ITAFOS

Management's Discussion and Analysis of Operations and Financial Condition
For the year ended December 31, 2024 and 2023
March 19, 2025

TABLE OF CONTENTS

1. INTRODUCTORY NOTES 3
2. GENERAL COMPANY INFORMATION 4
3. HIGHLIGHTS 7
4. OUTLOOK 19
5. SUMMARY OF QUARTERLY RESULTS 20
6. STATEMENTS OF OPERATIONS 21
7. FINANCIAL CONDITION 23
8. NON-IFRS MEASURES 27
9. BUSINESS RISKS AND UNCERTAINTIES 37
10. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 39
11. CONTROLS AND PROCEDURES 39
12. OTHER DISCLOSURES 40

1. INTRODUCTORY NOTES

GENERAL INFORMATION

This management's discussion and analysis of operations and financial condition ("MD&A") is as of March 19, 2025 and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2024 (the "Consolidated 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.

Except as otherwise noted, all figures herein are presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This MD&A considers 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 measures reported by other issuers. 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 in Section 8 of this MD&A.

A copy of this MD&A and additional information relating to the Company is available under the Company's profile on Canada's System for Electronic Document Analysis and Retrieval+ ("SEDAR+") at www.sedarplus.ca and on the Company's website at www.itafos.com.

FORWARD-LOOKING INFORMATION

This MD&A contains ''forward-looking information" within the meaning of applicable Canadian securities legislation. Management believes that forward-looking information provides useful supplemental information to investors, analysts, lenders and others. In evaluating forward-looking information, investors, lenders and others should consider that forward looking information may not be appropriate for other purposes and are cautioned not to put undue reliance on forward-looking information. Forward-looking information contained in this MD&A is based on the opinions, assumptions and estimates of management some of which are set out herein, which management believes are reasonable as of the date the statements are made. Such 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 forward-looking information. Although the Company has attempted to identify crucial factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. 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. Cautionary statements regarding forward-looking information and risks and uncertainties affecting forward-looking information are included in Section 9 of this MD&A.

2. GENERAL COMPANY INFORMATION

OVERVIEW

Itafos Inc. (the "Company") is a phosphate and specialty fertilizer company. As of March 19, 2025, the Company's businesses and projects are as follows:

- 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; and
- Santana – a vertically integrated high-grade phosphate mine and fertilizer plant project located in Pará, Brazil.

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 ultimate controlling shareholder is CL Fertilizers Holding LLC ("CLF"). CLF is an affiliate of Castlelake, L.P., a global private investment firm (see Notes 1 and 15 in the Consolidated Financial Statements).

As of December 31, 2024 and December 31, 2023 the Company had 192,014,784 and 190,608,358 shares outstanding, respectively (see Note 15 in the Consolidated Financial Statements). As of March 19, 2025, the Company had 192,466,924 shares and 4,565,723 RSUs outstanding. As of December 31, 2024 and December 31, 2023, the Company did not have any other classes of voting securities outstanding.

BUSINESSES AND PROJECTS

Key highlights of the Company's businesses and projects are as follows:

Item	Conda[i]	Arraias[ii]	Farim	Santana
Ownership[iii]	100%	98.4%	100%	99.4%
Location	Idaho, US	Tocantins, Brazil	Farim, Guinea-Bissau	Pará, Brazil
Status	Operating	Sulfuric acid; part of the beneficiation, and acidulation operating; remainder of operations idled	Construction-ready	Maintaining option
Mineral Reserves[iv]	33.7Mt at avg. 25.0% P_2O_5	Under review	43.8Mt at avg. 30.0% P_2O_5	Under review
Measured and Indicated Mineral Resources[iv,v]	44.9Mt at avg. 24.81% P_2O_5	79.0Mt at avg. 4.9% P_2O_5	102.5Mt at avg. 28.53% P_2O_5	60.4Mt at avg. 12.0% P_2O_5
Inferred Mineral Resources[iv,v]	1.5Mt at avg. 24.73% P_2O_5	12.7Mt at avg. 3.9% P_2O_5	31.1Mt at avg. 28.1% P_2O_5	26.6Mt at avg. 5.6% P_2O_5
Mine life[iv]	Through mid-2037	Under review	25 years	Under review
Products	MAP, MAP+, SPA, MGA, APP and HFSA	SSP, SSP+ excess sulfuric acid, Direct Application Phosphate Rock ("DAPR"), and Partially Acidulated Phosphate Rock ("PAPR")	Phosphate rock	SSP and excess sulfuric acid
Annual production capacity	550kt MAP, MAP+, SPA, MGA, APP and 27kt HFSA	500kt SSP and SSP+ and 40kt excess sulfuric acid (220kt gross sulfuric acid)	1.35Mt of phosphate rock	500kt SSP and 30kt excess sulfuric acid

i. Conda's operations consist of its mines, beneficiation plant, sulfuric acid plant, phosphoric acid plant and granulation plant. Conda's mineral reserves, measured and indicated mineral resources (including mineral reserves), inferred mineral resources and mine life consider Rasmussen Valley, Husky 1 ("H1") and North Dry Ridge ("NDR"). Conda's measured and indicated resources (including mineral reserves) include 1.5Mt of stockpile ore.

ii. Arraias' operations consist of its mines, beneficiation plant, sulfuric acid plant, acidulation plant and granulation plant. On February 8, 2022, the Company announced the resumption of sulfuric acid production and sales at Arraias. During H1 2023, mining was restarted at the Domingos pit for the production and sale of DAPR. The remainder of Arraias' operations, including part of the beneficiation plant and the granulation plant remain idled following best practices.

iii. Arraias and Santana's non-controlling interests are represented by preferred non-voting shares issued by the Company in 2018 upon the exercise of warrants held by creditors under the 2016 Brazilian restructuring proceedings. Under the 2014 Guinea-Bissau Mining Code, the Government of Guinea-Bissau has the right to obtain, free of charge, up to a 10% interest in Farim. The Company expects to grant the free carried interest in Farim to the Government of Guinea-Bissau as part of ongoing revisions to the executed Farim mining agreement.

iv. The Company's technical information, including mineral reserves, measured, and indicated mineral resources (including mineral reserves), inferred mineral resources and mine life, is presented as of the date of the Company's latest respective technical reports. No recovery, dilution or other similar mining parameters have been applied to the mineral resources summarized above.

v. Although the mineral resources summarized above are believed to have a reasonable expectation of being extracted economically, they are not mineral reserves and there is no certainty that all or any part of the mineral resources summarized above will be converted into mineral reserves. Mineral reserves require the application of modifying factors such as recovery, dilution or other similar mining parameters and must be supported with a minimum of a pre-feasibility study. The inferred mineral resources summarized above are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

The Company's latest technical reports are as follows:

- Conda – the technical report titled "NI 43-101 Technical Report Itafos Conda Project , Idaho, USA" with an effective date of July 1, 2023 (the "Conda Technical Report") as announced in the Company news release dated April 29, 2024;
- Arraias – the technical report titled "Updated Technical Report Itafós Arraias SSP Project, Tocantins State, Brazil" with an effective date of March 27, 2013;
- Farim – the technical report titled "Farim Phosphate Project - NI 43-101 Technical Report and Feasibility Study" with an effective date of May 17, 2023; and
- Santana – the technical report titled "Feasibility Study (FS) Santana Phosphate Project, Pará State, Brazil" with an effective date of October 28, 2013.

The Company's latest technical reports are available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.itafos.com.

The Company's businesses and projects are described in greater detail in its 2024 AIF, which can be found under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.itafos.com.

3. HIGHLIGHTS

KEY HIGHLIGHTS

For the three months ended December 31, 2024

For the three months ended December 31, 2024, the Company's key highlights were as follows:

- sustained Environmental, Health and Safety ("EHS") performance, including no reportable environmental releases and one recordable incident, which resulted in a consolidated Total Recordable Incident Frequency Rate[1] ("TRIFR") of 0.89;
- generated revenues of $138,180;
- MAP New Orleans ("NOLA") prices averaged $687/t ($623/st) compared to $677/t ($614/st) in 2023, up 1% year-over-year. Prices reflect continued tight domestic phosphate supply and global phosphate fertilizer market supply and demand dynamics;
- Conda produced 97,307 tonnes P_2O_5 compared to 95,719 tonnes P_2O_5 in 2023, with the increase driven by production efficiencies resulting from the successful large scope turnaround maintenance completed in Q2 2024;
- generated Adjusted EBITDA[2] of $45,473;
- recorded net income of $29,582;
- recorded basic earnings of Canadian dollars ("C$") C$0.22/share;
- generated free cash flow[2] of $17,089; and
- repaid $2,734 of debt, including $2,500 of principal under the Company's $100,000 term loan and $30,000 letter of credit facility (the "Amended Term Loan Agreement").

For the year ended December 31, 2024

For the year ended December 31, 2024, the Company's key highlights were as follows:

- sustained EHS performance, including no reportable environmental releases and nine recordable incidents, which resulted in a consolidated TRIFR of 0.89;
- generated revenues of $491,240;
- MAP NOLA prices averaged $673/t ($610/st) compared to $632/t ($574/st) in 2023, up 6% year-over-year due to the tightening of domestic phosphate supply and global phosphate fertilizer market supply and demand dynamics;
- Conda produced 349,396 tonnes P_2O_5 compared to 349,030 tonnes P_2O_5 in 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;
- generated Adjusted EBITDA of $159,461;
- recorded net income of $87,791;
- recorded basic earnings of C$0.63/share;
- generated free cash flow of $54,843;
- on April 10, 2024, the Company announced the publication of its updated ESG report. The Company's latest ESG report sets forth the progress that the Company has made on ESG matters since the publication of its inaugural ESG report in 2021 and provides updates to the Company's directional ESG goals;

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[1]TRIFR is a ratio measured on a 12-month rolling average calculated as the number of recordable incidents x 200,000 hours divided by the total number of hours worked considering both employees and contractors.
[2]Non-IFRS measure (see Section 8).

- on April 29, 2024, the Company filed the Conda Technical Report in accordance with the NI 43-101. The Conda Technical Report demonstrates increased Mineral Reserves and the opportunity for continued operations at Conda through 2037;
- on May 8, 2024, the Board of Directors elected to end the strategic review process that was announced on March 13, 2023 and dissolve the special committee of independent directors. While the process has concluded without an announced transaction, the Board of Directors and the management team have and will continue to operate the business with the objective of creating shareholder value and will review strategic opportunities as they arise;
- on June 19, 2024, the Company obtained disinterested shareholder approval to amend the Company's RSU Plan to a "fixed up to 20% Plan". The Company also obtained disinterested shareholder approval to amend the Company's Stock Option Plan to a "fixed up to 20% Plan". As a result of these amendments, the number of shares issuable under all of the Company's equity-based compensation plans (including the Stock Option Plan and the RSU Plan), in the aggregate, is fixed at a maximum 38,398,527 shares, representing 20% of the number of issued and outstanding shares;
- 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 $21,000 in cash paid in three installments over 18 months and securities of St George (the "Transaction"). As a result of the Transaction, St George will indirectly acquire all of the outstanding securities of Itafos Araxá Mineração e Fertilizantes S.A ("Itafos Araxá") (see Recent Developments);
- on September 6, 2024, the Company refinanced its existing $85,000 term loan and $35,000 letter of credit facility (the "Existing Term Loan Agreement") with the Amended Term Loan Agreement, while also extending the maturity dates of its Existing Term Loan and revolving asset-based credit facility ("Amended ABL Facility"); and
- repaid $92,874 of debt, ($65,436 of debt were repaid with the proceeds received from the Amended Term Loan Agreement), including $49,598 of principal under the Company's Existing Term Loan, $40,000 under the Company's $80,000 asset-based revolving credit facility (the "ABL Facility"), and $2,500 of principal under the Company's Amended Term Loan Agreement.

Recent Developments

Sale of the Araxá Project

- On February 26, 2025, the Company completed the Transaction. St George now owns all of the outstanding securities of Itafos Araxá. Pursuant to the sale agreement with St George (the "Sale Agreement"), the Company has received from St George the first installment cash payment of $10,000 (less withholding tax payable) and (a) 266,782,003 ordinary shares of St George ("SGQ Shares") representing 10% of St George's outstanding share capital, (b) 86,111,025 options to acquire SGQ Shares at an exercise price of AUD$0.04, expiring two years from the date of issue; and (c) 11,111,100 performance rights, convertible into SGQ Shares for no additional consideration upon St George reporting an Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC) compliant inferred resource of no less than 25Mt @ 3.5% Total Rare Earth Oxides ("TREO") at a cut-off of 2% TREO within five years from the date of issue. Pursuant to the Sale Agreement, St George is required to make two additional cash installment payments to the Company as follows: (a) $6,000 nine months after completion of the transaction which occurred on February 26, 2025 ("Completion"); and (b) $5,000 18 months after Completion (collectively, the "Deferred Payments").

Special Dividend

- On March 19, 2025, the Board of Directors approved a C$0.05 per share special dividend payable on April 25, 2025 to shareholders of record as of the close of business on April 9, 2025.

ITAFOS

FINANCIAL HIGHLIGHTS

For the three month and year ended December 31, 2024

For the three months and year ended December 31, 2024 and 2023, the Company's financial highlights were as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	% change	*For the year ended December 31,* 2024	2023	% change
Revenues	$ 138,180	$ 119,038	16%	$ 491,240	$ 465,525	6%
Gross margin	43,823	(37,257)	n/m	148,794	52,562	183%
Adjusted EBITDA[i]	45,473	29,509	54%	159,461	131,802	21%
Net income (loss)	29,582	(48,623)	n/m	87,791	3,092	2739%
Basic earnings (loss) ($/share)	$ 0.15	$ (0.26)	n/m	$ 0.46	$ 0.02	2200%
Basic earnings (loss) (C$/share)	$ 0.22	$ (0.35)	n/m	$ 0.63	$ 0.02	3050%
Diluted earnings (loss) ($/share)	$ 0.15	$ (0.26)	n/m	$ 0.45	$ 0.02	2150%
Diluted earnings (loss) (C$/share)	$ 0.22	$ (0.35)	n/m	$ 0.62	$ 0.02	3000%
Maintenance capex[i]	$ 1,323	$ 3,760	(65%)	$ 26,994	$ 19,371	39%
Growth capex[i]	12,206	17,420	(30%)	44,238	39,014	13%
Total capex[i]	**$ 13,529**	**$ 21,180**	**(36%)**	**$ 71,232**	**$ 58,385**	**22%**
Free cash flow[i]	$ 17,089	$ 4,680	265%	$ 54,843	$ 41,394	32%

i. Non-IFRS measure (see Section 8).

For the three months ended December 31, 2024 and 2023, the Company's financial highlights were explained as follows:

Item	Q4 2024 vs Q4 2023
Revenues	Increased primarily due to higher realized prices and higher sales volumes at Conda
Gross Margin	Increased primarily in 2024 due to the prior period impairment of non-current assets of Arraias in 2023 coupled with higher prices and sales volumes at Conda
Adjusted EBITDA	Increased primarily due to the same factors that resulted in higher revenues at Conda
Net income (loss)	Increased primarily due to the same factors that resulted in higher Adjusted EBITDA, lower finance expenses and the impairment of non-current assets of Arraias in 2023, which were partially offset by higher income tax expense
Basic earnings (C$/share)	Increased primarily due to the same factors that resulted in higher net income
Maintenance capex	Decreased primarily due to timing of maintenance activities at Conda (see Section 8)
Growth capex	Decreased primarily due to timing of development activities spend at H1/NDR at Conda (see Section 8)
Free cash flow	Increased primarily due to higher cash flows from operating activities and lower cash flows used by investing activities driven by lower growth capex at Conda (see Section 8)

For the year ended December 31, 2024 and 2023, the Company's financial highlights were explained as follows:

Item	YTD 2024 vs YTD 2023
Revenues	Increased primarily due to higher realized prices at Conda and higher sulfuric acid and dry product sales at Arraias, which were partially offset by slightly lower sales volumes at Conda which are a result of the planned large scope turnaround at Conda in Q2
Gross Margin	Increased primarily in 2024 due to the prior period impairment of non-current assets of Arraias in 2023 coupled with higher realized prices at Conda
Adjusted EBITDA	Increased primarily due to the same factors that resulted in higher revenues at Conda
Net income (loss)	Increased primarily due to the same factors that resulted in higher Adjusted EBITDA and lower finance expenses, which were partially offset by higher income tax expense
Basic earnings (C$/share)	Increased primarily due to the same factors that resulted in higher net income
Maintenance capex	Increased primarily due to completion of large scope turnaround at Conda and sulfuric acid plant turnaround at Arraias (see Section 8)
Growth capex	Increased primarily due to development activities at H1/NDR at Conda and activities related to the Fertilizer Restart Program at Arraias (see Section 8)
Free cash flow	Increased primarily due to higher cash flows from operating activities, which were partially offset by cash flows used by investing activities driven by higher maintenance and growth capex requirements (see Section 8)

As of December 31, 2024

As of December 31, 2024 and December 31, 2023, the Company's financial highlights were as follows:

(in thousands of US Dollars except as otherwise noted)	December 31, 2024	December 31, 2023	% change
Total assets	$ 695,862	$ 587,229	18%
Total liabilities	348,033	328,495	6%
Total equity	347,829	258,734	34%
Net debt[i]	$ 26,802	$ 61,304	(56%)
Trailing 12 months Adjusted EBITDA[i]	$ 159,461	$ 131,802	21%
Net leverage ratio[i]	0.2x	0.5x	(60%)

i. Non-IFRS measure (see Section 8).

As of December 31, 2024 and December 31, 2023, the Company's financial highlights were explained as follows:

Item	December 31, 2024 vs December 31, 2023
Total assets	Increased due to higher cash and cash equivalents, accounts receivable, inventories, property, plant and equipment driven by a large scope turnaround in 2024 at Conda, and mineral properties driven by H1/NDR development activities at Conda. This increase was partially offset by lower other current assets, deferred tax assets and other long-term assets
Total liabilities	Increased due to higher debt as a result of the refinancing of the Existing Term Loan Agreement and ABL Facility, higher environmental and asset retirement obligations at Conda. This increase was partially offset by lower accounts payable and accrued liabilities and other long-term liabilities
Total equity	Increased primarily due to net income recorded during the period
Net debt	Decreased primarily due to higher cash and cash equivalents, which was partially offset by higher debt due to the refinancing in Q3 2024 (see Section 8)
Trailing 12 months Adjusted EBITDA	Increased primarily due to the same factors that resulted in higher Adjusted EBITDA (see Section 8)
Net leverage ratio	Decreased due to higher cash balance and higher Adjusted EBITDA (see Section 8)

BUSINESS HIGHLIGHTS

EHS

For the three months ended December 31, 2024

For the three months ended December 31, 2024 and 2023, the Company's EHS highlights were as follows:

	For three months ended December 31, 2024			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	—	1	—	1

	For three months ended December 31, 2023			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	1	—	—	1

For the year ended December 31, 2024 and 2023, the Company's EHS highlights were as follows:

	For the year ended December 31, 2024			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	6	3	—	9

	For year ended December 31, 2023			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	5	—	—	5

As of December 31, 2024

As of December 31, 2024, the Company's TRIFR were as follows:

	Conda	**Arraias**	**Farim**	**Consolidated**
TRIFR[i]	0.86	1.16	0.00	0.89

i. TRIFR is a ratio measured on a 12-month rolling average calculated as the number of recordable incidents x 200,000 hours divided by the total number of hours worked considering both employees and contractors.

Conda

Business Highlights

For the three months and years ended December 31, 2024 and 2023, Conda's business highlights were as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	% change	*For the year ended December 31,* 2024	2023	% change
Production volumes (tonnes)						
MAP	96,077	85,157	13%	370,748	344,020	8%
MAP+	15,409	24,198	(36%)	33,748	54,349	(38%)
SPA[ii]	41,091	38,119	8%	140,295	139,751	0%
MGA[ii]	246	241	2%	785	1,120	(30%)
APP	—	10,706	n/m	6,957	23,743	(71%)
HFSA	1,839	881	109%	5,548	3,571	55%
Production volumes (tonnes)	**154,662**	**159,302**	**(3%)**	**558,081**	**566,554**	**(1%)**
Production volumes (tonnes P_2O_5)[i]	**97,307**	**95,719**	**2%**	**349,396**	**349,030**	**0%**
Sales volumes (tonnes)						
MAP	99,845	84,289	18%	371,412	364,006	2%
MAP+	6,371	19,304	(67%)	27,608	44,886	(38%)
SPA[ii]	41,865	35,937	16%	137,706	130,581	5%
MGA[ii]	246	241	2%	785	1,120	(30%)
APP	—	11,347	n/m	9,283	28,451	(67%)
HFSA	1,769	873	103%	5,786	3,767	54%
Sales volumes (tonnes)	**150,096**	**151,991**	**(1%)**	**552,580**	**572,811**	**(4%)**
Sales volumes (tonnes P_2O_5)[i]	**96,515**	**91,395**	**6%**	**345,549**	**348,163**	**(1%)**
Realized price ($/tonne)[iii]						
MAP	$ 721	$ 593	22%	$ 696	$ 636	10%
MAP+	828	662	25%	757	666	14%
SPA[ii]	1,274	1,196	7%	1,285	1,264	2%
MGA[ii]	984	1,212	(19%)	1,241	1,313	(5%)
APP	—	491	n/m	582	578	1%
HFSA	869	953	(9%)	847	989	(14%)
Revenues ($)						
MAP	$ 71,942	$ 49,955	44%	$ 258,640	$ 231,483	12%
MAP+	5,275	12,776	(59%)	20,911	29,893	(30%)
SPA	53,347	42,979	24%	176,949	165,059	7%
MGA	242	292	(17%)	974	1,470	(34%)
APP	27	5,574	(100%)	5,405	16,447	(67%)
HFSA	1,537	832	85%	4,903	3,724	32%
Revenues	**$ 132,370**	**$ 112,408**	**18%**	**$ 467,782**	**$ 448,076**	**4%**
Revenues per tonne P_2O_5[i, iii]	**$ 1,371**	**$ 1,230**	**12%**	**$ 1,354**	**$ 1,287**	**5%**
Cash costs[iii]	**$ 81,886**	**$ 78,893**	**4%**	**$ 292,192**	**$ 295,658**	**(1%)**
Cash costs per tonne P_2O_5[i, iii]	**$ 848**	**$ 863**	**(2%)**	**$ 846**	**$ 849**	**(0%)**
Cash margin[iii]	**$ 50,484**	**$ 33,515**	**51%**	**$ 175,590**	**$ 152,418**	**15%**
Cash margin per tonne P_2O_5[i, iii]	**$ 523**	**$ 367**	**43%**	**$ 508**	**$ 438**	**16%**
Adjusted EBITDA[iii]	$ 48,683	$ 32,373	50%	$ 170,129	$ 148,131	15%
Maintenance capex[iii]	$ 799	$ 3,638	(78%)	$ 23,765	$ 18,431	29%
Growth capex[iii]	11,931	16,991	(30%)	42,140	37,606	12%
Total capex[iii]	**$ 12,730**	**$ 20,629**	**(38%)**	**$ 65,905**	**$ 56,037**	**18%**

i. P_2O_5 basis considers MAP at 52%, MAP+ at 39%, SPA at 100%, MGA at 100%, APP at 34% and HFSA at 0%.
ii. Presented on a 100% P_2O_5 basis.
iii. Non-IFRS measure (see Section 8).

For the three months ended December 31, 2024 and 2023, Conda's business highlights were explained as follows:

Item	Q4 2024 vs Q4 2023
Production volumes (tonnes P_2O_5)	Increased primarily due to continued strong plant performance after the successful large scope plant turnaround in Q2 2024
Sales volumes (tonnes P_2O_5)	Increased primarily due to higher MAP and SPA volumes, which were partially offset by discontinuation of APP in Q2 2024
Revenues	Increased primarily due to higher realized prices resulting from improved market dynamics and higher sales volumes
Cash margin per tonne P_2O_5	Increased primarily due to higher realized prices and lower cash costs (see Section 8)
Adjusted EBITDA	Increased primarily due to higher cash margin per tonne P_2O_5 (see Section 8)
Maintenance capex	Decreased due to timing of projects
Growth capex	Decreased primarily due to development activities at H1/NDR being advanced earlier in the year (see Section 8)

For the years ended December 31, 2024 and 2023, Conda's business highlights were explained as follows:

Item	FY 2024 vs FY 2023
Production volumes (tonnes P_2O_5)	Remained relatively consistent between periods despite 14 days of additional downtime in 2024 due to planned large scope plant turnaround
Sales volumes (tonnes P_2O_5)	Decreased primarily due to discontinuation of APP in Q2 2024, which was partially offset by higher SPA and MAP sales volumes
Revenues	Increased primarily due to higher realized prices for granular and liquid products resulting from improved market dynamics, which were partially offset by discontinuation of APP in Q2 2024
Cash margin per tonne P_2O_5	Increased primarily due to higher realized prices (see Section 8) with cash costs generally consistent with prior year
Adjusted EBITDA	Increased primarily due to higher cash margin per tonne P_2O_5 (see Section 8)
Maintenance capex	Increased due to completion of large scope turnaround in 2024
Growth capex	Increased primarily due to development activities at H1/NDR (see Section 8)

Mine Life Extension

For the three months and year ended December 31, 2024, the Company advanced activities related to the extension of Conda's mine life through the development of H1/NDR as follows:

- advanced H1/NDR capital activities including pre-stripping, earthworks, refitted and refurbished the maintenance shop, development, and engineering; and
- advanced development, including engineering of key infrastructure and progression of related magnesium oxide ("MgO") reduction initiatives to enhance SPA production and sales volumes, including continuation of test work.

Planned Large Scope Turnaround

In June 2024, the Company completed a large scope turnaround at Conda with no recordable injuries or environmental incidents. The underlying maintenance activities were completed on time and production resumed as of June 30, 2024.

APP

During Q2 2024, the Company's third-party tolling agreement for APP expired and was not renewed. All remaining APP inventory was sold as of June 30, 2024. The Company expects to be able to sell all SPA formerly used in APP production.

Arraias

Business Highlights

For the three months and years ended December 31, 2024 and 2023, Arraias' business highlights were as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	% change	*For the year ended December 31,* 2024	2023	% change
Production volumes (tonnes)						
DAPR	4,735	5,359	(12%)	78,092	43,301	80%
PAPR	5,924	—	n/m	48,757	—	n/m
Sulfuric acid[i]	25,267	34,087	(26%)	112,785	89,075	27%
Production volumes (tonnes)	**35,926**	**39,446**	(9%)	**239,634**	**132,376**	81%
Production volumes (tonnes P_2O_5)[ii,iii]	**1,635**	**643**	154%	**18,147**	**5,196**	249%
Sales volumes (tonnes)						
DAPR	10,618	17,785	(40%)	28,622	27,897	3%
PAPR	17,103	—	n/m	47,118	—	n/m
Sulfuric acid	20,644	34,778	(41%)	100,875	97,545	3%
Sales volumes (tonnes)	**48,365**	**52,563**	(8%)	**176,615**	**125,442**	41%
Sales volumes (tonnes P_2O_5)[ii,iv]	**4,353**	**2,134**	104%	**11,916**	**2,962**	302%
Realized price ($/tonne)[ii]						
DAPR	$ 41	$ 72	(43%)	$ 49	$ 61	(20%)
PAPR	116	—	n/m	117	—	n/m
Sulfuric acid	165	154	7%	164	161	2%
Revenues ($)						
DAPR	$ 434	$ 1,273	(66%)	$ 1,402	$ 1,699	(17%)
PAPR	1,979	—	n/m	5,502	-	n/m
Sulfuric acid	3,397	5,357	(37%)	16,554	15,750	5%
Revenues	**$ 5,810**	**$ 6,630**	**(12%)**	**$ 23,458**	**$ 17,449**	**34%**
Revenues excluding Sulfuric acid	**$ 2,413**	**$ 1,273**	**90%**	**$ 6,904**	**$ 1,699**	**306%**
Revenues per tonne P_2O_5[ii,iv]	**$ 554**	**$ 596**	**(7%)**	**$ 579**	**$ 574**	**1%**
Cash costs[ii]	**$ 4,301**	**$ 4,862**	**(12%)**	**$ 16,012**	**$ 15,459**	**4%**
Cash costs excluding Sulfuric acid	**$ 1,306**	**$ 320**	**308%**	**$ 3,444**	**$ 438**	**686%**
Cash costs per tonne P_2O_5[ii,iv]	**$ 300**	**$ 150**	**100%**	**$ 289**	**$ 148**	**95%**
Cash margin[ii]	**$ 1,509**	**$ 1,768**	**(15%)**	**$ 7,446**	**$ 1,990**	**274%**
Cash margin excluding Sulfuric acid	**$ 1,107**	**$ 953**	**16%**	**$ 3,460**	**$ 1,261**	**174%**
Cash margin per tonne P_2O_5[ii,iv]	**$ 254**	**$ 446**	**(43%)**	**$ 290**	**$ 425**	**(32%)**
Adjusted EBITDA[ii]	$ 805	$ 1,112	**(28%)**	$ 4,349	$ 419	938%
Maintenance capex[ii]	$ 522	$ 20	2510%	$ 3,219	$ 492	554%
Growth capex[ii]	270	384	(30%)	1,598	868	84%
Total capex[ii]	**$ 792**	**$ 404**	**96%**	**$ 4,817**	**$ 1,360**	**254%**

i. Sulfuric acid production volumes are presented net of production for internal consumption.
ii. Non-IFRS measure (see Section 8).
iii. P_2O_5 basis for Arraias products considers DAPR at 12%, PAPR at 18%, and excludes sulfuric acid.
iv. P_2O_5 basis for Arraias products considers DAPR at 12%, PAPR at 18%, Rock at 5%, and excludes sulfuric acid.

For the three months ended December 31, 2024 and 2023, Arraias' business highlights were explained as follows:

Item	Q4 2024 vs Q4 2023
Sulfuric acid production and sales volumes	Decreased production in Q4 2024 compared to the prior year due to a short turnaround taking place in November 2024. Decreased sales in Q4 2024 compared to prior year due to lower production and inventory to supply the market
Production and sales volumes (tonnes P_2O_5)	Increased due to a full quarter of production and sales in Q4 2024 of DAPR and PAPR compared to exclusive DAPR production and sales in the prior year as part of the Fertilizer Restart Program commenced in Q3 2023
Adjusted EBITDA	Decreased primarily due to lower sulfuric acid production and sales volume, which were partially offset by sulfuric acid gross margin improvement and positive contribution from the start of PAPR sales in 2024r
Maintenance capex	Increased primarily due to activities related to 2024's sulfuric acid plant turnaround (see Section 8)
Growth capex	Increased primarily due to additional pre-stripping activities related to the continuity of the Fertilizer restart program (see Section 8)

For the years ended December 31, 2024 and 2023, Arraias' business highlights were explained as follows:

Item	FY 2024 vs FY 2023
Sulfuric acid production and sales volumes	Increased production and sales in 2024 compared to the prior year due to higher customer demand and acid consumption with the start of PAPR production
Production and sales volumes (tonnes P_2O_5)	Increased due to the launch of PAPR sales in 2024
Adjusted EBITDA	Increased due to higher sulfuric acid sales volumes and the launch of PAPR sales in 2024
Maintenance capex	Increased primarily due to further activities related to the 2024 sulfuric acid plant turnaround (see Section 8)
Growth capex	Increased primarily due to activities related to the new stage of the Fertilizer Restart Program spend during 2024 (see Section 8) particularly an additional pre-stripping activity at Domingos Pit and the recommissioning of the acidulation plant taking place in 2024

Sulfuric Acid Plant

Arraias' sulfuric acid plant has a production capacity of 220kt per year. In 2024, the Company increased the average production rate to 9.5kt per month versus 7.4kt per month in 2023 despite the required 45-day annual maintenance (planned plant turnaround completed in June 2024), and additional maintenance carried out in November 2024. Arraias has secured long-term sulfuric acid offtake agreements with various local customers for its base load capacity with pricing linked to sulfur benchmarks. Based on market demand and sulfuric acid plant availability, the Company is opportunistically producing additional volumes of sulfuric acid which are sold on the spot market.

Fertilizer Restart Program (formerly referred as the Stage-Gate Restart Program)

For the three months ended December 31, 2024, the Company advanced activities related to the Fertilizer Restart Program at Arraias as follows:

- operated the acidulation circuit at the Arraias plant to produce PAPR branded as SuperForte Duo®, a powder acidulated phosphate product similar to powder SSP; and
- increased sales activities and added to the sales team to significantly grow the Company's presence in the Brazilian fertilizer market and to focus on sales of the new SuperForte Duo® product.

For the year ended December 31, 2024, the Company advanced activities related to the Fertilizer Restart Program at Arraias as follows:

- Domingos' pit pre-stripping commenced in Q1 2024 and advanced in Q2 and Q3 2024 allowing the Company to run the beneficiation plant with an average grade above 18% P_2O_5;
- beneficiation circuit produced 81,962 tonnes of crushed ore;
- achieved 100% recommissioning of the acidulation plant within schedule, production of SuperForte Duo® started in Q2 2024; and
- confirmed ramp-up sales including shipping 28,622 tonnes of DAPR (or I-Active®), and 47,118 tonnes of PAPR (or SuperForte Duo®), for a total of 75,740 tonnes of dry product shipped.

<u>Idling</u>

For the year ended December 31, 2024, the remainder of Arraias' operations, including tailings dam, part of the beneficiation plant, and granulation plant remain idled following best practices.

<u>Dutch Tax Assessment</u>

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.

Development and Exploration

<u>Farim</u>

Development and exploration

For the three months and year ended December 31, 2024, Farim's development and exploration highlights were as follows:

- during Q1 2024, the Company received confirmation from the Government of Guinea-Bissau that it had successfully applied for a 25-year extension to the Farim mining contract and mining lease, which is now valid until 2048; and
- maintained Farim at construction-ready state.

Other

For the three months and year ended December 31, 2024, other highlights were as follows:

- the Company maintained the integrity of the concessions of Santana and Araxá; and
- the Company entered into an agreement to sell its 100% interest in the Araxá project to a wholly-owned subsidiary of St George (ASX: SGQ) in exchange for $21,000 in cash paid in three installments over 18 months and securities of St George. As a result of the closing of the Transaction on February 26, 2025, St George indirectly acquired all of the outstanding securities of Itafos Araxá (see Recent Developments section).

Corporate

Refinancing

On September 6, 2024, the Company entered into an amendment of its existing credit facilities with a syndicate of lenders, pursuant to which the Company refinanced its 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. The Company also entered into an amendment to its revolving asset-based credit facility with a syndicate of lenders to extend the maturity date of such facility and to effect certain other amendments to such facility.

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 December 31, 2024, the Company repaid $2,500 of principal under the Amended Term Loan Agreement.

For the year ended December 31, 2024, the Company repaid $2,500 of principal under the Amended Term Loan Agreement, $49,598 of principal under the Existing Term Loan Agreement and $40,000 under the Company's ABL Facility.

Management Team Restructure

On January 31, 2024, the Company restructured its management team and reassigned several key positions, roles and responsibilities without an impact on the Company's business and operations. A restructuring charge associated with severance payments to the individuals was recorded in Q1 2024.

Director Resignation

On June 19, 2024, the Company announced that Elena Viyella de Paliza did not stand for re-election at the annual general meeting of shareholders. Ms. Viyella de Paliza served as a director of the Company since August 2021.

RSU Plan

The Company granted 1,005,987 RSUs to directors and officers effective as of March 26, 2024.

MARKET HIGHLIGHTS

For the three months and years ended December 31, 2024 and 2023, key phosphate fertilizer market indicators relevant to the Company's operations were as follows:

(in US Dollars per metric tonne except as otherwise noted)	*For the three months ended December 31,* 2024	2023	% change	*For the year ended December 31,* 2024	2023	% change
MAP NOLA[i,iv]	$ 687	$ 677	1%	$ 673	$ 632	6%
MAP NOLA ($/st)[i,iv]	623	614	1%	610	574	6%
Sulfur Vancouver[ii]	135	86	57%	95	95	0%
Sulfur Brazil[iii]	159	85	87%	125	111	13%
Sulfuric Acid Brazil[iii]	169	132	28%	146	99	47%

i. Average of Argus and Green Markets weekly average.
ii. Average of Argus weekly and Acuity average.
iii. Average of Argus weekly average.
iv. In 2024, the Company transitioned to reporting prices from DAP NOLA to MAP NOLA due to the MAP sales agreement with key offtake customer with pricing indexed to MAP NOLA.

For the three months ended December 31, 2024 and 2023, key phosphate fertilizer market indicators relevant to the Company's operations were explained as follows:

Item	Q4 2024 vs Q4 2023
MAP NOLA	Increased due to tight domestic supply and continued strong global demand of phosphate fertilizer
Sulfur Vancouver	Increased due to strong global demand and tighter North American supply
Sulfur Brazil	Increased due to increased global demand
Sulfuric Acid Brazil	Increased due to higher Sulfur inputs and reduced domestic production

For the years ended December 31, 2024 and 2023, key phosphate fertilizer market indicators relevant to the Company's operations were explained as follows:

Item	FY 2024 vs FY 2023
MAP NOLA	Increased due to tight domestic supply and a reduction in US imports
Sulfur Vancouver	Increased primarily due to strong global demand
Sulfur Brazil	Increased primarily due to strong global demand
Sulfuric Acid Brazil	Increased due to higher Sulfur inputs and reduced domestic production

For the three months and years ended December 31, 2024 and 2023, specific factors driving the year-over-year increase in MAP NOLA were as follows:

- limited supply due to weather in the Southeast US impacting Phosphate producers;
- continuing export restrictions from China; and
- an increase in US exports and a decrease in imports.

4. OUTLOOK

MARKET OUTLOOK

Phosphate pricing decreased marginally in Q4 2024 consistent with seasonal factors. This followed a strong rebound in pricing in late Q2 / Q3 2024 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 and remain constructive compared to historical levels.

Crop fundamentals improved over the past quarter, however, uncertainty around the impact of tariffs with US trading partners has seen increased volatility and recent price declines. The United States Department of Agriculture 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; and
- ongoing export restrictions from China.

FINANCIAL OUTLOOK

The Company provides guidance on both IFRS and non-IFRS measures that management considers to evaluate the Company's operational and financial performance. Management believes that the non-IFRS measures provide useful supplemental information to investors, analysts, lenders and others. Definitions and reconciliations of non-IFRS measures to the most directly comparable IFRS measures are included in Section 8 of this MD&A.

The Company's guidance for 2025 is as follows:

(in millions of US Dollars except as otherwise noted)	*Projected* **FY 2025**
Sales Volumes (thousands of tonnes P_2O_5)[i]	340-360
Corporate selling, general and administrative expenses[ii]	$17-20
Maintenance capex[ii]	$13-23
Growth capex[ii]	$63-83
Environmental and asset retirement obligations payments	$5-7

i. Sales volumes reflect quantity P_2O_5 of Conda sales projections
ii. Non-IFRS measure (see Section 8).

BUSINESS OUTLOOK

The Company continues to focus on the following key objectives to drive long-term value and shareholder returns:

- improving financial and operational performance;
- executing on the infrastructure and civil works required for the mine development for H1/NDR; and
- prudently identifying opportunities to return capital to shareholders.

5. SUMMARY OF QUARTERLY RESULTS

For the three months ended December 31, 2024, September 30, 2024, June 30, 2024, and March 31, 2024, the Company's summary of quarterly results was as follows:

(in thousands of US Dollars except as otherwise noted)		**December 31, 2024**		**September 30, 2024**		**June 30, 2024**		**March 31, 2024**
Revenues	$	138,180	$	119,990	$	105,064	$	128,006
Net income		29,582		18,286		16,206		23,717
Basic earnings ($/share)		0.15		0.10		0.08		0.12
Diluted earnings ($/share)		0.15		0.09		0.08		0.12
Total assets	$	695,862	$	666,482	$	604,201	$	585,033

For the three months ended December 31, 2023, September 30, 2023, June 30, 2023, and March 31, 2023, the Company's summary of quarterly results was as follows:

(in thousands of US Dollars except as otherwise noted)		**December 31, 2023**		**September 30, 2023**		**June 30, 2023**		**March 31, 2023**
Revenues	$	119,038	$	110,788	$	116,117	$	119,582
Net income (loss)		(48,623)		3,078		20,430		28,207
Basic earnings / (loss) ($/share)		(0.26)		0.02		0.11		0.15
Diluted earnings / (loss) ($/share)		(0.26)		0.02		0.11		0.15
Total assets	$	587,229	$	629,231	$	653,063	$	636,488

6. STATEMENTS OF OPERATIONS

For the three months ended December 31, 2024 and 2023 the Company's statements of operations were as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	% change
Revenues	$ 138,180	$ 119,038	16%
Cost of goods sold	94,357	90,295	4%
Impairments	—	66,000	n/m
Gross margin	**$ 43,823**	**(37,257)**	n/m
Selling, general and administrative expenses	7,168	6,532	10%
Operating income (loss)	**$ 36,655**	**$ (43,789)**	**n/m**
Foreign exchange gain (loss)	(1,247)	111	n/m
Other income (expense)	1,491	(718)	n/m
Finance expense	(2,840)	(4,820)	(41%)
Income (loss) before income taxes	**$ 34,059**	**$ (49,216)**	**n/m**
Current and deferred income tax expense (recovery)	4,477	(593)	n/m
Net income (loss)	**$ 29,582**	**(48,623)**	**n/m**
Net income attributable to non-controlling interest	—	(769)	n/m
Net income (loss) attributable to shareholders of the Company	**$ 29,582**	**$ (47,854)**	**n/m**
Basic earnings (loss) ($/share)	**$ 0.15**	**$ (0.26)**	**n/m**
Basic earnings (loss) (C$/share)	**$ 0.22**	**$ (0.35)**	**n/m**
Diluted earnings (loss) ($/share)	**$ 0.15**	**$ (0.26)**	**n/m**
Diluted earnings (loss) (C$/share)	**$ 0.22**	**$ (0.35)**	**n/m**

For the three months ended December 31, 2024 and 2023, the Company's statements of operations were explained as follows:

Item	Q4 2024 vs Q4 2023
Revenues	Increased primarily due to higher realized prices and higher sales volumes at Conda
Cost of goods sold	Increased primarily due to higher sales volumes at Conda
Selling, general and administrative expenses	Increased primarily due to higher share-based payment expense and professional fees and other corporate expenses
Finance expense	Decreased due to capitalized interest expenses related to development activities at H1/NDR
Current and deferred income tax expense	Increased primarily due to higher taxable income

For the years ended December 31, 2024 and 2023 the Company's statements of operations were as follows:

(in thousands of US Dollars except as otherwise noted)	*For the year ended December 31,* 2024	2023	% change	2022
Revenues	$ 491,240	$ 465,525	6%	$ 593,288
Cost of goods sold	342,446	346,963	(1%)	378,411
Impairments	—	66,000	(100%)	—
Gross margin	**$ 148,794**	**$ 52,562**	**183%**	**214,877**
Selling, general and administrative expenses	28,332	27,996	1%	29,493
Operating income	**$ 120,462**	**$ 24,566**	**390%**	**$ 185,384**
Foreign exchange loss	(2,704)	(175)	1445%	(1,639)
Other income, net (expense)	1,218	(596)	n/m	9,033
Finance expense, net	(10,932)	(19,561)	(44%)	(45,924)
Income before income taxes	**$ 108,044**	**$ 4,234**	**2452%**	**$ 146,854**
Current and deferred income tax expense	20,253	1,142	1673%	32,154
Net income	**$ 87,791**	**3,092**	**2739%**	**114,700**
Net income attributable to non-controlling interest	—	(769)	n/m	(396)
Net income attributable to shareholders of the Company	**$ 87,791**	**$ 3,861**	**2174%**	**$ 115,096**
Basic earnings ($/share)	**$ 0.46**	**$ 0.02**	**2200%**	**$ 0.61**
Basic earnings (C$/share)	**$ 0.63**	**$ 0.02**	**3050%**	**$ 0.80**
Diluted earnings ($/share)	**$ 0.45**	**$ 0.02**	**2150%**	**$ 0.60**
Diluted earnings (C$/share)	**$ 0.62**	**$ 0.02**	**3000%**	**$ 0.78**

For the years ended December 31, 2024 and 2023, the Company's statements of operations were explained as follows:

Item	YTD 2024 vs YTD 2023
Revenues	Increased 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 at Conda in Q2
Cost of goods sold	Decreased primarily due to lower sales volumes at Conda
Selling, general and administrative expenses	Slightly increased primarily due to higher payroll expenses at Corporate driven by management team restructure in Q1 2024, which were partially offset by lower share-based payment expense and professional fees and other corporate expenses
Finance expense	Decreased due to lower interest expense due to lower debt balances in 1H 2024 before the refinancing in Q3 2024 and higher capitalized interest expenses related to development activities at H1/NDR, partially offset by higher finance expense in Q4 2024 following the corporate refinancing
Current and deferred income tax expense	Increased primarily due to higher taxable income and the effects of the recognition of a deferred tax asset in 2023 related to interest expense carry forward from periods prior to the Company's redomiciliation in 2021 from the Cayman Islands to the US (non-recurring)

7. FINANCIAL CONDITION

LIQUIDITY

As of December 31, 2024, the Company had cash and cash equivalents of $74,372, liquidity of $154,372; and working capital of $175,797. Liquidity and working capital are non-IFRS measures (see Section 8).

The Company closely monitors potential risks to its operations, including factors that could impact production or demand for its products as such factors could have a material impact on the Company's cash flow from operations, which could result in a cash shortfall unless otherwise remedied.

The Company relies primarily on Conda to sustain its operations. In turn, Conda relies on key suppliers and customers. With respect to suppliers, Conda's ammonia requirements and a majority of its sulfuric acid requirements have historically been met by single suppliers under respective long-term supply agreements. With respect to customers, a majority of Conda's sales have historically been to one key customer under a long-term MAP offtake agreement. Consequently, any material disruption to the operations of such key suppliers or key customer, or Conda's inability to maintain its business relationship with any such suppliers or customer, has the potential of materially adversely affecting the Company's overall production, sales or results of operations.

As of December 31, 2024, $80,000 remained available under the Amended ABL Facility to be drawn by the Company subject to certain terms and conditions.

The Company believes that it has sufficient cash, liquidity and working capital to fund its general working capital requirements together with other material estimated costs associated with the Company advancing its planned operations and expansions, including with respect to H1/NDR.

FINANCIAL COVENANTS

The Amended Term Loan Agreement includes financial covenants that require the Company to comply with certain ratios and thresholds. The principal financial covenants in the Amended Term Loan Agreement require the Company not to exceed a specified Consolidated Total Net Leverage Ratio and to maintain a minimum specified Consolidated Interest Coverage Ratio as of the end of each fiscal quarter (as such terms are defined in the Amended Term Loan Agreement). As of December 31, 2024, the Company was in compliance with all financial covenants related to the Amended Term Loan Agreement.

The Amended ABL Facility includes a springing financial covenant that applies if availability under the Amended ABL Facility falls below a specified level. The principal springing financial covenant in the Amended ABL Facility, if applicable, requires the Company to maintain a specified Minimum Fixed Charge Coverage Ratio at the end of each fiscal quarter (as defined in the Amended ABL Facility agreement). As of December 31, 2024, the springing financial covenants related to the Amended ABL Facility were not applicable.

The Company is currently projecting compliance with its financial covenants. Any significant reductions to global fertilizer pricing trends, product demand, or other factors that could reduce cash flow from operations could result in a financial covenant default, unless otherwise remedied.

SUMMARY BALANCE SHEETS

As of December 31, 2024 and 2023, the Company's summary balance sheets were as follows:

(in thousands of US Dollars)	December 31, 2024	December 31, 2023	% change
Cash and cash equivalents	$ 74,372	$ 30,753	142%
Current assets (including cash and cash equivalents)	$ 256,701	$ 198,993	29%
Non-current assets	439,161	388,236	13%
Total assets	**$ 695,862**	**$ 587,229**	**18%**
Current liabilities (excluding current portion of debt)	$ 69,741	$ 77,489	(10%)
Non-current liabilities (excluding long-term debt)	180,325	160,438	12%
Debt (current and long-term)	97,967	90,568	8%
Total liabilities	**$ 348,033**	**$ 328,495**	**6%**
Shareholders' equity	$ 347,829	$ 258,734	34%
Non-controlling interest	—	—	n/m
Total equity	**$ 347,829**	**$ 258,734**	**34%**

As of December 31, 2024 and 2023, the Company's summary balance sheets were explained as follows:

Item	December 31, 2024 vs December 31, 2023
Current assets	Increased primarily due to higher cash and cash equivalents, accounts receivable and inventories, which were partially offset by lower other current assets
Non-current assets	Increased primarily due to higher property, plant and equipment driven by capex additions and a large scope turnaround in 2024 at Conda, and higher mineral properties driven by H1/NDR development activities at Conda, which were partially offset by lower other long-term assets at Arraias due to tax credits refund and lower deferred tax assets
Current liabilities (excluding current portion of debt)	Decreased primarily due to lower accounts payable and accrued liabilities, provisions and other current liabilities
Non-current financial liabilities (excluding long-term debt)	Increased primarily due to higher long-term provisions related to environmental and asset retirement obligations at Conda, which were partially offset by lower other long-term liabilities
Debt (current and long-term)	Increased primarily due to refinancing of principal debt outstanding under the Existing Term Loan and ABL Facility during Q3 2024
Total equity	Increased primarily due to net income recorded during the period

As of December 31, 2024 and 2023, the Company did not have any significant off-balance sheet arrangements.

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

CAPITAL RESOURCES

As of December 31, 2024 and 2023, the Company's capital resources were as follows:

(in thousands of US Dollars)		December 31, 2024		December 31, 2023
Total equity	$	347,829	$	258,734
Net debt[i]		26,802		61,304
Capital resources	**$**	**374,631**	**$**	**320,038**

i. Non-IFRS measure (see Section 8).

In order to maintain or adjust its capital structure, the Company may, upon approval from its Board of Directors, issue shares, or undertake other activities as deemed appropriate under specific circumstances.

DIVIDENDS

Over the three most recently completed financial years (2022-2024), the Company has not paid any dividends or made any other distributions on its securities. The Company's ability to pay dividends or make other distributions on its securities is currently limited under the Company's debt agreements. Any future dividends or other distributions on its securities would be made at the discretion of the Company's Board of Directors, subject to the limitations under the aforementioned debt agreements and any restrictions set forth in the Company's charter.

SUMMARY CASH FLOWS

For three months and years ended December 31, 2024 and 2023, the Company's summary cash flows were as follows:

	For the three months ended December 31,					*For the year ended December 31,*				
(in thousands of US Dollars)		2024		2023	% change		2024		2023	% change
Cash and cash equivalents, beginning of period	**$**	**65,294**	**$**	**36,351**	**80%**	**$**	**30,753**	**$**	**42,811**	**(28%)**
Cash flows from operating activities		31,195		24,883	25%		120,048		94,723	27%
Cash flows used by investing activities		(14,106)		(20,203)	(30%)		(65,205)		(53,329)	22%
Cash flows used by financing activities		(7,039)		(10,725)	(34%)		(9,368)		(54,232)	(83%)
Effect of foreign exchange of non-US Dollar denominated cash		(972)		447	n/m		(1,856)		780	n/m
Cash and cash equivalents, end of period	**$**	**74,372**	**$**	**30,753**	**142%**	**$**	**74,372**	**$**	**30,753**	**142%**

For the three months ended December 31, 2024, the Company's summary cash flows were explained as follows:

Item	Q4 2024 vs Q4 2023
Cash flows from operating activities	Increased primarily driven by working capital movements and the same factors that resulted in higher Adjusted EBITDA
Cash flows used by investing activities	Decreased primarily due to timing of development activities spend at H1/NDR at Conda
Cash flows used by financing activities	Decreased primarily due to reduced principal amortization after debt refinancing in Q3 2024

For the year ended December 31, 2024, the Company's summary cash flows were explained as follows:

Item	YTD 2024 vs YTD 2023
Cash flows from operating activities	Increased primarily driven by working capital movements and the same factors that resulted in higher Adjusted EBITDA
Cash flows used by investing activities	Increased primarily due to development activities at H1/NDR at Conda
Cash flows used by financing activities	Decreased primarily due to proceeds from debt refinancing in Q3 2024 and lower payment of interest expense driven by lower debt balances

CONTRACTUAL OBLIGATIONS

As of December 31, 2024, the Company's contractual obligations were as follows:

(in thousands of US Dollars)	Within 1 year	Years 2 and 3	Years 4 and 5	After 5 years	Total
Debt	$ 11,163	$ 89,146	$ 865	—	**$ 101,174**
Interest payments	$ 9,255	$ 13,559	$ 77	—	**$ 22,891**
Accounts payable and accrued liabilities	60,005	—	—	—	**60,005**
Provisions	6,252	70,835	49,214	46,254	**172,555**
Leases	2,858	4,893	3,660	—	**11,411**
Contractual obligations	**$ 89,533**	**$ 178,433**	**$ 53,816**	**$ 46,254**	**$ 368,036**

The Company records provisions when it is probable that obligations have been incurred and the amounts can be reasonably estimated. The Company's provisions include environmental and asset retirement obligations ("ARO") liabilities and legal contingencies.

As of December 31, 2024, the Company had environmental and ARO liabilities, assets and net liabilities by segment as follows:

(in thousands of US Dollars)	Liabilities	Assets	Net Liabilities
Conda	$ 167,539	$ 65,276	**$ 102,263**
Arraias	4,378	4,222	**156**
Development and exploration	401	—	**401**
Corporate	—	—	—
Environmental and ARO	**$ 172,318**	**$ 69,498**	**$ 102,820**

ITAFOS

8. NON-IFRS MEASURES

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.
Total cash capex	Total capex less accrued capex	Additions to property, plant and equipment and mineral properties	The Company uses total cash capex in the calculation of cash growth capex (non-IFRS measure)
Cash maintenance capex	Maintenance capex less accrued maintenance capex	Additions to property, plant and equipment and mineral properties	The Company uses cash maintenance capex in the calculation of cash growth capex (non-IFRS measure)
Cash growth capex	Growth capex less accrued growth capex	Additions to property, plant and equipment and mineral properties	The Company uses cash growth capex in the calculation of free cash flow (non-IFRS measure).
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 deferred financing costs.

Non-IFRS measure	Definition	Most directly comparable IFRS measure	Why the Company uses the measure
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.
Working capital	Current assets less current liabilities	Current assets and current liabilities	Working capital is a valuable indicator of the Company's liquidity
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.
Realized price	Revenues divided by sales volumes	Revenues	The Company uses realized price to assess operational performance
Revenues per tonne P_2O_5	Revenues divided by sales volumes presented on P_2O_5 basis	Revenues	The Company uses revenues per tonne P_2O_5 in the calculation of cash margin per tonne P_2O_5 (non-IFRS measure).
Cash costs	Cost of goods sold less net realizable value adjustments, depreciation, depletion and amortization	Cost of goods sold	The Company uses cash costs in the calculation of cash costs per tonne P_2O_5 (non-IFRS measure).
Cash costs per tonne P_2O_5	Cash costs divided by sales volumes presented on P_2O_5 basis	Cost of goods sold	The Company uses cash costs per tonne P_2O_5 in the calculation of cash margin per tonne P_2O_5 (non-IFRS measure).
Cash margin	Revenues less cash costs	Gross margin	The Company uses cash margin in the calculation of cash margin per tonne P_2O_5 (non-IFRS measure).
Cash margin per tonne P_2O_5	Revenues per tonne P_2O_5 less cash costs per tonne P_2O_5	Gross margin	Cash margin per tonne P_2O_5 is a valuable indicator of the Company's ability to generate margin on sales across its various phosphate and specialty fertilizer products normalized on a per tonne P_2O_5 basis.
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.

ITAFOS

EBITDA, ADJUSTED EBITDA AND TRAILING 12 MONTHS ADJUSTED EBITDA

For the three months ended December 31, 2024 and 2023

For the three months ended December 31, 2024 the Company had EBITDA and Adjusted EBITDA by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 34,081**	**$ 638**	**$ 19**	**$ (5,156)**	**$ 29,582**
Finance (income) expense, net	745	(117)	—	2,212	2,840
Current and deferred income tax expense (recovery)	6,153	—	—	(1,676)	4,477
Depreciation and depletion	7,439	731	—	80	8,250
EBITDA	**$ 48,418**	**$ 1,252**	**$ 19**	**$ (4,540)**	**$ 45,149**
Unrealized foreign exchange (gain) loss	—	1,309	(268)	—	1,041
Share-based payment expense	—	—	—	640	640
Transaction costs	—	—	—	134	134
Other (income) expense, net	265	(1,756)	1	(1)	(1,491)
Adjusted EBITDA	**$ 48,683**	**$ 805**	**$ (248)**	**$ (3,767)**	**$ 45,473**

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 41,452**	**$ 74**	**$ (248)**	**$ (4,623)**	**$ 36,655**
Depreciation and depletion	7,439	731	—	80	8,250
Realized foreign exchange gain	(208)	—	—	2	(206)
Share-based payment expense	—	—	—	640	640
Transaction costs	—	—	—	134	134
Adjusted EBITDA	**$ 48,683**	**$ 805**	**$ (248)**	**$ (3,767)**	**$ 45,473**

For the three months ended December 31, 2023, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 19,065**	**$ (65,126)**	**$ (341)**	**$ (2,221)**	**$ (48,623)**
Finance (income) expense, net	1,827	(182)	(1)	3,176	4,820
Current and deferred income tax expense (recovery)	4,801	—	—	(5,394)	(593)
Depreciation and depletion	5,892	648	5	60	6,605
EBITDA	**$ 31,585**	**$ (64,660)**	**$ (337)**	**$ (4,379)**	**(37,791)**
Unrealized foreign exchange (gain) loss	—	(157)	48	—	(109)
Share-based payment recovery	—	—	—	492	492
Impairments	—	66,000	—	—	66,000
Transaction costs	—	—	—	199	199
Other (income) expense, net	788	(71)	1	—	718
Adjusted EBITDA	**$ 32,373**	**$ 1,112**	**$ (288)**	**$ (3,688)**	**$ 29,509**

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 26,476**	**$ (65,536)**	**$ (293)**	**$ (4,436)**	**$ (43,789)**
Depreciation and depletion	5,892	648	5	60	6,605
Realized foreign exchange gain	5	—	—	(3)	2
Share-based payment recovery	—	—	—	492	492
Impairments	—	66,000	—	—	66,000
Transaction costs	—	—	—	199	199
Adjusted EBITDA	**$ 32,373**	**$ 1,112**	**$ (288)**	**$ (3,688)**	**$ 29,509**

For the years ended December 31, 2024 and 2023

For the year ended December 31, 2024 the Company had EBITDA and Adjusted EBITDA by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 103,992**	**$ 2,418**	**$ (220)**	**$ (18,399)**	**$ 87,791**
Finance (income) expense, net	4,215	(714)	2	7,429	10,932
Current and deferred income tax expense (recovery)	28,496	—	—	(8,243)	20,253
Depreciation and depletion	31,858	2,384	13	330	34,585
EBITDA	**$ 168,561**	**$ 4,088**	**$ (205)**	**$ (18,883)**	**$ 153,561**
Unrealized foreign exchange (gain) loss	—	3,013	(528)	—	2,485
Share-based payment expense	—	—	—	2,231	2,231
Transaction costs	—	—	—	842	842
Non-recurring compensation expenses	—	—	—	1,560	1,560
Other (income) expense, net	1,568	(2,752)	7	(41)	(1,218)
Adjusted EBITDA	**$ 170,129**	**$ 4,349**	**$ (726)**	**$ (14,291)**	**$ 159,461**

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 138,482**	**$ 1,965**	**$ (739)**	**$ (19,246)**	**$ 120,462**
Depreciation and depletion	31,858	2,384	13	330	34,585
Realized foreign exchange loss	(211)	—	—	(8)	(219)
Share-based payment expense	—	—	—	2,231	2,231
Transaction costs	—	—	—	842	842
Non-recurring compensation expenses	—	—	—	1,560	1,560
Adjusted EBITDA	**$ 170,129**	**$ 4,349**	**$ (726)**	**$ (14,291)**	**$ 159,461**

For the year ended December 31, 2023, the Company had EBITDA and Adjusted EBITDA by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 84,038**	**$ (67,533)**	**$ (1,318)**	**$ (12,095)**	**$ 3,092**
Finance (income) expense, net	6,530	(657)	78	13,610	19,561
Current and deferred income tax expense (recovery)	23,695	—	—	(22,553)	1,142
Depreciation and depletion	33,104	2,742	16	195	36,057
EBITDA	**$ 147,367**	**$ (65,448)**	**$ (1,224)**	**$ (20,843)**	**59,852**
Unrealized foreign exchange loss	—	7	179	—	186
Share-based payment expense	—	—	—	3,317	3,317
Impairments	—	66,000	—	—	66,000
Transaction costs	—	—	—	1,851	1,851
Other (income) expense, net	764	(140)	(28)	—	596
Adjusted EBITDA	**$ 148,131**	**$ 419**	**$ (1,073)**	**$ (15,675)**	**$ 131,802**

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 115,015**	**$ (68,323)**	**$ (1,089)**	**$ (21,037)**	**$ 24,566**
Depreciation and depletion	33,104	2,742	16	195	36,057
Realized foreign exchange gain	12	—	—	(1)	11
Share-based payment expense	—	—	—	3,317	3,317
Impairments	—	66,000	—	—	66,000
Transaction costs	—	—	—	1,851	1,851
Adjusted EBITDA	**$ 148,131**	**$ 419**	**$ (1,073)**	**$ (15,675)**	**$ 131,802**

As of December 31, 2024 and 2023

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

(in thousands of US Dollars)	December 31, 2024	December 31, 2023
For the three months ended December 31, 2024	$ 45,473	$ —
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
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	**$ 159,461**	**$ 131,802**

ITAFOS

TOTAL CAPEX AND CASH CAPEX

For the three months ended December 31, 2024 and 2023

For the three months ended December 31, 2024, the Company had capex and cash capex by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 24,185	$ (3,983)	$ —	$ 2	$ 20,204
Additions to mineral properties	7,905	—	5	—	7,910
Less: Additions to property, plant and equipment related asset retirement obligations	(17,952)	4,587	—	—	(13,365)
Less: Additions to right-of-use assets	—	188	—	—	188
Less: Capitalized interest in property, plant and equipment and mineral properties	(1,408)	—	—	—	(1,408)
Total capex	**$ 12,730**	**$ 792**	**$ 5**	**$ 2**	**$ 13,529**
Accrued capex	1,159	—	—	—	1,159
Total cash capex	**$ 13,889**	**$ 792**	**$ 5**	**$ 2**	**$ 14,688**
Maintenance capex	$ 799	$ 522	$ —	$ 2	$ 1,323
Accrued maintenance capex	(87)	—	—	—	(87)
Cash maintenance capex	**$ 712**	**$ 522**	**$ —**	**$ 2**	**$ 1,236**
Growth capex	$ 11,931	$ 270	$ 5	$ —	$ 12,206
Accrued growth capex	1,246	—	—	—	1,246
Cash growth capex	**$ 13,177**	**$ 270**	**$ 5**	**$ —**	**$ 13,452**

For the three months ended December 31, 2023, the Company had capex and cash capex by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ (1,163)	$ 4,155	$ —	$ 102	$ 3,094
Additions to mineral properties	28,545	—	44	—	28,589
Less: Additions to property, plant and equipment related asset retirement obligations	(6,753)	(3,664)	—	—	(10,417)
Less: Additions to right-of-use assets	—	(87)	1	—	(86)
Total capex	**$ 20,629**	**$ 404**	**$ 45**	**$ 102**	**$ 21,180**
Accrued capex	459	—	—	—	459
Total cash capex	**$ 21,088**	**$ 404**	**$ 45**	**$ 102**	**$ 21,639**
Maintenance capex	$ 3,638	$ 20	$ —	$ 102	$ 3,760
Accrued maintenance capex	(785)	—	—	—	(785)
Cash maintenance capex	**$ 2,853**	**$ 20**	**$ —**	**$ 102**	**$ 2,975**
Growth capex	$ 16,991	$ 384	$ 45	$ —	$ 17,420
Accrued growth capex	1,244	—	—	—	1,244
Cash growth capex	**$ 18,235**	**$ 384**	**$ 45**	**$ —**	**$ 18,664**

For the years ended December 31, 2024 and 2023

For the year ended December 31, 2024, the Company had capex and cash capex by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 56,660	$ (258)	$ (2)	$ 10	$ 56,410
Additions to mineral properties	37,490	—	500	—	37,990
Less: Additions to property, plant and equipment related asset retirement obligations	(24,123)	5,233	—	—	(18,890)
Less: Additions to right-of-use assets	—	(158)	2	—	(156)
Less: Capitalized interest in property, plant and equipment and 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**

For the year ended December 31, 2023, the Company had capex and cash capex by segment as follows:

(in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 887	$ 4,349	$ 24	$ 759	$ 6,019
Additions to mineral properties	52,104	880	539	—	53,523
Less: Additions to property, plant and equipment related asset retirement obligations	3,046	(3,790)	—	—	(744)
Less: Additions to right-of-use assets	—	(79)	(23)	(311)	(413)
Total capex	**$ 56,037**	**$ 1,360**	**$ 540**	**$ 448**	**$ 58,385**
Accrued capex	(3,621)	—	—	—	(3,621)
Total cash capex	**$ 52,416**	**$ 1,360**	**$ 540**	**$ 448**	**$ 54,764**
Maintenance capex	$ 18,431	$ 492	$ —	$ 448	$ 19,371
Accrued maintenance capex	(785)	—	—	—	(785)
Cash maintenance capex	**$ 17,646**	**$ 492**	**$ —**	**$ 448**	**$ 18,586**
Growth capex	$ 37,606	$ 868	$ 540	$ —	$ 39,014
Accrued growth capex	(2,836)	—	—	—	(2,836)
Cash growth capex	**$ 34,770**	**$ 868**	**$ 540**	**$ —**	**$ 36,178**

NET DEBT AND NET LEVERAGE RATIO

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

(in thousands of US Dollars except as otherwise noted)	December 31, 2024	December 31, 2023
Current debt	$ 11,163	$ 29,127
Long-term debt	86,804	61,441
Cash and cash equivalents	(74,372)	(30,753)
Deferred financing costs related to the Credit Facilities	3,207	1,489
Net debt	**$ 26,802**	**$ 61,304**
Trailing 12 months Adjusted EBITDA	$ 159,461	$ 131,802
Net leverage ratio	**0.2x**	**0.5x**

WORKING CAPITAL

As of December 31, 2024 and 2023, the Company had working capital as follows:

(in thousands of US Dollars)	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 74,372	$ 30,753
Accounts receivable	41,270	37,449
Inventories, net	131,813	119,813
Other current assets	9,246	10,978
Accounts payable and accrued liabilities	(60,005)	(66,319)
Provisions	(6,252)	(6,902)
Current debt	(11,163)	(29,127)
Contract liabilities	(626)	(386)
Other current liabilities	(2,858)	(3,882)
Working capital	**$ 175,797**	**$ 92,377**

LIQUIDITY

As of December 31, 2024 and 2023, the Company had liquidity as follows:

(in thousands of US Dollars)	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 74,372	$ 30,753
ABL Facility undrawn borrowing capacity	80,000	40,000
Liquidity	**$ 154,372**	**$ 70,753**

FREE CASH FLOW

For three months and years ended December 31, 2024 and 2023 the Company had free cash flow as follows:

	For the three months ended December 31,		*For the year ended December 31,*	
(in thousands of US Dollars)	2024	2023	2024	2023
Cash flows from operating activities	$ 31,195	$ 24,883	$ 120,048	$ 94,723
Cash flows used by investing activities	(14,106)	(20,203)	(65,205)	(53,329)
Free cash flow	**$ 17,089**	**$ 4,680**	**$ 54,843**	**$ 41,394**

REVENUES PER TONNE P_2O_5, CASH COSTS AND CASH COSTS PER TONNE P_2O_5, CASH MARGIN AND CASH MARGIN PER TONNE P_2O_5

For the three months and years ended December 31, 2024 and 2023, Conda had revenues per tonne P_2O_5, cash costs and cash cost per tonne P_2O_5, cash margin and cash margin per tonne P_2O_5 as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	*For the year ended December 31,* 2024	2023
Revenues	**$ 132,370**	**$ 112,408**	**$ 467,782**	**$ 448,076**
Cost of goods sold	89,325	84,785	324,050	328,762
Depreciation and depletion	$ (7,439)	$ (5,892)	(31,858)	$ (33,104)
Cash costs	**$ 81,886**	**$ 78,893**	**$ 292,192**	**$ 295,658**
Cash margin	**$ 50,484**	**$ 33,515**	**$ 175,590**	**$ 152,418**
Sales volumes (tonnes P_2O_5)[i]	**96,515**	**91,395**	**345,549**	**348,163**
Revenues per tonne P_2O_5	$ 1,371	$ 1,230	$ 1,354	$ 1,287
Cash costs per tonne P_2O_5	$ 848	$ 863	$ 846	$ 849
Cash margin per tonne P_2O_5	$ 523	$ 367	$ 508	$ 438

i. P_2O_5 basis for Conda's products considers MAP at 52%, MAP+ at 39%, SPA at 100%, MGA at 100%, APP at 34% and HFSA at 0%.

For the three months and years ended December 31, 2024 and 2023 Arraias had revenues, cash costs and cash margin as follows:

(in thousands of US Dollars except as otherwise noted)	*For the three months ended December 31,* 2024	2023	*For the year ended December 31,* 2024	2023
Revenues	**$ 5,810**	**$ 6,630**	**$ 23,458**	**$ 17,449**
Less: Sulfuric acid	3,397	5,357	16,554	15,750
Revenues excluding Sulfuric acid	**$ 2,413**	**$ 1,273**	**$ 6,904**	**$ 1,699**
Cost of goods sold	5,032	5,510	18,396	18,201
Depreciation and depletion	(731)	(648)	(2,384)	(2,742)
Cash costs	**$ 4,301**	**$ 4,862**	**$ 16,012**	**$ 15,459**
Less: Sulfuric acid	2,995	4,542	12,568	15,021
Cash costs excluding Sulfuric acid	**$ 1,306**	**$ 320**	**$ 3,444**	**$ 438**
Cash margin	**$ 1,509**	**$ 1,768**	**$ 7,446**	**$ 1,990**
Cash margin excluding Sulfuric acid	**$ 1,107**	**$ 953**	**$ 3,460**	**$ 1,261**
Sales volumes (tonnes P_2O_5)[i]	**4,353**	2,134	**11,916**	2,962
Revenues per tonne P_2O_5	$ 554	$ 596	$ 579	$ 574
Cash costs per tonne P_2O_5	$ 300	$ 150	$ 289	$ 148
Cash margin per tonne P_2O_5	$ 254	$ 446	$ 290	$ 425

i. P_2O_5 basis for Arraias products considers DAPR at 12%, Rock at 5%, and excludes sulfuric acid.

CORPORATE SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

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

	For the three months ended December 31,		*For the year ended December 31,*	
(in thousands of US Dollars)	**2024**	**2023**	**2024**	**2023**
Corporate selling, general and administrative expenses	$ 4,623	$ 4,436	$ 19,246	$ 21,037
Share-based payment (recovery) expense	(640)	(492)	(2,231)	(3,317)
Corporate selling, general and administrative expenses	**$ 3,983**	**$ 3,944**	**$ 17,015**	**$ 17,720**

9. BUSINESS RISKS AND UNCERTAINTIES

FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein may constitute forward-looking information. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "estimates", "intends", "believes", "forecasts", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "intent", "might" or "will be taken", "occur" or "be achieved" or other similar words.

Forward-looking information contained herein may include, without limitation, statements with respect to the Company's:

- mission, strategy and outlook;
- ability to carry out and complete any plan, including the Transaction with St George;
- ability to achieve future operational and financial results;
- ability to own and operate its operating projects;
- ability to develop and complete its development projects;
- ability to obtain necessary permits and licenses;
- ability to secure financing;
- expectations around commodity markets;
- expectations around Mineral Reserves and Mineral Resources, including those stipulated in technical reports;
- expectations around current estimates and potential increases of mine life; and
- expectations around environmental and ARO obligations.

Management believes that forward-looking information provides useful information to investors, analysts, lenders and others. In evaluating forward-looking information, investors, lenders and others should consider that forward-looking information may not be appropriate for other purposes and are cautioned not to put undue reliance on forward-looking information. Forward-looking information contained in this MD&A is based on the opinions, assumptions and estimates of management some of which are set out herein, which management believes are reasonable as of the date the statements are made. Such 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 forward-looking information.

These factors include risks and uncertainties relating to:

- commodity price risks;
- operating risks;
- safety risks;
- mineral reserves and mineral resources risks;
- mine development and completion risks;
- foreign operations risks;
- regulatory risks;
- environmental risks;
- asset retirement obligations risks;
- weather risks;
- climate change risks;
- currency risks;
- inflation risks
- competition risks;
- counterparty risks;
- financing risks;
- additional capital risks;
- credit risks;
- key personnel risks;
- impairment risks;
- cybersecurity risks;
- transportation risks;
- infrastructure risks;
- equipment and supplies risks;
- concentration risks;
- litigation risks;
- permitting and licensing risks;
- land title and access rights risks;
- insurance and uninsured risks;
- malicious acts risks;
- stock price volatility risks;
- technological advancement and innovation risks;
- artificial intelligence risks;
- tax risks, including import and export tariffs;
- foreign subsidiaries risks;
- reputation damage risks;
- controlling shareholder risks;
- conflicts of interest risks;
- epidemics, pandemics and public health risks;
- geopolitical risks;
- environmental justice risks;
- internal controls over financial reporting risks;
- anti-corruption laws risks; and
- non-governmental organizations ("NGO") risks.

Additionally, all of the forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions referred to below and elsewhere in this document. Although we believe that these assumptions are reasonable, having regard to our experience and our perception of historical trends, the assumptions set forth below are not exhaustive of the factors that may affect any of the forward-looking statements and the reader should not place undue reliance on these assumptions and such forward-looking statements. Current conditions, economic and otherwise, render assumptions, although reasonable when made, subject to greater uncertainty. Additional key assumptions that have been made in relation to the operation of our business as currently planned and our ability to achieve our business objectives include the Company's expectations and assumptions with respect to the following: commodity prices; operating results; operational safety; changes to the Company's mineral reserves and resources; timing of expected permitting; optionality for further mine life extension through ownership of the H2/Freeman Ridge leases and potential third party mineral purchase agreements; changes to mine development and completion; changes to regulation; 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; the loss of key personnel; impairment; cybersecurity; transportation and infrastructure; changes to equipment and suppliers; concentration risk 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, including import and export tariffs; 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.

Although the Company has attempted to identify crucial factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. 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. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to, the risk factors set out herein. Readers are cautioned that the list of risks set out herein is not exhaustive.

The forward-looking information included herein is expressly qualified by this cautionary statement and is made as of the date hereof. Management undertakes no obligation to publicly update or revise any forward-looking information except as required by applicable securities laws. Certain statements included herein may be considered “financial outlook” for the purposes of applicable securities laws. Financial outlook is provided for the purposes of assisting the reader in understanding the Company’s financial performance and measuring progress towards management’s objectives and the reader is cautioned that it may not be appropriate for other purposes.

The risks and uncertainties affecting the forward-looking information contained in this MD&A are described in greater detail in the 2024 AIF.

For the three months ended December 31, 2024, there have been no material changes to the risks and uncertainties that have materially affected, or are reasonably likely to materially affect, the Company’s forward-looking information.

10. CRITICAL ACCOUNTING ESTIMATES

The process of preparing financial statements in conformity with IFRS requires the Company to make certain estimates based on judgments and assumptions that could have an impact on the amounts of the assets, liabilities, revenues and expenses reported each period. Each of these estimates varies with respect to the level of judgment involved and the potential impact on the Company’s reported financial results and disclosures. Estimates are based on historical experience, and other factors, including information available at a point in time and expectations of future events, that are considered reasonable under the circumstances at the time the Company prepares its financial statements. If the Company’s financial condition, change in financial condition or results of operations would be materially impacted by a different estimate or a material change in estimate from period to period, estimates are deemed critical. By their nature, these estimates are subject to measurement uncertainty, and changes in these estimates may affect the financial statements of future periods (see Note 4 in the 2024 Consolidated Financial Statements).

11. CONTROLS AND PROCEDURES

The Company maintains controls and procedures, including disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”) as defined in National Instrument 52-109. The Company’s DC&P are intended to provide reasonable assurance that information required to be disclosed by the Company in its filings is communicated, processed, and reported accurately and timely. The Company’s ICFR is intended to provide reasonable assurance regarding the reliability of the Company’s financial reporting and preparation of consolidated financial statements for external purposes in accordance with IFRS.

The design of an internal control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, no matter how well designed, there are inherent limitations in any internal control system, including the possibility of human error, assumptions used in prevention or detection of control issues, circumvention of controls and procedures, collusion of two or more people, unauthorized overriding of controls or the risk that controls may become inadequate due to changes in conditions. Accordingly, even controls and procedures determined to be properly designed and effective can only provide reasonable, not absolute, assurance of achieving their objectives.

The Company has identified certain risks in its controls and procedures related to segregation of duties resulting from limited administrative staffing and certain manual tasks. The Company is mitigating such risks through various cost-effective measures, including automated processes, compensating or mitigating controls, and increased management oversight.

For the three months ended December 31, 2024, there were no changes to the Company's controls and procedures that have materially affected, or are reasonably likely to materially affect, the Company's DC&P and ICFR.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's controls and procedures based on the framework and criteria established in Internal Control – Integrated Framework (2013) as issued by the Committee of Sponsoring Organizations of the Treadway Commission and have concluded that the Company's DC&P and ICFR were effective at a reasonable assurance level as of December 31, 2024.

12. OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Company's related party transactions include key management compensation arrangements (see Note 26 in the Consolidated Financial Statements)

QUALIFIED PERSON

Unless otherwise indicated, the responsible Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information sourced from the latest respective technical reports and contained in this MD&A regarding Mineral Resources for Conda and Farim is 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. (WSP; formerly known as Golder Associated Ltd.) and is independent of the Company.

Unless otherwise indicated, the responsible Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information sourced from the latest respective technical reports and contained in this MD&A regarding Mineral Reserves for Conda and Farim is 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.

Unless otherwise indicated, the responsible Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information sourced from the latest respective technical reports and contained in this MD&A regarding Mineral Resources for Arraias, Santana and Araxá is Carlos Guzmán, FAusIMM (229036), Mining Engineer, RM (Chilean Mining Commission). Mr. Guzmán is a full-time employee of NCL Brasil Engenharia Ltda. and is independent of the Company.

Complete information on the verification procedures, quality assurance program, quality control procedures, parameters and methods and other factors that may materially affect scientific and technical information presented in this MD&A and definitions of certain terms used herein may be found in the technical reports for each property which are available on the Company's website at www.itafos.com and on the Company's profile on SEDAR+ at www.sedarplus.ca.

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