



News Release

TSX-V: IFOS

ITAFOS REPORTS STRONG OPERATIONAL AND FINANCIAL Q2 2024 RESULTS

HOUSTON, TX – August 7, 2024 – Itafos Inc. (TSX-V: IFOS) (the “Company”) today reported its Q2 2024 financial results and provided a corporate update. The Company’s financial statements and management’s discussion and analysis for the three and six months ended June 30, 2024, are available under the Company’s profile at www.sedarplus.ca 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 extremely pleased to report on the significant progress we have made on the execution of our strategic priorities in Q2, 2024. On the back of positive market fundamentals, the Company continues to report strong operational and financial performance,” said David Delaney. “Execution of the H1/NDR project continues, on time and on budget, as we derisk the project for first ore in H1 2025. We are also pleased to announce the sale of our Araxa project which will unlock value associated with our overseas asset portfolio. As we progress through 2024, the Board and Management will continue to focus on creating shareholder value.”

Q2 2024 Financial Highlights

For Q2 2024, the Company’s financial highlights were as follows:

- Revenues of \$105.1 million in Q2 2024 compared to \$116.1 million in Q2 2023;
- Adjusted EBITDA¹ of \$32.8 million in Q2 2024 compared to \$39.7 million in Q2 2023;
- Net income of \$16.2 million in Q2 2024 compared to \$20.4 million in Q2 2023;
- Basic earnings of C\$0.12/share in Q2 2024 compared to C\$0.14/share in Q2 2023; and
- Free cash flow¹ of \$42.5 million in Q2 2024 compared to \$39.0 million in Q2 2023.

The decrease in the Company’s Q2 2024 financial performance compared to the corresponding period in the prior year was primarily due to lower sales volumes driven by lower production at Conda due to the completion of the large scope turnaround in 2024, which was partially offset by slightly higher realized prices.

The Company’s total capex¹ spend in Q2 2024 was \$30.2 million compared to \$18.1 million in Q2 2023 with the increase primarily due to development activities at H1/NDR and large scope turnaround at Conda, as well as the sulfuric acid plant turnaround at Arraias.

H1 2024 Financial Highlights

For H1 2024, the Company’s financial highlights were as follows:

- Revenues of \$233.1 million in H1 2024 compared to \$235.7 million in H1 2023;
- Adjusted EBITDA of \$76.0 million in H1 2024 compared to \$82.6 million in H1 2023;
- Net income of \$39.9 million in H1 2024 compared to \$48.6 million in H1 2023;
- Basic earnings of C\$0.28/share in H1 2024 compared to C\$0.35/share in H1 2023; and
- Free cash flow of \$60.2 million in H1 2024 compared to \$57.9 million in H1 2023.

The decrease in the Company’s H1 2024 financial performance compared to H1 2023 was primarily due to lower realized prices at Conda, which were partially offset by higher sales volumes at Conda and higher sulfuric acid sales at Arraias.

The Company’s total capex spend in H1 2024 was \$36.6 million compared to \$20.9 million in H1 2023 with the increase primarily due to development activities at H1/NDR and large scope turnaround at Conda, as well as the sulfuric acid plant turnaround at Arraias.

As of June 30, 2024, the Company’s financial highlights were as follows:

- Trailing 12 months Adjusted EBITDA¹ of \$125.1 million;
- Net debt¹ of \$8.5 million; and
- Net leverage ratio¹ of 0.1x.

¹ Adjusted EBITDA, trailing 12 months Adjusted EBITDA, total 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”).

Recent Developments

Sale of the Araxá Project

- On August 5, 2024, the Company announced that it entered into an agreement to sell its 100% interest in its Araxá project to a wholly-owned subsidiary of St George Mining Limited (“St George”) (ASX: SGQ). The sale is structured as a cash and equity transaction. The total purchase price is cash of USD\$21,000,000 and securities of St George (the “Transaction”). As a result of the Transaction, St George will indirectly acquire all of the outstanding securities of Itafos Araxá Mineracao E Fertilizantes S.A.

FY 2024 Market and Financial Outlook

Market Outlook

Prices in Q2 2024 were lower than Q1 2024 prices because of the conclusion of the spring season and a market expectation of a significant summer price reset. Market prices at the end Q2 2024 and now into Q3 2024 however, rebounded significantly. The summer price reset was lower than expected due to low summer monoammonium phosphate (“MAP”) stocks and no major adjustments in the North American MAP supply situation. Moving forward, the Company expects minor increases in MAP pricing going into the fall season due to low on-site inventory and a productive fall application season.

Specific factors the Company expects to support pricing in the global phosphate fertilizer markets through the end of 2024 are as follows:

- Low inventory levels in the North American market and continued strength in global demand;
- Ongoing export restrictions from China; and
- No significant adjustments in global trade flows, particularly to the North American market.

Financial Outlook

The Company maintained its guidance for 2024 as follows:

<i>(in millions of US Dollars except as otherwise noted)</i>	<i>Projected FY 2024</i>
Sales Volumes (thousands of tonnes P ₂ O ₅) ²	320-340
Corporate selling, general and administrative expenses ³	\$17-20
Maintenance capex ³	\$25-35
Growth capex ³	\$35-46

Q2 and H1 2024 Market Highlights

MAP New Orleans (“NOLA”) prices averaged \$558/st in Q2 2024 compared to \$511/st in Q2 2023, up 9% year-over-year, and averaged \$591/st in H1 2024 compared to \$543/st in H1 2023, up 9% year-over-year.

Specific factors driving the year-over-year increase in MAP NOLA prices were as follows:

- The tightening of MAP supply into the North American market;
- A minor increase in on farm MAP application in the spring of 2024; and
- Continuing ongoing export restrictions from China.

June 30, 2024, Highlights

As at June 30, 2024, the Company had trailing 12 months Adjusted EBITDA of \$125.1 million compared to \$131.8 million at the end of 2023 with the decrease primarily due to the same factors that resulted in lower Adjusted EBITDA.

As at June 30, 2024, the Company had net debt of \$8.5 million compared to \$61.3 million at the end of 2023, with the reduction primarily 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 June 30, 2024, was comprised of \$59.1 million in cash and \$66.1 million in debt (gross of deferred financing costs). As at June 30, 2024, and the end of 2023, the Company’s net leverage ratio was 0.1x.

As at June 30, 2024, the Company had liquidity⁴ of \$100.5 million comprised of \$59.1 million in cash and \$41.4 million in undrawn borrowing capacity under its \$80 million asset-based revolving credit facility (“ABL Facility”).

² Sales volumes reflect quantity in P2O5 of Conda sales projections.

³ Corporate selling, general and administrative expenses, maintenance capex, and growth capex are each non-IFRS financial measures. For additional information on non-IFRS and other financial measures, see “Non-IFRS financial measures” below.

⁴ Liquidity is a non-IFRS financial measure. For additional information on non-IFRS and other financial measures, see “Non-IFRS financial measures” below.

Operations Highlights and Mine Development

Environmental, Health, and Safety (“EHS”)

- For Q2 2024, strong EHS performance, including no reportable environmental releases and three recordable incidents, which resulted in a consolidated total recordable incident frequency rate (“TRIFR”) of 0.92.
- For H1 2024, strong EHS performance, including no reportable environmental releases and six recordable incidents, which resulted in a consolidated TRIFR of 0.92.

Conda

In Idaho, the Company continues to build out infrastructure and work towards realizing the H1/NDR project and extending the mine life of Conda to 2037, an estimate confirmed by the updated NI 43-101 Technical Report we received in April of this year. H1/NDR remains on schedule and on budget to deliver first ore from H1/NDR in the second half of 2025.

In Q2 2024, Conda:

- Produced 69,532 tonnes P₂O₅ compared to 83,190 tonnes P₂O₅ in Q2 2023 with the decrease primarily due to completion of large scope turnaround in 2024;
- Generated revenues of \$101.8 million compared to \$112.9 million in Q2 2023 with the decrease primarily due to lower sales volumes, partially offset by higher realized prices; and
- Generated Adjusted EBITDA of \$37.2 million compared to \$44.6 million in Q2 2023 with the decrease primarily due to lower sales volumes from large scope turnaround and higher input costs, which were partially offset by higher realized prices.

In H1 2024, Conda:

- Produced 159,778 tonnes P₂O₅ compared to 165,336 tonnes P₂O₅ in H1 2023 with the decrease primarily due to completion of large scope turnaround in 2024;
- Generated revenues of \$224.7 million compared to \$228.9 million in H1 2023 with the decrease primarily due to lower realized selling prices; and
- Generated Adjusted EBITDA of \$83.8 million compared to \$92.0 million in H1 2023 with the decrease primarily due to the same factors that resulted in lower revenues.

Arraias

In Q2 2024, Arraias:

- Produced 16,652 tonnes of sulfuric acid compared to 8,523 tonnes in Q2 2023, with the increase primarily due to higher customer demand in Q2 2024;
- Produced 3,794 tonnes P₂O₅ of Direct Application Phosphate Rock (“DAPR”) compared to 0 tonnes P₂O₅ in Q2 2023, with the increase due to the full quarter of DAPR production and sales per Fertilizer Restart Program; and
- Generated Adjusted EBITDA of \$0.5 million loss compared to \$0.8 million loss in Q2 2023 with the improvement primarily due to sulfuric acid gross margin improvement driven by lower production cost and higher production volume.

In H1 2024, Arraias:

- Produced 49,868 tonnes of sulfuric acid compared to 29,137 tonnes in H1 2023 with the increase due to higher customer demand;
- Produced 3,794 tonnes P₂O₅ of DAPR compared to 0 tonnes P₂O₅ in H1 2023, with the increase due to the full half year of DAPR production and sales per Fertilizer Restart Program; and
- Generated Adjusted EBITDA of \$0.1 million loss compared to \$0.6 million loss in H1 2023 with the improvement due to sulfuric acid gross margin improvement driven by lower production cost and higher production volume.

About Itafos

Itafos is a phosphate and specialty fertilizer company with businesses and projects spanning three continents:

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

Itafos is a Delaware corporation headquartered in Houston, Texas, with shares trading on the TSX Venture Exchange under the ticker “IFOS”. The Company’s principal shareholder is CL Fertilizers Holding LLC (“CLF”), an affiliate of global private investment firm Castlelake, L.P.

For more information, or to join the Company’s mailing list, please visit www.itafos.com.

Forward-Looking Information

Certain information contained in this news release constitutes forward-looking information, including statements with respect to: the Company’s planned operations and strategies; the timing for the commencement of operations, infrastructure and civil works at H1 / NDR; the expected resource life of H1 / NDR; and 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 weather and climate change; risks related to asset retirement obligations, 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; concentration risks, adverse litigation; changes to permitting and licensing; geo-political risks; loss of land title and access rights; changes to insurance and uninsured risks; the potential for malicious acts; market and stock price volatility; changes to technology, innovation or artificial intelligence; changes to tax laws; the risk of operating in foreign jurisdictions; the risks posed by a controlling shareholder and other conflicts of interest; risks related to reputational damage, the risk associated with epidemics, pandemics and public health; the risks associated with environmental justice; and any risks related to internal controls over financial reporting risks. 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 the 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 Annual Information Form and current Management’s Discussion and Analysis available under the Company’s profile on SEDAR+ at www.sedarplus.ca 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 Terry Kremmel, Professional Engineer (P.E.) licensed by the States of Missouri and North Carolina. Mr. Kremmel is a full-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 Itafos Conda Project, Idaho, USA," with an effective date of July 1, 2023 (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.sedarplus.ca.

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 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	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.
Corporate selling, general and administrative expenses	Corporate selling, general and administrative less share-based payment expense.	Selling, general and administrative expenses	The Company uses corporate selling, general and administrative expenses to assess corporate performance.

EBITDA, ADJUSTED EBITDA AND TRAILING 12 MONTHS ADJUSTED EBITDA

For the three months ended June 30, 2024 and 2023

For the three months ended June 30, 2024, 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)	\$	22,471	\$	(1,768)	\$	(35)	\$	(4,462)	\$	16,206
Finance (income) expense, net		954		(206)		—		2,435		3,183
Current and deferred income tax expense (recovery)		7,286		—		—		(2,062)		5,224
Depreciation and depletion		5,835		494		5		83		6,417
EBITDA	\$	36,546	\$	(1,480)	\$	(30)	\$	(4,006)	\$	31,030
Unrealized foreign exchange (gain) loss		—		1,039		(253)		—		786
Share-based payment expense		—		—		—		435		435
Transaction costs		—		—		—		—		—
Other (income) expense, net		653		(57)		3		(40)		559
Adjusted EBITDA	\$	37,199	\$	(498)	\$	(280)	\$	(3,611)	\$	32,810

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Operating income (loss)	\$	31,372	\$	(992)	\$	(285)	\$	(4,120)	\$	25,975
Depreciation and depletion		5,835		494		5		83		6,417
Realized foreign exchange gain		(8)		—		—		(9)		(17)
Share-based payment expense		—		—		—		435		435
Impairments		—		—		—		—		—
Transaction costs		—		—		—		—		—
Adjusted EBITDA	\$	37,199	\$	(498)	\$	(280)	\$	(3,611)	\$	32,810

For the three months ended June 30, 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)	\$	27,198	\$	(924)	\$	87	\$	(5,931)	\$	20,430
Finance (income) expense, net		1,578		(135)		(5)		3,510		4,948
Current and deferred income tax expense (recovery)		8,600		—		—		(2,272)		6,328
Depreciation and depletion		7,198		732		2		48		7,980
EBITDA	\$	44,574	\$	(327)	\$	84	\$	(4,645)	\$	39,686
Unrealized foreign exchange (gain) loss		—		(432)		(342)		454		(320)
Share-based payment expense		—		—		—		(98)		(98)
Transaction costs		—		—		—		453		453
Other (income) expense, net		(7)		(43)		6		—		(44)
Adjusted EBITDA	\$	44,567	\$	(802)	\$	(252)	\$	(3,836)	\$	39,677

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration		Corporate		Total	
Operating income (loss)	\$	37,357	\$	(1,534)	\$	(254)	\$	(4,239)	\$	31,330
Depreciation and depletion		7,198		732		2		48		7,980
Realized foreign exchange gain		12		—		—		—		12
Share-based payment expense		—		—		—		(98)		(98)
Transaction costs		—		—		—		453		453
Adjusted EBITDA	\$	44,567	\$	(802)	\$	(252)	\$	(3,836)	\$	39,677

For the six months ended June 30, 2024 and 2023

For the six months ended June 30, 2024, 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)	\$	51,983	\$	(1,491)	\$	(228)	\$	(10,341)	\$	39,923
Finance (income) expense, net		2,387		(458)		1		4,822		6,752
Current and deferred income tax expense (recovery)		13,770		—		—		(4,392)		9,378
Depreciation and depletion		14,761		1,195		10		168		16,134
EBITDA	\$	82,901	\$	(754)	\$	(217)	\$	(9,743)	\$	72,187
Unrealized foreign exchange (gain) loss		—		1,650		(320)		—		1,330
Share-based payment expense		—		—		—		857		857
Transaction costs		—		—		—		227		227
Non-recurring compensation expenses		—		—		—		1,560		1,560
Other (income) expense, net		864		(1,012)		4		(40)		(184)
Adjusted EBITDA	\$	83,765	\$	(116)	\$	(533)	\$	(7,139)	\$	75,977

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration	Corporate	Total			
Operating income (loss)	\$	69,009	\$	(1,311)	\$	(543)	\$	(9,942)	\$	57,213
Depreciation and depletion		14,761		1,195		10		168		16,134
Realized foreign exchange loss		(5)		—		—		(9)		(14)
Share-based payment expense		—		—		—		857		857
Transaction costs		—		—		—		227		227
Non-recurring compensation expenses		—		—		—		1,560		1,560
Adjusted EBITDA	\$	83,765	\$	(116)	\$	(533)	\$	(7,139)	\$	75,977

For the six months ended June 30, 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)	\$	55,183	\$	(1,172)	\$	157	\$	(5,531)	\$	48,637
Finance (income) expense, net		3,280		(271)		79		7,346		10,434
Current and deferred income tax expense (recovery)		17,016		—		—		(14,870)		2,146
Depreciation and depletion		16,582		1,413		5		95		18,095
EBITDA	\$	92,061	\$	(30)	\$	241	\$	(12,960)	\$	79,312
Unrealized foreign exchange (gain) loss		—		(508)		(743)		942		(309)
Share-based payment expense		—		—		—		2,602		2,602
Transaction costs		—		—		—		1,164		1,164
Other income		(24)		(75)		(32)		—		(131)
Adjusted EBITDA	\$	92,037	\$	(613)	\$	(534)	\$	(8,252)	\$	82,638

<i>(unaudited in thousands of US Dollars)</i>	Conda		Arraias		Development and exploration	Corporate	Total			
Operating income (loss)	\$	75,445	\$	(2,026)	\$	(539)	\$	(12,114)	\$	60,766
Depreciation and depletion		16,582		1,413		5		95		18,095
Realized foreign exchange gain		10		—		—		1		11
Share-based payment expense		—		—		—		2,602		2,602
Transaction costs		—		—		—		1,164		1,164
Adjusted EBITDA	\$	92,037	\$	(613)	\$	(534)	\$	(8,252)	\$	82,638

As at June 30, 2024 and December 31, 2023

As at June 30, 2024, and December 31, 2023 the Company had trailing 12 months Adjusted EBITDA as follows:

<i>(unaudited in thousands of US Dollars)</i>	June 30, 2024	December 31, 2023
For the three months ended June 30, 2024	\$ 32,810	\$ —
For the three months ended March 31, 2024	43,167	—
For the three months ended December 31, 2023	29,509	29,509
For the three months ended September 30, 2023	19,655	19,655
For the three months ended June 30, 2023	—	39,677
For the three months ended March 31, 2023	—	42,961
Trailing 12 months Adjusted EBITDA	\$ 125,141	\$ 131,802

TOTAL CAPEX

For the three months ended June 30, 2024 and 2023

For the three months ended June 30, 2024 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	\$	22,285	\$	1,906	\$	(1)	\$	3	\$	24,193
Additions to mineral properties		7,085		—		387		—		7,472
Additions to property, plant and equipment related asset retirement obligations		(1,897)		589		—		—		(1,308)
Additions to right-of-use assets		—		(179)		1		—		(178)
Total capex	\$	27,473	\$	2,316	\$	387	\$	3	\$	30,179
Accrued capex		(11,009)		—		—		—		(11,009)
Total cash capex	\$	16,464	\$	2,316	\$	387	\$	3	\$	19,170
Maintenance capex	\$	20,297	\$	1,965	\$	—	\$	3	\$	22,265
Accrued maintenance capex		(9,467)		—		—		—		(9,467)
Cash maintenance capex	\$	10,830	\$	1,965	\$	—	\$	3	\$	12,798
Growth capex	\$	7,176	\$	351	\$	387	\$	—	\$	7,914
Accrued growth capex		(1,542)		—		—		—		(1,542)
Cash growth capex	\$	5,634	\$	351	\$	387	\$	—	\$	6,372

For the three months ended June 30, 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	\$	1,889	\$	1,016	\$	25	\$	—	\$	2,930
Additions to mineral properties		12,768		(1)		429		—		13,196
Additions to property, plant and equipment related asset retirement obligations		2,223		(314)		—		—		1,909
Additions to right-of-use assets		—		42		(25)		—		17
Total capex	\$	16,880	\$	743	\$	429	\$	—	\$	18,052
Accrued capex		(4,548)		—		—		—		(4,548)
Total cash capex	\$	12,332	\$	743	\$	429	\$	—	\$	13,504
Maintenance capex	\$	10,548	\$	378	\$	—	\$	—	\$	10,926
Accrued maintenance capex		(2,446)		—		—		—		(2,446)
Cash maintenance capex	\$	8,102	\$	378	\$	—	\$	—	\$	8,480
Growth capex	\$	6,332	\$	365	\$	429	\$	—	\$	7,126
Accrued growth capex		(2,102)		—		—		—		(2,102)
Cash growth capex	\$	4,230	\$	365	\$	429	\$	—	\$	5,024

For the six months ended June 30, 2024 and 2023

For the six months ended June 30, 2024 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	\$	20,842	\$	3,015	\$	(2)	\$	3	\$	23,858
Additions to mineral properties		10,847		—		387		—		11,234
Additions to asset retirement obligations		1,090		766		—		—		1,856
Additions to right-of-use assets		—		(341)		2		—		(339)
Total capex	\$	32,779	\$	3,440	\$	387	\$	3	\$	36,609
Accrued capex		(13,063)		—		—		—		(13,063)
Total cash capex	\$	19,716	\$	3,440	\$	387	\$	3	\$	23,546
Maintenance capex	\$	20,716	\$	2,373	\$	—	\$	3	\$	23,092
Accrued maintenance capex		(9,646)		—		—		—		(9,646)
Cash maintenance capex	\$	11,070	\$	2,373	\$	—	\$	3	\$	13,446
Growth capex	\$	12,063	\$	1,067	\$	387	\$	—	\$	13,517
Accrued growth capex		(3,417)		—		—		—		(3,417)
Cash growth capex	\$	8,646	\$	1,067	\$	387	\$	—	\$	10,100

For the six months ended June 30, 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	\$	10,140	\$	217	\$	25	\$	9	\$	10,391
Additions to mineral properties		13,462		880		501		—		14,843
Additions to asset retirement obligations		(3,958)		(370)		—		—		(4,328)
Additions to right-of-use assets		—		20		(25)		—		(5)
Total capex	\$	19,644	\$	747	\$	501	\$	9	\$	20,901
Accrued capex		(5,159)		—		—		—		(5,159)
Total cash capex	\$	14,485	\$	747	\$	501	\$	9	\$	15,742
Maintenance capex	\$	11,998	\$	378	\$	—	\$	9	\$	12,385
Accrued maintenance capex		(2,719)		—		—		—		(2,719)
Cash maintenance capex	\$	9,279	\$	378	\$	—	\$	9	\$	9,666
Growth capex	\$	7,646	\$	369	\$	501	\$	—	\$	8,516
Accrued growth capex		(2,440)		—		—		—		(2,440)
Cash growth capex	\$	5,206	\$	369	\$	501	\$	—	\$	6,076

NET DEBT AND NET LEVERAGE RATIO

As at June 30, 2024, and December 31, 2023 the Company had net debt and net leverage ratio as follows:

<i>(unaudited in thousands of US Dollars except as otherwise noted)</i>	June 30, 2024	December 31, 2023
Current debt	\$ 29,109	\$ 29,127
Long-term debt	37,439	61,441
Cash and cash equivalents	(59,107)	(30,753)
Deferred financing costs related to the Credit Facilities	1,014	1,489
Net debt	\$ 8,455	\$ 61,304
Trailing 12 months Adjusted EBITDA	\$ 125,141	\$ 131,802
Net leverage ratio	0.1x	0.5x

LIQUIDITY

As at June 30, 2024, and December 31, 2023 the Company had liquidity as follows:

<i>(unaudited in thousands of US Dollars)</i>	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 59,107	\$ 30,753
ABL Facility undrawn borrowing capacity	41,413	40,000
Liquidity	\$ 100,520	\$ 70,753

FREE CASH FLOW

For the three and six months ended June 30, 2024 and 2023, the Company had free cash flow as follows:

<i>(unaudited in thousands of US Dollars)</i>	<i>For the three months ended June 30,</i>		<i>For the six months ended June 30,</i>	
	2024	2023	2024	2023
Cash flows from operating activities	\$ 60,956	\$ 52,538	\$ 82,511	\$ 73,610
Cash flows used by investing activities	(18,460)	(13,505)	(22,328)	(15,743)
Free cash flow	\$ 42,496	\$ 39,033	\$ 60,183	\$ 57,867

CORPORATE SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

For the three and six months ended June 30, 2024 and 2023, the Company had corporate selling, general and administrative expenses as follows:

<i>(unaudited in thousands of US Dollars)</i>	<i>For the three months ended June 30,</i>		<i>For the six months ended June 30,</i>	
	2024	2023	2024	2023
Selling, general and administrative expenses	\$ 4,120	\$ 4,239	\$ 9,942	\$ 12,114
Share-based payment expense	(435)	98	(857)	(2,602)
Corporate selling, general and administrative expenses	\$ 3,685	\$ 4,337	\$ 9,085	\$ 9,512