



News Release

TSX-V: IFOS

ITAFOS CONTINUES WITH OUTSTANDING OPERATIONAL PERFORMANCE, PROVIDES Q4 2024 OPERATIONAL UPDATE

HOUSTON, TX – February 3, 2025 – Itafos Inc. (TSX-V: IFOS) (the “Company”) today announces its preliminary, unaudited Q4 2024 operational highlights and guidance for 2025.

CEO Commentary

“We are pleased to report a continuation of our outstanding operational performance in the fourth quarter of 2024. During the quarter and for the full year, the Company set a number of production records at Conda, our flagship asset. At Conda, we achieved the best-ever monthly and quarterly front-end production results during the year while also producing the most granular tonnes and sulfuric acid in the past 25 years. Total production in 2024 exceeded the levels achieved in 2023 on a P₂O₅ basis, despite a large-scale planned plant turnaround mid-year which resulted in an additional 14 days of incremental planned maintenance year-over-year. In addition to the outstanding operational efficiency, the Company achieved its operational objectives whilst maintaining an exceptional safety record. For 2024, the Company recorded a TRIFR of 0.89 continuing its outstanding performance in this area” said David Delaney, Chief Executive Officer of the Company.

“At Arraias, sulfuric acid production increased in 2024 by 26.6% as compared to 2023 as demand increased from both external customers and internal processes. Production of our newly introduced dry products more than tripled versus a year ago as we successfully restarted and scaled up operations of the lite beneficiation circuit and acidulation plant.”

“Looking ahead to 2025, we expect that the positive operating momentum we have achieved over the past four years will continue. The first stages of our mine-life extension to support the Conda operations are off to a successful start. We have begun mining operations at North Dry Ridge, with the first ore shipments to the Conda plant expected in the second half of this year.”

“At Arraias, in 2025 we plan on producing a granulated dry fertilizer product in Brazil by utilizing our existing infrastructure, with minor plant upgrades and circuit restarts, which we expect will increase margins and help the facility progress towards its goal to produce single superphosphate (“SSP”) in support of local demand in the coming years. These products and process upgrades have been funded through internally generated operating cash flows and we plan to continue funding these upgrades in this manner.”

Preliminary Unaudited Operational Highlights

Conda

For the three months and years ended December 31, 2024 and 2023 Conda had preliminary operational highlights as follows:

<i>(Unaudited)</i>	For the three months ended December 31,		For the year ended December 31,	
	2024	2023	2024	2023
Production volumes (tonnes P ₂ O ₅)	97,307	95,719	349,396	349,030
MAP sales volumes (tonnes)	99,845	84,289	371,412	364,006
MAP revenues (in thousands of US Dollar)	\$ 71,942	\$ 49,955	\$ 258,640	\$ 231,483
MAP realized price (\$/tonne) ¹	\$ 721	\$ 593	\$ 696	\$ 636

In Q4 2024, Conda:

- Produced 97,307 tonnes P₂O₅ compared to 95,719 tonnes P₂O₅ in Q4 2023 driven by production efficiencies resulting from the successful large scope turnaround maintenance completed in Q2 2024;
- Monoammonium phosphate (“MAP”) realized price¹ averaged \$721/t in Q4 2024 compared to \$593/t in Q4 2023, up 22% year-over-year. The increase was driven by our new MAP Offtake Agreement with a key customer that transitioned from a diammonium phosphate (“DAP”) New Orleans, Louisiana (“NOLA”) contract reference price to a MAP NOLA contract reference price coupled with higher underlying prices and a higher premium under the new MAP Offtake Agreement; and
- Q4 2024 set a record for the best front-end production in a quarter, with December also achieving best-ever monthly front-end production.

¹ This is a non-IFRS measure. For additional information, see “Non-IFRS Financial Measures” below.

In FY 2024, Conda:

- Produced 349,396 tonnes P₂O₅ compared to 349,030 tonnes P₂O₅ in FY 2023 despite an additional 14 days of planned downtime in 2024 due to the large scope turnaround maintenance. The success of the turnaround maintenance drove higher recoveries, reduced downtime, and correspondingly higher throughput;
- MAP realized price averaged \$696/t in 2024 compared to \$636/t in 2023, up 10% year-over-year. The increase was driven by our new MAP Offtake Agreement with a key customer that transitioned from a diammonium phosphate DAP NOLA contract reference price to a MAP NOLA contract reference price coupled with higher underlying prices and a higher premium under the new MAP Offtake Agreement; and
- Achieved several notable production records, including the best granular production year, best sulfuric acid production year, and multiple best-ever months in granular and sulfuric acid production throughout 2024.

Arraias

For the three months and years ended December 31, 2024 and 2023 Arraias had preliminary production volumes as follows:

<i>(Unaudited)</i>	<i>For the three months ended December 31,</i>		<i>For the year ended December 31,</i>	
	2024	2023	2024	2023
Sulfuric acid (tonnes)	25,267	34,087	112,785	89,075
Production volumes (tonnes P ₂ O ₅)	1,635	643	18,147	5,196

In Q4 2024, Arraias:

- Produced 25,267 tonnes of sulfuric acid compared to 34,087 tonnes in Q4 2023, with the decrease explained by additional plant maintenance during Q4 2024 and lower customer demand compared to the previous year; and
- Produced 1,635 tonnes P₂O₅ of Direct Application Phosphate Rock ("DAPR") and Partially Acidulated Phosphate Rock ("PAPR") compared to 643 tonnes P₂O₅ in Q4 2023, with the increase due to the full quarter of DAPR and PAPR production and sales following the Fertilizer Restart Program.

In FY 2024, Arraias:

- Produced 112,785 tonnes of sulfuric acid compared to 89,075 tonnes in FY 2023 with the increase due to higher customer demand and acid consumption with the start of PAPR production; and
- Produced 18,147 tonnes P₂O₅ of DAPR and PAPR compared to 5,196 tonnes P₂O₅ in FY 2023, with the increase due to DAPR and PAPR production and sales following the Fertilizer Restart Program.

All operational and financial information included in this press release is preliminary and is inherently uncertain due to a number of factors, and remains subject to review by the Company's management, audit committee and board of directors and the completion of regular financial closing and review procedures and audit procedures for Q4 FY2024 and fiscal 2024. The preliminary unaudited figures disclosed herein should not be viewed as a substitute for audited financial statements prepared in accordance with generally accepted accounting principles. Additional adjustments to the preliminary unaudited figures presented above may be identified, and final results for the relevant fiscal periods may differ materially from these preliminary unaudited figures and will not be finalized until after the Company completes its normal year-end accounting procedures, including execution of internal controls over financial reporting. These preliminary unaudited figures are intended to provide information about management's current expectations regarding certain aspects of the Company's financial performance. Reliance on the information presented herein may not be appropriate for other purposes.

FY 2025 Market and Financial Outlook

Market Outlook

Phosphate pricing decreased seasonally in Q4 2024 following a rebound that began with an early summer reset. Domestic MAP prices have moved off highs achieved during the second half of the year, while DAP prices have remained relatively firm, bringing the products close to parity. Global phosphate prices have remained consistent since the middle of 2024.

Crop fundamentals have improved over the past quarter. The USDA reduced its estimates for ending stocks for corn and soybeans based on lower yields and total production. Global inventories of grains and oilseeds outside of China are expected to decrease over the course of the current crop year, resulting in a declining stock to use ratio that is projected to fall near a 20-year low.

Moving forward, the Company expects relatively flat phosphate pricing through 2025, with risk to the upside supported by the following factors:

- low inventory levels in the North American market and continued strength in global demand;
- ongoing export restrictions from China;
- improving affordability metrics driven by higher grain and oilseed prices; and
- no significant adjustments in global trade flows, particularly to the North American market.

Financial Outlook

The Company's guidance for 2025 is as follows:

<i>(Unaudited in millions of US Dollars except as otherwise noted)</i>	<i>Projected FY 2025</i>	<i>Unaudited FY 2024</i>
Sales Volumes (thousands of tonnes P ₂ O ₅) ²	340-360	345
Corporate selling, general and administrative expenses ³	\$17-20	\$17
Maintenance capex ³	\$13-23	\$27
Growth capex ³	\$63-83	\$44
Environmental and asset retirement obligations payments	\$5-7	\$4

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 Castlake, L.P.

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

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

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

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 first ore shipments to the Conda plant; our expectations at Arraias regarding producing granulated dry fertilizer; 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. 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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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 can be found in the Company's Management's Discussion & Analysis for the three and nine months ended September 30, 2024 and 2023 under Section 8 – Non-IFRS Measures which is available on SEDAR+ at www.sedarplus.ca.

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
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.
Realized price	Revenues divided by sales volumes	Revenues	The Company uses realized price to assess operational performance
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.

EXPECTED RECONCILIATION OF TOTAL CAPEX

For the year ended December 31, 2024

For the year ended December 31, 2024, the Company had expected 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	\$ 31,871	\$ 3,686	\$ (2)	\$ 10	\$ 35,565
Additions to mineral properties	62,279	—	500	—	62,779
Additions to asset retirement obligations	(24,123)	1,289	—	—	(22,834)
Additions to right-of-use assets	—	(158)	2	—	(156)
Capitalized interest in mineral properties	(4,122)	—	—	—	(4,122)
Total capex	\$ 65,905	\$ 4,817	\$ 500	\$ 10	\$ 71,232
Accrued capex	(3,752)	—	—	—	(3,752)
Total cash capex	\$ 62,153	\$ 4,817	\$ 500	\$ 10	\$ 67,480
Maintenance capex	\$ 23,765	\$ 3,219	\$ —	\$ 10	\$ 26,994
Accrued maintenance capex	(110)	—	—	—	(110)
Cash maintenance capex	\$ 23,655	\$ 3,219	\$ —	\$ 10	\$ 26,884
Growth capex	\$ 42,140	\$ 1,598	\$ 500	\$ —	\$ 44,238
Accrued growth capex	(3,642)	—	—	—	(3,642)
Cash growth capex	\$ 38,498	\$ 1,598	\$ 500	\$ —	\$ 40,596

EXPECTED RECONCILIATION OF CORPORATE SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES

For the three and twelve months ended December 31, 2024 and 2023, the Company had expected corporate selling, general and administrative expenses as follows:

<i>(unaudited in thousands of US Dollars)</i>	<i>For the three months ended December 31,</i>		<i>For the year ended December 31,</i>	
	2024	2023	2024	2023
Selling, general and administrative expenses	\$ 4,605	\$ 4,436	\$ 19,228	\$ 21,037
Share-based payment (recovery) expense	(640)	(492)	(2,231)	(3,317)
Corporate selling, general and administrative expenses	\$ 3,965	\$ 3,944	\$ 16,997	\$ 17,720