**Unaudited Condensed Consolidated Interim Financial Statements**
**For the three and nine months ended September 30, 2024 and 2023**
**November 6, 2024**

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## CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS
## AS AT SEPTEMBER 30, 2024 AND DECEMBER 31, 2023

| *(unaudited in thousands of US Dollars)* | | **September 30, 2024** | | **December 31, 2023** |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ | 65,294 | $ | 30,753 |
| Accounts receivable | | 40,360 | | 37,449 |
| Inventories, net | | 135,254 | | 119,813 |
| Other current assets | | 8,054 | | 10,978 |
| **Total current assets** | **$** | **248,962** | **$** | **198,993** |
| Long-term inventories, net | | 1,304 | | 1,307 |
| Property, plant and equipment, net | | 225,060 | | 209,995 |
| Mineral properties, net | | 184,785 | | 161,626 |
| Deferred tax assets, net (*Note 11*) | | 6,165 | | 11,082 |
| Other long-term assets | | 206 | | 4,226 |
| **Total non-current assets** | **$** | **417,520** | **$** | **388,236** |
| **Total assets** | **$** | **666,482** | **$** | **587,229** |
| **Liabilities** | | | | |
| Accounts payable and accrued liabilities | $ | 70,032 | $ | 66,319 |
| Provisions | | 8,007 | | 6,902 |
| Current debt *(Note 5)* | | 11,625 | | 29,127 |
| Contract liabilities | | 508 | | 386 |
| Other current liabilities | | 3,425 | | 3,882 |
| **Total current liabilities** | **$** | **93,597** | **$** | **106,616** |
| Long-term debt *(Note 5)* | | 89,264 | | 61,441 |
| Long-term provisions | | 150,880 | | 142,713 |
| Other long-term liabilities | | 14,494 | | 17,725 |
| **Total long-term liabilities** | **$** | **254,638** | **$** | **221,879** |
| **Total liabilities** | **$** | **348,235** | **$** | **328,495** |
| **Equity** | | | | |
| Share capital *(Note 6)* | | 540,031 | | 538,727 |
| Contributed surplus | | 246,626 | | 246,626 |
| Cumulative translation adjustment reserve | | 4,660 | | 4,660 |
| Deficit | | (473,070) | | (531,279) |
| **Shareholders' equity *(Note 6)*** | **$** | **318,247** | **$** | **258,734** |
| Non-controlling interest | | — | | — |
| **Total equity** | **$** | **318,247** | **$** | **258,734** |
| **Total liabilities and equity** | **$** | **666,482** | **$** | **587,229** |

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Approved by the Company's Board of Directors.

Signed "Anthony Cina"
ANTHONY CINA
Chairman

Signed "G. David Delaney"
G. DAVID DELANEY
Director

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## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

| | *For the three months ended September 30,* | | *For the nine months ended September 30,* | |
|---|---|---|---|---|
| *(unaudited in thousands of US Dollars except as otherwise noted)* | **2024** | **2023** | **2024** | **2023** |
| **Revenues *(Note 7)*** | **$ 119,990** | **$ 110,788** | **$ 353,060** | **$ 346,487** |
| Cost of goods sold | 86,787 | 96,858 | 248,089 | 256,668 |
| **Gross margin** | **$ 33,203** | **$ 13,930** | **$ 104,971** | **$ 89,819** |
| Selling, general and administrative expenses *(Note 8)* | 6,609 | 6,341 | 21,164 | 21,464 |
| **Operating income** | **$ 26,594** | **$ 7,589** | **$ 83,807** | **$ 68,355** |
| Foreign exchange gain (loss) | (113) | (606) | (1,457) | (286) |
| Other income (expense) (Note 9) | (457) | (9) | (273) | 122 |
| Finance expense, net *(Note 10)* | (1,340) | (4,307) | (8,092) | (14,741) |
| **Income before income taxes** | **$ 24,684** | **$ 2,667** | **$ 73,985** | **$ 53,450** |
| Current and deferred income tax expense *(Note 11)* | 6,398 | (411) | 15,776 | 1,735 |
| **Net Income and comprehensive income** | **$ 18,286** | **$ 3,078** | **$ 58,209** | **$ 51,715** |
| Net income (loss) and comprehensive income (loss) attributable to non-controlling interest | — | — | — | — |
| **Net income and comprehensive income attributable to shareholders of the Company** | **$ 18,286** | **$ 3,078** | **$ 58,209** | **$ 51,715** |
| | | | | |
| **Basic earnings ($/share) *(Note 6)*** | **$ 0.10** | **$ 0.02** | **$ 0.30** | **$ 0.27** |
| **Diluted earnings ($/share) *(Note 6)*** | **$ 0.09** | **$ 0.02** | **$ 0.30** | **$ 0.27** |

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

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## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
## FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

| *(unaudited in thousands of US Dollars except as otherwise noted)* | Number of shares | | Amount | | Contributed surplus | | Cumulative translation adjustment reserve | | Deficit | | Shareholders' equity | | Non-controlling interest | | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance as at December 31, 2023** | **190,608,358** | **$** | **538,727** | **$** | **246,626** | **$** | **4,660** | **$** | **(531,279)** | **$** | **258,734** | **$** | **—** | **$** | **258,734** |
| Net income | — | | — | | — | | — | | 58,209 | | 58,209 | | — | | 58,209 |
| Issuance of shares under RSU Plan *(Note 6)* | 1,406,426 | | 1,304 | | — | | — | | — | | 1,304 | | — | | 1,304 |
| **Balance as at September 30, 2024** ` | **192,014,784** | | **540,031** | | **246,626** | | **4,660** | | **(473,070)** | | **318,247** | | **—** | | **318,247** |
| | | | | | | | | | | | | | | | |
| **Balance as at December 31, 2022** | **188,869,463** | | **536,203** | | **246,626** | | **4,660** | | **(535,140)** | | **252,349** | | **769** | | **253,118** |
| Net income | — | | — | | — | | — | | 51,715 | | 51,715 | | — | | 51,715 |
| Issuance of shares under RSU Plan *(Note 6)* | 1,738,895 | | 2,524 | | — | | — | | — | | 2,524 | | — | | 2,524 |
| **Balance as at September 30, 2023** | **190,608,358** | | **538,727** | | **246,626** | | **4,660** | | **(483,425)** | | **306,588** | | **769** | | **307,357** |

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

## CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
## FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

| *(unaudited in thousands of US Dollars)* | *For the nine months ended September 30,* 2024 | 2023 |
|---|---|---|
| **Operating activities** | | |
| Net income | $ 58,209 | $ 51,715 |
| Adjustments for the following items: | | |
| Depreciation and depletion | 26,335 | 29,452 |
| Share-based payment expense *(Note 8)* | 1,591 | 2,825 |
| Current and deferred income tax expense *(Note 11)* | 15,776 | 1,735 |
| Unrealized foreign exchange loss | 1,444 | 295 |
| Commodity derivative fair value loss *(Note 15)* | 928 | — |
| Finance expense, net *(Note 10)* | 8,092 | 14,741 |
| Cash payment of settled commodity derivative | (1,284) | — |
| Cash settlement of share-based payments | (135) | (286) |
| Income tax payments | (10,400) | (9,541) |
| Environmental and asset retirement obligations payments | (1,662) | (351) |
| Net change in non-cash working capital *(Note 14)* | (10,041) | (20,746) |
| **Cash flows from operating activities** | **$ 88,853** | **$ 69,839** |
| | | |
| **Investing activities** | | |
| Addition of property, plant and equipment and mineral properties | $ (52,792) | $ (33,126) |
| Interest received | 1,693 | — |
| **Cash flows used by investing activities** | **$ (51,099)** | **$ (33,126)** |
| | | |
| **Financing activities** | | |
| Proceeds from debt | $ 31,299 | $ — |
| Repayment of debt | (24,703) | (31,802) |
| Repayment of lease liabilities | (2,829) | (3,005) |
| Interest paid | (5,724) | (8,700) |
| Payment of financing related costs | (372) | — |
| **Cash flows used by financing activities** | **$ (2,329)** | **$ (43,507)** |
| | | |
| Effect of foreign exchange of non-US Dollar denominated cash | $ (884) | $ 334 |
| Increase in cash | 34,541 | (6,460) |
| Beginning cash | 30,753 | 42,811 |
| **Ending cash** | **$ 65,294** | **$ 36,351** |

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

The amounts contained herein are in thousands of US Dollars ("$") except for the number of shares, per share amounts, number of restricted share units ("RSUs") and as otherwise noted.

## 1. GENERAL COMPANY INFORMATION

Itafos Inc. (the "Company") is a phosphate and specialty fertilizer company. The Company's businesses and projects are:

- Conda – a vertically integrated phosphate fertilizer business located in Idaho, US with production capacity as follows:
  - approximately 550kt per year of monoammonium phosphate ("MAP"), MAP with micronutrients ("MAP+"), superphosphoric acid ("SPA"), merchant grade phosphoric acid ("MGA") and ammonium polyphosphate ("APP"); and
  - approximately 27kt per year of hydrofluorosilicic acid ("HFSA");
- Arraias – a vertically integrated phosphate fertilizer business located in Tocantins, Brazil with production capacity as follows:
  - approximately 500kt per year of single superphosphate ("SSP") and SSP with micronutrients ("SSP+"); and
  - approximately 40kt per year of excess sulfuric acid (220kt per year gross sulfuric acid production capacity);
- Farim – a high-grade phosphate mine project located in Farim, Guinea-Bissau;
- Santana – a vertically integrated high-grade phosphate mine and fertilizer plant project located in Pará, Brazil; and
- Araxá – a vertically integrated rare earth elements and niobium mine and extraction plant project located in Minas Gerais, Brazil, which the Company has entered into an agreement to sell to a wholly-owned subsidiary of St George Mining Limited.

The Company is a Delaware corporation that is headquartered in Houston, Texas. The Company's shares trade on the Canadian TSX Venture Exchange under the ticker symbol "IFOS". The Company's principal shareholder is CL Fertilizers Holding LLC ("CLF"). CLF is an affiliate of Castlelake, L.P., a global private investment firm. CLF is a related party (see Note 7).

## 2. BASIS OF PREPARATION AND PRESENTATION

### STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements (the "Interim Financial Statements") are based on IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") applicable to the preparation of interim financial statements. The Interim Financial Statements have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023 (the "2023 Consolidated Financial Statements").

The Interim Financial Statements were authorized for issuance by the Company's Board of Directors on November 6, 2024.

**GOING CONCERN BASIS**

The Interim Financial Statements have been prepared and presented under the historical cost convention and on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

## 3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Statements remain materially consistent with those adopted in the preparation of the 2023 Consolidated Financial Statements.

**NEW ACCOUNTING STANDARDS**

The International Accounting Standards Board ("IASB") issued certain new accounting standards or amendments that are mandatory for accounting periods beginning on or after January 1, 2024, including amendments to IAS 1, IAS 7 and IAS 16. The Company concluded that the effect of such new accounting standards or amendments that were mandatory did not have a material impact and therefore did not record any adjustments to the Interim Financial Statements.

On April 9, 2024, the IASB issued a new standard IFRS 18, Presentation and Disclosure in Financial Statements, with focus on updates to the statement of profit or loss. IFRS 18 will replace IAS 1. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss. IFRS 18 will apply for reporting period beginning on or after January 1, 2027 and also applies to comparative information. The Company is in the process of evaluating the impact of this new standard.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The critical accounting estimates and judgments considered in the preparation of the Interim Financial Statements remain consistent with those considered in the preparation of the 2023 Consolidated Financial Statements.

## 5. DEBT

As at September 30, 2024 and December 31, 2023, the Company had debt as follows:

| *(unaudited in thousands of US Dollars)* | | September 30, 2024 | | December 31, 2023 |
|---|---|---|---|---|
| Term Loan | $ | 100,626 | $ | 49,717 |
| Deferred financing costs related to the Credit Facilities | | (3,492) | | (1,489) |
| ABL Facility | | — | | 40,000 |
| Conda equipment financings | | 3,602 | | 2,076 |
| Brazilian debentures | | 153 | | 264 |
| **Debt** | **$** | **100,889** | **$** | **90,568** |
| Less: current portion | | (11,625) | | (29,127) |
| **Long-term debt** | **$** | **89,264** | **$** | **61,441** |

**CREDIT FACILITIES**

On September 6, 2024, the Company entered into an amendment of its existing credit facilities with a syndicate of lenders led by RBC Capital Markets, pursuant to which the Company refinanced its existing $85,000 loan (with $35,436 outstanding balance) and its $35,000 letter of credit facility (together, the "Existing Term Loan Agreement") for a new commitment of $100,000 and a $30,000 letter of credit facility and extended the maturity date under the Existing Term Loan Agreement (as so amended, the "Amended Term Loan Agreement"). The Company also entered into an amendment to its revolving asset-based credit facility ("ABL Facility") with a syndicate of lenders led by RBC Capital Markets to extend the maturity date of such facility and to effect certain other amendments to such facility (the “Amended ABL Agreement”). The proceeds of the Amended Term Loan Agreement were used to repay $35,436 of principal under the Existing Term Loan Agreement and $30,000 under the Company’s ABL Facility. The changes in the Company’s debt as a result of the amendment of its existing credit facilities resulted in a loss on debt modification of $1,031 which was recorded as finance expense (see Note 10).

The key terms of the Amended Term Loan Agreement are as follows:

- Extension of maturity date to September 6, 2027;
- Term loan upsized from the original $85,000 to $100,000;
- Dedicated letter of credit facility reduced from $35,000 to $30,000;
- Annual principal amortization reduced from 33.33% to 10%; and
- Further amendments to the facility that provide the Company greater flexibility and enhance its ability to distribute capital to shareholders.

The key terms of the Amended ABL Facility are as follows:

- Extension of maturity date to September 6, 2027;
- Enhancements to the facility that provide the company additional flexibility and capacity under the borrowing base calculation; and
- Further amendments to the facility that provide the Company greater flexibility and enhance its ability to distribute capital to shareholders.

For the three months ended September 30, 2024, with the proceeds from the Amended Term Loan Agreement, the Company repaid $35,436 of principal under the Existing Term Loan Agreement and $30,000 under the Company’s ABL Facility.

For the nine months ended September 30, 2024, the Company repaid $49,598 of principal under the Existing Term Loan Agreement and $40,000 under the Company’s ABL Facility.

As at September 30, 2024, the Company was in compliance with all financial covenants related to the Amended Term Loan Agreement. As at September 30, 2024, the springing financial covenants related to the Amended ABL Facility were not applicable. The Company's financial covenants are described in greater detail in the 2023 Consolidated Financial Statements.

**CONDA EQUIPMENT FINANCINGS**

On September 24, 2024, Conda purchased mining equipment in exchange for a note payable of $1,973 with maturity on September 24, 2029. The note payable bears interest at 7.75% per annum with equal monthly installments of principal and interest thereafter through maturity.

## 6. SHARE CAPITAL

### AUTHORIZED CAPITAL

As at September 30, 2024, the Company was authorized to issue up to 5,000,000,000 shares, consisting of 4,000,000,000 shares of common stock and 1,000,000,000 shares of preferred stock, each with a par value of 0.00001 US Dollars per share.

### COMMON SHARES ISSUED AND OUTSTANDING

As at September 30, 2024 and December 31, 2023, the Company had 192,014,784 and 190,608,358 shares issued and outstanding, respectively. As at September 30, 2024 and December 31, 2023, CLF beneficially owned and controlled 124,961,722 shares of the Company, representing approximately 65.1% and 65.6% of the issued and outstanding shares on an undiluted basis, respectively (see Note 1).

For the nine months ended September 30, 2024, the Company issued 1,406,426 shares (net of 543,720 shares withheld to pay applicable taxes) due to vesting under its RSU Plan.

For the nine months ended September 30, 2023, the Company issued 1,738,895 shares (net of 610,333 shares withheld to pay applicable taxes) due to vesting under its RSU Plan.

### WEIGHTED-AVERAGE NUMBER OF SHARES

For the three and nine months ended September 30, 2024 and 2023, the Company had weighted-average number of shares and potentially dilutive RSUs as follows:

| | *For the three months ended September 30,* | | *For the nine months ended September 30,* | |
|---|---|---|---|---|
| *(in number of shares)* | **2024** | **2023** | **2024** | **2023** |
| Weighted-average number of shares | 192,014,784 | 190,608,358 | 191,467,349 | 189,706,474 |
| Weighted-average number of potentially dilutive RSUs | 1,972,647 | 2,572,028 | 1,972,647 | 2,247,821 |
| **Diluted weighted-average number of shares** | **193,987,431** | **193,180,386** | **193,439,996** | **191,954,295** |

## 7. REVENUES

For the three and nine months ended September 30, 2024 and 2023, the Company had revenues as follows:

| | *For the three months ended September 30,* | | *For the nine months ended September 30,* | |
|---|---|---|---|---|
| *(unaudited in thousands of US Dollars)* | **2024** | **2023** | **2024** | **2023** |
| MAP | $ 64,481 | $ 61,566 | $ 186,698 | $ 181,528 |
| MAP+ | 5,891 | 7,275 | 15,636 | 17,117 |
| SPA | 38,789 | 33,989 | 123,602 | 122,080 |
| MGA | 116 | 157 | 732 | 1,178 |
| APP | 14 | 3,136 | 5,378 | 10,873 |
| HFSA | 1,454 | 647 | 3,366 | 2,892 |
| DAPR[i] | 682 | 426 | 968 | 426 |
| PAPR[ii] | 3,523 | — | 3,523 | — |
| Sulfuric acid | 5,040 | 3,592 | 13,157 | 10,393 |
| **Revenues** | **$ 119,990** | **$ 110,788** | **$ 353,060** | **$ 346,487** |

i. Direct Application Phosphate Rock ("DAPR")

ii. Partially Acidulated Phosphate Rock ("PAPR")

For the three months ended September 30, 2024 and 2023, the Company had one customer and two customers, respectively, that individually accounted for more than 10% of the Company's total revenues. For the three months ended September 30, 2024, the customer represented approximately 55% of the Company's total revenues. For the three months ended September 30, 2023, these customers represented approximately 61% and 10%, respectively, of the Company's total revenues.

For the nine months ended September 30, 2024 and 2023, the Company had one customer and two customers, respectively, that individually accounted for more than 10% of the Company's total revenues. For the nine months ended September 30, 2024, the customer represented approximately 54% of the Company's total revenues. For the nine months ended September 30, 2023, these customers represented approximately 60% and 13%, respectively, of the Company's total revenues.

## 8. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

For the three and nine months ended September 30, 2024 and 2023 the Company had selling, general and administrative expenses as follows:

| | *For the three months ended September 30,* | | *For the nine months ended September 30,* | |
|---|---|---|---|---|
| *(unaudited in thousands of US Dollars)* | **2024** | **2023** | **2024** | **2023** |
| Payroll expenses | $ 3,052 | $ 3,155 | $ 10,903 | $ 9,333 |
| Professional fees | 1,381 | 987 | 3,381 | 4,293 |
| Share-based payments expense | 734 | 223 | 1,591 | 2,825 |
| Insurance expenses | 164 | 227 | 597 | 730 |
| Office, travel and general administrative expense | 1,106 | 1,401 | 4,019 | 3,166 |
| Directors fees | 172 | 348 | 673 | 1,117 |
| **Selling, general and administrative expenses** | **$ 6,609** | **$ 6,341** | **$ 21,164** | **$ 21,464** |

## 9. OTHER INCOME (EXPENSE)

For the three months ended September 30, 2024 and 2023, the Company recognized other expense of $(457) and $(9), respectively. For the nine months ended September 30, 2024 and 2023, the Company recognized other income (expense) of $(273) and $122, respectively. For the three months ended September 30, 2024 and 2023, Conda recorded a commodity derivative fair value loss of $(127) and nil, respectively. For the nine months ended September 30, 2024 and 2023, Conda recorded a commodity derivative fair value loss of $(928) and nil, respectively (see Note 15).

## 10. FINANCE EXPENSE (INCOME)

For the nine months ended September 30, 2024 and 2023, the Company had finance expense, net as follows:

| *(unaudited in thousands of US Dollars)* | *For the three months ended September 30,* 2024 | 2023 | *For the nine months ended September 30,* 2024 | 2023 |
|---|---|---|---|---|
| Interest expense | $ 1,962 | $ 2,755 | $ 6,341 | $ 9,099 |
| Interest capitalized in mineral properties | (2,714) | — | (2,714) | — |
| Amortization of deferred financing costs related to the Credit Facilities | 134 | 354 | 609 | 1,485 |
| Amortization of financing costs related to the Amended Credit Facilities | (7) | — | (7) | — |
| Loss on debt modification of the Credit Facilities | 1,031 | — | 1,031 | — |
| Environmental and asset retirement obligation accretion expense | 1,182 | 1,530 | 3,812 | 4,307 |
| Interest on lease liabilities | 227 | 271 | 713 | 852 |
| Interest income | (475) | (603) | (1,693) | (1,002) |
| **Finance expense, net** | **$ 1,340** | **$ 4,307** | **$ 8,092** | **$ 14,741** |

For the three and nine months ended September 30, 2024, the Company capitalized interest in mineral properties of $2,714 at an average capitalization rate of 8.8%. For the three and nine months ended September 30, 2023, the Company capitalized interest in mineral properties of nil.

## 11. INCOME TAXES

For the three and nine months ended September 30, 2024 and 2023, the Company had current and deferred income tax expense as follows:

| *(unaudited in thousands of US Dollars)* | *For the three months ended September 30,* 2024 | 2023 | *For the nine months ended September 30,* 2024 | 2023 |
|---|---|---|---|---|
| Current income tax expense | $ 4,251 | $ 2,288 | $ 10,768 | $ 12,058 |
| Deferred income tax expense (recovery), net | 2,147 | (2,699) | 5,008 | (10,323) |
| **Total current and deferred income tax expense** | **$ 6,398** | **$ (411)** | **$ 15,776** | **$ 1,735** |
| | | | | |
| Actual effective tax rate (%) | 25.9 | (15.4) | 21.3 | 3.2 |

For the nine months ended September 30, 2023, the Company recognized a deferred tax asset of $8,353 for its interest expense carry forward from periods prior to the Company's redomiciliation in 2021 from the Cayman Islands to the US.

## 12. COMMITMENTS AND CONTINGENT LIABILITIES

### CONTRACTUAL OBLIGATIONS

As at September 30, 2024, the Company's contractual obligations were as follows:

| *(unaudited in thousands of US Dollars)* | Within 1 year | Years 2 and 3 | Years 4 and 5 | After 5 years | Total |
|---|---|---|---|---|---|
| Debt | $ 11,625 | $ 91,797 | $ 960 | — | **$ 104,382** |
| Accounts payable and accrued liabilities | 70,032 | — | — | — | **70,032** |
| Provisions | 8,007 | 50,028 | 40,330 | 60,522 | **158,887** |
| Leases | 3,303 | 4,999 | 3,707 | 569 | **12,578** |
| **Contractual obligations** | **$ 92,967** | **$ 146,824** | **$ 44,997** | **$ 61,091** | **$ 345,879** |

The Company's contractual obligations do not include estimated interest payments related to such contractual obligations.

### CONTINGENT LIABILITIES

As at September 30, 2024 and December 31, 2023, the Company has accrued provisions of $437 and $275, respectively, where the outcome of matters is uncertain. The Company does not believe that the outcome of any of the matters, individually or in the aggregate, that are not recorded in the Interim Financial Statements would have a material adverse effect. The ultimate amount of any liability for such matters, including interest and penalties, is uncertain and the Company is defending its position in each case.

During 2022 and 2023, the Company received assessments from the Dutch tax authorities in the aggregate amount of Euro 7,244 (approximately $7,659) for 2016, 2017, 2018 and 2019 income taxes related to its Dutch holding structure for the Company's Brazilian subsidiaries. The Company filed an appeal against these tax assessments, which is currently under review by the Dutch tax authorities. The Company and its legal advisors consider it more likely than not that the resolution of these assessments will be favorable to the Company. On that basis, the Company has not recognized a provision for these assessments. In the event of an unfavorable resolution, the Company estimates a potential assessment in the aggregate amount of approximately $7,659.

### CONDA GUARANTEES

Conda's operating and environmental permits require certain obligations related to environmental and reclamation activities to be guaranteed. As at September 30, 2024 and December 31, 2023, Conda's guarantee requirements were $120,158 and $81,113, respectively. As at September 30, 2024 Conda had surety bonds in place for the full amount of its $120,158 guarantee requirements.

As at September 30, 2024, the Company had posted letters of credit in the aggregate amount of $12,539 under the $30,000 letter of credit facility ("the Amended LC Facility") as collateral for Conda's surety bonds.

### US ENVIRONMENTAL PROTECTION AGENCY ("EPA") MATTERS

The Company's EPA Matters are described in greater detail in the 2023 Consolidated Financial Statements.

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## 13. SEGMENT REPORTING

For the three months ended September 30, 2024, the Company had net income (loss) by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Revenues** | **$ 110,745** | **$ 9,245** | **$ —** | **$ —** | **$ 119,990** |
| Cost of goods sold | 81,431 | 5,356 | — | — | 86,787 |
| **Gross Margin** | **$ 29,314** | **$ 3,889** | **$ —** | **$ —** | **$ 33,203** |
| Selling, general and administrative expenses | 1,293 | 687 | (52) | 4,681 | 6,609 |
| **Operating income (loss)** | **$ 28,021** | **$ 3,202** | **$ 52** | **$ (4,681)** | **$ 26,594** |
| Foreign exchange gain (loss) | 2 | (54) | (60) | (1) | (113) |
| Other (expense) income | (439) | (16) | (2) | — | (457) |
| Finance (expense) income | (1,083) | 139 | (1) | (395) | (1,340) |
| **Income (loss) before income taxes** | **$ 26,501** | **$ 3,271** | **$ (11)** | **$ (5,077)** | **$ 24,684** |
| Current and deferred income tax expense (recovery) | 8,573 | — | — | (2,175) | 6,398 |
| **Net income (loss)** | **$ 17,928** | **$ 3,271** | **$ (11)** | **$ (2,902)** | **$ 18,286** |

For the three months ended September 30, 2023, the Company had net income (loss) by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Revenues** | **$ 106,770** | **$ 4,018** | **$ —** | **$ —** | **$ 110,788** |
| Cost of goods sold | 92,626 | 4,232 | — | — | 96,858 |
| **Gross margin** | **$ 14,144** | **$ (214)** | **$ —** | **$ —** | **$ 13,930** |
| Selling, general and administrative expenses | 1,050 | 547 | 257 | 4,487 | 6,341 |
| **Operating income (loss)** | **$ 13,094** | **$ (761)** | **$ (257)** | **$ (4,487)** | **$ 7,589** |
| Foreign exchange gain (loss) | (3) | (672) | 68 | 1 | (606) |
| Other income (expense) | — | (6) | (3) | — | (9) |
| Finance (expense) income | (1,423) | 204 | — | (3,088) | (4,307) |
| **Income (loss) before income taxes** | **$ 11,668** | **$ (1,235)** | **$ (192)** | **$ (7,574)** | **$ 2,667** |
| Current and deferred income tax expense (recovery) | 1,878 | — | — | (2,289) | (411) |
| **Net income (loss)** | **$ 9,790** | **$ (1,235)** | **$ (192)** | **$ (5,285)** | **$ 3,078** |

For the nine months ended September 30, 2024, the Company had net income (loss) by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Revenues** | **$ 335,412** | **$ 17,648** | **$ —** | **$ —** | **$ 353,060** |
| Cost of goods sold | 234,725 | 13,364 | — | — | 248,089 |
| **Gross margin** | **$ 100,687** | **$ 4,284** | **$ —** | **$ —** | **$ 104,971** |
| Selling, general and administrative expenses | 3,657 | 2,393 | 491 | 14,623 | 21,164 |
| **Operating income (loss)** | **$ 97,030** | **$ 1,891** | **$ (491)** | **$ (14,623)** | **$ 83,807** |
| Foreign exchange gain (loss) | (3) | (1,704) | 260 | (10) | (1,457) |
| Other income (expense) | (1,303) | 996 | (6) | 40 | (273) |
| Finance (expense) income | (3,470) | 597 | (2) | (5,217) | (8,092) |
| **Income (loss) before income taxes** | **$ 92,254** | **$ 1,780** | **$ (239)** | **$ (19,810)** | **$ 73,985** |
| Current and deferred income tax expense (recovery) | 22,343 | — | — | (6,567) | 15,776 |
| **Net income (loss)** | **$ 69,911** | **$ 1,780** | **$ (239)** | **$ (13,243)** | **$ 58,209** |

For the nine months ended September 30, 2023, the Company had net income (loss) by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Revenues** | **$ 335,668** | **$ 10,819** | **$ —** | **$ —** | **$ 346,487** |
| Cost of goods sold | 243,977 | 12,691 | — | — | 256,668 |
| **Gross margin** | **$ 91,691** | **$ (1,872)** | **$ —** | **$ —** | **$ 89,819** |
| Selling, general and administrative expenses | 3,152 | 915 | 796 | 16,601 | 21,464 |
| **Operating income (loss)** | **$ 88,539** | **$ (2,787)** | **$ (796)** | **$ (16,601)** | **$ 68,355** |
| Foreign exchange loss | 7 | (164) | (131) | 2 | (286) |
| Other income | 24 | 69 | 29 | — | 122 |
| Finance (expense) income | (4,703) | 475 | (79) | (10,434) | (14,741) |
| **Income (loss) before income taxes** | **$ 83,867** | **$ (2,407)** | **$ (977)** | **$ (27,033)** | **$ 53,450** |
| Current and deferred income tax expense (recovery) | 18,894 | — | — | (17,159) | 1,735 |
| **Net income (loss)** | **$ 64,973** | **$ (2,407)** | **$ (977)** | **$ (9,874)** | **$ 51,715** |

As at September 30, 2024, the Company had total assets and total liabilities by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Total assets** | $ 499,400 | $ 82,414 | $ 77,535 | $ 7,133 | **$ 666,482** |
| **Total liabilities** | $ 224,593 | $ 15,964 | $ 2,943 | $ 104,735 | **$ 348,235** |

As at December 31, 2023, the Company had total assets and total liabilities by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Total assets** | $ 418,926 | $ 80,542 | $ 77,055 | $ 10,706 | **$ 587,229** |
| **Total liabilities** | $ 212,725 | $ 15,843 | $ 3,466 | $ 96,461 | **$ 328,495** |

As at September 30, 2024 and December 31, 2023, the Company had property, plant and equipment and mineral properties by segment as follows:

| *(unaudited in thousands of US Dollars)* | Conda | Arraias | Development and exploration | Corporate | Total |
|---|---|---|---|---|---|
| **Balance as at September 30, 2024** | $ 275,267 | $ 56,725 | $ 77,223 | $ 630 | **$ 409,845** |
| **Balance as at December 31, 2023** | $ 239,022 | $ 54,976 | $ 76,750 | $ 873 | **$ 371,621** |

As at September 30, 2024 and December 31, 2023, the Company had property, plant and equipment and mineral properties by region as follows:

| *(unaudited in thousands of US Dollars)* | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Brazil (South America) | $ 65,822 | $ 64,093 |
| US (North America) | 275,877 | 239,874 |
| Guinea-Bissau (Africa) | 68,146 | 67,654 |
| **Property, plant and equipment, and mineral properties, net** | **$ 409,845** | **$ 371,621** |

## 14. NET CHANGE IN NON-CASH WORKING CAPITAL

For the nine months ended September 30, 2024 and 2023, the Company had net change in non-cash working capital as follows:

| | For the nine months ended September 30, | |
|---|---|---|
| *(unaudited in thousands of US Dollars)* | **2024** | **2023** |
| Accounts receivable | $ (2,911) | $ (12,717) |
| Inventories, net | (13,711) | (2,970) |
| Other assets and prepaids | 6,944 | 2,754 |
| Accounts payable and accrued liabilities | 588 | (2,849) |
| Other liabilities and provisions | (951) | (4,964) |
| **Net change in non-cash working capital** | **$ (10,041)** | **$ (20,746)** |

## 15. DERIVATIVE FINANCIAL INSTRUMENTS

On November 10, 2023, the Company entered into an over-the-counter natural gas swap contract as part of its risk management program. The primary objective of this financial (non-physical delivery) contract is to mitigate commodity price risk associated with the natural gas formula included in the ammonia contract at Conda.

As of September 30, 2024, the Company had the following derivative contract in place which settles monthly:

| Derivative Instrument | Settlement Period | Contracted Volumes | Weighted Averaged Contract Price |
|---|---|---|---|
| **Natural Gas Swap** | Jan - Dec 2024 | 2,000,000 mmBTU | $ 1.954 |

The Company's commodity derivatives are measured at fair value and are included in the consolidated balance sheets as a derivative asset or liability. As at September 30, 2024 and December 31, 2023, the Company had a derivative liability of $122 and $696, respectively. For the three and nine months ended September 30, 2024, the Company recorded a commodity derivative fair value loss of $(127) and $(928), respectively (see Note 10). For the three and nine months ended September 30, 2024, the Company made cash payments of $727 and $1,284, respectively.

## 16. FAIR VALUE MEASUREMENT AND RISK FACTORS

### FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs are quoted prices in active markets for similar assets or liabilities; and
- Level 3: inputs are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company recognizes transfers between the levels of the fair value hierarchy at the date of the event or change in circumstances that caused the transfer. For the nine months ended September 30, 2024 and 2023, there were no such transfers.

The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities to approximate their carrying values in the consolidated balance sheets given the interest receivable and or payable is either close to current market rates or the instruments are short-term in nature.

Derivative liability is recorded on the consolidated balance sheets at fair value. The fair value of derivative liability is determined by calculating the present value difference between the fixed and floating cash flows, based on projected future commodity prices and discounting factors. As such, derivative liability is classified within Level 2 of the fair value hierarchy. As at September 30, 2024 and December 31, 2023, the Company had a derivative liability of $122 and $696, respectively.

Long-term debt is recorded on the consolidated balance sheets at amortized cost. The fair value of long-term debt is determined by applying a discount rate, reflecting an appropriate credit spread considering the Company’s credit rating, to future related cash flows. As such, long-term debt is classified within Level 3 of the fair value hierarchy. As at September 30, 2024 and December 31, 2023, the Company’s long-term debt was stated at an amortized cost of $100,737 and $90,568, respectively and had a fair value of $88,726 and $82,851, respectively.

**RISK FACTORS**

The risk factors considered in the Interim Financial Statements remain consistent with those considered in the 2023 Consolidated Financial Statements.

## 17. SUBSEQUENT EVENTS

**Sale of the Araxá Project**

On August 5, 2024, the Company entered into an agreement to sell its 100% interest in the Araxá project to a wholly-owned subsidiary of St George Mining Limited (“St George”) (ASX: SGQ) in exchange for a cash payment of $21 million and securities of St George (the “Transaction”). Upon the closing of the Transaction, St George will indirectly acquire all of the outstanding securities of Itafos Araxá Mineração e Fertilizantes S.A (“Itafos Araxá”). The Company and St George are in the process of negotiating certain amendments to the sale agreement for the sale of Itafos Araxá to allow St George additional time to satisfy the conditions required for completion of the Transaction. While the key terms of the sale agreement, including the purchase price, are expected to remain unchanged, the amendments to the sale agreement will result in a delay in closing the Transaction. The Transaction is now expected to close in Q1 2025.

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