Management's Discussion and Analysis of Operations and Financial Condition
For the three months ended March 31, 2025 and 2024
May 7, 2025

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1. INTRODUCTORY NOTES

GENERAL INFORMATION

This management's discussion and analysis of operations and financial condition for the three months ended March 31, 2025 (the "MD&A") is as of May 7, 2025 and should be read in conjunction with the Company's:

- unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025 (the "Interim Financial Statements");
- audited consolidated financial statements for the year ended December 31, 2024 (the "2024 Consolidated Financial Statements");
- management's discussion and analysis of operations and financial condition for the year ended December 31, 2024 (the "2024 MD&A"); and
- annual information form for the year ended December 31, 2024 (the "2024 AIF").

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

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. The Company's businesses and projects are:

- Conda – a vertically integrated phosphate fertilizer business located in Idaho, US with production capacity as follows:
  - – approximately 550kt per year of monoammonium phosphate ("MAP"), MAP with micronutrients ("MAP+"), superphosphoric acid ("SPA"), merchant grade phosphoric acid ("MGA") and ammonium polyphosphate ("APP"); and
  - – approximately 27kt per year of hydrofluorosilicic acid ("HFSA");
- Arraias – a vertically integrated phosphate fertilizer business located in Tocantins, Brazil with production capacity as follows:
  - – approximately 500kt per year of single superphosphate ("SSP") and SSP with micronutrients ("SSP+"); and
  - – approximately 40kt per year of excess sulfuric acid (220kt per year gross sulfuric acid production capacity);
- Farim – a high-grade phosphate mine project located in Farim, Guinea-Bissau; 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 principal shareholder is CL Fertilizers Holding LLC ("CLF"). CLF is an affiliate of Castlelake, L.P., a global private investment firm (see Notes 1 and 6 in the Interim Financial Statements).

As of March 31, 2025 and December 31, 2024 the Company had 193,185,859 and 192,014,784 shares outstanding, respectively (see Note 16 in the Interim Financial Statements). As of May 7, 2025, the Company had 193,185,859 shares and 4,253,914 RSUs outstanding. As of March 31, 2025 and December 31, 2024, 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[iii]	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.

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 March 31, 2025

For the three months ended March 31, 2025, the Company's key highlights were as follows:

- continued strong Environmental, Health and Safety ("EHS") performance, including no reportable environmental releases and no recordable incidents, which resulted in a consolidated Total Recordable Incident Frequency Rate[1] ("TRIFR") of 0.58;
- generated revenues of $135,740;
- MAP New Orleans ("NOLA") prices averaged $657/t ($596/st) compared to $688/t ($624/st) in 2024, down 5% year-over-year due a measured price correction to align more closely with international market levels after a period of relative elevated pricing;
- generated Adjusted EBITDA[2] of $39,279;
- recorded net income of $35,871;
- recorded basic earnings of Canadian dollars ("C$") C$0.27/share;
- generated free cash flow[2] of $31,333;
- repaid $2,751 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");
- on February 26, 2025, the Company completed the sale of its 100% interest in its Araxá project to a wholly-owned subsidiary of St George Mining Limited ("St George"). St George now owns all of the outstanding securities of Itafos Araxá Mineração e Fertilizantes S.A ("Itafos Araxá"). Pursuant to the sale agreement with St George (the "Sale Agreement"), the Company 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"). The Company recorded a gain on disposal of a subsidiary in the amount of $27,921 (see Notes 5 and 11 in the Interim Financial Statements); and
- 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.

Recent Developments

- On April 3, 2025, the Company received the vesting notice from St. George related to the 11,111,100 performance rights received from St. George as part of the sale of the Araxá project; and
- On April 25, 2025, the Company paid the C$0.05 per share special dividend to shareholders of record as of the close of business on April 9, 2025.

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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).

FINANCIAL HIGHLIGHTS

For the three months ended March 31, 2025

For the three months ended March 31, 2025 and 2024, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,*		
	2025	**2024**	**% change**
Revenues	$ 135,740	$ 128,006	6%
Gross margin	34,040	39,443	(14%)
Adjusted EBITDA[i]	39,279	43,167	(9%)
Net income	35,871	23,717	51%
Basic earnings ($/share)	$ 0.19	$ 0.12	58%
Basic earnings (C$/share)	$ 0.27	$ 0.17	59%
Diluted earnings ($/share)	$ 0.18	$ 0.12	50%
Diluted earnings (C$/share)	$ 0.27	$ 0.17	59%
Maintenance capex[i]	$ 495	$ 827	(40%)
Growth capex[i]	9,426	5,603	68%
Total capex[i]	**$ 9,921**	**$ 6,430**	**54%**
Free cash flow[i]	$ 31,333	$ 17,687	77%

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

For the three months ended March 31, 2025 and 2024, the Company's financial highlights were explained as follows:

Item	Q1 2025 vs Q1 2024
Revenues	Increased primarily due to higher realized SPA prices and higher sales volumes at Conda coupled with higher sulfuric acid and dry product sales at Arraias
Gross Margin	Decreased primarily due to higher input costs at Conda due to sulfur market dynamics, which were partially offset by higher revenues
Adjusted EBITDA	Decreased primarily due to the same factors that resulted in lower gross margin (see Section 8)
Net income (loss)	Increased primarily due to the gain on the sale of the Araxá project and lower finance expenses, which were partially offset by withholding tax expenses related to the sale of the Araxá project
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	Increased primarily due to development activities at H1/NDR and magnesium oxide reduction initiatives 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, coupled with proceeds received from the sale of the Araxá project, which were partially offset by higher growth capex (see Section 8)

As of March 31, 2025

As of March 31, 2025 and December 31, 2024, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)		March 31, 2025		December 31, 2024	% change
Total assets	$	738,481	$	695,862	6%
Total liabilities		360,670		348,033	4%
Total equity		377,811		347,829	9%
Net debt[i]	$	(1,744)	$	26,802	(107%)
Trailing 12 months Adjusted EBITDA[i]	$	155,573	$	159,461	(2%)
Net leverage ratio[i]		(0.0)x		0.2x	(100%)

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

As of March 31, 2025 and December 31, 2024, the Company's financial highlights were explained as follows:

Item	March 31, 2025 vs December 31, 2024
Total assets	Increased due to higher cash and cash equivalents, accounts receivable, inventories, property, plant and equipment and mineral properties driven by H1/NDR development activities at Conda, equity investments in St. George received as consideration for the sale of the Araxá project, and higher other long-term assets. This increase was partially offset by lower deferred tax assets
Total liabilities	Increased primarily due to higher accounts payable and accrued liabilities, provisions, contract liabilities, other current liabilities, and long-term provisions. This increase was partially offset by lower long-term debt
Total equity	Increased primarily due to net income recorded during the period, which was partially offset by the special dividend declared in March 2025
Net debt	Decreased primarily due to higher cash and cash equivalents (see Section 8)
Trailing 12 months Adjusted EBITDA	Decreased primarily due to the same factors that resulted in lower Adjusted EBITDA (see Section 8)
Net leverage ratio	Decreased due to higher cash and cash equivalents (see Section 8)

BUSINESS HIGHLIGHTS

EHS

For the three months ended March 31, 2025

For the three months ended March 31, 2025, the Company's EHS highlights were as follows:

	For three months ended March 31, 2025			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	—	—	—	—

	For three months ended March 31, 2024			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	3	—	—	3

As of March 31, 2025

As of March 31, 2025, the Company's TRIFR were as follows:

	Conda	**Arraias**	**Farim**	**Consolidated**
TRIFR[i]	0.43	1.10	0.00	0.58

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.

ITAFOS

Conda

Business Highlights

For the three months ended March 31, 2025 and 2024, Conda's business highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,* 2025	2024	% change
Production volumes (tonnes)			
MAP	99,810	102,290	(2%)
MAP+	—	5,159	n/m
SPA[ii]	39,103	34,797	12%
MGA[ii]	196	246	(20%)
APP	—	—	n/m
HFSA	1,425	1,055	35%
Production volumes (tonnes)	**140,534**	**143,547**	**(2%)**
Production volumes (tonnes P_2O_5)[i]	**91,200**	**90,246**	**1%**
Sales volumes (tonnes)			
MAP	101,418	100,319	1%
MAP+	4,925	8,043	(39%)
SPA[ii]	38,512	35,016	10%
MGA[ii]	196	246	(20%)
APP	—	1,556	n/m
HFSA	1,635	1,130	45%
Sales volumes (tonnes)	**146,686**	**146,310**	**0%**
Sales volumes (tonnes P_2O_5)[i]	**93,366**	**91,094**	**2%**
Realized price ($/tonne)[iii]			
MAP	$ 690	$ 694	(1%)
MAP+	772	737	5%
SPA[ii]	1,375	1,288	7%
MGA[ii]	1,423	1,378	3%
APP	—	586	n/m
HFSA	767	832	(8%)
Revenues ($)			
MAP	$ 69,975	$ 69,612	1%
MAP+	3,802	5,930	(36%)
SPA	52,954	45,105	17%
MGA	279	339	(18%)
APP	28	912	(97%)
HFSA	1,254	940	33%
Revenues	**$ 128,292**	**$ 122,838**	**4%**
Revenues per tonne P_2O_5[i, iii]	**$ 1,374**	**$ 1,348**	**2%**
Cash costs[iii]	**$ 86,226**	**$ 74,911**	**15%**
Cash costs per tonne P_2O_5[i, iii]	**$ 924**	**$ 822**	**12%**
Cash margin[iii]	**$ 42,066**	**$ 47,927**	**(12%)**
Cash margin per tonne P_2O_5[i, iii]	**$ 450**	**$ 526**	**(15%)**
Adjusted EBITDA[iii]	$ 40,905	$ 46,566	(12%)
Maintenance capex[iii]	$ 447	$ 419	7%
Growth capex[iii]	7,672	4,887	57%
Total capex[iii]	**$ 8,119**	**$ 5,306**	**53%**

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 March 31, 2025 and 2024, Conda's business highlights were explained as follows:

Item	Q1 2025 vs Q1 2024
Production volumes (tonnes P_2O_5)	Increased primarily due to a shift from MAP to SPA production, resulting in higher P_2O_5 production from similar throughput
Sales volumes (tonnes P_2O_5)	Increased primarily due to higher SPA production, partially offset by timing of granular shipping
Revenues	Increased primarily due to higher SPA realized prices resulting from improved market dynamics and higher sales volumes
Cash margin per tonne P_2O_5	Decreased primarily due to higher cash costs due to sulfur market dynamics (see Section 8)
Adjusted EBITDA	Decreased primarily due to lower cash margin per tonne P_2O_5 (see Section 8)
Maintenance capex	Increased primarily due to timing of projects
Growth capex	Increased primarily due to development activities at H1/NDR and magnesium oxide reduction initiatives (see Section 8)

Mine Life Extension

For the three months ended March 31, 2025, 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 construction of rail loading facilities and mine development; and
- advanced development, including engineering of key infrastructure and progression of related magnesium oxide reduction initiatives to enhance SPA production and sales volumes, including continuation of test work.

Exploration and Appraisal Program at Conda

As capital work at H1/NDR continues with first ore shipments expected in 2H 2025, the Company is focused on identifying and pursuing opportunities to add additional resources and reserves to the project to extend mine life beyond the current NI 43-101 estimate of mid-2037. To pursue this objective, the Company has commenced a multi-year exploration, resource evaluation and permitting program at Conda with an expected annual cost of approximately $6-8 million.

The program is focused on further delineating upside potential of the Husky 1 Lease through resource delineation appraisal drilling at 250ft spacing (current spacing at 500ft), delineation drilling on the Dry Ridge Lease on 2400ft centers to gain crucial geologic and metallurgical information to be used in resource modeling that will drive future mine planning resource estimation and permitting studies. Core drilling and geologic modeling of the Husky 3 and 4 Leases is planned for late Q3/early Q4 2025 upon permit approval by Federal Agencies to identify resource potential for future mine development along the current mine trend.

In addition to these activities, work will commence on baseline resource studies required for future National Environmental Policy Act permitting and regulatory approvals. These near field opportunities have the potential to extend mine life beyond the current NI 43-101 estimate of mid-2037 in an efficient manner with the objective of utilizing the current infrastructure being built out at H1/NDR.

Arraias

Business Highlights

For the three months ended March 31, 2025 and 2024, Arraias' business highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,* 2025	2024	% change
Production volumes (tonnes)			
DAPR	1,621	—	n/m
PAPR	1,880	—	n/m
Sulfuric acid[i]	37,701	33,216	14%
Production volumes (tonnes)	**41,202**	**33,216**	24%
Production volumes (tonnes P_2O_5)[ii,iii]	**533**	—	n/m
Sales volumes (tonnes)			
DAPR	4,508	1,772	154%
PAPR	3,301	—	n/m
Sulfuric acid	36,489	31,520	16%
Sales volumes (tonnes)	**44,298**	**33,292**	33%
Sales volumes (tonnes P_2O_5)[ii,iv]	**1,135**	**213**	433%
Realized price ($/tonne)[ii]			
DAPR	$ 42	$ 56	(26%)
PAPR	98	—	n/m
Sulfuric acid	190	161	18%
Revenues ($)			
DAPR	$ 188	$ 99	90%
PAPR	322	—	n/m
Sulfuric acid	6,938	5,069	37%
Revenues	**$ 7,448**	**$ 5,168**	**44%**
Revenues excluding Sulfuric acid	**$ 510**	**$ 99**	**415%**
Revenues per tonne P_2O_5[ii,iv]	**$ 449**	**$ 465**	**(3%)**
Cash costs[ii]	**$ 4,622**	**$ 4,025**	**15%**
Cash costs excluding Sulfuric acid	**$ 261**	**$ 34**	**668%**
Cash costs per tonne P_2O_5[ii,iv]	**$ 230**	**$ 160**	**44%**
Cash margin[ii]	**$ 2,826**	**$ 1,143**	**147%**
Cash margin excluding Sulfuric acid	**$ 249**	**$ 65**	**283%**
Cash margin per tonne P_2O_5[ii,iv]	**$ 219**	**$ 305**	**(28%)**
Adjusted EBITDA[ii]	$ 1,984	$ 382	419%
Maintenance capex[ii]	$ 48	$ 408	(88%)
Growth capex[ii]	1,740	716	143%
Total capex[ii]	**$ 1,788**	**$ 1,124**	**59%**

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 March 31, 2025 and 2024, Arraias' business highlights were explained as follows:

Item	Q1 2025 vs Q1 2024
Sulfuric acid production and sales volumes	Increased production due to higher customer demand and acid consumption with the early start of PAPR production. Significantly higher sales due to increased demand of sulfuric acid in the local market
Production and sales volumes (tonnes P_2O_5)	Increased production due to the start of production in Q1 2025 of PAPR as part of the Fertilizer Restart Program. Increased sales due to product availability combined with higher demand of PAPR and DAPR compared to prior year
Adjusted EBITDA	Increased primarily due to sulfuric acid gross margin improvement (see Section 8) driven by lower production cost, higher sales prices, higher production volume, and the start of fertilizer sales during Q1 2025
Maintenance capex	Decreased primarily due to sulfuric acid plant turnaround closure carried out in 2024 (see Section 8)
Growth capex	Increased primarily due to activities related to the Fertilizer restart program (see Section 8)

Sulfuric Acid Plant

Arraias' sulfuric acid plant has a production capacity of 220,000 tonnes per year. During Q1 2025, the Company increased the average production rate to 12,567 tonnes per month versus 11,072 tonnes per month in the first quarter of 2024 due to a higher market demand and the start of fertilizer production. 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.

The sulfuric acid plant operation is independent of the previously announced program to evaluate the potential restart of fertilizer production at Arraias (the "Fertilizer Restart Program") (formerly referred to as the Stage-Gate Restart Program).

Fertilizer Restart Program

For the three months ended March 31, 2025, 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 partially acidulated phosphate product in powder similar to powder SSP;
- started the recommissioning of the granulation plant to granulate the partially acidulated phosphate under the new brand SuperForte Gran®, as one of the last steps of the Fertilizer Restart Program; and
- increased commercial and marketing activities by hiring new members to the sales team, enhancing the Company footprint in markets around selected local geographical areas, as well as opening a new branch in west of the state of Bahia to strengthen relationships with local customers.

Idling

For the three months ended March 31, 2025, the remainder of Arraias' operations, including tailings dam, part of the beneficiation plant, and granulation plant remain idled following best practices.

Dutch Tax Assessment

During 2022 and 2023, the Company received assessments from the Dutch tax authorities in the aggregate amount of Euro 7,244 (approximately $8,036) 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 $8,036.

Development and Exploration

Farim

For the three months ended March 31, 2025, the Company maintained Farim at construction-ready state.

Other

For the three months ended March 31, 2025, the Company maintained the integrity of the concession of Santana.

Corporate

RSU Plan

The Company granted 773,037 RSUs to directors and officers effective as of March 26, 2025.

MARKET HIGHLIGHTS

For the three months ended March 31, 2025 and 2024, 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 March 31,* 2025	2024	% change
MAP NOLA[i,iv]	$ 657	$ 688	(5%)
MAP NOLA ($/st)[i,iv]	596	624	(4%)
Sulfur Vancouver[ii]	186	69	170%
Sulfur Brazil[iii]	214	100	114%
Sulfuric Acid Brazil[iii]	146	122	20%

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 March 31, 2025 and 2024, key phosphate fertilizer market indicators relevant to the Company's operations were explained as follows:

Item	Q1 2025 vs Q1 2024
MAP NOLA	Decreased marginally due to high imports in Q4 2024 and Q1 2025
Sulfur Vancouver	Increased due to strong global demand
Sulfur Brazil	Increased due to higher global demand
Sulfuric Acid Brazil	Increased due to higher Sulfur inputs

For the three months ended March 31, 2025 and 2024, specific factors driving the year-over-year decrease in MAP NOLA were as follows:

- a measured price correction to align more closely with international market levels after a period of relatively elevated pricing; and
- a high volume of MAP imports into the US in Q4 2024 and Q1 2025.

4. OUTLOOK

MARKET OUTLOOK

Phosphate pricing decreased marginally in Q1 2025 from elevated levels in the second half of 2024, consistent with seasonal factors moving into spring. Domestic pricing through Q1 has remained largely flat, though the Company has seen recent price rises in response to the impact of tariffs on US phosphate imports. From the beginning of the second quarter, uncertainty surrounding US tariff policy and international trade flows have created volatility in commodity prices resulting in phosphate prices increasing.

Crop fundamentals remain constructive, with inventories of grains and oilseeds outside of China expected to decrease through the current crop year, resulting in a declining stock-to-use ratio that is projected to decline to levels comparable to those experienced during the food crises in 2007/2008. That being said, crop prices have been limited in appreciation due to the uncertainty around tariffs and international demand for US grain.

Moving forward, the Company expects phosphate pricing to remain strong through 2025, supported by the following factors:

- Strong global demand for phosphates and increasing international prices;
- Limited phosphate imports and subsequent limited supply into the US due to evolving tariff policies; 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 issued its original guidance for 2025 in the 2024 MD&A.

The Company maintained its guidance for 2025 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 March 31, 2025, December 31, 2024, September 30, 2024, and June 30, 2024, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	**March 31, 2025**	**December 31, 2024**	**September 30, 2024**	**June 30, 2024**
Revenues	$ 135,740	$ 138,180	$ 119,990	$ 105,064
Net income (loss)	35,871	29,582	18,286	16,206
Basic earnings (loss) ($/share)	0.19	0.15	0.10	0.08
Diluted earnings (loss) ($/share)	0.18	0.15	0.09	0.08
Total assets	$ 738,481	$ 695,862	$ 666,482	$ 604,201

For the three months ended March 31, 2024, December 31, 2023, September 30, 2023, and June 30, 2023, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	**March 31, 2024**	**December 31, 2023**	**September 30, 2023**	**June 30, 2023**
Revenues	$ 128,006	$ 119,038	$ 110,788	$ 116,117
Net income /(loss)	23,717	(48,623)	3,078	20,430
Basic earnings ($/share)	0.12	(0.26)	0.02	0.11
Diluted earnings ($/share)	0.12	(0.26)	0.02	0.11
Total assets	$ 585,033	$ 587,229	$ 629,231	$ 653,063

6. STATEMENTS OF OPERATIONS

For the three months ended March 31, 2025 and 2024 the Company's statements of operations were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,*		
	2025	**2024**	**% change**
Revenues	$ 135,740	$ 128,006	6%
Cost of goods sold	101,700	88,563	15%
Gross margin	**$ 34,040**	**$ 39,443**	**(14%)**
Selling, general and administrative expenses	8,255	8,205	1%
Operating income	**$ 25,785**	**$ 31,238**	**(17%)**
Foreign exchange gain (loss)	187	(541)	(135%)
Other income (expense)	(2,731)	743	n/m
Gain on disposal of subsidiary	27,921	—	n/m
Finance expense, net	(2,248)	(3,569)	(37%)
Income before income taxes	**$ 48,914**	**$ 27,871**	**76%**
Current and deferred income tax expense	13,043	4,154	214%
Net income	**$ 35,871**	**23,717**	**51%**
Net income attributable to non-controlling interest	—	—	n/m
Net income attributable to shareholders of the Company	**$ 35,871**	**$ 23,717**	**51%**
Basic earnings ($/share)	**$ 0.19**	**$ 0.12**	**58%**
Basic earnings (C$/share)	**$ 0.27**	**$ 0.17**	**59%**
Diluted earnings ($/share)	**$ 0.18**	**$ 0.12**	**50%**
Diluted earnings (C$/share)	**$ 0.27**	**$ 0.17**	**59%**

For the three months ended March 31, 2025 and 2024, the Company's statements of operations were explained as follows:

Item	Q1 2025 vs Q1 2024
Revenues	Increased primarily due to higher SPA realized prices and higher sales volumes at Conda coupled higher sulfuric acid and dry product sales at Arraias
Cost of goods sold	Increased primarily due to higher input costs at Conda due to sulfur market dynamics
Selling, general and administrative expenses	Slightly increased primarily due to higher share-based payment expense, which were partially offset by lower payroll expenses at Corporate driven by management team restructure in Q1 2024
Other income, net (expense)	Decreased primarily due to fair value loss on investments in Q1 2025
Gain on disposal of subsidiary	Increased due to the gain recorded on the sale of the Araxá project
Finance expense	Decreased due to capitalized interest related to development activities at H1/NDR at Conda
Current and deferred income tax expense	Increased primarily due to higher taxable income and withholding tax expenses in connection with the sale of the Araxá project

7. FINANCIAL CONDITION

LIQUIDITY

As of March 31, 2025, the Company had cash and cash equivalents of $100,333, liquidity of $180,333; and working capital of $198,900. 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 March 31, 2025, $80,000 remained available under the ABL Facility to be drawn by the Company subject to certain terms and conditions.

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 at the end of each fiscal quarter (as such terms are defined in the Amended Term Loan Agreement). As of March 31, 2025, 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 March 31, 2025, 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 March 31, 2025, and December 31, 2024, the Company's summary balance sheets were as follows:

(unaudited in thousands of US Dollars)	March 31, 2025	December 31, 2024	% change
Cash and cash equivalents	$ 100,333	$ 74,372	35%
Current assets (including cash and cash equivalents)	$ 289,436	$ 256,701	13%
Non-current assets	449,045	439,161	2%
Total assets	**$ 738,481**	**$ 695,862**	**6%**
Current liabilities (excluding current portion of debt)	$ 79,226	$ 69,741	14%
Non-current liabilities (excluding long-term debt)	185,660	180,325	3%
Debt (current and long-term)	95,784	97,967	(2%)
Total liabilities	**$ 360,670**	**$ 348,033**	**4%**
Shareholders' equity	$ 377,811	$ 347,829	9%
Non-controlling interest	—	—	n/m
Total equity	**$ 377,811**	**$ 347,829**	**9%**

As of March 31, 2025, and December 31 2024, the Company's summary balance sheets were explained as follows:

Item	March 31, 2025 vs December 31, 2024
Current assets	Increased primarily due to higher cash and cash equivalents, accounts receivables, inventories and other current assets
Non-current assets	Increased primarily due to higher property, plant and equipment and higher mineral properties driven by H1/NDR development activities at Conda, equity investments in St. George received as consideration for the sale of the Araxá project, and higher other long-term assets, which were partially offset by lower deferred tax assets
Current liabilities (excluding current portion of debt)	Increased primarily due to higher accounts payable and accrued liabilities, provisions, contract liabilities. Higher other current liabilities due to special dividend declared in March 2025
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
Debt (current and long-term)	Decreased primarily due to the repayment of principal debt outstanding under the Amended Term Loan
Total equity	Increased primarily due to net income recorded during the period, which was partially offset by the special dividend declared in March 2025

As of March 31, 2025 and December 31, 2024, 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 March 31, 2025, Conda's guarantee requirements were $120,158. As of March 31, 2025, Conda had surety bonds in place for the full amount of its $120,158 guarantee requirements. As of March 31, 2025, 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 March 31, 2025, and December 31, 2024, the Company's capital resources were as follows:

(unaudited in thousands of US Dollars)		March 31, 2025		December 31, 2024
Total equity	$	377,811	$	347,829
Net debt[i]		(1,744)		26,802
Capital resources	**$**	**376,067**	**$**	**374,631**

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.

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.

SUMMARY CASH FLOWS

For three months ended March 31, 2025 and 2024, the Company's summary cash flows were as follows:

	For the three months ended March 31,				
(unaudited in thousands of US Dollars)		**2025**		**2024**	**% change**
Cash and cash equivalents, beginning of period	**$**	**74,372**	**$**	**30,753**	**142%**
Cash flows from operating activities		31,527		21,555	46%
Cash flows used by investing activities		(194)		(3,868)	(95%)
Cash flows used by financing activities		(5,952)		(10,396)	(43%)
Effect of foreign exchange of non-US Dollar denominated cash		580		(340)	n/m
Cash and cash equivalents, end of period	**$**	**100,333**	**$**	**37,704**	**166%**

For the three months ended March 31, 2025, the Company's summary cash flows were explained as follows:

Item	Q1 2025 vs Q1 2024
Cash flows from operating activities	Increased primarily driven by working capital movements
Cash flows used by investing activities	Decreased primarily due to proceeds received from the sale of the Araxá project, which were partially offset by higher growth capex
Cash flows used by financing activities	Decreased primarily due to reduced principal amortization after debt refinancing in 2024

CONTRACTUAL OBLIGATIONS

As of March 31, 2025, the Company's contractual obligations were as follows:

(unaudited in thousands of US Dollars)	Within 1 year	Years 2 and 3	Years 4 and 5	After 5 years	Total
Debt	$ 11,310	$ 86,414	$ 865	—	**$ 98,589**
Interest payments	9,026	11,431	60	—	**20,517**
Accounts payable and accrued liabilities	61,208	—	—	—	**61,208**
Provisions	7,145	71,656	41,575	58,086	**178,462**
Leases	2,797	4,705	3,316	126	**10,944**
Contractual obligations	**$ 91,486**	**$ 174,206**	**$ 45,816**	**$ 58,212**	**$ 369,720**

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 March 31, 2025, the Company had environmental and ARO liabilities, assets and net liabilities by segment as follows:

(unaudited in thousands of US Dollars)	Liabilities	Assets	Net Liabilities
Conda	$ 173,055	$ 63,118	**$ 109,937**
Arraias	4,760	4,592	**168**
Development and exploration	401	—	**401**
Corporate	—	—	—
Environmental and ARO	**$ 178,216**	**$ 67,710**	**$ 110,506**

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 deferring 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 payments 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 March 31, 2025 and 2024

For the three months ended March 31, 2025 the Company had EBITDA and Adjusted EBITDA by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 22,718**	**$ 1,866**	**$ (444)**	**$ 11,731**	**$ 35,871**
Finance (income) expense, net	1,077	(167)	—	1,338	2,248
Current and deferred income tax expense	6,639	—	—	6,404	13,043
Depreciation and depletion	10,238	614	—	77	10,929
EBITDA	**$ 40,672**	**$ 2,313**	**$ (444)**	**$ 19,550**	**$ 62,091**
Unrealized foreign exchange (gain) loss	—	(371)	160	—	(211)
Share-based payment expense	—	—	—	2,497	2,497
Transaction costs	—	—	—	92	92
Other (income) expense, net	233	42	—	(25,465)	(25,190)
Adjusted EBITDA	**$ 40,905**	**$ 1,984**	**$ (284)**	**$ (3,326)**	**$ 39,279**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 30,671**	**$ 1,370**	**$ (284)**	**$ (5,972)**	**$ 25,785**
Depreciation and depletion	10,238	614	—	77	10,929
Realized foreign exchange loss	(4)	—	—	(20)	(24)
Share-based payment expense	—	—	—	2,497	2,497
Transaction costs	—	—	—	92	92
Adjusted EBITDA	**$ 40,905**	**$ 1,984**	**$ (284)**	**$ (3,326)**	**$ 39,279**

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

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Net income (loss)	**$ 29,512**	**$ 277**	**$ (193)**	**$ (5,879)**	**$ 23,717**
Finance (income) expense, net	1,433	(252)	1	2,387	3,569
Current and deferred income tax expense (recovery)	6,484	—	—	(2,330)	4,154
Depreciation and depletion	8,926	701	5	85	9,717
EBITDA	**$ 46,355**	**$ 726**	**$ (187)**	**$ (5,737)**	**41,157**
Unrealized foreign exchange (gain) loss	—	611	(67)	—	544
Share-based payment expense	—	—	—	422	422
Transaction costs	—	—	—	227	227
Non-recurring compensation expenses	—	—	—	1,560	1,560
Other (income) expense, net	211	(955)	1	—	(743)
Adjusted EBITDA	**$ 46,566**	**$ 382**	**$ (253)**	**$ (3,528)**	**$ 43,167**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 37,637**	**$ (319)**	**$ (258)**	**$ (5,822)**	**$ 31,238**
Depreciation and depletion	8,926	701	5	85	9,717
Realized foreign exchange gain	3	—	—	—	3
Share-based payment expense	—	—	—	422	422
Transaction costs	—	—	—	227	227
Non-recurring compensation expenses	—	—	—	1,560	1,560
Adjusted EBITDA	**$ 46,566**	**$ 382**	**$ (253)**	**$ (3,528)**	**$ 43,167**

As of March 31, 2025 and December 31, 2024

As of March 31, 2025 and December 31, 2024, the Company had trailing 12 months Adjusted EBITDA as follows:

(unaudited in thousands of US Dollars)	March 31, 2025	December 31, 2024
For the three months ended March 31, 2025	$ 39,279	$ —
For the three months ended December 31, 2024	45,473	45,473
For the three months ended September 30, 2024	38,011	38,011
For the three months ended June 30, 2024	32,810	32,810
For the three months ended March 31, 2024	—	43,167
Trailing 12 months Adjusted EBITDA	**$ 155,573**	**$ 159,461**

TOTAL CAPEX AND CASH CAPEX

For the three months ended March 31, 2025 and 2024

For the three months ended March 31, 2025, the Company had capex and cash capex by segment as follows:

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ 4,659	$ 2,193	$ 15	$ —	$ 6,867
Additions to mineral properties	7,987	225	14	—	8,226
Additions to asset retirement obligations	(3,106)	(370)	—	—	(3,476)
Additions to right-of-use assets	—	(260)	(15)	—	(275)
Capitalized interest in property, plant, and equipment and mineral properties	(1,421)	—	—	—	(1,421)
Total capex	**$ 8,119**	**$ 1,788**	**$ 14**	**$ —**	**$ 9,921**
Accrued capex	(1,878)	—	—	—	(1,878)
Total cash capex	**$ 6,241**	**$ 1,788**	**$ 14**	**$ —**	**$ 8,043**
Maintenance capex	$ 447	$ 48	$ —	$ —	$ 495
Accrued maintenance capex	(33)	—	—	—	(33)
Cash maintenance capex	**$ 414**	**$ 48**	**$ —**	**$ —**	**$ 462**
Growth capex	$ 7,672	$ 1,740	$ 14	$ —	$ 9,426
Accrued growth capex	(1,845)	—	—	—	(1,845)
Cash growth capex	**$ 5,827**	**$ 1,740**	**$ 14**	**$ —**	**$ 7,581**

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

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Additions to property, plant and equipment	$ (1,443)	$ 1,109	$ (1)	$ —	$ (335)
Additions to mineral properties	3,762	—	—	—	3,762
Additions to asset retirement obligations	2,987	177	—	—	3,164
Additions to right-of-use assets	—	(162)	1	—	(161)
Total capex	**$ 5,306**	**$ 1,124**	**$ —**	**$ —**	**$ 6,430**
Accrued capex	(2,054)	—	—	—	(2,054)
Total cash capex	**$ 3,252**	**$ 1,124**	**$ —**	**$ —**	**$ 4,376**
Maintenance capex	$ 419	$ 408	$ —	$ —	$ 827
Accrued maintenance capex	(179)	—	—	—	(179)
Cash maintenance capex	**$ 240**	**$ 408**	**$ —**	**$ —**	**$ 648**
Growth capex	$ 4,887	$ 716	$ —	$ —	$ 5,603
Accrued growth capex	(1,875)	—	—	—	(1,875)
Cash growth capex	**$ 3,012**	**$ 716**	**$ —**	**$ —**	**$ 3,728**

ITAFOS

NET DEBT AND NET LEVERAGE RATIO

As of March 31, 2025 and December 31, 2024, the Company had net debt and net leverage ratio as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	March 31, 2025	December 31, 2024
Current debt	$ 11,310	$ 11,163
Long-term debt	84,474	86,804
Cash and cash equivalents	(100,333)	(74,372)
Deferred financing costs related to the Credit Facilities	2,805	3,207
Net debt	**$ (1,744)**	**$ 26,802**
Trailing 12 months Adjusted EBITDA	$ 155,573	$ 159,461
Net leverage ratio	**(0.0)x**	**0.2x**

WORKING CAPITAL

As of March 31, 2025 and December 31, 2024, the Company had working capital as follows:

(unaudited in thousands of US Dollars)	March 31, 2025	December 31, 2024
Cash and cash equivalents	$ 100,333	$ 74,372
Accounts receivable	42,037	41,270
Inventories, net	134,009	131,813
Other current assets	13,057	9,246
Accounts payable and accrued liabilities	(61,208)	(60,005)
Provisions	(7,145)	(6,252)
Current debt	(11,310)	(11,163)
Contract liabilities	(1,334)	(626)
Other current liabilities	(9,539)	(2,858)
Working capital	**$ 198,900**	**$ 175,797**

LIQUIDITY

As of March 31, 2025 and December 31, 2024, the Company had liquidity as follows:

(unaudited in thousands of US Dollars)	March 31, 2025	December 31, 2024
Cash and cash equivalents	$ 100,333	$ 74,372
ABL Facility undrawn borrowing capacity	80,000	80,000
Liquidity	**$ 180,333**	**$ 154,372**

FREE CASH FLOW

For three months ended March 31, 2025 and 2024 the Company had free cash flow as follows:

	For the three months ended March 31,	
(unaudited in thousands of US Dollars)	2025	2024
Cash flows from operating activities	$ 31,527	$ 21,555
Cash flows used by investing activities	(194)	(3,868)
Free cash flow	**$ 31,333**	**$ 17,687**

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 ended March 31, 2025 and 2024, 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:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,*			
		2025		**2024**
Revenues	**$**	**128,292**	**$**	**122,838**
Cost of goods sold		96,464		83,837
Depreciation and depletion		(10,238)	$	(8,926)
Cash costs	**$**	**86,226**	**$**	**74,911**
Cash margin	**$**	**42,066**	**$**	**47,927**
Sales volumes (tonnes P_2O_5)[i]		**93,366**		**91,094**
Revenues per tonne P_2O_5	$	1,374	$	1,348
Cash costs per tonne P_2O_5	$	924	$	822
Cash margin per tonne P_2O_5	$	450	$	526

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 ended March 31, 2025 and 2024 Arraias had revenues, cash costs and cash margin as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended March 31,*			
		2025		**2024**
Revenues	**$**	**7,448**	**$**	**5,168**
Less: Sulfuric acid		6,938		5,069
Revenues excluding Sulfuric acid	**$**	**510**	**$**	**99**
Cost of goods sold		5,236		4,726
Depreciation and depletion		(614)		(701)
Cash costs	**$**	**4,622**	**$**	**4,025**
Less: Sulfuric acid		4,361		3,991
Cash costs excluding Sulfuric acid	**$**	**261**	**$**	**34**
Cash margin	**$**	**2,826**	**$**	**1,143**
Cash margin excluding Sulfuric acid	**$**	**249**	**$**	**65**
Sales volumes (tonnes P_2O_5)[i]		**1,135**		213
Revenues per tonne P_2O_5	$	449	$	465
Cash costs per tonne P_2O_5	$	230	$	160
Cash margin per tonne P_2O_5	$	219	$	305

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 ended March 31, 2025 and 2024, the Company had corporate selling, general and administrative expenses as follows:

	For the three months ended March 31,	
(unaudited in thousands of US Dollars)	**2025**	**2024**
Selling, general and administrative expenses	$ 5,972	$ 5,822
Share-based payments expense	(2,497)	(422)
Corporate selling, general and administrative expenses	**$ 3,475**	**$ 5,400**

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 including receiving the final two payments in connection with the sale 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 March 31, 2025, 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 AND JUDGMENTS

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 March 31, 2025, 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.

12. OTHER DISCLOSURES

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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