-type: none"> ▪ Produced by concentrating phosphoric acid to a level of 68-72% phosphate ▪ Liquid fertilizer used to make liquid ammonium phosphate fertilizer products (e.g., APP), known for easy and precise applications to crops such as corn, soybeans, wheat, cotton and specialty crops ▪ Approximately 22kt transferred to make APP
APP	65kt	65kt	<ul style="list-style-type: none"> ▪ Produced by reacting ammonia with SPA ▪ Liquid fertilizer used for ammonium phosphate fertilizer products
MGA	168kt	2kt	<ul style="list-style-type: none"> ▪ Produced by concentrating phosphoric acid to a level of 52% phosphate ▪ Majority is upgraded to SPA with minimal quantities sold to market ▪ Liquid fertilizer used for various crop and industrial applications

Source: Itafos Estimates

Conda Phosphate Operations Location

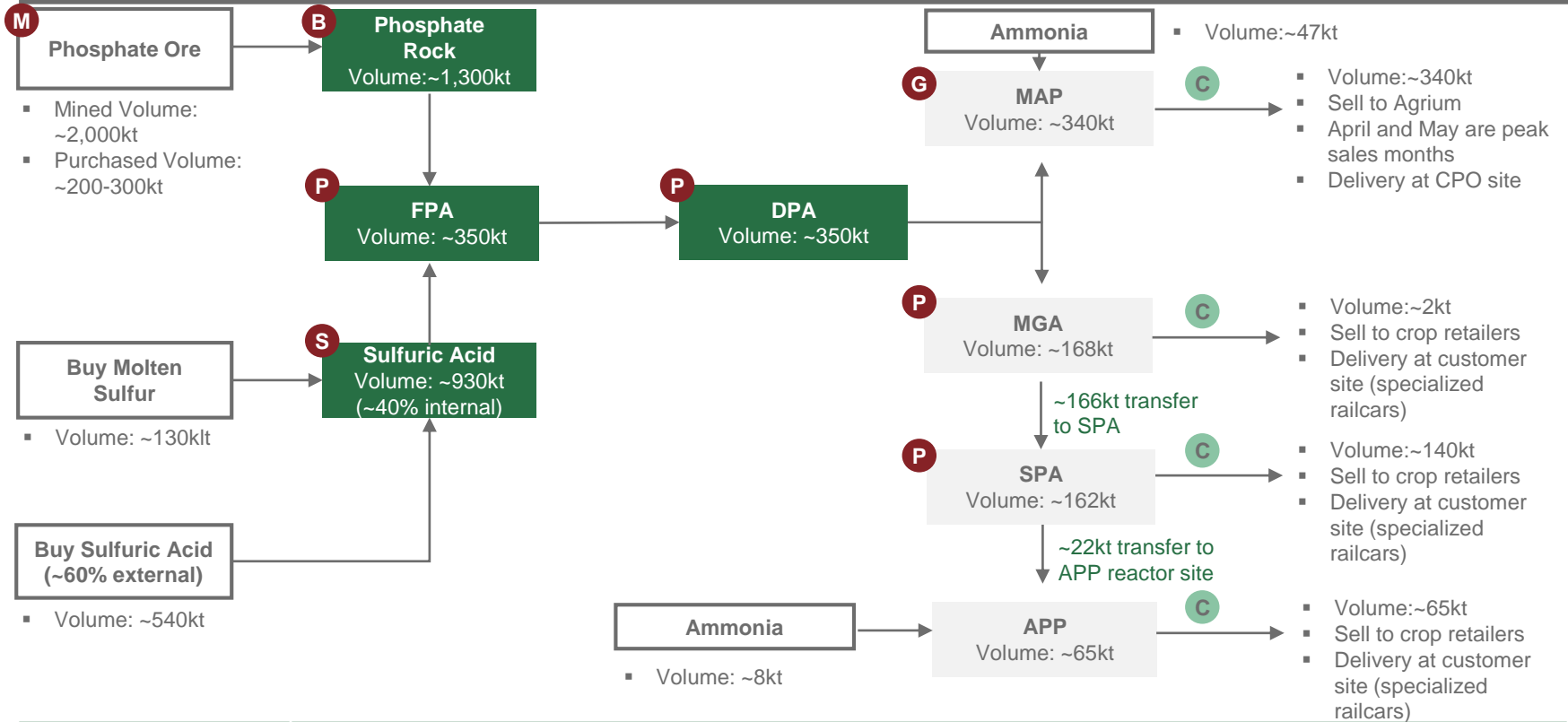
Key highlights



- CPO production is geographically separate from the majority of production in the U.S. and closer to target key end markets
- Imports into U.S. are primarily into NOLA and require further distribution up the Mississippi river and then inward to West and East

Source: IFA

Conda Phosphate Operations Process



Process	Key highlights
M Mine	Mined and/or purchased phosphate ore is transported from the mines to CPO facilities by truck and rail
B Beneficiation	Phosphate ore is washed in order to have its size reduced and to clear impurities
S Sulfuric Acid	Sulfuric acid is produced (and purchased) along with steam for use in phosphoric acid and granulation plants
P Phosphoric Acid	Phosphate ore is converted to phosphoric acid, recovering phosphoric acid and removing gypsum solids Phosphoric acid is evaporated to concentrate phosphoric acid with evaporated phosphoric acid used to make SPA and MGA
G Granulation	Phosphoric acid, sulfuric acid and ammonia are granulated and put through a dryer and screens to produce MAP
C Customer	Crop retailers who re-sell to end users

Source: Itafos Estimates