ITAFOS

News Release

TSX-V: IFOS

ITAFOS CONTINUES MOMENTUM, REPORTING STRONG Q3 2024 RESULTS

HOUSTON, TX – November 6, 2024 – Itafos Inc. (TSX-V: IFOS) ("Itafos" or the "Company") today reported its Q3 2024 financial results and provided a corporate update. The Company's financial statements and management's discussion and analysis for the three and nine months ended September 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 pleased to report Itafos has continued its momentum of outstanding operational and financial performance into Q3 2024. This quarter, we delivered Adjusted EBITDA of $38 million, up 93% on the corresponding period last year. We also continue to make significant progress on our strategic priorities with the H1/NDR project remaining on schedule for continuation of ore deliveries at our Conda facility in 2025," said David Delaney, Chief Executive Officer of Itafos. "During the quarter, we also announced the successful refinancing of our credit facilities, providing additional liquidity and financial flexibility to the Company. Finally, we were also pleased to announce that we entered into an agreement to sell our Araxá project, which will unlock value associated with our overseas asset portfolio. The expected closing of the sale has been moved back to Q1 2025 as the purchaser works to satisfy the conditions required for completion of the transaction."

Q3 2024 Financial Highlights

For Q3 2024, the Company's financial highlights were as follows:

- Revenues of $120.0 million in Q3 2024 compared to $110.8 million in Q3 2023;
- Adjusted EBITDA[1] of $38.0 million in Q3 2024 compared to $19.7 million in Q3 2023;
- Net income of $18.3 million in Q3 2024 compared to $3.1 million in Q3 2023;
- Basic earnings of C$0.13/share in Q3 2024 compared to C$0.02/share in Q3 2023; and
- Free cash flow[1] of $(22.4) million in Q3 2024 compared to $(21.2) million in Q3 2023.

The improvement in the Company's Q3 2024 financial performance compared to the corresponding period in the prior year was primarily due to higher realized prices at Conda and higher sulfuric acid and dry product sales at Arraias, which were partially offset by lower sales volumes at Conda which were impacted by the planned large scope turnaround in June 2024.

The Company's total capex[1] spend in Q3 2024 was $21.1 million compared to $16.3 million in Q3 2023, with the increase primarily due to development activities at Husky 1 / North Dry Ridge ("H1/NDR").

On September 6, 2024, the Company refinanced its existing $85 million term loan (with $35.4 million outstanding) and $35 million letter of credit facility (the "Existing Term Loan Agreement") with a new $100 million commitment and $30 million letter of credit facility, while also extending the maturity dates under its Existing Term Loan Agreement and revolving asset-based credit facility ("Amended ABL Facility").

9M 2024 Financial Highlights

For 9M 2024, the Company's financial highlights were as follows:

- Revenues of $353.1 million in 9M 2024 compared to $346.5 million in 9M 2023;
- Adjusted EBITDA of $114.0 million in 9M 2024 compared to $102.3 million in 9M 2023;
- Net income of $58.2 million in 9M 2024 compared to $51.7 million in 9M 2023;
- Basic earnings of C$0.41/share in 9M 2024 compared to C$0.37/share in 9M 2023; and
- Free cash flow of $37.8 million in 9M 2024 compared to $36.7 million in 9M 2023.

The improvement in the Company's 9M 2024 financial performance compared to 9M 2023 was primarily due to higher realized prices at Conda and higher sulfuric acid and dry product sales at Arraias, which were partially offset by lower sales volumes at Conda which are a result of the planned large scope turnaround maintenance in Q2 2024.

[1] Adjusted EBITDA, free cash flow, and total capex are each a non-International Financial Reporting Standards ("IFRS") financial measure. The Company reports non-IFRS financial measures to manage and evaluate its business. See "Non-IFRS Financial Measures" section below for more information on non-IFRS measures and a reconciliation to the most comparable IFRS financial measures.

The Company's total capex spend in 9M 2024 was $57.7 million compared to $37.2 million in 9M 2023, with the increase primarily due to development activities at H1/NDR and the planned large scope turnaround maintenance at Conda, as well as the planned sulfuric acid plant turnaround maintenance at Arraias.

As of September 30, 2024, the Company's financial highlights were as follows:

- Trailing 12 months Adjusted EBITDA[2] of $143.5 million;
- Net debt[2] of $39.1 million; and
- Net leverage ratio[2] of 0.3x.

Recent Developments

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.

FY 2024 Market and Financial Outlook

Market Outlook

Phosphate pricing increased in Q3 2024 following a rebound from late spring and early summer reset pricing in Q2 2024. Throughout the fall application season, prices have largely remained resilient due to a lack of inventory in the market, good fall and winter on-farm demand, and supply disruptions due to the hurricanes in the Southeast US. Moving forward, the Company expects relatively flat pricing through Q4 2024 and into Q1 2025 as demand should remain strong and inventories low.

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 revised its guidance for 2024 as follows:

(in millions of US Dollars except as otherwise noted)	*Projected* **FY 2024**
Sales Volumes (thousands of tonnes P_2O_5)[3]	330-340
Corporate selling, general and administrative expenses[2]	$17-19
Maintenance capex[2]	$20-30
Growth capex[2]	$35-45

[2] Trailing 12 months Adjusted EBITDA, net debt, net leverage ratio, total capex; corporate selling, general and administrative expenses; maintenance capex, and growth capex are each a non-IFRS financial measure. See "Non-IFRS Financial Measures" section below for more information on non-IFRS measures and a reconciliation to the most comparable IFRS financial measures.

[3] Sales volumes reflect quantity in P_2O_5 of Conda sales projections.

Q3 and 9M 2024 Market Highlights

MAP New Orleans (“NOLA”) prices averaged $636/st in Q3 2024 compared to $589/st in Q3 2023, up 8% year-over-year, and averaged $606/st in 9M 2024 compared to $560/st in 9M 2023, up 8% 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 and increased global demand;
- Very low inventory throughout supply chain in the North American market; and
- Continuing export restrictions from China.

September 30, 2024, Highlights

As at September 30, 2024, the Company had trailing 12 months Adjusted EBITDA of $143.5 million compared to $131.8 million at the end of 2023, with the increase primarily due to the same factors that resulted in higher Adjusted EBITDA.

As at September 30, 2024, the Company had net debt of $39.1 million compared to $61.3 million at the end of 2023, with the reduction primarily due to higher cash and cash equivalents, which was partially offset by higher debt due to the refinancing in Q3 2024. The Company’s net debt as at September 30, 2024, was comprised of $65.3 million in cash and $104.4 million in debt (gross of deferred financing costs). As at September 30, 2024, and December 31, 2023, the Company’s net leverage ratio was 0.3x and 0.5x, respectively.

As at September 30, 2024, the Company had liquidity[4] of $145.3 million comprised of $65.3 million in cash and $80 million in undrawn borrowing capacity under its Amended ABL Facility compared to 40 million at the end of the corresponding period in the prior year.

Operations Highlights and Mine Development

Environmental, Health, and Safety (“EHS”)

- For Q3 2024, sustained EHS performance, including no reportable environmental releases and two recordable incidents, which resulted in a consolidated total recordable incident frequency rate (“TRIFR”) of 0.89.
- For 9M 2024, sustained EHS performance, including no reportable environmental releases and eight recordable incidents, which resulted in a consolidated TRIFR of 0.89.

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 the Company received in April of this year. H1/NDR remains on schedule, on budget and the Company continues to expect to deliver first ore from H1/NDR in the second half of 2025.

In Q3 2024, Conda:

- Produced 92,311 tonnes P_2O_5 compared to 87,976 tonnes P_2O_5 in Q3 2023, with the increase primarily due to higher recoveries and reduced downtime after the successful planned large scope plant turnaround maintenance, which drove higher throughput;
- Generated revenues of $110.7 million compared to $106.8 million in Q3 2023, with the increase primarily due to higher realized prices resulting from improved market dynamics, which were partially offset by lower sales volumes; and
- Generated Adjusted EBITDA of $37.7 million compared to $23.7 million in Q3 2023, with the increase primarily due to higher realized prices and lower cash costs.

In 9M 2024, Conda:

- Produced 252,090 tonnes P_2O_5 compared to 253,311 tonnes P_2O_5 in 9M 2023;
- Generated revenues of $335.4 million compared to $335.7 million in 9M 2023; and
- Generated Adjusted EBITDA of $121.4 million compared to $115.8 million in 9M 2023 with the increase primarily due to higher realized prices and lower cash costs, which were partially offset by lower sales volumes due to the planned large scope turnaround maintenance.

[4] Liquidity is a non-IFRS financial measure. See “Non-IFRS Financial Measures” section below for more information on non-IFRS measures and a reconciliation to the most comparable IFRS financial measures.

Arraias

In Q3 2024, Arraias:

- Produced 37,650 tonnes of sulfuric acid compared to 25,851 tonnes in Q3 2023, with the increase primarily due to higher customer demand in Q3 2024 and acid consumption with the start of Partially Acidulated Phosphate Rock ("PAPR") production;
- Produced 12,719 tonnes P_2O_5 of Direct Application Phosphate Rock ("DAPR") and PAPR compared to 4,553 tonnes P_2O_5 of DAPR in Q3 2023, with the increase due to the full quarter of DAPR and PAPR production and sales per Fertilizer Restart Program; and
- Generated Adjusted EBITDA of $3.7 million compared to $0.1 million loss in Q3 2023, with the improvement primarily due to sulfuric acid gross margin increases driven by lower production cost, higher prices, higher production volume, and the start of PAPR sales during Q3 2024.

In 9M 2024, Arraias:

- Produced 87,518 tonnes of sulfuric acid compared to 54,988 tonnes in 9M 2023, with the increase due to higher customer demand and acid consumption with the start of PAPR production;
- Produced 16,513 tonnes P_2O_5 of DAPR and PAPR compared to 4,553 tonnes P_2O_5 of DAPR in 9M 2023, with the increase due to the full half year of DAPR and PAPR production and sales per Fertilizer Restart Program; and
- Generated Adjusted EBITDA of $3.5 million compared to $0.7 million loss in 9M 2023, with the improvement due to sulfuric acid gross margin increases driven by lower production cost, higher production volume, and the start of PAPR sales during Q3 2024.

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 monoammonium phosphate ("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, which the Company has entered into an agreement to sell to a wholly-owned subsidiary of St George Mining Limited.

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 2024 financial guidance; the sale of Araxá, including the timing for completion; the Company's planned operations and strategies; the timing for the infrastructure works at H1/NDR and first ore deliveries from 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, 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; geopolitical 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 September 30, 2024 and 2023

For the three months ended September 30, 2024, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 17,928**	**$ 3,271**	**$ (11)**	**$ (2,902)**	**$ 18,286**
Finance (income) expense, net	1,083	(139)	1	395	1,340
Current and deferred income tax expense (recovery)	8,573	—	—	(2,175)	6,398
Depreciation and depletion	9,658	458	3	82	10,201
EBITDA	**$ 37,242**	**$ 3,590**	**$ (7)**	**$ (4,600)**	**$ 36,225**
Unrealized foreign exchange loss	—	54	60	—	114
Share-based payment expense	—	—	—	734	734
Transaction costs	—	—	—	481	481
Other expense, net	439	16	2	—	457
Adjusted EBITDA	**$ 37,681**	**$ 3,660**	**$ 55**	**$ (3,385)**	**$ 38,011**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 28,021**	**$ 3,202**	**$ 52**	**$ (4,681)**	**$ 26,594**
Depreciation and depletion	9,658	458	3	82	10,201
Realized foreign exchange gain	2	—	—	(1)	1
Share-based payment expense	—	—	—	734	734
Transaction costs	—	—	—	481	481
Adjusted EBITDA	**$ 37,681**	**$ 3,660**	**$ 55**	**$ (3,385)**	**$ 38,011**

For the three months ended September 30, 2023, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 9,790**	**$ (1,235)**	**$ (192)**	**$ (5,285)**	**$ 3,078**
Finance (income) expense, net	1,423	(204)	—	3,088	4,307
Current and deferred income tax expense (recovery)	1,878	—	—	(2,289)	(411)
Depreciation and depletion	10,630	681	6	40	11,357
EBITDA	**$ 23,721**	**$ (758)**	**$ (186)**	**$ (4,446)**	**18,331**
Unrealized foreign exchange (gain) loss	—	672	(68)	—	604
Share-based payment recovery	—	—	—	223	223
Transaction costs	—	—	—	488	488
Other expense	—	6	3	—	9
Adjusted EBITDA	**$ 23,721**	**$ (80)**	**$ (251)**	**$ (3,735)**	**$ 19,655**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 13,094**	**$ (761)**	**$ (257)**	**$ (4,487)**	**$ 7,589**
Depreciation and depletion	10,630	681	6	40	11,357
Realized foreign exchange gain	(3)	—	—	1	(2)
Share-based payment recovery	—	—	—	223	223
Transaction costs	—	—	—	488	488
Adjusted EBITDA	**$ 23,721**	**$ (80)**	**$ (251)**	**$ (3,735)**	**$ 19,655**

For the nine months ended September 30, 2024 and 2023

For the nine months ended September 30, 2024, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 69,911**	**$ 1,780**	**$ (239)**	**$ (13,243)**	**$ 58,209**
Finance (income) expense, net	3,470	(597)	2	5,217	8,092
Current and deferred income tax expense (recovery)	22,343	—	—	(6,567)	15,776
Depreciation and depletion	24,419	1,653	13	250	26,335
EBITDA	**$ 120,143**	**$ 2,836**	**$ (224)**	**$ (14,343)**	**$ 108,412**
Unrealized foreign exchange (gain) loss	—	1,704	(260)	—	1,444
Share-based payment expense	—	—	—	1,591	1,591
Transaction costs	—	—	—	708	708
Non-recurring compensation expenses	—	—	—	1,560	1,560
Other (income) expense, net	1,303	(996)	6	(40)	273
Adjusted EBITDA	**$ 121,446**	**$ 3,544**	**$ (478)**	**$ (10,524)**	**$ 113,988**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 97,030**	**$ 1,891**	**$ (491)**	**$ (14,623)**	**$ 83,807**
Depreciation and depletion	24,419	1,653	13	250	26,335
Realized foreign exchange loss	(3)	—	—	(10)	(13)
Share-based payment expense	—	—	—	1,591	1,591
Transaction costs	—	—	—	708	708
Non-recurring compensation expenses	—	—	—	1,560	1,560
Adjusted EBITDA	**$ 121,446**	**$ 3,544**	**$ (478)**	**$ (10,524)**	**$ 113,988**

For the nine months ended September 30, 2023, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 64,973**	**$ (2,407)**	**$ (977)**	**$ (9,874)**	**$ 51,715**
Finance (income) expense, net	4,703	(475)	79	10,434	14,741
Current and deferred income tax expense (recovery)	18,894	—	—	(17,159)	1,735
Depreciation and depletion	27,212	2,094	11	135	29,452
EBITDA	**$ 115,782**	**$ (788)**	**$ (887)**	**$ (16,464)**	**97,643**
Unrealized foreign exchange loss	—	164	131	—	295
Share-based payment expense	—	—	—	2,825	2,825
Transaction costs	—	—	—	1,652	1,652
Other income	(24)	(69)	(29)	—	(122)
Adjusted EBITDA	**$ 115,758**	**$ (693)**	**$ (785)**	**$ (11,987)**	**$ 102,293**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 88,539**	**$ (2,787)**	**$ (796)**	**$ (16,601)**	**$ 68,355**
Depreciation and depletion	27,212	2,094	11	135	29,452
Realized foreign exchange gain	7	—	—	2	9
Share-based payment expense	—	—	—	2,825	2,825
Transaction costs	—	—	—	1,652	1,652
Adjusted EBITDA	**$ 115,758**	**$ (693)**	**$ (785)**	**$ (11,987)**	**$ 102,293**

As at September 30, 2024, and December 31, 2023

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

(unaudited in thousands of US Dollars)		September 30, 2024		December 31, 2023
For the three months ended September 30, 2024	$	38,011	$	—
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
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	**$**	**143,497**	**$**	**131,802**

TOTAL CAPEX

For the three months ended September 30, 2024 and 2023

For the three months ended September 30, 2024, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	11,633	$	710	$	—	$	5	$	12,348
Additions to mineral properties		18,738		—		108		—		18,846
Additions to property, plant and equipment related asset retirement obligations		(7,261)		(120)		—		—		(7,381)
Additions to right-of-use assets		—		(5)		—		—		(5)
Capitalized interest in mineral properties		(2,714)		—		—		—		(2,714)
Total capex	**$**	**20,396**	**$**	**585**	**$**	**108**	**$**	**5**	**$**	**21,094**
Accrued capex		8,152		—		—		—		8,152
Total cash capex	**$**	**28,548**	**$**	**585**	**$**	**108**	**$**	**5**	**$**	**29,246**
Maintenance capex	$	2,250	$	324	$	—	$	5	$	2,579
Accrued maintenance capex		9,623		—		—		—		9,623
Cash maintenance capex	**$**	**11,873**	**$**	**324**	**$**	**—**	**$**	**5**	**$**	**12,202**
Growth capex	$	18,146	$	261	$	108	$	—	$	18,515
Accrued growth capex		(1,471)		—		—		—		(1,471)
Cash growth capex	**$**	**16,675**	**$**	**261**	**$**	**108**	**$**	**—**	**$**	**17,044**

For the three months ended September 30, 2023, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	(8,090)	$	(23)	$	(1)	$	648	$	(7,466)
Additions to mineral properties		10,097		—		(6)		—		10,091
Additions to property, plant and equipment related asset retirement obligations		13,757		244		—		—		14,001
Additions to right-of-use assets		—		(12)		1		(311)		(322)
Total capex	**$**	**15,764**	**$**	**209**	**$**	**(6)**	**$**	**337**	**$**	**16,304**
Accrued capex		1,079		—		—		—		1,079
Total cash capex	**$**	**16,843**	**$**	**209**	**$**	**(6)**	**$**	**337**	**$**	**17,383**
Maintenance capex	$	2,795	$	94	$	—	$	337	$	3,226
Accrued maintenance capex		2,719		—		—		—		2,719
Cash maintenance capex	**$**	**5,514**	**$**	**94**	**$**	**—**	**$**	**337**	**$**	**5,945**
Growth capex	$	12,969	$	115	$	(6)	$	—	$	13,078
Accrued growth capex		(1,640)		—		—		—		(1,640)
Cash growth capex	**$**	**11,329**	**$**	**115**	**$**	**(6)**	**$**	**—**	**$**	**11,438**

For the nine months ended September 30, 2024 and 2023

For the nine months ended September 30, 2024, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	32,475	$	3,725	$	(2)	$	8	$	36,206
Additions to mineral properties		29,585		—		495		—		30,080
Additions to asset retirement obligations		(6,171)		646		—		—		(5,525)
Additions to right-of-use assets		—		(346)		2		—		(344)
Capitalized interest in mineral properties		(2,714)		—		—		—		(2,714)
Total capex	**$**	**53,175**	**$**	**4,025**	**$**	**495**	**$**	**8**	**$**	**57,703**
Accrued capex		(4,911)		—		—		—		(4,911)
Total cash capex	**$**	**48,264**	**$**	**4,025**	**$**	**495**	**$**	**8**	**$**	**52,792**
Maintenance capex	$	22,966	$	2,697	$	—	$	8	$	25,671
Accrued maintenance capex		(23)		—		—		—		(23)
Cash maintenance capex	**$**	**22,943**	**$**	**2,697**	**$**	**—**	**$**	**8**	**$**	**25,648**
Growth capex	$	30,209	$	1,328	$	495	$	—	$	32,032
Accrued growth capex		(4,888)		—		—		—		(4,888)
Cash growth capex	**$**	**25,321**	**$**	**1,328**	**$**	**495**	**$**	**—**	**$**	**27,144**

For the nine months ended September 30, 2023, the Company had capex by segment as follows:

(unaudited in thousands of US Dollars)		Conda		Arraias		Development and exploration		Corporate		Total
Additions to property, plant and equipment	$	2,050	$	194	$	24	$	657	$	2,925
Additions to mineral properties		23,559		880		495		—		24,934
Additions to asset retirement obligations		9,799		(126)		—		—		9,673
Additions to right-of-use assets		—		8		(24)		(311)		(327)
Total capex	**$**	**35,408**	**$**	**956**	**$**	**495**	**$**	**346**	**$**	**37,205**
Accrued capex		(4,080)		—		—		—		(4,080)
Total cash capex	**$**	**31,328**	**$**	**956**	**$**	**495**	**$**	**346**	**$**	**33,125**
Maintenance capex	$	14,793	$	472	$	—	$	346	$	15,611
Accrued maintenance capex		—		—		—		—		—
Cash maintenance capex	**$**	**14,793**	**$**	**472**	**$**	**—**	**$**	**346**	**$**	**15,611**
Growth capex	$	20,615	$	484	$	495	$	—	$	21,594
Accrued growth capex		(4,080)		—		—		—		(4,080)
Cash growth capex	**$**	**16,535**	**$**	**484**	**$**	**495**	**$**	**—**	**$**	**17,514**

NET DEBT AND NET LEVERAGE RATIO

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

(unaudited in thousands of US Dollars except as otherwise noted)		September 30, 2024		December 31, 2023
Current debt	$	11,625	$	29,127
Long-term debt		89,264		61,441
Cash and cash equivalents		(65,294)		(30,753)
Deferred financing costs related to the Credit Facilities		3,492		1,489
Net debt	**$**	**39,087**	**$**	**61,304**
Trailing 12 months Adjusted EBITDA	$	143,497	$	131,802
Net leverage ratio		**0.3x**		**0.5x**

LIQUIDITY

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

(unaudited in thousands of US Dollars)		September 30, 2024		December 31, 2023
Cash and cash equivalents	$	65,294	$	30,753
ABL Facility undrawn borrowing capacity		80,000		40,000
Liquidity	**$**	**145,294**	**$**	**70,753**

FREE CASH FLOW

For the three and nine months ended September 30, 2024 and 2023, the Company had free cash flow 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**
Cash flows from (used by) operating activities	$	6,342	$	(3,771)	$	88,853	$	69,839
Cash flows used by investing activities		(28,771)		(17,383)		(51,099)		(33,126)
Free cash flow	**$**	**(22,429)**	**$**	**(21,154)**	**$**	**37,754**	**$**	**36,713**

CORPORATE SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

For the three and nine months ended September 30, 2024 and 2023, the Company had corporate 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**
Selling, general and administrative expenses	$	4,681	$	4,487	$	14,623	$	16,601
Share-based payment (recovery) expense		(734)		(223)		(1,591)		(2,825)
Corporate selling, general and administrative expenses	**$**	**3,947**	**$**	**4,264**	**$**	**13,032**	**$**	**13,776**