ITAFOS

# Corporate Presentation

## “Pure-Play” Phosphate Fertilizer Company

December 2018

# Cautionary statements and forward-looking information

**FORWARD-LOOKING INFORMATION**

This presentation contains forward-looking information ("FLI") regarding future events or the future performance of the company ("Itafos"). Generally, FLI can be identified by expressions of belief, expectation or intention, and often contain words such as "anticipates", "believes", "expects", "estimates", "intends", "plans", "could", "may", "might", "should", "would" or variations of such words. FLI is based on various assumptions, including with respect to fertilizer market growth, reserves and resources, mine life, production, operating costs, product sales and pricing, capital expenditures, financing sources and use of funds, operations and financial performance and business prospects and opportunities. While Itafos considers these assumptions to be reasonable based on information currently available, such assumptions may prove to be incorrect as FLI is subject to various risks and uncertainties that could cause actual events or results to differ materially from those projected. These risks and uncertainties include, but are not limited to: variations from Itafos' assumptions regarding the matters mentioned above; changes in the agriculture, fertilizer, commodity, raw material, energy, transportation and financial market conditions and prices; fluctuations in currency exchange rates; changes in government policy and in environmental and other governmental regulation; inability to obtain necessary permits and licenses; timing and outcome of current and pending government and third party claims or lawsuits; ability to attract and retain skilled employees with relevant industry expertise; imprecision in mineral reserves and resources estimates; certainty of supply of raw materials; intermittency of operations and production; increases in production costs; ability to sell product; credit risk of offtake counterparties; ability to effectively integrate any future developments and/or acquisitions into its business structure; catastrophic events such as fires, floods, explosions, release of hazardous chemicals and seismic events; insurance and uninsured risks, as well as other risks and uncertainties reported by Itafos from time to time in its Management's Discussion and Analysis filed with the securities regulatory authorities in Canada and available at www.sedar.com. FLI should not be read as a guarantee of future events or results. You are cautioned not to put undue reliance on FLI.

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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 certain non-IFRS measures used in this presentation, including but not limited to, Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization adjusted for non-cash, extraordinary, non-recurring and other items unrelated to the Company's core operating activities). 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. 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.

**OTHER**

Please refer to the technical reports of Itafos and its affiliates available at www.sedar.com.

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# 1 Executive summary

# Company overview

## Key highlights

- Itafos is a publicly traded (TSX-V: IFOS) vertically integrated phosphate fertilizers and specialty products company with an attractive portfolio of long-term strategic businesses and projects located in key fertilizer markets worldwide

✓ ***Itafos Conda***, a vertically integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year of monoammonium phosphate (MAP), superphosphoric acid (SPA), merchant grade phosphoric acid (MGA) and specialty products including ammonium polyphosphate (APP) located in Idaho, U.S.

✓ ***Itafos Arraias***, a vertically integrated phosphate fertilizer business with production and sales capacity of approx. 500kt per year of single superphosphate (SSP) located in Tocantins, Brazil

✓ ***Itafos Paris Hills***, a phosphate mine project located in Idaho, U.S.

✓ ***Itafos Farim***, a phosphate mine project located in Farim, Guinea Bissau

✓ ***Itafos Santana***, a vertically integrated phosphate fertilizer project located in Pará, Brazil

✓ ***Itafos Araxá***, a phosphate and rare earth oxide mine project located in Minas Gerais, Brazil

✓ ***Itafos Mantaro***, a phosphate mine project located in Junin, Peru

- Itafos is managed by an industry leading board of directors and experienced management team with extensive operations and commercial expertise
  - Former Potash Corp., OCP Group, Cargill Group, KemWorks, GB Minerals and AEI senior executives
- Itafos' largest shareholder is Castlelake, which owns an approx. 57.7% interest in Itafos[1]
  - Global private investment firm managing approximately US$13.7bn in assets[2]

*Source: Itafos Information*



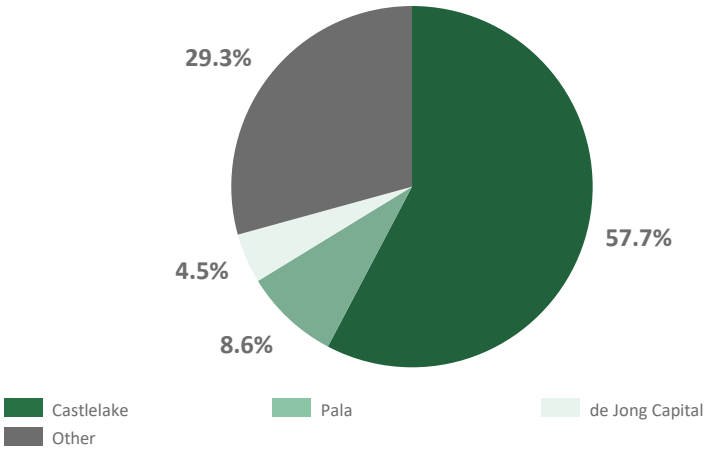
*[1] Itafos had 142,070,301 ordinary shares issued and outstanding as of September 30, 2018*
*[2] As of June 30, 2018*

# Capital markets overview[1]

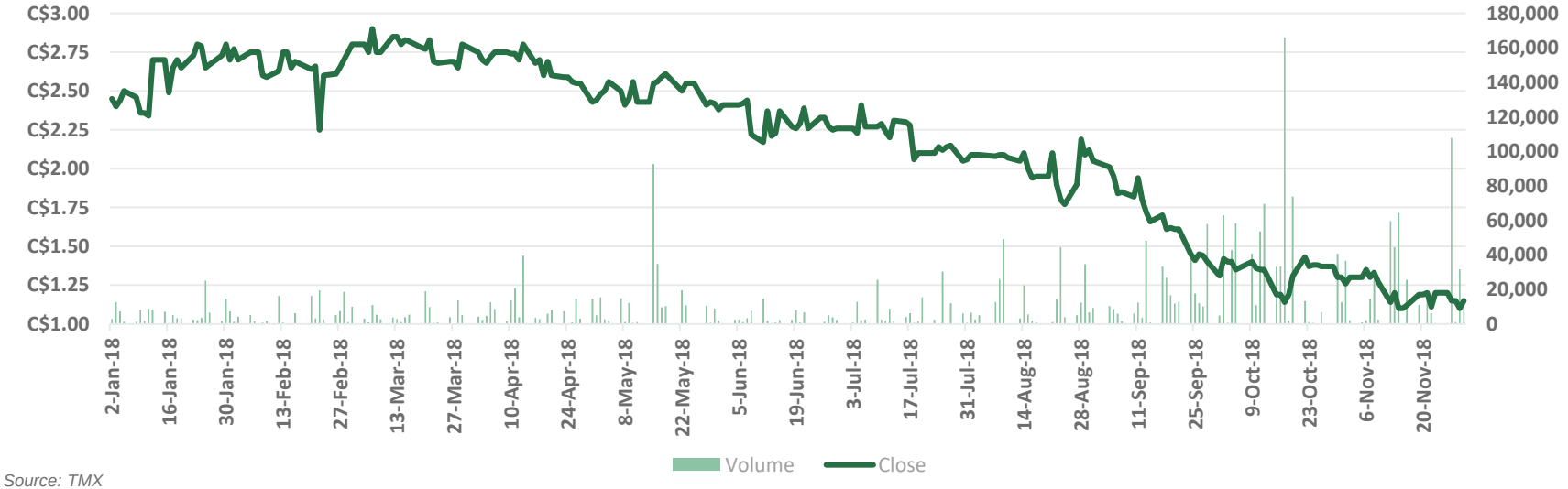
## Capitalization

| | |
|---|---|
| **Exchange** | ▪ TSX-V |
| **Ticker** | ▪ IFOS |
| **Shares outstanding** | ▪ 142,070,301 |
| **Share price (C$/share)** | ▪ C$1.15 |
| **Average daily volume (YTD)** | ▪ 12,028 |
| **Market capitalization (C$ 000s)** | ▪ C$163,381 |
| **Cash (US$ 000s as of Sept. 30, 2018)** | ▪ US$27,247 |
| **Debt[2] (US$ 000s as of Sept. 30, 2018)** | ▪ US$162,111 |

## Shareholders




## Share price and daily volume (YTD)




*Source: TMX*

[1] *As of November 30, 2018 unless specified otherwise*
[2] *Considers current debt, current debentures, long-term debt and long-term portion of debentures*

# Strategy overview

| | |
|---|---|
| **Mission** | **Itafos' mission is to be a leading "pure-play", geographically diverse and vertically integrated phosphate fertilizer and specialty products company, creating value for all its stakeholders in a responsible and economically sustainable manner** |
| **Strategy** | **Itafos will achieve its mission by executing the following strategy**<br>▪ Owning and operating vertically integrated phosphate fertilizers and specialty products businesses that produce and sell products that its customers need<br>▪ Optimizing the portfolio, including mitigating critical risks and maximizing cash flow over the life of the businesses<br>▪ Positioning the company to meet its markets' increasing demand for phosphate fertilizers and specialty products |
| **Focus** | **Itafos will execute its strategy by focusing on the following**<br>▪ Applying and maintaining technical, environmental, health, safety and governance best practices and excellence<br>▪ Producing, marketing and selling its phosphate fertilizers and specialty products through a combination of short to long-term contracts and wholesale market spot sales to crop retailers, farmers, producers and other offtakers<br>▪ Managing key inputs and other fixed expenses to reduce overall costs to produce, market and sell phosphate fertilizers and specialty products<br>▪ Developing and maintaining market knowledge and strong relationships with local governments, regulators, communities, employees, offtakers, suppliers and other key stakeholders<br>▪ Maintaining a flexible capital structure with moderate levels of debt<br>▪ Investing capital at attractive rates of return into brownfield and greenfield development projects and acquisitions of new businesses |

*Source: Itafos Information*

# Investment highlights overview

**1. Outstanding leadership**

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

- Industry leading board of directors with balanced mix of executive and board of directors level skillsets
- Experienced management team with extensive operations and commercial expertise relentlessly focused on safety, reliability and cost control

**2. Attractive portfolio**

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

- Current fertilizer production and sales capacity of approx. 1.1Mt per year
- Measured and indicated resources of approx. 381.0Mt and inferred resources of approx. 489.1Mt (note: does not include resources from Itafos Conda)
- Diversified through geography, project development stage and business characteristics

**3. Itafos Conda**

**North American vertically integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year**

- Vertically integrated producing asset base benefiting from consolidated operations and infrastructure and security of key raw material inputs
- Strategic position in attractive, consolidated North American fertilizer markets with long operating track-record consistently delivering responsible operating and commercial performance
- Operational flexibility offers multiple options to deliver $P_2O_5$ value to market through combination of long-term contracts, short-term contracts and wholesale and retail market sales

*Source: Itafos Information*

# Investment highlights overview (cont'd)

**4. Itafos Arraias**

**Brazilian vertically integrated phosphate fertilizer business with production and sales capacity of approx. 500kt per year**

- Vertically integrated producing asset base benefiting from consolidated operations and infrastructure and security of key raw material inputs
- Strategic position in one of the fastest growing fertilizer markets in the world with significant and sustainable logistics costs competitive advantages in its core markets
- Adds competitive domestic supply to SSP market with disciplined sales and marketing strategy supported by growing SSP demand, vertical integration, strategic position and respected team to execute

**5. Itafos Farim**

**West African, construction ready, high-grade and low cost phosphate rock mining project that has an extensive geological reserve base with significant expansion potential**

- Extensive geological deposit with potential to increase mine life (estimated measured and indicated resources of 105.6Mt at 28.4% $P_2O_5$, including reserves)
- Expected phosphate rock concentrate production of 1.34Mt per year at 34% $P_2O_5$
- Low capex and opex
- Access to existing infrastructure including 70km of paved road covering most of the route from site to deep water port and ability to ship product globally
- High quality phosphate rock is becoming more attractive and demanding pricing premium

**6. Compelling economics**

**Compelling economic profile anchored by operating businesses and development pipeline**

- Near-term and predictable cash flow profile driven by Itafos Conda and Itafos Arraias along with commercial operations of Itafos Farim in 2H 2020
- Moderate levels of debt provide flexibility through market cycles and facilitate growth strategy
- Valuation upside opportunity supported by continued de-risking of Itafos Farim and Itafos' development pipeline generally and robust industry M&A activity

*Source: Itafos Information*

# 2 Investment highlights

1

# Industry leading board of directors

| Name | Role | Experience |
|---|---|---|
| Brent de Jong | Director and Chairman | ▪ Partner at Castlelake, responsible for the firm's investments in emerging markets<br>▪ Over 20 years of investment and asset management experience<br>▪ Previous experience includes CEO of Zaff Capital LP and senior roles at Ashmore Investment Management and JP Morgan |
| Evgenij Iorich | Director | ▪ Managing Partner at Pala, responsible for the firm's investments globally<br>▪ Over 15 years of investment and asset management experience<br>▪ Previous experience includes senior roles at Mechel |
| David Delaney | Director | ▪ Strategic advisor to public and private companies<br>▪ Over 25 years of operations, commercial and finance experience<br>▪ Previous experience includes senior roles at Pain & Partners (strategic advisor), Potash Corp. (COO and President of Sales and Marketing), Arcadian Corp and Allied Chemical |
| Dr. Mhamed Ibnabdeljalil | Director | ▪ Founder and Managing Partner of Spika Ventures LLC<br>▪ Over 20 years of corporate development, commercial and research and development experience<br>▪ Previous experience includes senior roles at OCP Group (CCO and EVP), Monodrive Inc. and Texas Instruments |
| Ron Wilkinson | Director | ▪ Strategic advisor to public and private companies<br>▪ Over 40 years of operations, commercial and administration experience<br>▪ Previous experience includes senior roles at Agrium (SVP and President), Viridian, Sherritt and Imperial Oil/Exxon Chemical and director on industry boards including the Canadian Fertilizer Institute, Profertil and Canpotex |
| Anthony Cina | Director | ▪ Board advisor, corporate director and consultant at Emergent Technologies Holdings, LP<br>▪ Over 30 years of business strategy, finance and administration experience<br>▪ Previous experience includes senior roles at Yamana Gold (SVP of Business Administration), Itafos (CFO from June 2009 through June 2012) and founding partner of an audit, accounting and tax practice |

**Balanced mix of executive and board of directors level skillsets**

*Source: Itafos Information*

1

# Experienced management team

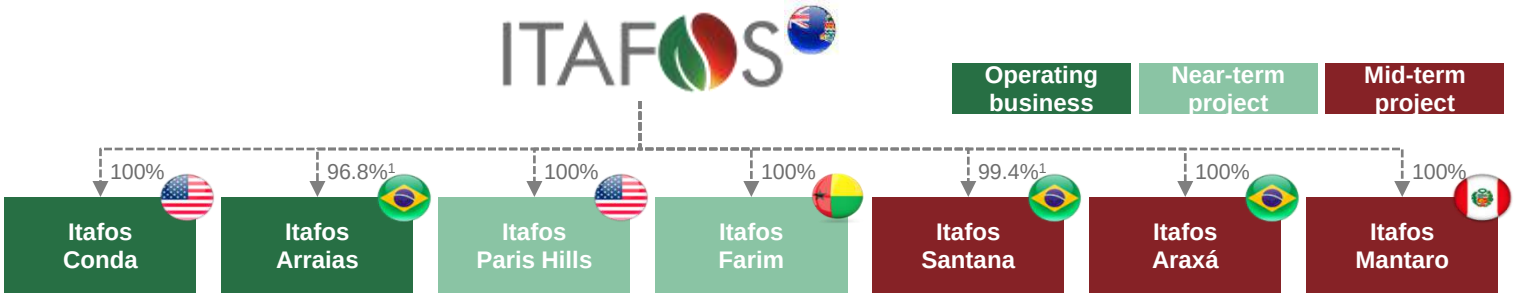
| Name | Role | Experience |
|---|---|---|
| Brian Zatarain | CEO | ▪ Senior executive with 20+ years of hands-on and diverse corporate and business development, M&A, capital raising and investment management experience<br>▪ Previous experience includes senior roles at Zaff Capital LP (co-founder and Managing Director) and AEI (EVP and CRO) |
| George Burdette | CFO | ▪ Senior executive with 12+ years of corporate development, financial, commercial and investment management experience<br>▪ Previous experience includes senior roles at First Solar (Director Project Finance), Zaff Capital (Principal) and AEI (Manager) |
| Marten Walters | VP Engineering | ▪ Senior executive with 35+ years of fertilizer industry experience<br>▪ Previous experience includes Founder and President of KemWorks where he oversaw the modernization and restructuring of fertilizer plants for Agrium, Ammophos, Mosaic, ICS and Simplot |
| Sarvin Patel | VP Commercial | ▪ Senior executive with 17+ years of business development, M&A, principal investing and risk management experience<br>▪ Previous experience includes senior roles at Carval Investors and Cargill (VP) |
| Olga Kovalik | VP Development | ▪ Senior executive with 20+ years of business development, finance and construction experience<br>▪ Previous experience includes senior roles at GB Minerals (VP of Development and Construction), Alcoa and various investment banking roles at UBS, Citigroup and Morgan Stanley |
| Tim Vedder | General Manager Itafos Conda | ▪ Senior executive with 20+ years of operations and engineering experience<br>▪ Previous experience includes senior roles at Agrium (plant manager and senior engineer), Novellus Systems and engineering and platoon leadership roles in the U.S. Army |
| Fernando Planchart | General Counsel | ▪ Senior legal counsel with 15+ years of cross-border corporate, M&A, tax legal experience (in-house and external)<br>▪ Previous experience includes senior roles at AEI, Fox, Horan & Camerini, Macleod Dixon |
| Key Consultants | Operations and Engineering Expertise | ▪ Wynand van Dyk: Project management, operations, process engineering and beneficiation expertise<br>▪ Ed Finch: Beneficiation expertise |

**Extensive operations and commercial expertise relentlessly focused on safety, reliability and cost control**

*Source: Itafos Information*

2

# Owner and operator of attractive long-term and strategic phosphate businesses and projects




| | Itafos Conda | Itafos Arraias | Itafos Paris Hills | Itafos Farim | Itafos Santana | Itafos Araxá | Itafos Mantaro |
|---|---|---|---|---|---|---|---|
| **Description** | ▪ Integrated mine and fertilizer business | ▪ Integrated mine and fertilizer business | ▪ Mine project | ▪ Mine project | ▪ Integrated mine and fertilizer project | ▪ Mine project | ▪ Mine project |
| **Reserves[2]** | ▪ Under review | ▪ 64.8Mt at avg. 5.1% $P_2O_5$ | ▪ 16.7Mt at avg. 29.5% $P_2O_5$ | ▪ 44.0Mt at avg. 30.0% $P_2O_5$ | ▪ 45.5Mt at avg. 12.9% $P_2O_5$ | ▪ N/A | ▪ N/A |
| **M&I resources (including reserves)[2]** | ▪ Under review | ▪ 79.0Mt at avg. 4.9% $P_2O_5$ | ▪ 90.1Mt at avg. 25.1% $P_2O_5$ | ▪ 105.6Mt at avg. 28.4% $P_2O_5$ | ▪ 60.4Mt at avg. 12.0% $P_2O_5$ | ▪ 6.4Mt at avg. 8.4% $P_2O_5$ | ▪ 39.5Mt at avg. 10.0% $P_2O_5$ |
| **Inferred resources[2]** | ▪ Under review | ▪ 12.7Mt at avg. 3.9% $P_2O_5$ | ▪ 14.0Mt at avg. 25.0% $P_2O_5$ | ▪ 37.6Mt at avg. 27.7% $P_2O_5$ | ▪ 26.6Mt at avg. 5.6% $P_2O_5$ | ▪ 21.9Mt at avg. 7.9% $P_2O_5$ | ▪ 376.3Mt at avg. 9.0% $P_2O_5$ |
| **Mine life** | ▪ Under review | ▪ 19 years | ▪ 19 years | ▪ 25 years | ▪ 32 years | ▪ Pending feasibility | ▪ Pending feasibility |
| **Products** | ▪ MAP<br>▪ SPA<br>▪ MGA<br>▪ APP | ▪ SSP<br>▪ Excess sulfuric acid | ▪ Phosphate rock | ▪ Phosphate rock | ▪ SSP<br>▪ Excess sulfuric acid | ▪ Phosphate rock<br>▪ Rare earth oxides | ▪ Phosphate rock |
| **Production and sales capacity** | ▪ 550kt per year | ▪ 500kt per year | ▪ 1.0Mt per year | ▪ 1.3Mt per year | ▪ 500kt per year | ▪ Pending feasibility | ▪ Pending feasibility |

✓ Current fertilizer production and sales capacity of approx. 1.1Mt per year

✓ Measured and indicated resources of approx. 381.0Mt and inferred resources of approx. 489.1Mt (note: does not include resources from Itafos Conda)

✓ Diversified through geography, project development stage and business characteristics

**Located in key fertilizer markets worldwide**

*Source: Itafos Information*

*[1] 3rd party interest represented by preferred non-voting shares issued by Itafos in 2018 upon exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings*
*[2] Refer to "Appendix B: Portfolio highlights" for detail*

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# Itafos Conda … A North American vertically integrated phosphate fertilizer business

## Key highlights

- Located in Conda, Idaho, near Soda Springs, Idaho, approx. 50 miles southeast of Pocatello, Idaho
- Production and sales capacity of approx. 550kt per year of MAP, SPA, MGA and APP serving the North American fertilizer markets
- Owns phosphate ore mines located approx. 15 miles from the production facilities with a combined mine life through 2024 and clear line of site to extend mine life through development of Itafos Paris Hills and other alternatives
- Phosphate ore conventionally open pit mined by a 3rd party operator on a cost plus basis and transported by truck and rail to the production facilities
- Sulfuric acid internally produced (approx. 40%) and purchased from 3rd parties (approx. 60%), together with sulfur, on a price tied to sulfur and sulfuric acid benchmarks
- Ammonia purchased from Nutrien pursuant to supply agreements through 2023 with price tied to phosphate benchmark
- Total of 263 employees and 221 contractors (mostly from 3rd party mining operator)

| Product | Gross production | Net saleable product | Key highlights |
|---|---|---|---|
| MAP | 340kt | 340kt | ▪ Produced by reacting ammonia with phosphoric acid<br>▪ Solid granule fertilizer used on crops such as wheat and barley |
| SPA | 162kt | 140kt | ▪ Produced by concentrating phosphoric acid to a level of 68-72% phosphate<br>▪ 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<br>▪ Approx. 22kt transferred to make APP |
| APP | 65kt | 65kt | ▪ Produced by reacting ammonia with SPA<br>▪ Liquid fertilizer used for ammonium phosphate fertilizer products |
| MGA | 168kt | 2kt | ▪ Produced by concentrating phosphoric acid to a level of 52% phosphate<br>▪ Majority is upgraded to SPA with minimal quantities sold to market<br>▪ Liquid fertilizer used for various crop and industrial applications |

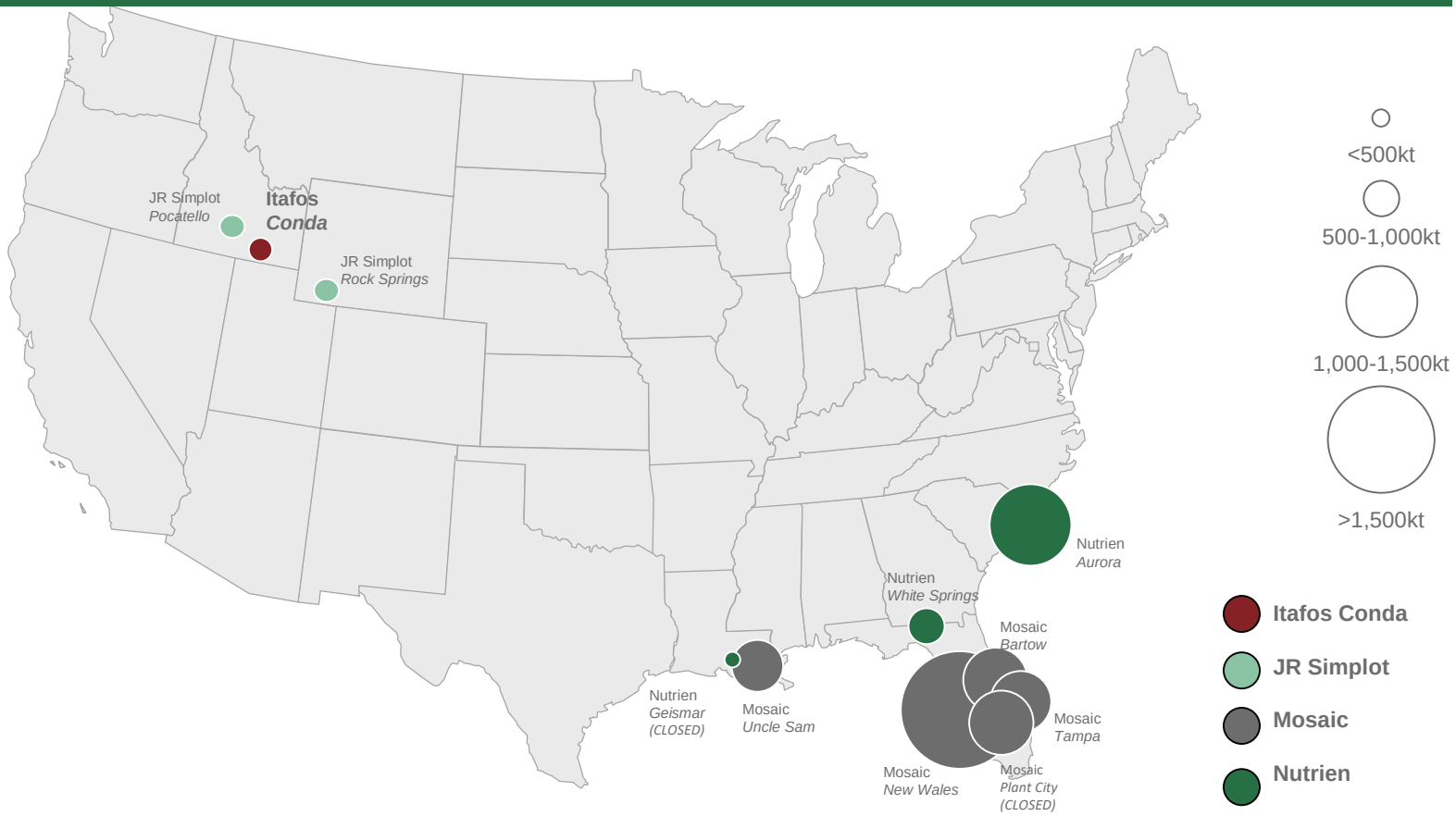
**Production and sales capacity of approx. 550kt per year**

*Source: Itafos Information*

3

# Strategic position in attractive, consolidated North American fertilizer market

## Key highlights




- Operating for over 30 years
- Geographically separate from majority of production in the U.S. and close to key markets
- Imports of phosphate fertilizers into U.S. primarily into NOLA and require further distribution

**Long operating track-record consistently delivering responsible operating and commercial performance**

*Source: Itafos Information; IFA*

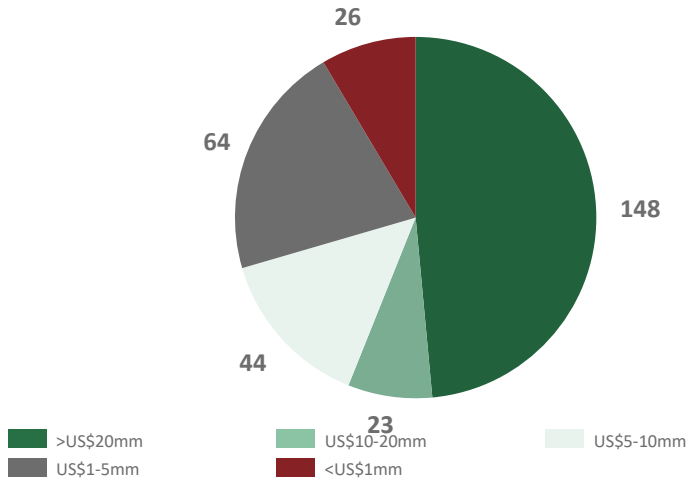
3

# Operational flexibility offers multiple options to deliver $P_2O_5$ value to market

## Key highlights

- Itafos Conda's products sold into the North American fertilizer markets
- Itafos Conda partners with leading crop services companies that have the trust of the grower market and who have the infrastructure to reach the maximum number of growers within the target sales region
- MAP sold to Nutrien pursuant to MAP offtake agreement through 2023 with price tied to phosphate benchmark
- SPA sold to crop input retailers who re-sell to end users

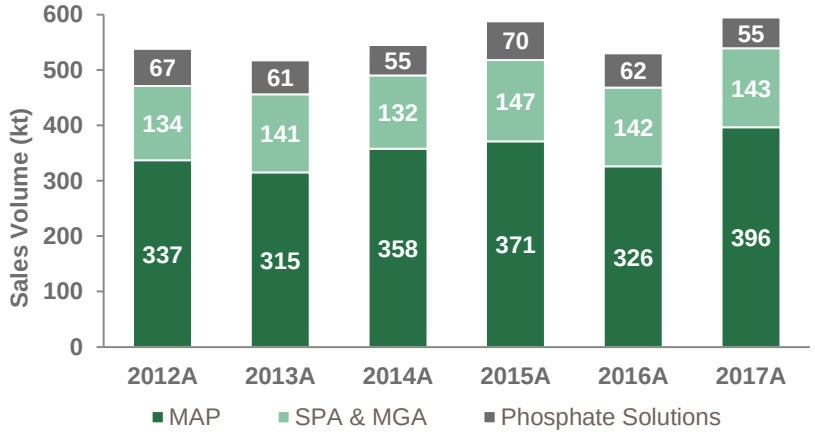
## Sales by customer size (US$mm)[1]




## SPA is a high-value product

- SPA sells at a price of US$1-2 and APP sells at a price of US$3-5 per point higher on US$/$P_2O_5$ basis compared to MAP
- U.S. market demand is approx. 870kt with 90-95% coming from agriculture, of which 2/3 is used in production of liquid ammonium phosphate
  - 16 states represent approx. 80% of SPA demand
- Demand for SPA is primarily linked to corn dynamics, also to high value crops like grapes and vegetables
- Itafos Conda is one of three key U.S. SPA producers

## Historical sales volumes




**Long-term contracts, short-term contracts and wholesale and retail market sales**

*Source: Itafos Information; IFA*

[1] *Customer size defined as total purchases from Itafos Conda based on 2017 actuals*

4

# Itafos Arraias … A Brazilian vertically integrated phosphate fertilizer business

## Key highlights

- Located in Arraias, Brazil, in close proximity to the border of Goias and Tocantins states
- Production and sales capacity of approx. 500kt per year of SSP serving the Brazilian fertilizer markets
- Recommissioning completed and commercial production achieved
- Currently focusing on implementing Efficiency Improvement Plan to improve Itafos Arraias' mass yield, $P_2O_5$ recovery and overall product quality and return to optimal levels of capacity utilization in 2020
- Owns phosphate ore mines located approx. 10 miles from the production facilities with a combined reserve life through 2036 (approx. 79.0Mt of measured and indicated resources[1])
- Phosphate ore conventionally open pit mined by a 3rd party operator on a cost per ton basis and transported by truck to the production facilities
- Sulfuric acid internally produced (approx. 100%) with sulfur purchased from 3rd parties, on a price tied to sulfur benchmarks
- Ammonia purchased from 3rd parties on a price tied to ammonia benchmarks
- Total of 270 employees and 359 contractors (mostly from 3rd party mining operator)

| Product | Gross production | Net saleable product | Key highlights |
|---|---|---|---|
| SSP | 500kt | 500kt | ▪ Produced by reacting phosphate rock with sulfuric acid and ammonia<br>▪ Solid granule fertilizer used on crops such as soybeans |
| Sulfuric Acid | 210kt | 40kt | ▪ Used in acidulation process with excess production sold into local sulfuric acid markets |

**Production and sales capacity of approx. 500kt per year**

*Source: Itafos Information*

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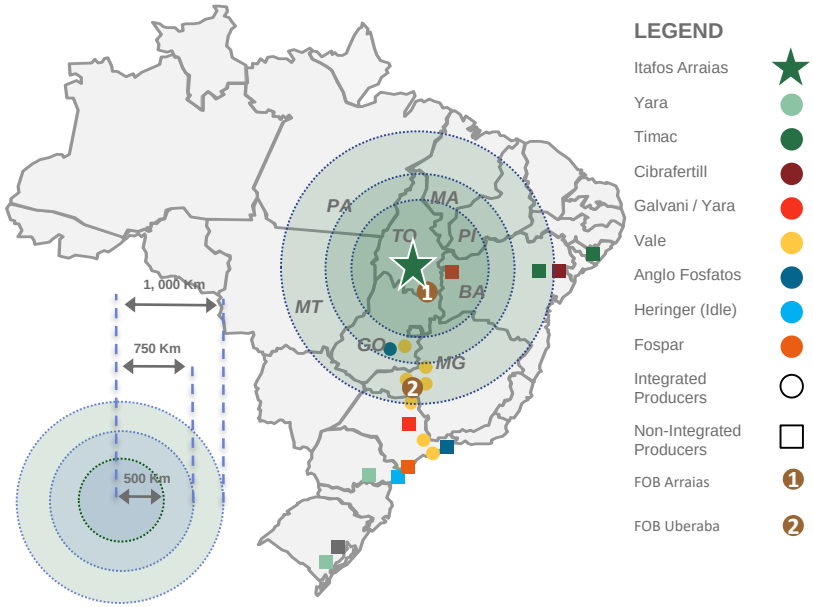
*[1] The latest NI 43-101 for Itafos Arraias titled "Updated Technical Report Itafos Arraias SSP Project, Tocantins State, Brazil" and dated as of March 27, 2013 is filed under the Company's profile on SEDAR; Measured and indicated resources inclusive of reserves*

4

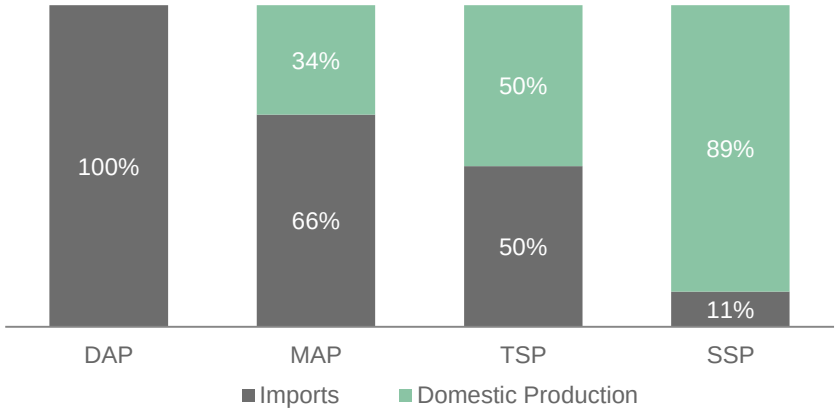
# Strategic position in one of the fastest growing fertilizer markets in the world

## SSP target region and domestic capacity




- Itafos Arraias is vertically integrated, while competitors, in central Brazil, are generally not
- Itafos Arraias' target region includes eight states within Cerrado region (Bahia, Goias, Mato Grosso, S. Piaui, Maranhao, Tocantins, Pará, Minas Gerais)
- These states consume 2.5Mt per year of SSP, of which 1.1Mt is within Itafos Arraias' target region
- Overall Brazil consumes 5.0Mt per year of SSP

## Phosphate fertilizer imports have less impact on SSP




## SSP logistics costs

- SSP capacity is scattered along coastal locations and in southern states
- Some competitors are located >700km away while some of the nearest ports are >1,000km away
- Assuming US$0.06-0.07/t/km for logistics, cost advantage to Itafos Arraias expected in the range of US$20-25/t in its core markets

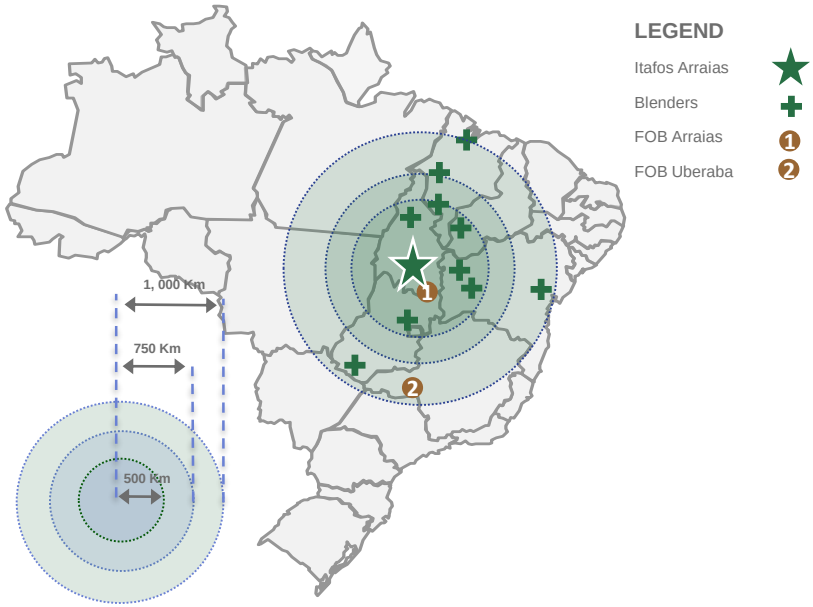
**Significant and sustainable logistics costs competitive advantages in its core markets**

*Source: Itafos Information; ANDA; Ministry of Agriculture; Agroconsult; Secex; ICIS*

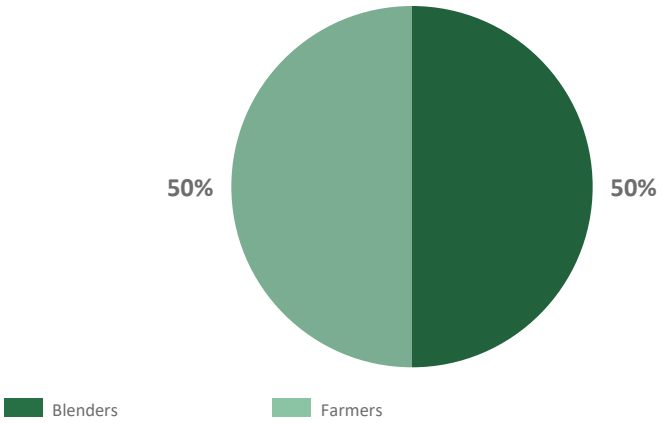
4

# Adds competitive domestic supply to SSP market with disciplined sales and marketing strategy

## Target region




## Composition of customers




## Key highlights

- Lean sales team design which is based on leveraging agents network for a more efficient market reach
- Strong relationship with main distributors (blenders)
  - Focus on a few large blenders, providing easier access and ability to pay cash for products
  - Work with blenders to develop “venda a ordem” sales, where Itafos Arraias ships product direct to farmer but in the name of the blender
- Pursue direct sales to farmers in regions where there is no direct competition with blenders
  - Priority on prepaid volumes for direct to farmer sales in order to minimize credit risk

**Supported by growing SSP demand, vertical integration, strategic position and respected team to execute**

*Source: Itafos Information; ANDA*

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# Itafos Farim … A West African, construction ready, high-grade and low cost phosphate rock mining project

## Key highlights

- Located near Farim, 120km northeast of Bissau
- Extensive geological deposit with potential to increase mine life
  - Estimated measured and indicated resources of 105.6Mt at 28.4% $P_2O_5$ (includes estimated proven and probable reserves of 44.0Mt at 30.0% $P_2O_5$)
- Expected phosphate rock concentrate production of 1.34Mt per year at 34% $P_2O_5$
  - Estimated mine life of 25 years
- Low capex and opex
  - Estimated unlevered capex of US$200-220mm (contract mining)
  - Estimated opex of US$60-66/t per year (contract mining)
- Access to existing infrastructure including 70km of paved road covering most of the route from site to port
  - Port to be located at Ponta Chugue and will be able to receive 65,000 Dead Weight Tonne (“DWT”) ships
  - Port to be 100% owned by Itafos
- Ability to ship product globally, beyond the natural market of the Atlantic Basin
  - Freight cost advantage to ship product to the U.S. and Atlantic basin

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (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 |

**Extensive geological reserve base with significant expansion potential**

*Source: Itafos Information*

ITAFOS

*[1] Refer to Technical Report titled “NI 43-101 Technical Report on the Farim Phosphate Project Guinea Bissau” dated September 14, 2015 for additional details (filed and available on SEDAR); Measured and indicated resources inclusive of reserves*

5

# Itafos Farim … A West African, construction ready, high-grade and low cost phosphate rock mining project (cont'd)

| Milestones | Status | Highlights |
|---|---|---|
| **Feasibility Study** | ▪ Complete | ▪ Reviewed by independent technical consultants |
| **Environmental and social impact assessment ("ESIA")** | ▪ Complete | ▪ Based on IFC guidelines and Equator principles and reviewed by independent technical consultants |
| **Environmental baseline monitoring** | ▪ In progress | ▪ Baseline air, noise and water quality measurements ongoing |
| **Resettlement action plan** | ▪ Complete | ▪ Resettlement action plan and architectural designs for replacement housing complete<br>▪ Implementation phase for host site relocation and livelihood restitution now in place<br>▪ First settlement relocation expected to occur in late 2Q 2019 with the remaining households being relocated over an 18-24 month period |
| **Permits and licenses** | ▪ Complete | ▪ Operating license received<br>▪ Environmental permit received |
| **Engineering, studies and fieldwork** | ▪ In progress | ▪ Almost all necessary test work performed<br>▪ All required geotechnical drilling completed and integrated into the designs<br>▪ Three pilot plant tests performed with similar results confirming that process design is robust<br>▪ Sand, aggregate and cement from local suppliers tested for suitability<br>▪ River bathymetry study complete and navigable route determined<br>▪ Detailed engineering of the wharf at the port site in Ponta Chugue in progress |
| **Construction camp** | ▪ Near complete | ▪ Camp consists of modular units that have already been delivered and awaiting assembly<br>▪ Site surveyed and registered with all permits in place<br>▪ Bulk earthworks and foundations work in progress |
| **Execution** | ▪ In progress | ▪ Negotiations with selected EPCM contractor near complete<br>▪ Selected contractors in Guinea Bissau, Senegal, Ghana and Togo have pre-qualified<br>▪ Hiring of owners' team in progress |
| **Offtake agreements** | ▪ In progress | ▪ Offtake agreements being negotiated with several off-takers located in Latin America, Asia Pacific and Europe<br>▪ Strong indication of interest given high quality of Itafos Farim phosphate rock |
| **Financing** | ▪ Near complete | ▪ Extensive due diligence completed by lender and independent consultants<br>▪ Board meeting for final lender approval expected for 1H 2019 |

**Extensive geological reserve base with significant expansion potential**

*Source: Itafos Information*

5

# High quality phosphate rock is becoming more attractive

## Itafos Farim specification sheet

| Element | Typical Range | Maximum |
|---|---|---|
| $P_2O_5$ | 34.0% +/- 0.5% | - |
| $CO_2$ | 2.40% - 2.90% | 3.10% |
| $SO_3$ | 0.10% - 0.15% | 0.20% |
| Acid Insol. | 2.4% - 3.7% | 4.27% |
| CaO | 47.3% - 48.0% | 49.0% |
| MgO | 0.12% - 0.14% | 0.15% |
| $Fe_2O_3$ | 2.3% - 2.7% | 3.60% |
| $Al_2O_3$ | 0.28% – 0.40% | 0.45% |
| $Na_2O$ | 0.16% - 0.19% | 0.20% |
| $K_2O$ | 0.02% - 0.19% | 0.03% |
| F | 3.1% - 3.4% | 3.69% |
| Cl | 290 – 315 ppm | 470 ppm |
| Cd | 6.4 – 6.9 ppm | 10 ppm |
| Organics | 0.32% - 0.40% | 0.45% |
| $H_2O$ | 2% - 3% | 5% |
| Adjusted MER[1] | 0.06 to 0.08 | 0.10 |

*Product size ranges from 1,180 µm to 20 µm with 60% coarse (1,180 µm to 106µm) and 38% fine (106µm to 20 µm)*

## Proposed changes to EU regulation on fertilizers

- EU Parliament voted to reduce allowable Cadmium levels in fertilizers sold across the EU
  - Current level of 60mg/kg to 40mg/kg $P_2O_5$ after six years
  - From 40mg/kg in year six to 20mg/kg $P_2O_5$ after 16 years
- North and West African producers challenged to supply within these limits unless major changes are made to their beneficiation processes
  - Aside from capital investments, opex would likely increase in the US$20-50/t range
- Low Cadmium levels in Itafos Farim phosphate rock make it an ideal source for the European market and any other jurisdiction with low Cadmium requirements

## Expanded market opportunity

- Itafos Farim phosphate rock can be used to make DAP and MAP
- Offtake agreements being negotiated with several offtakers, located in Latin America, Asia Pacific and Europe; Strong indication of interest given high quality of Itafos Farim phosphate rock
- Offtake agreements are multi-year, fixed volume basis with pricing tied to global benchmarks

**Demanding pricing premium**

*Source: Itafos Information*

ITAFOS

*[1] MER (minor element ratio) is defined as (%$Fe_2O_3$ + %$Al_2O_3$ + %MgO) / %$P_2O_5$ and is a measure of the impurity level. Adjusted MER accounts for pyritic iron that is inferred through analyzed pyritic sulfur*

6

# Compelling economic profile

| Metric | 2018 | 2019 | 2020 | Notes |
|---|---|---|---|---|
| Adjusted EBITDA | US$35-55mm | US$35-50mm | US$80-110mm | ▪ Considers current pricing environment for phosphate rock, fertilizer and key inputs pricing<br>▪ Considers Itafos Conda sulfuric acid contract re-pricing in 2019<br>▪ Considers Itafos Arraias Efficiency Improvement Plan in 2019 and return to optimal levels of capacity utilization in 2020<br>▪ Considers Itafos Farim commercial operations in 2H 2020 (contract mining scenario)<br>▪ Does not include corporate costs of US$8-12mm per year |
| Capex | US$30-45mm | US$20-30mm | US$25-35mm | ▪ Does not include Itafos Conda capex allocated to Nutrien<br>▪ Does not include Itafos Farim unlevered growth capex of US$200-220mm (contract mining scenario) in 2019-2020<br>▪ Does not include Itafos Paris Hills or Itafos Husky1/North Dry Ridge growth capex |
| Debt | US$172mm | US$180mm | US$185mm | ▪ Considers Itafos debt and debentures<br>▪ Considers Itafos Arraias debentures<br>▪ Does not include Itafos Farim project financing of US$110-130mm in 2019-2020<br>▪ Does not include potential financing for other capex noted above or working capital requirements<br>▪ Debt is not netted with cash balances |

*Note: In self mining scenario vs contract mining scenario, Itafos Farim Adjusted EBITDA increases by approx. US$20mm per year, unlevered capex increases by approx. US$50mm (does not include financing costs and corporate cash burn during construction) and debt increases accordingly; Itafos Conda and Itafos Arraias effective tax rates expected at 26.8% and 15.3%, respectively*

✓ Near-term and predictable cash flow profile driven by Itafos Conda and Itafos Arraias along with commercial operations of Itafos Farim in 2H 2020

✓ Moderate levels of debt provide flexibility through market cycles and facilitate growth strategy

✓ Valuation upside opportunity supported by continued de-risking of Itafos Farim and Itafos' development pipeline generally and robust industry M&A activity

**Anchored by operating businesses and development pipeline**

*Source: Itafos Information*

A

# Appendix A: Phosphate highlights

# Phosphate is a critical nutrient

## Why phosphorus?

- All life forms need the element Phosphorus (P), which is involved in photosynthesis, energy transfer, cell division and enlargement
- Important in root formation and growth that improves the quality of fruit and vegetable crops
- Vital to seed formation, improves water usage and helps hasten maturity
- Approx. 85% of phosphate consumption is used for fertilizer manufacturing
- Phosphate fertilizers account for a quarter of total NPK fertilizers consumed globally
- Phosphate consumption is driven by key megatrends, resulting in need for increased crop yields
  - Population growth
  - Limited arable land availability
  - Rising incomes and purchasing power in developing countries lead to shifts in dietary habits towards more meat and dairy products, which require more crops as feed
- Phosphorous is a critical nutrient required to support growers for higher yields

## Effect of phosphorus on plant and crop growth

Healthy leaves shine with a rich, dark green color when supplied with sufficient supply of phosphorus

Phosphorus shortage marks leaves with reddish-purple, particularly on young plant

Without phosphate-based fertilizers

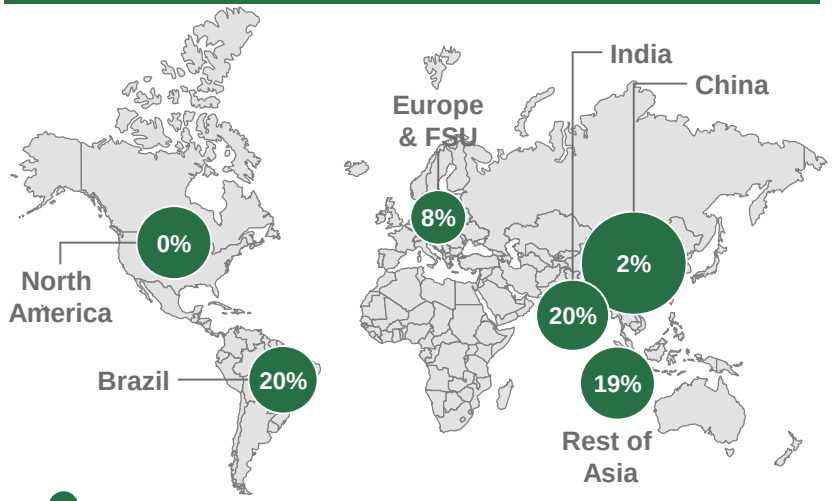
With phosphate-based fertilizer

**Well positioned to benefit from agriculture and food megatrends**

*Source: Itafos Information*

# Phosphate supply/demand expected to stabilize in mid-term

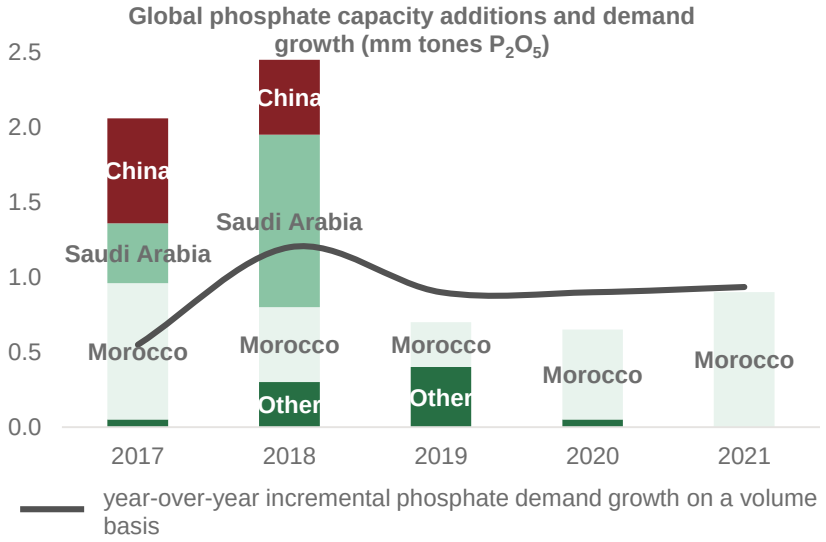
## Projected 5-year phosphate demand growth




Size of bubble represents 2016 actual demand by volume

% Represents projected 5-year demand growth by region

## Global supply to be outpaced by demand growth



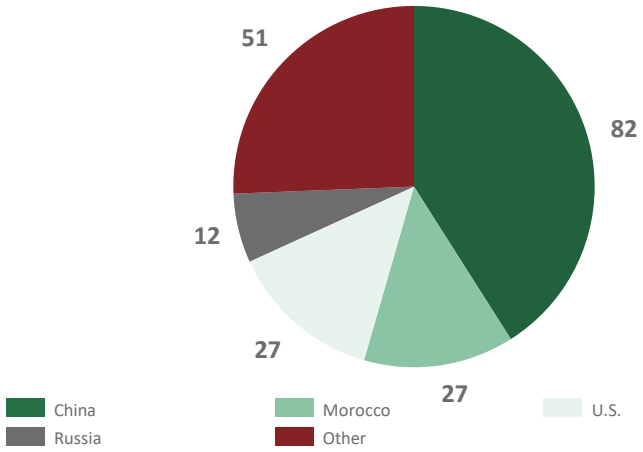

- Phosphate demand is supported by strong fundamentals
  - Global phosphate demand in 2016 was approx. 66,000kt, on a DAP/MAP/NSP/TSP basis and expected to grow approx. 9%, or approx. 2% CAGR over the next five years to a total of 75,000kt
  - Key markets like Brazil and India expected to grow approx. 20% in the next five years
  - Brazil is 4th largest fertilizer consumption market in the world
- New supply coming on-stream causing market imbalance in near-term, however, pace of new capacity expansions set to lessen after 2018, with planned expansions less than projected demand growth from 2019 onwards
  - Saudi Arabia (Ma'aden) and Morocco (OCP) are main producers with large expansions
  - Ma'aden and OCP expansions are expected to continue coming on-line gradually over the next five years
  - Lower-for-longer price forecasts have curbed further large project initiatives from other parts of the world, leaving OCP as the sole large incremental producer by 2020+

**Driven by positive demand outlook**

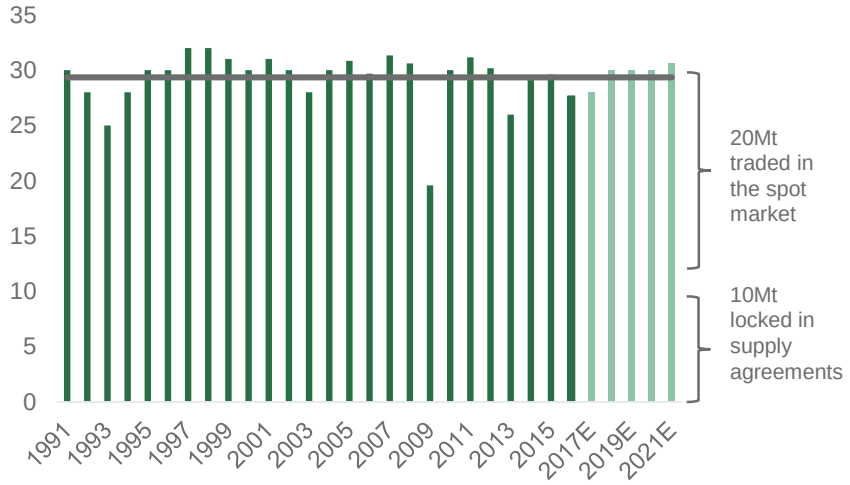
*Source: Phosphate – DAP/MAP/TSP shipments from CRU Phosphate Outlook July 2017; Mosaic and Agrium Public Information*

# “Traded” phosphate rock market volumes have not grown significantly over last 20 years

## Global annual phosphate rock production (Mt)




## Phosphate rock trade 1991 – 2021E




## Increased supply of phosphate rock…

- Approx. 30Mt production added since 2005 (supply was approx. 200Mt in 2016)
- Phosphate rock production growth in-line with fertilizer consumption increase
- Chinese production dominates the market (approx. 41%)
- The increased supply of phosphate rock globally did not influence the “traded” phosphate rock market volumes because most of this was in Asia (China) and tied to integrated granulation plants within China

## … had no observed impact on “tradeable rock” offer

- Of the approx. 30Mt “traded” market, approx. 10Mt is sold towards DAP/MAP production, which is limited by supply sources
- OCP, which supplies the higher quality traded phosphate rock, has expanded into granulation (taking some of their own traded volume and supplying it to themselves), helping to further balance supply/demand

**“Traded” phosphate rock supply remains stable**

*Source: CRU, IFA, Itafos Information*

B

# Appendix B: Portfolio highlights

# Portfolio highlights

| Item | Itafos Conda | Itafos Arraias | Itafos Paris Hills | Itafos Farim | Itafos Santana | Itafos Araxá | Itafos Mantaro |
|---|---|---|---|---|---|---|---|
| **Itafos Ownership** | ▪ 100% | ▪ 96.8%(*) | ▪ 100% | ▪ 100% | ▪ 99.4%(*) | ▪ 100% | ▪ 100% |
| **Location** | ▪ Idaho, U.S. | ▪ Tocantins, Brazil | ▪ Idaho, U.S. | ▪ Farim, Guinea Bissau | ▪ Pará, Brazil | ▪ Minas Gerais, Brazil | ▪ Junin, Peru |
| **Status** | ▪ Operating business | ▪ Operating business | ▪ Near-term project | ▪ Near-term project | ▪ Mid-term project | ▪ Mid-term project | ▪ Mid-term project |
| **Commercial operations date** | ▪ Over 30 years | ▪ Mid-year 2018 | ▪ Under review | ▪ 2H 2020 (estimate) | ▪ Pending feasibility | ▪ Pending feasibility | ▪ Pending feasibility |
| **Reserves[1]** | ▪ Under review | ▪ 64.8Mt at avg. 5.1% $P_2O_5$ | ▪ 16.7Mt at avg. 29.5% $P_2O_5$ | ▪ 44.0Mt at avg. 30.0% $P_2O_5$ | ▪ 45.5Mt at avg. 12.9% $P_2O_5$ | ▪ N/A | ▪ N/A |
| **M&I resources (including reserves)[1]** | ▪ Under review | ▪ 79.0Mt at avg. 4.9% $P_2O_5$ | ▪ 90.1Mt at avg. 25.1% $P_2O_5$ | ▪ 105.6Mt at avg. 28.4% $P_2O_5$ | ▪ 60.4Mt at avg. 12.0% $P_2O_5$ | ▪ 6.4Mt at avg. 8.4% $P_2O_5$ | ▪ 39.5Mt at avg. 10.0% $P_2O_5$ |
| **Inferred resources[1]** | ▪ Under review | ▪ 12.7Mt at avg. 3.9% $P_2O_5$ | ▪ 14.0Mt at avg. 25.0% $P_2O_5$ | ▪ 37.6Mt at avg. 27.7% $P_2O_5$ | ▪ 26.6Mt at avg. 5.6% $P_2O_5$ | ▪ 21.9Mt at avg. 7.9% $P_2O_5$ | ▪ 376.3Mt at avg. 9.0% $P_2O_5$ |
| **Mine life** | ▪ Under review | ▪ 19 years | ▪ 19 years | ▪ 25 years | ▪ 32 years | ▪ Pending feasibility | ▪ Pending feasibility |
| **Products** | ▪ MAP<br>▪ SPA<br>▪ MGA<br>▪ APP | ▪ SSP<br>▪ Excess sulfuric acid | ▪ Phosphate rock | ▪ Phosphate rock | ▪ SSP<br>▪ Excess sulfuric acid | ▪ Phosphate rock<br>▪ Rare earth oxides | ▪ Phosphate rock |
| **Production and sales capacity** | ▪ 550kt per year | ▪ 500kt per year | ▪ 1.0Mt per year | ▪ 1.3Mt per year | ▪ 500kt per year | ▪ Pending feasibility | ▪ Pending feasibility |

(*) 3rd party interest represented by preferred non-voting shares issued by Itafos in 2018 upon exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings

*Source: Itafos Information*

*[1] Measured and indicated resources inclusive of reserves; Refer to subsequent slides for detail*

# Itafos Conda

Operating business

## Key highlights

- 100% owned by Itafos
- Vertically-integrated phosphate fertilizer business with production and sales capacity of approx. 550kt per year
- Produces MAP, SPA, MGA and APP to be sold to wholesale and retail customers
- Located in Conda, Idaho, U.S. on a property consisting of approx. 1,693 ha of land and close to existing infrastructure
- Expected average mine life currently estimated at approx. six years (not including Itafos Paris Hills mine life integration and other alternatives to extend mine life)

## Location highlights


## Status

- Preparing report to confirm reserves and resources of existing permitting mines identified through previous work
- Currently focusing on increasing mine life and on integration and optimization

## Reserves and resources highlights

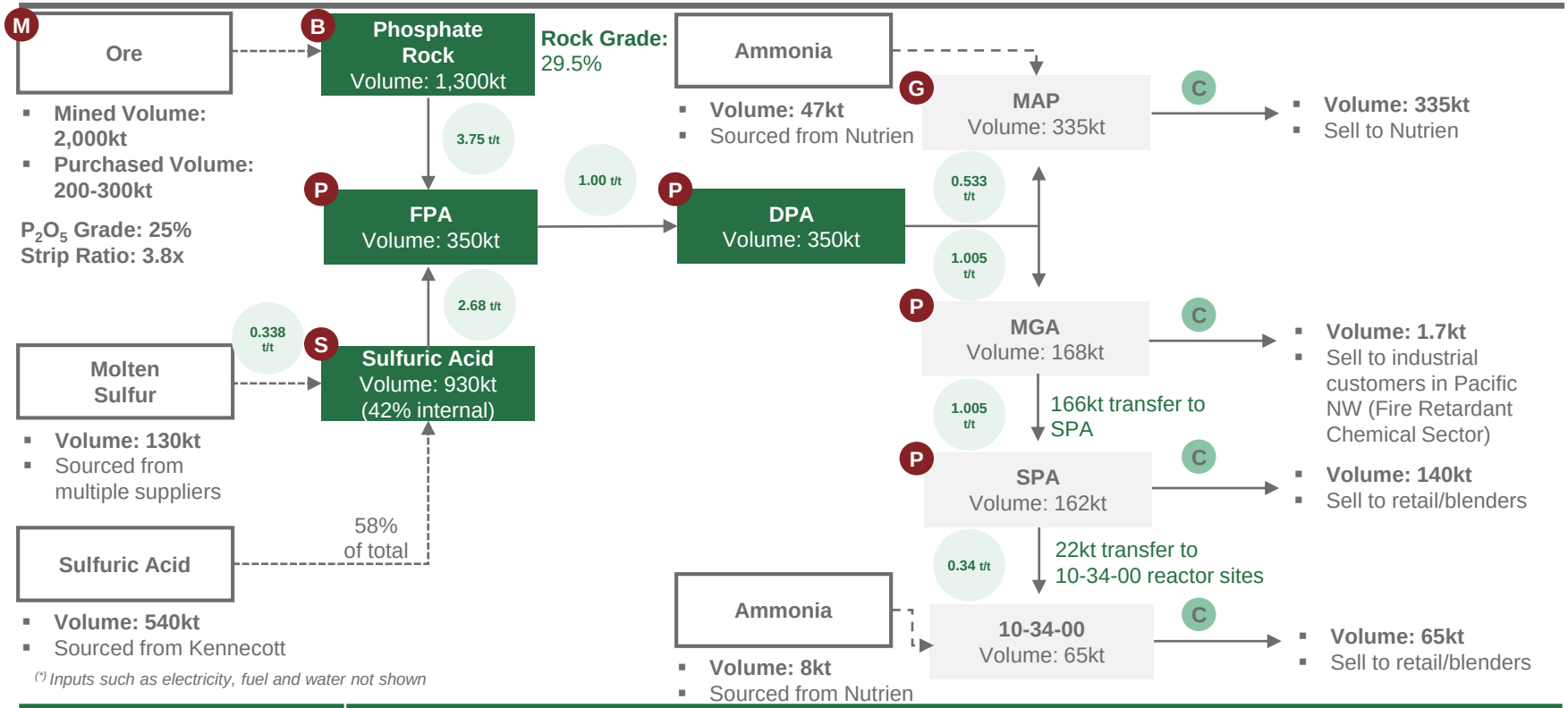
- Existing permitted mining assets include Itafos Lanes Creek Mine and Itafos Rasmussen Valley Mine, which together are expected to have approx. six years of mine life remaining
- Existing unpermitted mining assets include Itafos Husky1/North Dry Ridge and Itafos Paris Hills which will be integrated into Itafos Conda

**One of three key SPA producers in the U.S., strategically located in the West**

*Source: Itafos Information*

# Itafos Conda expected process overview

**Operating business**




| Area | | Description |
|---|---|---|
| M | Mine | ▪ 2018-2024: Ore is extracted from Rasmussen Valley and Lanes Creek mines and transported from the mines to the plant by rail<br>▪ 2024+: Ore will be extracted from Itafos Paris Hills and/or other alternative mines and transported from the mines to the plant by truck |
| B | Beneficiation | ▪ Ore is fed into a wash plant in order to have its size reduced and to remove impurities, producing phosphate rock<br>▪ $P_2O_5$ recovery is approx. 77% and mass recovery is approx. 66% |
| S | Sulfuric Acid | ▪ Produces sulfuric acid and steam for use in other plant areas. Sulfuric acid is fed into phosphoric acid and granulation plants |
| P | Phosphoric Acid Production | ▪ Converts phosphate rock to phosphoric acid, recovering phosphoric acid and removing gypsum solids<br>▪ Evaporates phosphoric acid, removing water to concentrate it. Evaporated phosphoric acid is then used to make SPA and MGA |
| G | Granulation | ▪ Phosphoric acid and ammonia are granulated and fed through a dryer and screened to produce MAP |
| C | Customer | ▪ Transported to customer through truck and rail |

*Volume expressed in 100% $P_2O_5$ basis*
*Co-generation is not part of the sulfuric acid plant*

# Itafos Arraias

**Operating business**

## Key highlights

- Owned 96.8% by Itafos
- 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
- Produces SSP to be sold to blenders and farmers and excess sulfuric acid to be sold to industrial customers
- Located in Tocantins, Brazil on a property consisting of 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% $P_2O_5$
- Expected average mine life of 19 years

## Status

- Completed technical report in March 2013[1]
- Recommissioning completed and commercial production achieved
- Currently focusing on implementing Efficiency Improvement Plan to improve Itafos Arraias' mass yield, $P_2O_5$ recovery and overall product quality and return to optimal levels of capacity utilization in 2020

## Location highlights


## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (Mt) |
|---|---|---|---|
| Reserves | 64.8 | 5.1% | 3.3 |
| M&I resources (incl. reserves) | 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

**Only operational vertically integrated phosphate rock mine and SSP production operation in central Brazil**

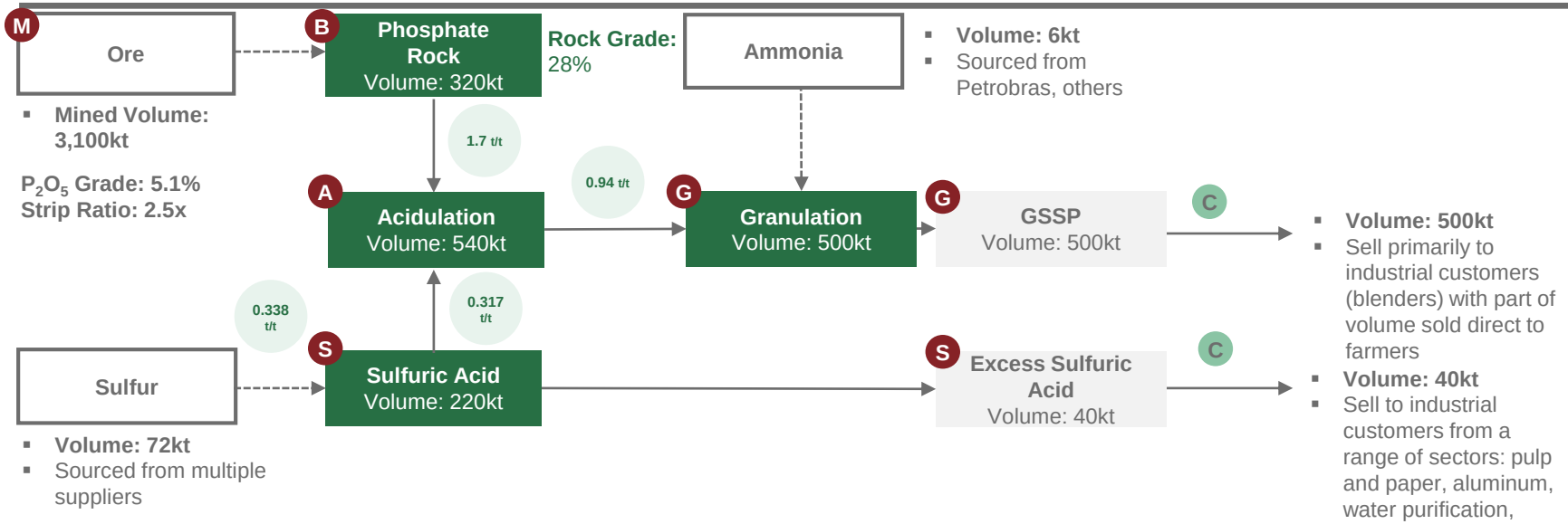
*Source: Itafos Information*

ITAFOS

*[1] Refer to Technical Report titled "Updated Technical Report Itafos Arraias SSP Project, Tocantins State, Brazil" dated March 27, 2013 for additional details (filed and available on SEDAR); Measured and indicated resources inclusive of reserves*

# Itafos Arraias expected process overview

**Operating business**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore is extracted from Itafos Arraias mines and transported from the mines to the plant by truck |
| B | Beneficiation | ▪ Ore is fed into a wash plant in order to have its size reduced and to remove impurities, producing phosphate rock<br>▪ $P_2O_5$ recovery is approx. 57% and mass recovery is approx. 10% |
| S | Sulfuric Acid | ▪ Produces sulfuric acid and steam for use in turbine generator and other plant areas. The electricity produced, from a 6.5 MW onsite co-gen power plant, provides over 50% of the entire Itafos Arraias plant needs. Sulfuric acid is fed into the acidulation plant |
| A | Acidulation | ▪ Phosphate rock is reacted with sulfuric acid, forming SSP powder. No gypsum waste is created in this process |
| G | Granulation | ▪ SSP powder and ammonia are granulated and fed through a dryer and screened to produce GSSP |
| C | Customer | ▪ Transported to customer through truck |

*Co-generation is part of the sulfuric acid plant*
*Itafos Arraias' GSSP contains approx. 10% of sulfur*

# Itafos Paris Hills

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, U.S. 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% $P_2O_5$ with expected phosphate rock production of 1.0Mt per year
- Expected average mine life of 19 years

## Location highlights


## Status

- Completed technical report in January 2013[1]
- Currently focusing on finalizing permitting plan and integrating with Itafos Conda

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (Mt) |
|---|---|---|---|
| **Lower zone** | | | |
| Reserves | 16.7 | 29.5% | 4.9 |
| M&I resources (incl. reserves) | 29.8 | 30.0% | 8.9 |
| Inferred resources | 4.6 | 29.9% | 1.4 |
| **Upper zone** | | | |
| M&I resources | 60.3 | 22.7% | 13.7 |
| Inferred resources | 9.4 | 22.6% | 2.1 |

**One of the highest grade undeveloped phosphate rock mine projects located in mining friendly jurisdiction**

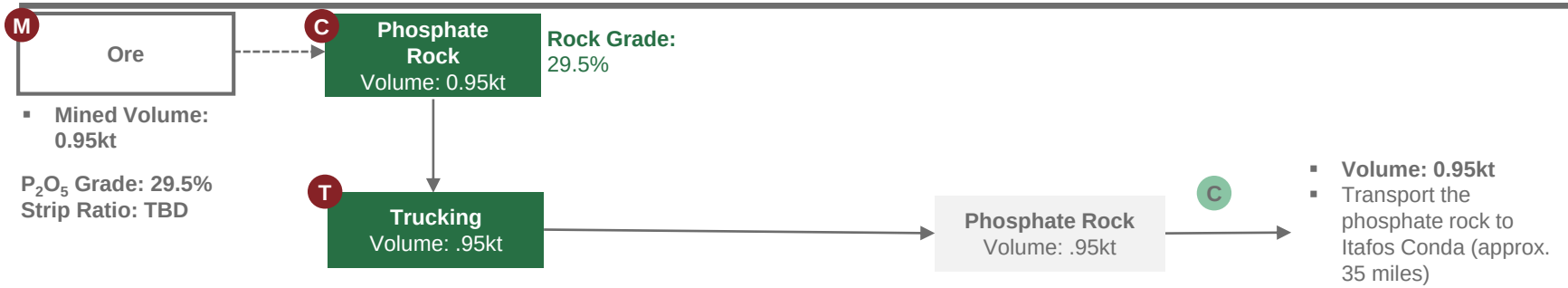
*Source: Itafos Information*



*[1] Refer to Technical Report titled "NI 43-101 Technical Report Paris Hills Phosphate Project Bloomington, Idaho, USA" dated January 18, 2013 and restated July 8, 2013 for additional details (filed and available on SEDAR); Measured and indicated resources inclusive of reserves*

# Itafos Paris Hills expected process overview

**Near-term project**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore will be extracted from Itafos Paris Hills mine and stockpiled |
| C | Crushing | ▪ 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 |
| T | Trucking | ▪ Phosphate rock will be trucked approx. 35 miles to Itafos Conda |
| C | Customer | ▪ Transported to through Itafos Conda |

# Itafos Farim

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% $P_2O_5$ with expected phosphate rock production of 1.34Mt per year
- Expected average mine life of 25 years

## Location highlights


## Status

- Completed technical report and ESIA in September 2015[1]
- Currently focusing on finalizing permitting, pursuing offtake alternatives, selecting contractors, and securing project financing
- Expected commercial operations date in 2H 2020 based on current plan

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (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 |

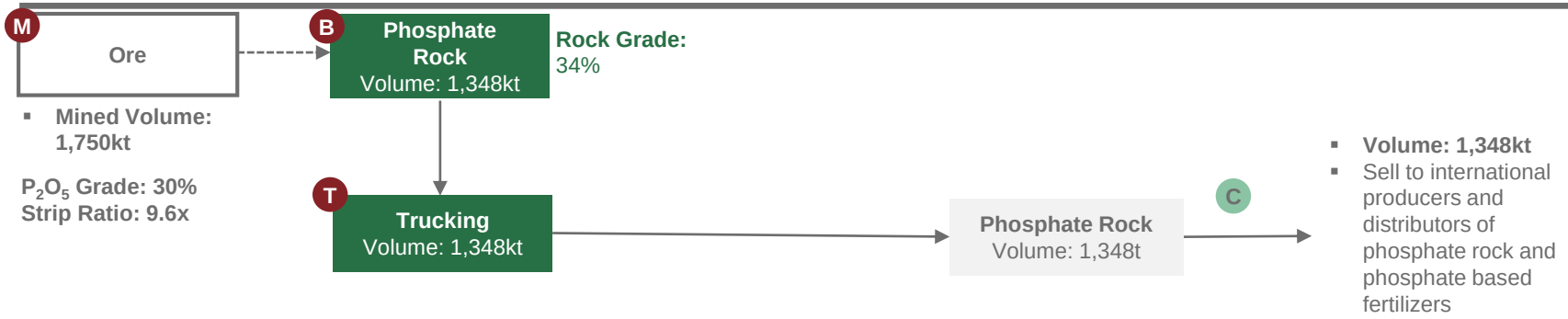
**One of the highest grade undeveloped phosphate rock mine projects located near key infrastructure**

*Source: Itafos Information*

*[1] Refer to Technical Report titled "NI 43-101 Technical Report on the Farim Phosphate Project Guinea Bissau" dated September 14, 2015 for additional details (filed and available on SEDAR); Measured and indicated resources inclusive of reserves*

# Itafos Farim expected process overview

**Near-term project**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore will be extracted from Itafos Farim mine and transported from the mine to the plant by truck |
| B | Beneficiation | ▪ Mine feed will undergo scrubbing to remove clay and other impurities followed by de-sliming and drying, producing phosphate rock<br>▪ $P_2O_5$ recovery will be approx. 79.9% and mass recovery will be approx. 77% |
| T | Trucking | ▪ Phosphate rock will be trucked 75km to the new port site at Ponta Chugue (100% owned by Itafos Farim) |
| C | Customer | ▪ Transported to customer through ship |

# Itafos Santana

**Mid-term project**

## Key highlights

- Owned 99.4% by Itafos
- Integrated phosphate rock mine and SSP production facility development project with expected SSP production of approx. 500kt per year and sulfuric acid production of approx. 210kt per year
- Expected to produce SSP to be sold to blenders and farmers
- Located in Pará, Brazil on a property consisting of approx. 235,150 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 60.4Mt at an average grade of 12.0% $P_2O_5$
- Expected average mine life of 32 years

## Location highlights


## Status

- Completed technical report in October 2013[1]
- Currently focusing on advancing project development

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (Mt) |
|---|---|---|---|
| Reserves | 45.5 | 12.9% | 5.9 |
| M&I resources (incl. reserves) | 60.4 | 12.0% | 7.2 |
| Inferred resources | 26.6 | 5.6% | 1.5 |

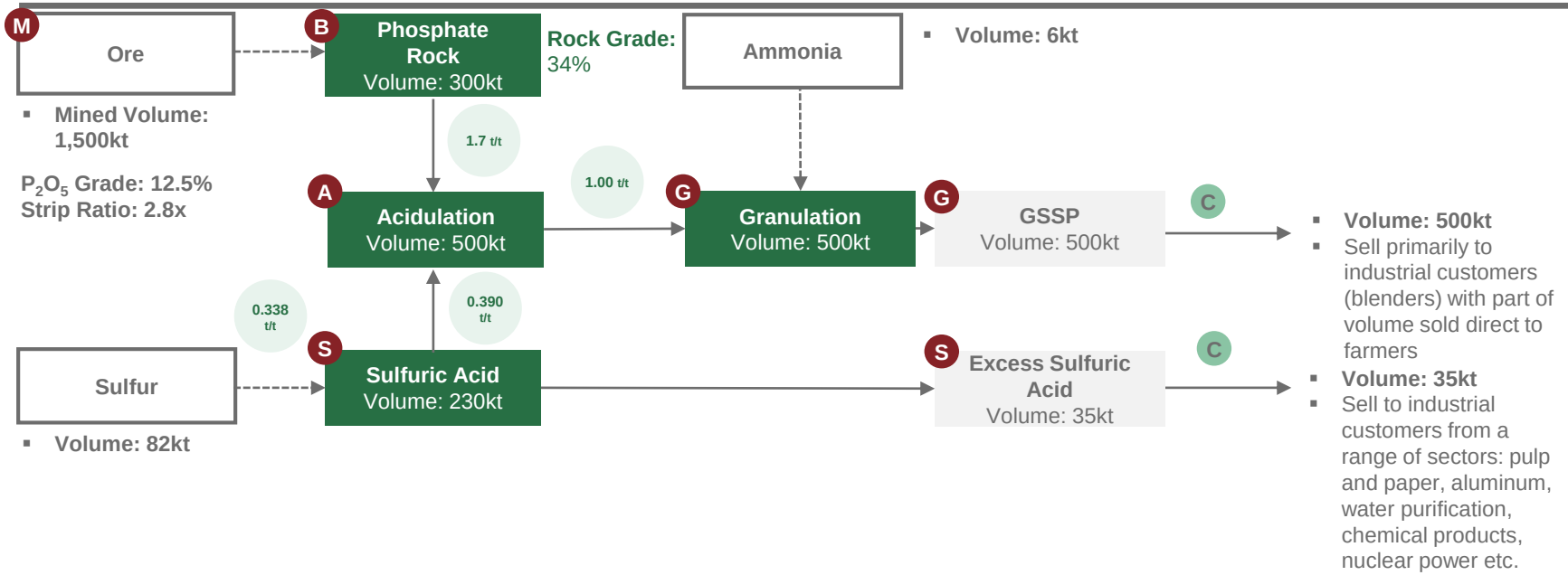
**Integrated phosphate rock mine and SSP production project located in growing Brazil agricultural market**

*Source: Itafos Information*

[1] *Refer to Technical Report titled "Feasibility Study (FS) Santana Phosphate Project Para State, Brazil" dated October 28, 2013 for additional details (filed and available on SEDAR); Measured and indicated resources inclusive of reserves*

# Itafos Santana expected process overview

**Mid-term project**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore will be extracted from Itafos Santana mine and transported from the mine to the plant by truck |
| B | Beneficiation | ▪ Ore will be fed into a wash plant in order to have its size reduced and to remove impurities, producing phosphate rock<br>▪ $P_2O_5$ recovery will be approx. 55% and mass recovery will be approx. 20% |
| S | Sulfuric Acid | ▪ Produces sulfuric acid and steam, which will supply a turbine generator and other plant needs. The electricity produced, from a 8.0 MW onsite co-gen power plant, will provide over 60% of the entire Itafos Santana plant needs. Sulfuric acid will be fed into the acidulation plant |
| A | Acidulation | ▪ Phosphate rock will be reacted with sulfuric acid, forming SSP powder. No gypsum waste is created in this process |
| G | Granulation | ▪ SSP powder and ammonia will be granulated and put through a dryer and screened to produce GSSP |
| C | Customer | ▪ Transported to customer through truck |

*Co-generation is part of the sulfuric acid plant*
*Itafos Santana's GSSP contains approx. 11% of sulfur*

# Itafos Araxá

**Mid-term project**

## Key highlights

- Owned 100% by Itafos
- Phosphate rock and rare earth oxide mine development project
- Expected to produce phosphate rock and rare earth oxides to be sold to producers of phosphate based fertilizers and rare earth products
- Located in Mina Gerais, Brazil on a property consisting of approx. 214 ha of land and close to existing infrastructure
- Expected measured and indicated resources of 6.4Mt at an average grade of 8.4% $P_2O_5$ with production to be determined in definitive feasibility

## Location highlights


## Status

- Completed technical report in October 2012[1]
- Currently focusing on maintaining integrity of the concession and evaluating strategic alternatives

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (Mt) |
|---|---|---|---|
| M&I resources | 6.4 | 8.4% | 0.5 |
| Inferred resources | 21.9 | 7.9% | 1.7 |

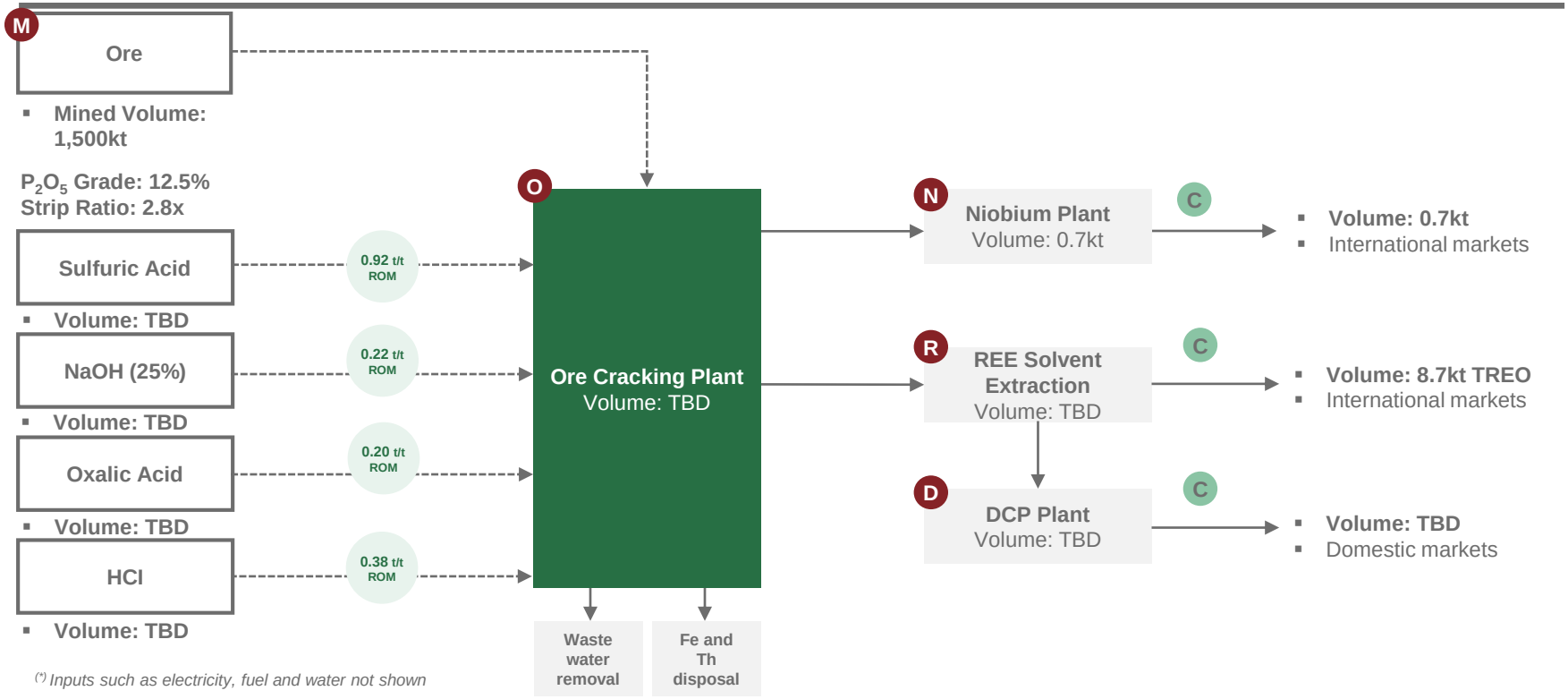
**High grade phosphate rock and rare earth oxide mine project located near key infrastructure**

*Source: Itafos Information*

[1] *Refer to Technical Report titled "A Preliminary Economic Assessment…Independent Technical Report on MBAC Fertilizer Corp. (MBAC) Araxá Project Located in Minas Gerais State, Brazil, as Amended" dated October 1, 2012 and restated January 25, 2013 for additional details (filed and available on SEDAR)*

# Itafos Araxá expected process overview

**Mid-term project**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore will be extracted from Itafos Araxá mine and transported from the mine to the plant by truck |
| O | Ore Cracking | ▪ 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 |
| N | Niobium Plant | ▪ Niobium concentrate will be treated, forming Niobium Oxide |
| R | REE Plant | ▪ Rare earth elements concentrate will be treated, forming rare earth elements individual oxides |
| D | DCP Plant | ▪ Phosphoric acid will react with Calcium Hydroxide, forming Dicalcium Phosphate |
| C | Customer | ▪ Transported to customer through truck and ship |

*TREO stands for 'Total Rare Earth Oxides'*
*REE stands for 'Rare Earth Elements'*

# Itafos Mantaro

**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% $P_2O_5$ with production to be determined in definitive feasibility
- Potential upside from East and Far East Zones estimated to contain 705-725Mt at an average grade of 9-9.5% $P_2O_5$

## Location highlights


## Status

- Completed technical report in February 2010[1]
- Currently focusing on maintaining integrity of the concession and evaluating strategic alternatives

## Reserve and resources highlights[1]

| Item | Tonnes (Mt) | Grade (%) | $P_2O_5$ (Mt) |
|---|---|---|---|
| **West Zone** | | | |
| M&I resources | 39.5 | 10.0% | 4.0 |
| Inferred resources | 376.3 | 9.0% | 33.9 |

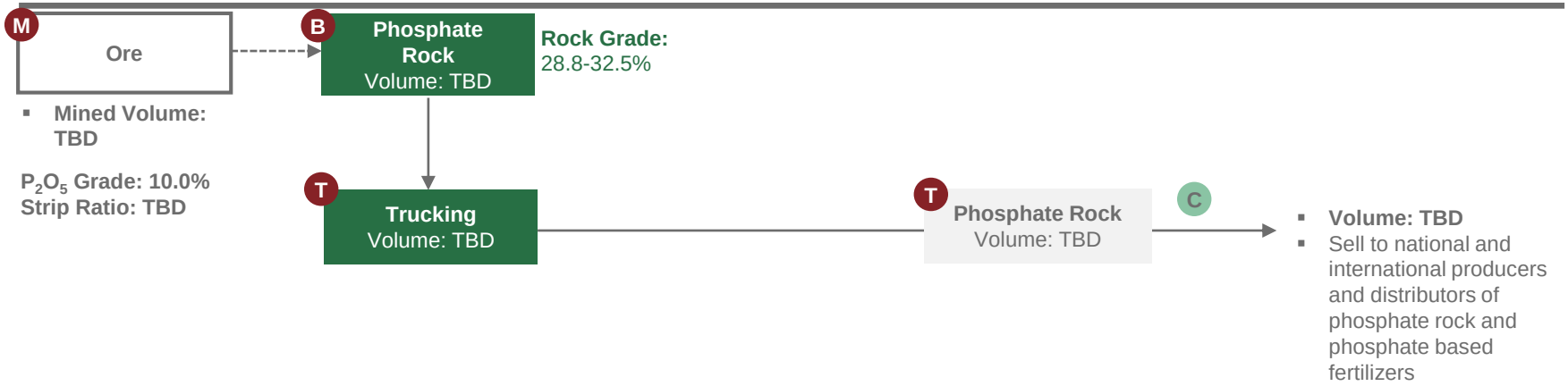
**Large-scale phosphate rock mine project located near key infrastructure**

*Source: Itafos Information*

*[1] Refer to Technical Report titled "Technical Report on Mantaro Phosphate Deposit Junin District, Peru" dated February 21, 2010 for additional details (filed and available on SEDAR)*

# Itafos Mantaro expected process overview

**Mid-term project**




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

| Area | | Description |
|---|---|---|
| M | Mine | ▪ Ore will be extracted from Itafos Mantaro mine and transported from the mine to the plant by truck |
| B | Beneficiation | ▪ Mine feed will undergo scrubbing to remove clay and other impurities followed by de-sliming and drying, producing phosphate rock<br>▪ $P_2O_5$ recovery and mass recovery to be determined |
| T | Trucking | ▪ Phosphate rock will be trucked 75km to a port |
| C | Customer | ▪ Transported to customer through truck |

C

# Appendix C: Financial highlights

# Income statement

| Income statement | Q3 2018 | Q2 2018 | Δ US$ | Δ % |
|---|---|---|---|---|
| **Income statement (US$ 000s)** | | | | |
| **Revenues, net** | **76,282** | **67,187** | **9,095** | **14%** |
| Cost of goods sold | 71,366 | 52,402 | 18,964 | 36% |
| | **4,916** | **14,785** | **(9,869)** | **(67%)** |
| **Expenses** | | | | |
| **Selling, general and administrative expenses** | **4,574** | **8,089** | **(3,515)** | **(43%)** |
| **Operating income (loss)** | **342** | **6,696** | **(6,354)** | **(95%)** |
| Foreign exchange gain (loss) | (748) | 1,066 | (1,814) | N/A |
| Other income (expense), net | (834) | 235 | (1,069) | N/A |
| Gain on fair valuation of Itafos Conda, net | - | - | - | N/A |
| Finance income (expense), net | (5,549) | (3,342) | (2,207) | 66% |
| Gain (loss) from investment in associates | - | - | - | N/A |
| Warrant Expense | - | - | - | N/A |
| **Income (loss) before income taxes** | **(6,789)** | **4,655** | **(11,444)** | **N/A** |
| Current and deferred income tax expense | 2,346 | 3,226 | (880) | (27%) |
| **Net Income (loss) attributable to parent** | **(9,135)** | **1,429** | **(10,564)** | **N/A** |
| Net income (loss) attributable to non-controlling interest | - | - | - | N/A |
| **Net Income (loss)** | **(9,135)** | **1,429** | **(10,564)** | **N/A** |
| | | | | |
| **Basic earnings per share** | **(0.06)** | **0.01** | **(0.07)** | **N/A** |
| **Fully diluted earnings per share** | **(0.06)** | **0.01** | **(0.07)** | **N/A** |

*Source: Q3 2018 consolidated financial statements*

# Balance sheet

| Balance sheet | Q3 2018 | Q4 2017 | Δ US$ | Δ % |
|---|---|---|---|---|
| **Assets (US$ 000s)** | | | | |
| Cash | 27,247 | 63,677 | (36,430) | **(57%)** |
| Accounts receivable | 26,428 | 116 | 26,312 | N/A |
| Inventories | 134,019 | 8,277 | 125,742 | N/A |
| Other current assets | 28,196 | 9,005 | 19,191 | N/A |
| **Total current assets** | **215,890** | **81,075** | **134,815** | **N/A** |
| | | | | |
| Property, plant and equipment, net | 369,944 | 263,427 | 106,517 | 40% |
| Mineral properties | 132,345 | 47,195 | 85,150 | N/A |
| Investments in associates | - | 15,074 | (15,074) | N/A |
| Other long-term assets | 12,075 | 14,520 | (2,445) | (17%) |
| **Total non-current assets** | **514,364** | **340,216** | **174,148** | **51%** |
| **Total assets** | **730,254** | **421,291** | **308,963** | **73%** |
| **Liabilities and equity (US$ 000s)** | | | | |
| Accounts payable and accrued liabilities | 90,682 | 16,937 | 73,745 | N/A |
| Current debt | 302 | 25,530 | (25,228) | (99%) |
| Contract liabilities | 3,141 | - | 3,141 | N/A |
| Other current liabilities | - | 184 | (184) | N/A |
| Current debentures | 1,185 | 960 | 225 | 23% |
| Provisions | 702 | 542 | 160 | 30% |
| **Total current liabilities** | **96,012** | **44,153** | **51,859** | **N/A** |
| | | | | |
| Other long-term liabilities | 8,112 | 8,733 | (621) | **(7%)** |
| Long-term debt | 157,930 | - | 157,930 | N/A |
| Long-term portion of debentures | 2,694 | 2,240 | 454 | 20% |
| Other liabilities | - | 1,614 | (1,614) | N/A |
| Deferred tax liabilities | 8,950 | - | 8,950 | N/A |
| Long-term provisions | 12,756 | 2,952 | 9,804 | N/A |
| **Total long-term liabilities** | **190,442** | **15,539** | **174,903** | **N/A** |
| **Total liabilities** | **286,454** | **59,692** | **226,762** | **N/A** |
| | | | | |
| Share capital | 515,029 | 486,562 | 28,467 | 6% |
| Contributed surplus | 246,626 | 246,626 | - | **-** |
| Cumulative translation adjustment reserve | 7,871 | 8,455 | (584) | (7%) |
| Deficit | (334,788) | (389,106) | 54,318 | (14%) |
| **Equity attributable to shareholders of the parent** | **434,738** | **352,537** | **82,201** | **23%** |
| Non-controlling interest | 9,062 | 9,062 | - | **-** |
| **Total equity** | **443,800** | **361,599** | **82,201** | **23%** |
| **Total liabilities and equity** | **730,254** | **421,291** | **308,963** | **73%** |

*Source: Q3 2018 consolidated financial statements*

# Cash flow statement

| Cash flow statement | 9M 2018 | 9M 2017 | Δ US$ | Δ % |
|---|---|---|---|---|
| **Operating activities (US$ 000)** | | | | |
| **Net income (loss)** | **54,318** | **(22,475)** | **76,793** | **N/A** |
| Adjustments for the following items: | | | | |
| Depreciation and depletion | 10,834 | 163 | 10,671 | N/A |
| Cash settlement of share-based payments | (140) | - | (140) | N/A |
| Share-based payment (recovery) expense | 308 | 516 | (208) | (40%) |
| Current and deferred income tax expense | 8,950 | 1,183 | 7,767 | N/A |
| Gain on fair valuation of Itafos Conda | (51,027) | - | (51,027) | N/A |
| (Gain) loss from investment in associates | (7,910) | 1,909 | (9,819) | N/A |
| Unrealized foreign exchange (gain) loss | (804) | 1,286 | (2,090) | N/A |
| Asset retirement obligation | - | - | - | N/A |
| Finance expense | 10,876 | (22) | 10,898 | N/A |
| Net change in non-cash working capital | (42,694) | (2,036) | (40,658) | N/A |
| **Cash flows from operating activities** | **(17,289)** | **(19,476)** | **2,187** | **(11%)** |
| **Investing activities (US$ 000s)** | | | | |
| Addition of property, plant and equipment and mineral properties | (43,445) | (26,918) | (16,527) | 61% |
| Acquisition of Itafos Conda | (66,500) | - | (66,500) | N/A |
| Cash received from Itafos Conda at acquisition | 725 | - | 725 | N/A |
| Acquisition of GBL | (25,539) | - | (25,539) | N/A |
| Issuance of note to GBL | (4,500) | (2,500) | (2,000) | 80% |
| Cash received from GBL at acquisition | 2,898 | - | 2,898 | N/A |
| Others | (2,091) | (531) | (1,560) | N/A |
| **Cash flows from investing activities** | **(138,452)** | **(29,949)** | **(108,503)** | **N/A** |
| **Financing activities (US$ 000)** | | | | |
| Proceeds from debt financing | 132,671 | 17,500 | 115,171 | N/A |
| Repayment of debt financing | (4,969) | - | (4,969) | N/A |
| Payment of interest expense | (6,240) | - | (6,240) | N/A |
| Payment of financing related costs | (2,079) | - | (2,079) | N/A |
| Net proceeds from issuance of shares | - | 29,840 | (29,840) | N/A |
| **Cash flows from financing activities** | **119,383** | **47,340** | **72,043** | **N/A** |
| **Cash, end of period (US$ 000s)** | | | | |
| Effect of foreign exchange of non-US Dollar denominated cash | (72) | 105 | (177) | N/A |
| Increase (decrease) in cash | (36,430) | (1,980) | (34,450) | N/A |
| Cash, beginning of period | 63,677 | 2,875 | 60,802 | N/A |
| **Cash, end of period** | **27,247** | **895** | **26,352** | **N/A** |

*Source: Q3 2018 consolidated financial statements*