Management's Discussion and Analysis of Operations and Financial Condition
For the three and six months ended June 30, 2026 and 2025
August 5, 2026

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1. INTRODUCTORY NOTES

GENERAL INFORMATION

This management's discussion and analysis of operations and financial condition for the three and six months ended June 30, 2026 (the "MD&A") is as of August 5, 2026 and should be read in conjunction with the Company's:

- unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2026 (the "Interim Financial Statements");
- audited consolidated financial statements for the year ended December 31, 2025 (the "2025 Consolidated Financial Statements");
- management's discussion and analysis of operations and financial condition for the year ended December 31, 2025 (the "2025 MD&A"); and
- annual information form for the year ended December 31, 2025 (the "2025 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"), number of deferred share units ("DSUs") and as otherwise noted.

This MD&A includes both numbers from the Interim Financial Statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") 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 Accounting Standards 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, IFRS measures of financial performance. Definitions and reconciliations of non-IFRS measures to the most directly comparable IFRS measures are included in Section 8 of this MD&A. Unless otherwise described, these non-IFRS measures are calculated consistently from period to period.

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”), and merchant grade phosphoric acid (“MGA”); and
  – approximately 27kt per year of hydrofluorosilicic acid (“HFSA”);
- Arraias – a vertically integrated phosphate fertilizer business located in Tocantins, Brazil with the following production targets (following the proposed restart of the beneficiation circuit):
  – approximately 275kt per year of single superphosphate (“SSP”), partially acidulated phosphate rock (“PAPR”) and direct application phosphate rock (“DAPR”);
    – approximately 170kt per year of SSP, 60kt per year of PAPR and 45kt per year of DAPR;
  – 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 with operations in the United States, Brazil and Guinea-Bissau. The Company’s shares trade on the Canadian TSX Venture Exchange (“TSX-V”) under the ticker symbol “IFOS”. The Company’s shares also trade in the US on the OTCQX® Best Market (“OTCQX”) under the ticker symbol “ITFS”. 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 June 30, 2026 and December 31, 2025 the Company had 194,780,281 and 193,234,714 shares of common stock outstanding, respectively (see Note 6 in the Interim Financial Statements). As of August 5, 2026, the Company had 194,780,281 shares of common stock and 2,466,357 RSUs outstanding. As of June 30, 2026 and December 31, 2025, 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]	27.9Mt at avg. 24.7% P_2O_5	(Mineral Reserves are to be re-estimated in H2 2026)	43.8Mt at avg. 30.0% P_2O_5	Under review
Measured and Indicated Mineral Resources[iv,v]	39.0Mt at avg. 24.7% P_2O_5	1.5Mt at avg. 17.4% P_2O_5 (Breccia) 0.6Mt at avg 12.0% P_2O_5 (Conglomerate)	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. 24.7% P_2O_5	2.4Mt at avg. 15.4% P_2O_5 (Breccia) 0.6Mt at avg 12.0 P2O (Conglomerate)	31.1Mt at avg. 28.1% P_2O_5	26.6Mt at avg. 5.6% P_2O_5
Mine life[iv]	Through mid-2037	About 14 years	25 years	Under review
Products	MAP, MAP+, SPA, MGA, and HFSA	SSP, SSP+ excess sulfuric acid, DAPR, PAPR, and G-PAPR	Phosphate rock	SSP and excess sulfuric acid
Annual production capacity	550kt MAP, MAP+, SPA, MGA, and 27kt HFSA	45Kt DAPR, 60Kt PAPR And 170Kt 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 Husky 1 ("H1") and North Dry Ridge ("NDR").

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. During Q2 2024, the acidulation plant was restarted for the production and sale of PAPR. During Q2 2025, the granulation plant was restarted for the production and sale of G-PAPR. The remainder of Arraias' operations, including part of the beneficiation plant remain idled following best practices. Arraias's measured, indicated mineral resources, and inferred mineral resources consider Domingos, Cana Brava, Coite and Near Mine deposits. New mineral resources estimates consider the breccia and conglomerate units, and not the siltstone units reported in 2013. The mineral resources now only include the breccia and conglomerate units and have downgraded the siltstone units to non-resource. The Mineral Reserves have not yet been revised since the disruption in business operations in 2018, which included technical issues with the material plant feed and plant performance with the siltstone units, though the intent is to re-estimate the Mineral Reserves in the second half of 2026.

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. The mineral reserves and resources associated with the Rasmussen Valley Mine ("RVM") in the Conda Technical report have been excluded from the totals as that mine was completed during 2025. The mineral reserves previously reported for Arraias have not been revised since the disruption in business operations in 2018 and have been classified as "under review" since 2021. Itafos intends to re-estimate mineral reserves for Arraias in H2 2026. The current PEA does not support mineral reserves. Upon completion of the current drilling program, Itafos will update the mineral reserve estimate to include only the breccia and conglomerate units which can be processed, while excluding the siltstone units which cannot be processed in the current process plant design and capacity. 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 "NI 43-101 Technical Report Preliminary Economic Assessment Arraias Phosphate Operations, Tocantins, Brazil" with an effective date of January 30, 2026 (the "Arraias Technical Report") as announced in the Company news releases dated January 27, 2026 and February 9, 2026;
- 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 (collectively with the Conda, Arraias and Farim technical reports, the "Technical Reports").

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 2025 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 June 30, 2026

For the three months ended June 30, 2026, 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 ("TRIFR")[1] of 0.53;
- generated revenues of $144,006;
- MAP New Orleans ("NOLA") prices averaged $857/t ($778/st) compared to $760/t ($690/st) in 2025, up 13% year-over-year. Global and domestic phosphate prices moved higher due to reduced global phosphate supply, caused by materially higher raw material costs impacted by the conflict in Iran. Higher phosphate prices have resulted in reduced global and domestic demand for phosphate products;
- generated Adjusted EBITDA[2] of $17,843;
- recorded net loss of $(5,621);
- recorded basic loss[2] of Canadian dollars ("C$") C$(0.04)/share;
- generated free cash flow[2] of $10,670;
- repaid $2,642 of debt, including $2,500 of principal under the Company's $100,000 term loan and $30,000 letter credit facility (the "Amended Term Loan Agreement"); and
- on May 14, 2026, the Company entered into an amendment to its sulfuric acid supply contract with Rio Tinto, continuing its long-term relationship with its US copper producer Kennecott, a key supplier of a primary raw material required to produce its phosphate products manufactured at Conda.

For the six months ended June 30, 2026

For the six months ended June 30, 2026, the Company's key highlights were as follows:

- sustained EHS performance, including no reportable environmental releases and two recordable incidents, which resulted in a consolidated TRIFR[1] of 0.53;
- generated revenues of $286,226;
- MAP NOLA prices averaged $794/t ($721/st) compared to $709/t ($643/st) in 2025, up 12% year-over-year. Global and domestic phosphate prices moved higher due to reduced global phosphate supply, caused by materially higher raw material costs impacted by the conflict in Iran. Higher phosphate prices have resulted in reduced global and domestic demand for phosphate products;
- generated Adjusted EBITDA[2] of $36,221;
- recorded net loss of $(3,893);
- recorded basic loss[2] of C$(0.03)/share;
- generated free cash flow[2] of $(6,051);
- repaid $5,400 of debt, including $5,000 of principal under the Company's Amended Term Loan Agreement;
- on January 16, 2026, the Company announced the appointment of Joseph McConnell to the Company's Board of Directors and the resignation of Isaiah Toback. Mr. McConnell replaced Isaiah Toback as a nominee to the Company's Board of Directors by its principal shareholder, CLF;

[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 for additional information on non-IFRS measures).

- on February 9, 2026, the Company filed the Arraias Technical Report, which provides for an updated mineral resource estimate and the results of a preliminary economic assessment ("PEA") for the phosphate operation at Arraias; and
- on May 14, 2026, the Company entered into an amendment to its sulfuric acid supply contract with Rio Tinto, continuing its long-term relationship with its US copper producer Kennecott, a key supplier of a primary raw material required to produce its phosphate products manufactured at Conda.

FINANCIAL HIGHLIGHTS

For the three and six months ended June 30, 2026

For the three and six months ended June 30, 2026 and 2025, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended June 30,* 2026	2025	% change	*For the six months ended June 30,* 2026	2025	% change
Revenues	$ 144,006	$ 126,795	14%	$ 286,226	$ 262,535	9%
Gross margin	3,063	32,530	(91%)	16,728	66,570	(75%)
Adjusted EBITDA[i]	17,843	31,827	(44%)	36,221	71,106	(49%)
Net income (loss)	(5,621)	24,819	(123%)	(3,893)	60,690	(106%)
Basic earnings (loss) ($/share)	$ (0.03)	$ 0.13	(123%)	$ (0.02)	$ 0.31	(106%)
Basic earnings (loss) (C$/share)[i,ii]	$ (0.04)	$ 0.18	(122%)	$ (0.03)	$ 0.44	(107%)
Diluted earnings (loss) ($/share)	$ (0.03)	$ 0.13	(123%)	$ (0.02)	$ 0.31	(106%)
Diluted earnings (loss) (C$/share)[i,ii]	$ (0.04)	$ 0.18	(122%)	$ (0.03)	$ 0.44	(107%)
Maintenance capex[i]	$ 14,269	$ 11,940	20%	$ 16,276	$ 12,435	31%
Growth capex[i]	16,312	16,868	(3%)	26,945	26,294	2%
Total capex[i]	**$ 30,581**	**$ 28,808**	**6%**	**$ 43,221**	**$ 38,729**	**12%**
Free cash flow[i]	$ 10,670	$ 10,776	(1%)	$ (6,051)	$ 42,109	(114%)

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).
ii. For the three months ended June 30, 2026 and 2025, the average exchange rates were C$1.3843 and C$1.3841, respectively. For the six months ended June 30, 2026 and 2025, the average exchange rates were C$1.3781 and C$1.4094, respectively.

For the three months ended June 30, 2026 and 2025, the Company's financial highlights were explained as follows:

Item	Q2 2026 vs Q2 2025
Revenues	Increased primarily due to higher MAP and SPA realized prices at Conda coupled with higher sulfuric acid realized prices and fertilizer sales volumes at Arraias
Gross Margin	Decreased due to materially higher sulfur costs and sulfuric acid costs at Conda and Arraias
Adjusted EBITDA[i]	Decreased primarily due to the same factors that resulted in lower gross margin
Net income (loss)	Decreased primarily due to the same factors that resulted in lower gross margin in Q2 2026, coupled with the fair value gain on investments recorded in Q2 2025 and higher finance expense, which were partially offset by lower income tax expense in Q2 2026
Basic earnings (loss) (C$/share)[i]	Decreased primarily due to the same factors that resulted in lower net income
Maintenance capex[i]	Increased due to a planned sulfuric acid plant turnaround and preventive maintenance activities related to the acidulation and granulation plants at Arraias
Growth capex[i]	Decreased marginally due to activities related to the Fertilizer Restart Program in Q2 2025, which were partially offset by development activities at Conda related primarily to the MgO reduction initiatives and Arraias related primarily to the pre-stripping activities at Domingos mine pit
Free cash flow[i]	Slightly decreased primarily due to lower cash flows from operating activities driven by higher sulfur and sulfuric acid costs that lowered Adjusted EBITDA and working capital movements, which was partially offset by lower cash maintenance capex

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

For the six months ended June 30, 2026 and 2025, the Company's financial highlights were explained as follows:

Item	H1 2026 vs H1 2025
Revenues	Increased primarily due to higher MAP and SPA realized prices at Conda coupled with higher sulfuric acid realized prices and fertilizer sales volumes at Arraias, which were partially offset by lower SPA sales volumes at Conda
Gross Margin	Decreased due to materially higher sulfur costs and sulfuric acid costs at Conda and Arraias
Adjusted EBITDA[i]	Decreased primarily due to the same factors that resulted in lower gross margin and higher selling, general and administrative expenses
Net income (loss)	Decreased primarily due to the same factors that resulted in lower gross margin in H1 2026, the gain on the sale of the Araxá project recorded in H1 2025, the fair value gain on investments recorded in H1 2025 and higher finance expense, which were partially offset by lower income tax expense
Basic earnings (loss) (C$/share)[i]	Decreased primarily due to the same factors that resulted in lower net income
Maintenance capex[i]	Increased due to a planned sulfuric acid plant turnaround and preventive maintenance activities related to the acidulation and granulation plants at Arraias
Growth capex[i]	Increased marginally due to development activities at Conda related primarily to the MgO reduction initiatives, which were partially offset by prior year H1/NDR activities that are now complete, and Arraias related primarily to the pre-stripping activities at Domingos mine pit, which were partially offset by activities related to the Fertilizer Restart Program in H1 2025
Free cash flow[i]	Decreased primarily due to higher growth capex and lower cash flows from operating activities driven by higher sulfur and sulfuric acid costs that lowered Adjusted EBITDA and working capital movements; and proceeds received from the sale of the Araxá project during H1 2025

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

As of June 30, 2026

As of June 30, 2026 and December 31, 2025, the Company's financial highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	June 30, 2026	December 31, 2025	% change
Total assets	$ 826,956	$ 838,038	(1%)
Total liabilities	392,115	403,003	(3%)
Total equity	434,841	435,035	(0%)
Net debt[i]	$ 31,226	$ 19,505	60%
Trailing 12 months Adjusted EBITDA[i]	$ 123,815	$ 158,700	(22%)
Net leverage ratio[i]	0.3x	0.1x	200%

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

As of June 30, 2026 and December 31, 2025, the Company's financial highlights were explained as follows:

Item	June 30, 2026 vs December 31, 2025
Total assets	Decreased primarily due to lower cash and cash equivalents, inventories, accounts receivable, and other long-term assets, which were partially offset by higher property, plant and equipment related to the MgO reduction project activities at Conda and higher deferred tax assets
Total liabilities	Decreased primarily due to lower other current liabilities, long-term debt, long-term provisions and other long-term liabilities, which were partially offset by higher accounts payable and accrued liabilities, provisions and contract liabilities
Total equity	Slightly decreased due to the net loss recorded during the period, which was partially offset by the issuance of shares under the RSU Plan
Net debt[i]	Increased primarily due to lower cash and cash equivalents, which was partially offset by lower debt
Trailing 12 months Adjusted EBITDA[i]	Decreased due to the same factors that resulted in lower Adjusted EBITDA in H1 2026
Net leverage ratio[i]	Increased due to higher net debt and lower trailing 12 months Adjusted EBITDA

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

BUSINESS HIGHLIGHTS

EHS

For the three months ended June 30, 2026 and 2025

For the three months ended June 30, 2026 and 2025, the Company's EHS highlights were as follows:

	For the three months ended June 30, 2026			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	1	—	—	1

	For the three months ended June 30, 2025			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	2	—	—	2

For the six months ended June 30, 2026 and 2025

For the six months ended June 30, 2026 and 2025, the Company's EHS highlights were as follows:

	For the six months ended June 30, 2026			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	2	—	—	2

	For the six months ended June 30, 2025			
	Conda	**Arraias**	**Farim**	**Consolidated**
Reportable environmental releases	—	—	—	—
Recordable incidents	2	—	—	2

As of June 30, 2026

As of June 30, 2026, the Company's TRIFR were as follows:

	Conda	**Arraias**	**Farim**	**Consolidated**
TRIFR[i]	0.55	0.55	0.00	0.53

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 and six months ended June 30, 2026 and 2025, Conda's business highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended June 30,* 2026	2025	% change	*For the six months ended June 30,* 2026	2025	% change
Production volumes (tonnes)						
MAP	95,609	89,849	6%	206,467	189,659	9%
MAP+	—	3,908	n/m	5,300	3,908	36%
SPA[ii]	29,589	30,764	(4%)	57,346	69,867	(18%)
MGA[ii]	—	596	n/m	106	792	(87%)
HFSA	1,240	1,467	(15%)	2,824	2,892	(2%)
Production volumes (tonnes)	**126,438**	**126,584**	**(0%)**	**272,043**	**267,118**	**2%**
Production volumes (tonnes P_2O_5)[i]	**79,306**	**79,606**	**(0%)**	**166,882**	**170,806**	**(2%)**
Sales volumes (tonnes)						
MAP	99,486	94,950	5%	214,814	196,368	9%
MAP+	2,868	5,868	(51%)	9,005	10,793	(17%)
SPA[ii]	30,047	30,947	(3%)	56,841	69,459	(18%)
MGA[ii]	—	596	n/m	106	792	(87%)
HFSA	1,118	1,357	(18%)	2,816	2,992	(6%)
Sales volumes (tonnes)	**133,519**	**133,718**	**(0%)**	**283,582**	**280,404**	**1%**
Sales volumes (tonnes P_2O_5)[i]	**82,898**	**83,206**	**(0%)**	**172,162**	**176,572**	**(2%)**
Realized price ($/tonne)[iii]						
MAP	$ 793	$ 699	13%	$ 766	$ 694	10%
MAP+	818	778	5%	763	776	(2%)
SPA[ii]	1,504	1,415	6%	1,484	1,393	7%
MGA[ii]	—	1,465	n/m	1,698	1,455	17%
HFSA	547	769	(29%)	496	768	(35%)
Revenues ($)						
MAP	$ 78,852	$ 66,363	19%	$ 164,606	$ 136,338	21%
MAP+	2,345	4,568	(49%)	6,870	8,370	(18%)
SPA	45,197	43,800	3%	84,360	96,754	(13%)
MGA	24	873	(97%)	180	1,152	(84%)
APP	—	—	n/m	—	28	n/m
HFSA	611	1,044	(41%)	1,398	2,298	(39%)
Revenues	**$ 127,029**	**$ 116,648**	**9%**	**$ 257,414**	**$ 244,940**	**5%**
Revenues per tonne P_2O_5[i, iii]	**$ 1,532**	**$ 1,402**	**9%**	**$ 1,495**	**$ 1,387**	**8%**
Cash costs[iii]	**$ 108,384**	**$ 82,612**	**31%**	**$ 215,549**	**$ 168,838**	**28%**
Cash costs per tonne P_2O_5[i, iii]	**$ 1,307**	**$ 993**	**32%**	**$ 1,252**	**$ 956**	**31%**
Cash margin[iii]	**$ 18,645**	**$ 34,036**	**(45%)**	**$ 41,865**	**$ 76,102**	**(45%)**
Cash margin per tonne P_2O_5[i, iii]	**$ 225**	**$ 409**	**(45%)**	**$ 243**	**$ 431**	**(44%)**
Adjusted EBITDA[iii]	$ 17,568	$ 32,882	(47%)	$ 39,641	$ 73,787	(46%)
Maintenance capex[iii]	$ 10,601	$ 11,877	(11%)	$ 12,255	$ 12,324	(1%)
Growth capex[iii]	14,805	13,627	9%	24,678	21,299	16%
Total capex[iii]	**$ 25,406**	**$ 25,504**	**(0%)**	**$ 36,933**	**$ 33,623**	**10%**

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

For the three months ended June 30, 2026 and 2025, Conda's business highlights were explained as follows:

Item	Q2 2026 vs Q2 2025
Production volumes (tonnes P_2O_5)	Remained consistent year-over-year with higher MAP production offset by lower SPA production
Sales volumes (tonnes P_2O_5)	Remained consistent year-over-year with higher MAP sales volumes offset by slightly lower SPA sale volumes
Revenues	Increased primarily due to higher realized prices for MAP and SPA products
Cash margin per tonne P_2O_5[i]	Decreased primarily due to substantially higher sulfur and sulfuric acid costs resulting from global sulfur market dynamics, which were partially offset by higher realized prices
Adjusted EBITDA[i]	Decreased primarily due to lower cash margin per tonne P_2O_5
Maintenance capex[i]	Decreased primarily due to timing of plant projects, with turnaround costs generally consistent year-over-year
Growth capex[i]	Increased due to development activities related primarily to the MgO Reduction Project

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

For the six months ended June 30, 2026 and 2025, Conda's business highlights were explained as follows:

Item	H1 2026 vs H1 2025
Production volumes (tonnes P_2O_5)	Decreased primarily due to a shift in production mix to MAP from SPA
Sales volumes (tonnes P_2O_5)	Decreased primarily due to a shift in sales mix to MAP from SPA
Revenues	Increased primarily due to higher realized prices for MAP and SPA products, which were partially offset by impact of sales volumes mix
Cash margin per tonne P_2O_5[i]	Decreased primarily due to substantially higher sulfur and sulfuric acid costs resulting from global sulfur market dynamics, which were partially offset by higher realized prices
Adjusted EBITDA[i]	Decreased primarily due to lower cash margin per tonne P_2O_5 and lower tonnes P_2O_5 sold
Maintenance capex[i]	Remained relatively consistent year-over-year
Growth capex[i]	Increased due to development activities related primarily to the MgO Reduction Project, which were partially offset by prior year H1/NDR activities that are now complete

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

Mine Life Extension

For the three and six months ended June 30, 2026, the Company advanced activities related to the extension of Conda's mine life as follows:

- successfully commenced regular loading of ore trains from the H1/NDR tipple to the plant , which ensures ore continuity for the 2026 shipping and production season and beyond; and
- advanced engineering and construction activities for the new processing facility designed to lower the magnesium content of the ore from the H1/NDR mines to maintain P_2O_5 production capacity at the plant (the "MgO Reduction Project").

Exploration and Appraisal Program at Conda

As H1/NDR mining activities continue, the Company is focused on identifying and pursuing opportunities to add resources and reserves to Conda to extend mine life beyond the current Conda Technical Report estimate of mid-2037. To pursue this objective, the Company has commenced a multi-year, multi-lease exploration, resource evaluation and permitting program at Conda with an expected annual cost of approximately $6,000 to $8,000.

Activities in the first half of the year focused on planning, preparation, and initial drilling activities, which will continue to peak into Q3 2026. Drilling activities will include in-fill drilling to further define reserves at Husky 1, initial resource delineation drilling on the Dry Ridge lease to generate initial resource models, and core drilling of the Husky 3 and Husky 4 leases to identify site geology and characterize the resource. Geologic evaluation and permitting activities also advanced during the quarter.

Environmental Protection

In 2003, the US Environmental Protection Agency ("EPA"), began investigating the phosphate fertilizer industry as part of its National Enforcement Initiative regarding the mineral processing industry. The purpose of the National Enforcement Initiative is to ensure that waste resulting from mineral processing is managed in accordance with regulations under the US Resource Conservation and Recovery Act.

In 2018, the Company acquired Conda from subsidiaries of Agrium, Inc., a wholly-owned subsidiary of Nutrien, by way of an asset purchase agreement. Prior to the Company's acquisition of Conda, Nutrien subsidiaries received notices of violations ("NOVs") as a result of the National Enforcement Initiative related to several of its phosphate fertilizer operations, including Conda. Nutrien has been negotiating with the EPA and the Idaho Department of Environmental Quality ("IDEQ") to resolve the NOVs. As current owner of Conda, the Company has also been involved in such negotiations since acquiring Conda in 2018 and will be a party to the settlement agreements with the EPA and the IDEQ that are contemplated to resolve these NOVs.

During Q1 2026, Itafos Conda LLC, a subsidiary of the Company, entered into a consent order (the "Consent Order") with the IDEQ in connection with the efforts to resolve the NOVs with the EPA in respect of the Conda phosphate operations facility. The Consent Order addresses historical findings of groundwater impacts at the facility, including exceedances of applicable groundwater quality standards identified through prior regulatory investigations and monitoring programs. Pursuant to the Consent Order, among other things, the Company and Nutrien are required to implement and maintain certain monitoring, reporting and best management practices, and, if necessary, implement in the future remedial actions to address groundwater contamination that may migrate off-site as directed by IDEQ. The Company has been undertaking, and will continue to undertake, improvement and mitigation measures at the facility consistent with these requirements. The Company believes that the obligations under the Consent Order will not have a material adverse effect on the Company's business, financial condition or results of operations. The Company continues to be involved in the negotiations with the EPA to resolve the NOVs in respect of the Conda phosphate operations facility.

Sulfuric Acid Amended Agreement

On May 14, 2026, the Company entered into an amendment to its long-term sulfuric acid supply agreement with Rio Tinto Kennecott, a key supplier of sulfuric acid for the Company's Conda phosphate production facility in Idaho.

Under the amended agreement, which is effective from May 1, 2026 through December 31, 2029, the pricing mechanism for sulfuric acid purchases was modified by changing the reference index from the Vancouver sulfuric acid index to the Tampa sulfuric acid index. The parties also agreed to an adjusted sulfuric acid pricing structure through December 31, 2029 to reduce the impact of sulfur price volatility experienced in recent years. In addition, the amended agreement provides greater flexibility for incremental sulfuric acid volumes, subject to supplier availability.

Historically, the Conda facility has sourced approximately 60% of its sulfuric acid requirements from Rio Tinto Kennecott, and the Company expects to continue purchasing similar volumes under the amended agreement. Sulfuric acid is a critical raw material used in the production of phosphate fertilizers at the Conda facility.

Management expects the amended agreement to enhance the stability and predictability of sulfuric acid procurement while reducing the Company's exposure to commodity price volatility. The Company believes the agreement supports operational continuity at the Conda facility and strengthens its long-standing relationship with a strategic supplier.

Planned Turnaround

In June 2026, the Company completed a planned turnaround at Conda. The underlying maintenance activities were completed on schedule and within budget, with one recordable injury and no environmental incidents. Production has resumed as of June 30, 2026.

Arraias

Business Highlights

For the three and six months ended June 30, 2026 and 2025, Arraias' business highlights were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended June 30,* 2026	2025	% change	*For the six months ended June 30,* 2026	2025	% change
Production volumes (tonnes)						
DAPR[i]	69,439	34,176	103%	72,439	35,797	102%
PAPR[i]	29,586	31,379	(6%)	29,586	33,259	(11%)
G-PAPR	15,753	2,471	538%	15,753	2,471	538%
Excess sulfuric acid[i]	15,494	29,658	(48%)	51,163	66,948	(24%)
Production volumes (tonnes)	**130,272**	**97,684**	33%	**168,941**	**138,475**	22%
Production volumes (tonnes P_2O_5)[iii]	**16,494**	**10,194**	62%	**16,854**	**10,727**	57%
Sales volumes (tonnes)						
DAPR	21,206	14,676	44%	24,585	19,184	28%
PAPR	16,894	15,043	12%	18,418	18,344	0%
G-PAPR	11,791	2,417	388%	14,274	2,417	491%
Excess sulfuric acid	15,494	31,219	(50%)	51,163	67,708	(24%)
Sales volumes (tonnes)	**65,386**	**63,355**	3%	**108,440**	**107,653**	1%
Sales volumes (tonnes P_2O_5)[iv]	**7,708**	**4,904**	57%	**8,835**	**6,039**	46%
Realized price ($/tonne)[ii]						
DAPR	$ 54	$ 37	46%	$ 53	$ 38	39%
PAPR	159	123	30%	159	118	35%
G-PAPR	179	139	29%	176	139	27%
Excess sulfuric acid	712	238	200%	431	212	103%
Revenues ($)						
DAPR	$ 1,137	$ 546	108%	$ 1,305	$ 734	78%
PAPR	2,694	1,847	46%	2,929	$ 2,169	35%
G-PAPR	2,112	335	530%	2,516	$ 335	651%
Excess sulfuric acid	11,034	7,419	49%	22,062	$ 14,357	54%
Revenues	**$ 16,977**	**$ 10,147**	**67%**	**$ 28,812**	**$ 17,595**	**64%**
Revenues excluding excess sulfuric acid	**$ 5,943**	**$ 2,728**	**118%**	**$ 6,750**	**$ 3,238**	**108%**
Revenues per tonne P_2O_5[ii,iv]	**$ 771**	**$ 556**	**39%**	**$ 764**	**$ 536**	**42%**
Cash costs[ii]	**$ 11,283**	**$ 5,838**	**93%**	**$ 20,889**	**$ 10,460**	**100%**
Cash costs excluding excess sulfuric acid	**$ 4,001**	**$ 1,513**	**164%**	**$ 4,548**	**$ 1,774**	**156%**
Cash costs per tonne P_2O_5[ii,iv]	**$ 519**	**$ 309**	**68%**	**$ 515**	**$ 294**	**75%**
Cash margin[ii]	**$ 5,694**	**$ 4,309**	**32%**	**$ 7,923**	**$ 7,135**	**11%**
Cash margin excluding excess sulfuric acid	**$ 1,942**	**$ 1,215**	**60%**	**$ 2,202**	**$ 1,464**	**50%**
Cash margin per tonne P_2O_5[ii,iv]	**$ 252**	**$ 247**	**2%**	**$ 249**	**$ 242**	**3%**
Adjusted EBITDA[ii]	$ 4,748	$ 3,438	38%	$ 6,157	$ 5,422	14%
Maintenance capex[ii]	$ 3,648	$ 63	5690%	$ 3,998	$ 111	3502%
Growth capex[ii]	648	2,835	(77%)	1,074	4,575	(77%)
Total capex[ii]	**$ 4,296**	**$ 2,898**	**48%**	**$ 5,072**	**$ 4,686**	**8%**

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

For the three months ended June 30, 2026 and 2025, Arraias' business highlights were explained as follows:

Item	Q2 2026 vs Q2 2025
Excess sulfuric acid production volumes (tonnes)	Decreased due to a planned sulfuric acid plant turnaround and higher internal sulfuric acid consumption in the acidulation process, which reduced excess volumes available for sale compared to Q2 2025
Excess sulfuric acid sales volumes (tonnes)	Decreased due to lower sulfuric acid production
Production volumes (tonnes P_2O_5)	Increased due to higher demand for fertilizer products and a full quarter of G-PAPR production compared to the prior year. The restart of the granulation plant to produce G-PAPR was completed in Q2 2025
Sales volumes (tonnes P_2O_5)	Increased due to higher production volumes combined with higher demand for fertilizer products, primarily G-PAPR
Adjusted EBITDA[i]	Increased due to higher realized prices and higher sales volumes (tonnes P_2O_5), which were partially offset by higher sulfur costs
Maintenance capex[i]	Increased due to a planned sulfuric acid plant turnaround and preventive maintenance activities related to the acidulation and granulation plants
Growth capex[i]	Decreased primarily due to reduced activities related to the Fertilizer Restart Program in Q2 2025, which were partially offset by pre-stripping activities at Domingos mine pit in Q2 2026

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

For the six months ended June 30, 2026 and 2025, Arraias' business highlights were explained as follows:

Item	H1 2026 vs H1 2025
Excess sulfuric acid production volumes (tonnes)	Decreased due to a planned sulfuric acid plant turnaround and higher internal sulfuric acid consumption by the acidulation process, which reduced excess volumes available for sale compared to H1 2025
Excess sulfuric acid sales volumes (tonnes)	Decreased due to lower sulfuric acid production
Production volumes (tonnes P_2O_5)	Increased due to higher demand for fertilizer products and a full quarter of G-PAPR production compared to the prior year. The restart of the granulation plant to produce G-PAPR was completed in Q2 2025
Sales volumes (tonnes P_2O_5)	Increased due to higher production volumes combined with higher demand for fertilizer products, primarily G-PAPR
Adjusted EBITDA[i]	Increased due to higher realized prices and higher sales volumes (tonnes P_2O_5), which were partially offset by higher sulfur costs
Maintenance capex[i]	Increased due to a planned sulfuric acid plant turnaround and preventive maintenance activities related to the acidulation and granulation plants
Growth capex[i]	Decreased primarily due to activities related to the Fertilizer Restart Program in H1 2025 (including the granulation plant recommissioning and the improvement in the storage capacity), which were partially offset by pre-stripping activities at Domingos mine pit in H1 2026

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

Sulfuric Acid Plant

Arraias' sulfuric acid plant has a production capacity of 220,000 tonnes per year. During H1 2026, Arraias maintained a consistent average production rate of 9,297 tonnes per month, compared to 12,341 tonnes per month during H1 2025. Production decreased year-over-year due to the sulfuric acid plant turnaround conducted and completed in Q2 2026. Arraias has secured long-term sulfuric acid offtake agreements with various local customers covering a significant portion of its base load capacity, with pricing linked to sulfur benchmarks. Based on market demand and sulfuric acid plant availability, the Company produces incremental 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").

Fertilizer Restart Program

For the three and six months ended June 30, 2026, the Company advanced activities related to the Fertilizer Restart Program at Arraias as follows:

- On January 27, 2026, the Company announced the results of the updated PEA for Arraias, reflecting the positive outcomes of the Fertilizer Restart Program initiated in 2020. The completion of this work supported the decision to proceed with the resumption of the wet beneficiation process at Arraias, supporting the planned restart of SSP production in 2027;
- During Q1 2026, the Company advanced pre-stripping activities at the Domingos pit in preparation for the 2026 production season; and
- During H1 2026, the Company carried out comprehensive preventive maintenance activities at its acidulation and granulation plants in preparation for the 2026 production and sales season.

Idling

For the three and six months ended June 30, 2026, the remainder of Arraias' operations, including the tailings dam and part of the beneficiation plant continues to be idled following best practices. The Company does not intend to utilize the tailings dam in the foreseeable future. The Company intends to re-start the beneficiation plant as part of the production of SSP in 2027.

Dutch Tax Assessment

During 2025, the Company received assessments from the Dutch tax authorities in the aggregate amount of Euro 2,557 (approximately $2,917) in respect of 2020, 2021, 2022 and 2023 income taxes related to its Dutch holding structure for the Company's Brazilian subsidiaries. During 2022 and 2023, the Company received assessments in respect of 2016, 2017, 2018 and 2019 income taxes in the aggregate amount of Euro 7,244 (approximately $8,263). 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 Euro 9,801 (approximately $11,180).

Development and Exploration

Farim

For the three and six months ended June 30, 2026, the Company maintained Farim in a construction-ready state and continues to work on studies to evaluate future development opportunities. Resource and metallurgical drilling activities of the Farim project are being conducted and are expected to be completed in Q3 2026. Samples obtained from this drilling program will be sent for testing to optimize the project's process and expected operations.

Other

For the three and six months ended June 30, 2026, the Company maintained the integrity of the concession of Santana.

Corporate

RSU Plan and DSU Plan

The Company granted 477,535 RSUs and 32,738 DSUs to directors and officers effective as of March 26, 2026.

MARKET HIGHLIGHTS

For the three and six months ended June 30, 2026 and 2025, 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 June 30,* 2026	2025	% change	*For the six months ended June 30,* 2026	2025	% change
MAP NOLA[i,iv]	$ 857	$ 760	13%	$ 794	$ 709	12%
MAP NOLA ($/st)[i,iv]	778	690	13%	721	643	12%
Sulfur Vancouver[ii]	965	267	261%	743	230	223%
Sulfur Brazil[iii]	1,062	292	264%	791	253	213%
Sulfuric Acid Brazil[iii]	412	161	156%	298	154	94%

i. Average of Argus and Green Markets weekly average.
ii. Average of Argus weekly and Acuity average.
iii. Average of Argus weekly average.

For the three months ended June 30, 2026 and 2025, key phosphate fertilizer market indicators relevant to the Company's operations were explained as follows:

Item	Q2 2026 vs Q2 2025
MAP NOLA	Increased due to reduced global and domestic phosphate production, lower Chinese phosphate exports which were exacerbated by negative supply chain impacts resulting from the conflict in Iran. Lower supply was partially offset by lower global and domestic demand.
Sulfur Vancouver	Increased materially due to lower sulfur availability resulting from the conflict in Iran
Sulfur Brazil	Increased due the negative supply chain impacts resulting from the conflict in Iran
Sulfuric Acid Brazil	Increased due to higher raw material costs

For the six months ended June 30, 2026 and 2025, key phosphate fertilizer market indicators relevant to the Company's operations were explained as follows:

Item	H1 2026 vs H1 2025
MAP NOLA	Increased due to reduced global and domestic phosphate production, lower Chinese phosphate exports which were exacerbated by negative supply chain impacts resulting from the conflict in Iran. Lower supply was partially offset by lower global and domestic demand.
Sulfur Vancouver	Increased materially due to lower sulfur availability resulting from the conflict in Iran
Sulfur Brazil	Increased due the negative supply chain impacts resulting from the conflict in Iran
Sulfuric Acid Brazil	Increased due to higher raw material costs

For the three and six months ended June 30, 2026 and 2025, specific factors driving the year-over-year increase in MAP NOLA were as follows:

- global supply chain disruptions affecting fertilizers and associated raw materials resulting from the conflict in Iran;
- significantly reduced Chinese exports of Diammonium Phosphate ("DAP"), MAP and Nitrogen, Phosphorus, Potassium ("NPK") fertilizers due to expanded government-induced export restrictions;
- global phosphate production curtailments, particularly notable in Morrocco, the US and Russia, due to high priced or scarce raw sulphur inputs and the ongoing conflicts in Iran and Ukraine; and
- moderately stronger global demand, particularly from Africa and India, and decreased US retail demand due to the relative price of fertilizer inputs costs versus crop prices.

4. OUTLOOK

MARKET OUTLOOK

Phosphate fertilizer prices increased during Q2 2026 primarily driven by supply constraints stemming from the ongoing hostilities in Iran and the broader Middle East and the associated disruption in global trade resulting from the shutdown of the Strait of Hormuz. MAP NOLA prices exceeded $800 per short ton during Q2 2026, slightly above the highest levels seen during 2025 that had been influenced primarily by the U.S. import tariff policies.

Raw material prices have increased at materially higher rates and remained at higher levels relative to finished product prices, negatively impacting operating margins across the industry. Spot sulfur prices in Vancouver, Canada were approximately $500 per ton before the start of the conflict in Iran and the Middle East, having increased to levels above those seen during the Russia/Ukraine war in 2022 on increased demand in Asia for metals processing. Following the closure of the Strait of Hormuz, where approximately 45% of global supply passes, prices spiked above $1,000 per ton during Q2 2026 and have remained at these peak levels. Tampa, Florida Ammonia prices were approximately $625 per ton prior to the start of the conflict, up about 25% versus the prior year and then rose to $775 - $825 per ton during Q2 2026.

Higher input prices and the lack of availability of raw materials have driven a number of production curtailments, even among the largest phosphate producers in the world. According to public reports, OCP pulled forward maintenance operations at its facilities during the quarter and indications were that production rates were as low as 50% of operating capacity exiting Q2 2026. The Mosaic Company announced temporary curtailments of production at its Brazil and Louisiana facilities during the quarter and indicated that there would be further cutbacks in rate at sites in Florida, Louisiana and Brazil due to high sulfur prices.

China had announced that it will restrict phosphate fertilizer exports through August 2026. Total exports on a P_2O_5 basis were down approximately 54% through May 2026 on a year-over-year basis. The consensus among industry analysts is moving toward an expectation that China will extend the phosphate export ban through the end of 2026 which, if realized, will further negatively impact global supply.

The Trump administration issued an executive order in late Q2 2026 temporarily suspending the countervailing duties (“CVD”) on phosphate imports from Morocco that have been in place since 2021. The latest CVD rates were 16.8%. Subsequently during the ongoing sunset review, the Department of Commerce announced a preliminary determination that a revocation of the CVD would likely lead to a recurrence of a subsidy and proposed an updated rate of 20.04% on phosphate imports from Morocco. In addition, the Trump administration imposed tariffs of 10 to 12.5 percent on goods from over 80 countries under Section 301 of the Trade Act of 1974 to replace duties that had been struck down by the Supreme Court but provided broad exemptions for various products and raw materials. Netbacks to producers for phosphate exports to the US are more than $100 per ton less than many alternative international markets, so it is unclear how much, if any, this change in policy will impact phosphate supplies in the US.

Multiple ceasefires between US and Iranian forces have been announced since early Q2 2026, with varying degrees of temporary success. Following a ceasefire announced in June 2026, certain cargoes of phosphate and sulfur that had been bottlenecked in the Strait of Hormuz were able to make passage to international ports. However, the flow of trade remained well below historical levels, and the ceasefire was subsequently abandoned in July 2026 in response to attacks on vessels transiting the Strait of Hormuz.

The Company expects that supply chains will be disrupted, global supplies of fertilizers and associated raw material inputs will be limited, and commodity prices will be elevated in 2026 and potentially beyond.

Fertilizer affordability indexes continue to point towards lower demand from domestic farmers based on the relative cost of inputs versus prices received for crops. However, that ratio has begun to improve with corn, wheat and soybean prices increasing at the end of Q2 2026. In addition, an incremental $12 billion in farmer assistance spending passed the US House of Representatives in July 2026, potentially helping farmer income through the end of the year.

Looking ahead, the Company anticipates phosphate prices to remain at elevated levels through the remainder of 2026 primarily due to:

- continued supply chain and production issues related to the hostilities in Iran and other parts of the Middle East;
- ongoing phosphate fertilizer export restrictions from China; and
- phosphate supply curtailments from major global suppliers due to elevated cost and lack of supply of raw materials.

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.

On February 11, 2026, the Company announced its original guidance for 2026.

The Company revised its guidance for 2026 as follows:

(in millions of US Dollars except as otherwise noted)	*Projected* **FY 2026**
Sales Volumes (thousands of tonnes P_2O_5)[i]	340-355
Corporate selling, general and administrative expenses[ii]	$16-20
Maintenance capex[ii]	$23-28
Growth capex[ii]	$63-83
Environmental and asset retirement obligations payments	$25-30

i. Sales volumes reflect quantity P_2O_5 of Conda sales projections
ii. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

The Company's revised guidance for FY 2026 is explained as follows:

- increased the low end of sales volumes from 335 thousand tonnes P_2O_5 to 340 thousand tonnes P_2O_5 based on actual sales through the first half of the year; and
- lowered the high end of maintenance capex from $33,000 to $28,000 as we prudently review cash expenditures given the current market dynamics.

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;
- managing supply chain shocks that have negatively impacted operating margins;
- executing on the infrastructure and civil works required for the MgO Reduction Project at Conda;
- identifying opportunities to maximize value with overseas assets; and
- prudently identifying opportunities to return capital to shareholders.

5. SUMMARY OF QUARTERLY RESULTS

For the three months ended June 30, 2026, March 31, 2026 December 31, 2025, and September 30, 2025, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except as otherwise noted)		**June 30, 2026**		**March 31, 2026**		**December 31, 2025**		**September 30, 2025**
Revenues	$	144,006	$	142,220	$	142,615	$	152,823
Net income (loss)		(5,621)		1,728		19,223		36,218
Basic earnings (loss) ($/share)		(0.03)		0.01		0.10		0.19
Diluted earnings (loss) ($/share)		(0.03)		0.01		0.10		0.19
Total assets	$	826,956	$	819,369	$	838,038	$	818,919

For the three months ended June 30, 2025, March 31, 2025, December 31, 2024, and September 30, 2024, the Company's summary of quarterly results was as follows:

(unaudited in thousands of US Dollars except as otherwise noted)		**June 30, 2025**		**March 31, 2025**		**December 31, 2024**		**September 30, 2024**
Revenues	$	126,795	$	135,740	$	138,180	$	119,990
Net income		24,819		35,871		29,582		18,286
Basic earnings ($/share)		0.13		0.19		0.15		0.10
Diluted earnings ($/share)		0.13		0.18		0.15		0.09
Total assets	$	786,059	$	738,481	$	695,862	$	666,482

6. STATEMENTS OF OPERATIONS

For the three and six months ended June 30, 2026, and 2025 the Company's statements of operations were as follows:

(unaudited in thousands of US Dollars except as otherwise noted)	*For the three months ended June 30,* 2026	2025	% change	*For the six months ended June 30,* 2026	2025	% change
Revenues	$ 144,006	$ 126,795	14%	$ 286,226	$ 262,535	9%
Cost of goods sold	140,943	94,265	50%	269,498	195,965	38%
Gross margin	**$ 3,063**	**$ 32,530**	**(91%)**	**$ 16,728**	**$ 66,570**	**(75%)**
Selling, general and administrative expenses	6,430	7,723	(17%)	16,939	15,978	6%
Operating income (loss)	**$ (3,367)**	**$ 24,807**	**(114%)**	**$ (211)**	**$ 50,592**	**(100%)**
Foreign exchange gain (loss)	(353)	(481)	(27%)	650	(294)	(321%)
Other income (expense)	(483)	3,836	(113%)	(881)	1,105	(180%)
Gain on disposal of subsidiary	—	—	n/m	—	27,921	n/m
Finance expense, net	(3,646)	(2,417)	51%	(6,072)	(4,665)	30%
Income (loss) before income taxes	**$ (7,849)**	**$ 25,745**	**(130%)**	**$ (6,514)**	**$ 74,659**	**(109%)**
Current and deferred income tax expense (recovery)	(2,228)	926	(341%)	(2,621)	13,969	(119%)
Net income (loss)	**$ (5,621)**	**24,819**	**(123%)**	**$ (3,893)**	**60,690**	**(106%)**
Net income attributable to non-controlling interest	—	—	(n/m)	—	—	n/m
Net income (loss) attributable to shareholders of the Company	**$ (5,621)**	**$ 24,819**	**(123%)**	**$ (3,893)**	**$ 60,690**	**(106%)**
Basic earnings (loss) ($/share)	**$ (0.03)**	**$ 0.13**	**(123%)**	**$ (0.02)**	**$ 0.31**	**(106%)**
Basic earnings (loss) (C$/share)[i, ii]	**$ (0.04)**	**$ 0.18**	**(122%)**	**$ (0.03)**	**$ 0.44**	**(107%)**
Diluted earnings (loss) ($/share)	**$ (0.03)**	**$ 0.13**	**(123%)**	**$ (0.02)**	**$ 0.31**	**(106%)**
Diluted earnings (loss) (C$/share)[i, ii]	**$ (0.04)**	**$ 0.18**	**(122%)**	**$ (0.03)**	**$ 0.44**	**(107%)**

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).
ii. For the three months ended June 30, 2026 and 2025, the average exchange rates were C$1.3843 and C$1.3841, respectively. For the six months ended June 30, 2026 and 2025, the average exchange rates were C$1.3781 and C$1.4094.

For the three months ended June 30, 2026, and 2025, the Company's statements of operations were explained as follows:

Item	Q2 2026 vs Q2 2025
Revenues	Increased primarily due to higher MAP and SPA realized prices at Conda coupled with higher sulfuric acid realized prices and fertilizer sales volumes at Arraias
Cost of goods sold	Increased due to materially higher sulfur costs and sulfuric acid costs at Conda and Arraias
Selling, general and administrative expenses	Decreased primarily due lower share-based payment expense
Other income (expense)	Decreased primarily due to fair value gain on investments recorded in Q2 2025
Finance expense, net	Increased due to higher accretion expense, interest on lease liabilities, and lower interest income
Current and deferred income tax expense (recovery)	Decreased primarily due to lower taxable income in Q2 2026

For the six months ended June 30, 2026, and 2025, the Company's statements of operations were explained as follows:

Item	H1 2026 vs H1 2025
Revenues	Increased primarily due to higher MAP and SPA realized prices at Conda coupled with higher sulfuric acid realized prices and fertilizer sales volumes at Arraias, which were partially offset by lower SPA sales volumes at Conda
Cost of goods sold	Increased due to materially higher sulfur costs and sulfuric acid costs at Conda and Arraias
Selling, general and administrative expenses	Increased primarily due to higher payroll expenses at Corporate and Arraias, professional fees and other administrative expenses at Arraias, which were partially offset by lower share-based payment expense at Corporate
Other income (expense)	Decreased primarily due to fair value gain on investments recorded in H1 2025
Gain on disposal of subsidiary	Decreased due to the gain recorded on the sale of the Araxá project in H1 2025
Finance expense, net	Increased slightly due to higher accretion expense, interest on lease liabilities, and lower interest income
Current and deferred income tax expense (recovery)	Decreased primarily due to lower taxable income in H1 2026 and withholding tax expenses in connection with the sale of the Araxá project recorded in H1 2025

7. FINANCIAL CONDITION

LIQUIDITY

As of June 30, 2026, the Company had cash and cash equivalents of $53,287; liquidity of $133,287; and working capital of $148,167. Liquidity and working capital are non-IFRS measures (see Section 8) for additional information on non-IFRS measures).

In June 2025, the Company received authorization from the Board of Directors to proceed with the MgO Reduction Project. The MgO Reduction Project is designed to lower the magnesium content of the ore from the H1/NDR mines to maintain P_2O_5 production capacity at the plant.

Management recently completed a review of the expected timing for completion and cost of the company's MgO Reduction Project. Following this review, the Company now expects that the MgO Reduction Project will be completed and operational during Conda's 2028 turnaround activities. As a result of the change in timing of the MgO Reduction Project, management has decided to defer the long turnaround scheduled at Conda from 2027 to 2028. Management believes that the deferral of the MgO Reduction project completion will further de-risk the project execution providing additional time for construction and commissioning activities.

The optimization of the MgO Reduction Project has resulted in an increase in the total projected capital costs. The Company now forecasts that the total project cost from Q3 2025 to project completion to be between $95,000 and $110,000, compared to the original forecast of $80,000 to $95,000. The changes to the forecasted completion date and project costs have no impact on maintenance or growth capex revised guidance for 2026, which are at $23,000 to $28,000 and $63,000 to $83,000, respectively.

In Q3 2025, the Company completed mining at the Rasmussen Valley mine after approximately seven years in operation and commenced reclamation activities in Q4 2025. Reclamation costs for the Rasmussen Valley mine are expected to be in the range of $80,000 to $100,000 with the majority of the spend expected to occur over the next 48 months.

As of June 30, 2026, $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 its current cash position together with the amount available under the Amended ABL Facility provides sufficient cash and liquidity to fund the estimated capital expenditures associated with the MgO Reduction Project, reclamation costs for the Rasmussen Valley mine, its general working capital requirements and other material estimated costs associated with the Company advancing its planned operations and expenses.

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.

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 June 30, 2026, the Company was in compliance with all financial covenants related to the Amended Term Loan Agreement.

The Company's revolving asset-based credit facility, as amended and extended on September 6, 2024 (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 June 30, 2026, 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 June 30, 2026, and December 31, 2025, the Company's summary balance sheets were as follows:

(unaudited in thousands of US Dollars)		June 30, 2026		December 31, 2025	% change
Cash and cash equivalents	$	53,287	$	70,489	(24%)
Current assets (including cash and cash equivalents)	$	280,792	$	321,111	(13%)
Non-current assets		546,164		516,927	6%
Total assets	**$**	**826,956**	**$**	**838,038**	**(1%)**
Current liabilities (excluding current portion of debt)	$	121,673	$	113,846	7%
Non-current liabilities (excluding long-term debt)		186,434		200,696	(7%)
Debt (current and long-term)		84,008		88,461	(5%)
Total liabilities	**$**	**392,115**	**$**	**403,003**	**(3%)**
Shareholders' equity	$	434,841	$	435,035	(0%)
Non-controlling interest		—		—	n/m
Total equity	**$**	**434,841**	**$**	**435,035**	**(0%)**

As of June 30, 2026, and December 31, 2025, the Company's summary balance sheets were explained as follows:

Item	June 30, 2026 vs December 31, 2025
Current assets (including cash and cash equivalents)	Decreased primarily due lower cash and cash equivalents, inventories and accounts receivable, which were partially offset by higher other current assets
Non-current assets	Increased primarily due to higher property, plant and equipment related to the MgO Reduction Project activities at Conda and higher deferred tax assets
Current liabilities (excluding current portion of debt)	Increased primarily due to higher accounts payable and accrued liabilities, higher provisions driven by reclamation activities at Conda and higher contract liabilities at Arraias, which were partially offset by lower other current liabilities
Non-current liabilities (excluding long-term debt)	Decreased primarily due to lower long-term liabilities and long-term provisions at Conda
Debt (current and long-term)	Decreased primarily due to the repayment of principal debt outstanding under the Amended Term Loan Agreement
Total equity	Slightly decreased due to the net loss recorded during the period, which was partially offset by the issuance of shares under the RSU Plan

As of June 30, 2026 and December 31, 2025, 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 June 30, 2026, Conda's guarantee requirements were $135,624 and Conda had surety bonds in place for the full amount of these guarantee requirements. As of June 30, 2026, 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 June 30, 2026, and December 31, 2025, the Company's capital resources were as follows:

(unaudited in thousands of US Dollars)		June 30, 2026		December 31, 2025
Total equity	$	434,841	$	435,035
Net debt[i]		31,226		19,505
Capital resources	**$**	**466,067**	**$**	**454,540**

i. Non-IFRS measure (see Section 8 for additional information on non-IFRS measures).

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 (2023-2025), the Company paid dividends as follows:

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

On November 5, 2025, the Board of Directors approved a C$0.17 per share special dividend to shareholders of record as of the close of business on November 17, 2025, which was paid on December 11, 2025.

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 the three and six months ended June 30, 2026 and 2025, the Company's summary cash flows were as follows:

	For the three months ended June 30,					*For the six months ended June 30,*				
(unaudited in thousands of US Dollars)		2026		2025	% change		2026		2025	% change
Cash and cash equivalents, beginning of period	**$**	**48,223**	**$**	**100,333**	**(52%)**	**$**	**70,489**	**$**	**74,372**	**(5%)**
Cash flows from operating activities		31,524		34,605	(9%)		32,631		66,132	(51%)
Cash flows used by investing activities		(20,854)		(23,829)	(12%)		(38,682)		(24,023)	61%
Cash flows used by financing activities		(5,927)		(13,308)	(55%)		(11,967)		(19,260)	(38%)
Effect of foreign exchange of non-US Dollar denominated cash		321		254	26%		816		834	(2%)
Cash and cash equivalents, end of period	**$**	**53,287**	**$**	**98,055**	**(46%)**	**$**	**53,287**	**$**	**98,055**	**(46%)**

For the three months ended June 30, 2026, the Company's summary cash flows were explained as follows:

Item	Q2 2026 vs Q2 2025
Cash flows from operating activities	Decreased primarily due to higher sulfur and sulfuric acid costs that lowered Adjusted EBITDA, which were partially offset by positive movements in working capital
Cash flows used by investing activities	Decreased primarily due to lower maintenance capex
Cash flows used by financing activities	Decreased primarily due to dividends paid to shareholders in Q2 2025

For the six months ended June 30, 2026, the Company's summary cash flows were explained as follows:

Item	H1 2026 vs H1 2025
Cash flows from operating activities	Decreased primarily due to higher sulfur and sulfuric acid costs that lowered Adjusted EBITDA, which were partially offset by positive movements in working capital
Cash flows used by investing activities	Increased primarily due to higher growth capex in H1 2026; H1 2025 included proceeds received from the sale of the Araxá project
Cash flows used by financing activities	Decreased primarily due to dividends paid to shareholders in H1 2025

CONTRACTUAL OBLIGATIONS

As of June 30, 2026, 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	$ 10,952	$ 73,197	$ 364	—	**$ 84,513**
Interest payments	8,169	1,553	6	—	**9,728**
Accounts payable and accrued liabilities	80,750	—	—	—	**80,750**
Provisions	32,302	62,825	17,556	82,399	**195,082**
Leases	3,353	10,564	5,672	11,866	**31,455**
Contractual obligations	**$ 135,526**	**$ 148,139**	**$ 23,598**	**$ 94,265**	**$ 401,528**

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 June 30, 2026, 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	$ 190,331	$ 62,965	**$ 127,366**
Arraias	4,188	3,234	**954**
Development and exploration	401	—	**401**
Corporate	—	—	—
Environmental and ARO	**$ 194,920**	**$ 66,199**	**$ 128,721**

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
Basic earnings (loss) (C$/share)	Basic earnings (loss) per share denominated in US dollars ($/share) divided by the average exchange rate C$/$ during the period.	Basic earnings (loss) ($/share)	The Company considers that basic earnings (loss) (C$/share) is a useful indicator to investors given that the Company's shares primarily trade in C$
Diluted earnings (loss) (C$/share)	Diluted earnings (loss) per share denominated in US dollars ($/share) divided by the average exchange rate C$/$ during the period.	Diluted earnings (loss) ($/share)	The Company considers that diluted earnings (loss) (C$/share) is a useful indicator to investors given that the Company's shares primarily trade in C$
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	Definition	Most directly comparable IFRS measure	Why the Company uses the measure
			(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.
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.

EBITDA, ADJUSTED EBITDA AND TRAILING 12 MONTHS ADJUSTED EBITDA

For the three months ended June 30, 2026 and 2025

For the three months ended June 30, 2026 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)	**$ (4,483)**	**$ 3,667**	**$ (451)**	**$ (4,354)**	**$ (5,621)**
Finance (income) expense, net	2,226	(226)	—	1,646	3,646
Current and deferred income tax expense (recovery)	(1,169)	244	—	(1,303)	(2,228)
Depreciation and depletion	20,539	737	15	77	21,368
EBITDA	**$ 17,113**	**$ 4,422**	**$ (436)**	**$ (3,934)**	**$ 17,165**
Unrealized foreign exchange loss	—	320	35	—	355
Share-based payment recovery	—	—	—	(475)	(475)
Transaction costs	—	—	—	315	315
Other expense, net	455	6	22	—	483
Adjusted EBITDA	**$ 17,568**	**$ 4,748**	**$ (379)**	**$ (4,094)**	**$ 17,843**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ (2,972)**	**$ 4,011**	**$ (394)**	**$ (4,012)**	**$ (3,367)**
Depreciation and depletion	20,539	737	15	77	21,368
Realized foreign exchange gain	1	—	—	1	2
Share-based payment recovery	—	—	—	(475)	(475)
Transaction costs	—	—	—	315	315
Adjusted EBITDA	**$ 17,568**	**$ 4,748**	**$ (379)**	**$ (4,094)**	**$ 17,843**

For the three months ended June 30, 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)	**$ 20,698**	**$ 2,614**	**$ (418)**	**$ 1,925**	**$ 24,819**
Finance (income) expense, net	1,393	(138)	—	1,162	2,417
Current and deferred income tax expense (recovery)	5,377	—	—	(4,451)	926
Depreciation and depletion	5,136	679	—	77	5,892
EBITDA	**$ 32,604**	**$ 3,155**	**$ (418)**	**$ (1,287)**	**34,054**
Unrealized foreign exchange loss	—	113	104	—	217
Share-based payment expense	—	—	—	1,380	1,380
Transaction costs	—	—	—	12	12
Other (income) expense, net	278	170	—	(4,284)	(3,836)
Adjusted EBITDA	**$ 32,882**	**$ 3,438**	**$ (314)**	**$ (4,179)**	**$ 31,827**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 27,746**	**$ 2,759**	**$ (314)**	**$ (5,384)**	**$ 24,807**
Depreciation and depletion	5,136	679	—	77	5,892
Realized foreign exchange gain	—	—	—	(264)	(264)
Share-based payment expense	—	—	—	1,380	1,380
Transaction costs	—	—	—	12	12
Adjusted EBITDA	**$ 32,882**	**$ 3,438**	**$ (314)**	**$ (4,179)**	**$ 31,827**

For the six months ended June 30, 2026 and 2025

For the six months ended June 30, 2026 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)	**$ 4,670**	**$ 5,208**	**$ (948)**	**$ (12,823)**	**$ (3,893)**
Finance (income) expense, net	4,286	(212)	—	1,998	6,072
Current and deferred income tax expense (recovery)	(1,803)	244	—	(1,062)	(2,621)
Depreciation and depletion	31,612	1,448	30	154	33,244
EBITDA	**$ 38,765**	**$ 6,688**	**$ (918)**	**$ (11,733)**	**$ 32,802**
Unrealized foreign exchange (gain) loss	—	(829)	168	—	(661)
Share-based payment expense	—	—	—	2,244	2,244
Non-recurring expenses	—	260	—	—	260
Transaction costs	—	—	—	315	315
Non-recurring compensation expenses	—	55	—	325	380
Other (income) expense, net	876	(17)	22	—	881
Adjusted EBITDA	**$ 39,641**	**$ 6,157**	**$ (728)**	**$ (8,849)**	**$ 36,221**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 8,030**	**$ 4,394**	**$ (758)**	**$ (11,877)**	**$ (211)**
Depreciation and depletion	31,612	1,448	30	154	33,244
Realized foreign exchange loss	(1)	—	—	(10)	(11)
Share-based payment expense	—	—	—	2,244	2,244
Non-recurring expenses	—	260	—	—	260
Transaction costs	—	—	—	315	315
Non-recurring compensation expenses	—	55	—	325	380
Adjusted EBITDA	**$ 39,641**	**$ 6,157**	**$ (728)**	**$ (8,849)**	**$ 36,221**

For the six months ended June 30, 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)	**$ 43,416**	**$ 4,480**	**$ (862)**	**$ 13,656**	**$ 60,690**
Finance (income) expense, net	2,470	(305)	—	2,500	4,665
Current and deferred income tax expense	12,016	—	—	1,953	13,969
Depreciation and depletion	15,374	1,293	—	154	16,821
EBITDA	**$ 73,276**	**$ 5,468**	**$ (862)**	**$ 18,263**	**96,145**
Unrealized foreign exchange (gain) loss	—	(258)	264	—	6
Share-based payment expense	—	—	—	3,877	3,877
Transaction costs	—	—	—	104	104
Other (income) expense, net	511	212	—	(29,749)	(29,026)
Adjusted EBITDA	**$ 73,787**	**$ 5,422**	**$ (598)**	**$ (7,505)**	**$ 71,106**

(unaudited in thousands of US Dollars)	Conda	Arraias	Development and exploration	Corporate	Total
Operating income (loss)	**$ 58,417**	**$ 4,129**	**$ (598)**	**$ (11,356)**	**$ 50,592**
Depreciation and depletion	15,374	1,293	—	154	16,821
Realized foreign exchange gain	(4)	—	—	(284)	(288)
Share-based payment expense	—	—	—	3,877	3,877
Transaction costs	—	—	—	104	104
Adjusted EBITDA	**$ 73,787**	**$ 5,422**	**$ (598)**	**$ (7,505)**	**$ 71,106**

As of June 30, 2026 and December 31, 2025

As of June 30, 2026 and December 31, 2025, the Company had trailing 12 months Adjusted EBITDA as follows:

(unaudited in thousands of US Dollars)	June 30, 2026	December 31, 2025
For the three months ended June 30, 2026	$ 17,843	$ —
For the three months ended March 31, 2026	18,378	—
For the three months ended December 31, 2025	38,698	38,698
For the three months ended September 30, 2025	48,896	48,896
For the three months ended June 30, 2025	—	31,827
For the three months ended March 31, 2025	—	39,279
Trailing 12 months Adjusted EBITDA	**$ 123,815**	**$ 158,700**

TOTAL CAPEX AND CASH CAPEX

For the three months ended June 30, 2026 and 2025

For the three months ended June 30, 2026, 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	$ 24,544	$ 4,368	$ 10	$ 20	$ 28,942
Additions to mineral properties	1,696	—	852	—	2,548
Additions to property, plant and equipment related asset retirement obligations	—	50	—	—	50
Additions to right-of-use assets	—	(122)	(3)	—	(125)
Capitalized interest in property, plant, and equipment and mineral properties	(834)	—	—	—	(834)
Total capex	**$ 25,406**	**$ 4,296**	**$ 859**	**$ 20**	**$ 30,581**
Accrued capex	(9,329)	—	—	—	(9,329)
Total cash capex	**$ 16,077**	**$ 4,296**	**$ 859**	**$ 20**	**$ 21,252**
Maintenance capex	$ 10,601	$ 3,648	$ —	$ 20	$ 14,269
Accrued maintenance capex	(6,375)	—	—	—	(6,375)
Cash maintenance capex	**$ 4,226**	**$ 3,648**	**$ —**	**$ 20**	**$ 7,894**
Growth capex	$ 14,805	$ 648	$ 859	$ —	$ 16,312
Accrued growth capex	(2,954)	—	—	—	(2,954)
Cash growth capex	**$ 11,851**	**$ 648**	**$ 859**	**$ —**	**$ 13,358**

For the three months ended June 30, 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	$ 36,024	$ 3,211	$ 6	$ —	$ 39,241
Additions to mineral properties	510	—	400	—	910
Additions to property, plant and equipment related asset retirement obligations	2,098	(262)	—	—	1,836
Additions to right-of-use assets	(11,710)	(51)	—	—	(11,761)
Capitalized interest in property, plant, and equipment and mineral properties	(1,418)	—	—	—	(1,418)
Total capex	**$ 25,504**	**$ 2,898**	**$ 406**	**$ —**	**$ 28,808**
Accrued capex	(4,034)	—	—	—	(4,034)
Total cash capex	**$ 21,470**	**$ 2,898**	**$ 406**	**$ —**	**$ 24,774**
Maintenance capex	$ 11,877	$ 63	$ —	$ —	$ 11,940
Accrued maintenance capex	(542)	—	—	—	(542)
Cash maintenance capex	**$ 11,335**	**$ 63**	**$ —**	**$ —**	**$ 11,398**
Growth capex	$ 13,627	$ 2,835	$ 406	$ —	$ 16,868
Accrued growth capex	(3,492)	—	—	—	(3,492)
Cash growth capex	**$ 10,135**	**$ 2,835**	**$ 406**	**$ —**	**$ 13,376**

For the six months ended June 30, 2026 and 2025

For the six months ended June 30, 2026, 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	$	36,784	$	5,664	$	32	$	23	$	42,503
Additions to mineral properties		3,194		—		1,164		—		4,358
Additions to asset retirement obligations		—		(331)		—		—		(331)
Additions to right-of-use assets		—		(261)		(3)		—		(264)
Capitalized interest in property, plant, and equipment and mineral properties		(3,045)		—		—		—		(3,045)
Total capex	**$**	**36,933**	**$**	**5,072**	**$**	**1,193**	**$**	**23**	**$**	**43,221**
Accrued capex		(3,603)		—		—		—		(3,603)
Total cash capex	**$**	**33,330**	**$**	**5,072**	**$**	**1,193**	**$**	**23**	**$**	**39,618**
Maintenance capex	$	12,255	$	3,998	$	—	$	23	$	16,276
Accrued maintenance capex		(6,831)		—		—		—		(6,831)
Cash maintenance capex	**$**	**5,424**	**$**	**3,998**	**$**	**—**	**$**	**23**	**$**	**9,445**
Growth capex	$	24,678	$	1,074	$	1,193	$	—	$	26,945
Accrued growth capex		3,228		—		—		—		3,228
Cash growth capex	**$**	**27,906**	**$**	**1,074**	**$**	**1,193**	**$**	**—**	**$**	**30,173**

For the six months ended June 30, 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	$	40,683	$	5,404	$	21	$	—	$	46,108
Additions to mineral properties		8,497		225		414		—		9,136
Additions to asset retirement obligations		(1,008)		(632)		—		—		(1,640)
Additions to right-of-use assets		(11,710)		(311)		(15)		—		(12,036)
Capitalized interest in property, plant, and equipment and mineral properties		(2,839)		—		—		—		(2,839)
Total capex	**$**	**33,623**	**$**	**4,686**	**$**	**420**	**$**	**—**	**$**	**38,729**
Accrued capex		(5,912)		—		—		—		(5,912)
Total cash capex	**$**	**27,711**	**$**	**4,686**	**$**	**420**	**$**	**—**	**$**	**32,817**
Maintenance capex	$	12,324	$	111	$	—	$	—	$	12,435
Accrued maintenance capex		(575)		—		—		—		(575)
Cash maintenance capex	**$**	**11,749**	**$**	**111**	**$**	**—**	**$**	**—**	**$**	**11,860**
Growth capex	$	21,299	$	4,575	$	420	$	—	$	26,294
Accrued growth capex		(5,337)		—		—		—		(5,337)
Cash growth capex	**$**	**15,962**	**$**	**4,575**	**$**	**420**	**$**	**—**	**$**	**20,957**

NET DEBT AND NET LEVERAGE RATIO

As of June 30, 2026 and December 31, 2025, the Company had net debt and net leverage ratio as follows:

(unaudited in thousands of US Dollars except as otherwise noted)		**June 30, 2026**		**December 31, 2025**
Current debt	$	10,952	$	11,033
Long-term debt		73,056		77,428
Cash and cash equivalents		(53,287)		(70,489)
Deferred financing costs related to the Credit Facilities		505		1,533
Net debt	**$**	**31,226**	**$**	**19,505**
Trailing 12 months Adjusted EBITDA	$	123,815	$	158,700
Net leverage ratio		**0.3x**		**0.1x**

WORKING CAPITAL

As of June 30, 2026 and December 31, 2025, the Company had working capital as follows:

(unaudited in thousands of US Dollars)		**June 30, 2026**		**December 31, 2025**
Cash and cash equivalents	$	53,287	$	70,489
Accounts receivable		22,070		45,831
Inventories, net		194,218		195,206
Other current assets		11,217		9,585
Accounts payable and accrued liabilities		(80,750)		(77,292)
Provisions		(32,302)		(28,740)
Current debt		(10,952)		(11,033)
Contract liabilities		(3,392)		(645)
Other current liabilities		(5,229)		(7,169)
Working capital	**$**	**148,167**	**$**	**196,232**

LIQUIDITY

As of June 30, 2026 and December 31, 2025, the Company had liquidity as follows:

(unaudited in thousands of US Dollars)		**June 30, 2026**		**December 31, 2025**
Cash and cash equivalents	$	53,287	$	70,489
ABL Facility undrawn borrowing capacity		80,000		80,000
Liquidity	**$**	**133,287**	**$**	**150,489**

FREE CASH FLOW

For the three and six months ended June 30, 2026 and 2025 the Company had free cash flow as follows:

	For the three months ended June 30,				*For the six months ended June 30,*			
(unaudited in thousands of US Dollars)		**2026**		**2025**		**2026**		**2025**
Cash flows from operating activities	$	31,524	$	34,605	$	32,631	$	66,132
Cash flows used by investing activities		(20,854)		(23,829)		(38,682)		(24,023)
Free cash flow	**$**	**10,670**	**$**	**10,776**	**$**	**(6,051)**	**$**	**42,109**

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 and six months ended June 30, 2026 and 2025, 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 June 30,* 2026	2025	*For the six months ended June 30,* 2026	2025
Revenues	**$ 127,029**	**$ 116,648**	**$ 257,414**	**$ 244,940**
Cost of goods sold	128,923	87,748	247,161	184,212
Depreciation and depletion	$ (20,539)	$ (5,136)	(31,612)	$ (15,374)
Cash costs	**$ 108,384**	**$ 82,612**	**$ 215,549**	**$ 168,838**
Cash margin	**$ 18,645**	**$ 34,036**	**$ 41,865**	**$ 76,102**
Sales volumes (tonnes P_2O_5)[i]	**82,898**	**83,206**	**172,162**	**176,572**
Revenues per tonne P_2O_5	$ 1,532	$ 1,402	$ 1,495	$ 1,387
Cash costs per tonne P_2O_5	$ 1,307	$ 993	$ 1,252	$ 956
Cash margin per tonne P_2O_5	$ 225	$ 409	$ 243	$ 431

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 and six months ended June 30, 2026 and 2025 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 June 30,* 2026	2025	*For the six months ended June 30,* 2026	2025
Revenues	**$ 16,977**	**$ 10,147**	**$ 28,812**	**$ 17,595**
Less: excess sulfuric acid	11,034	7,419	22,062	14,357
Revenues excluding excess sulfuric acid	**$ 5,943**	**$ 2,728**	**$ 6,750**	**$ 3,238**
Cost of goods sold	12,020	6,517	22,337	11,753
Depreciation and depletion	(737)	(679)	(1,448)	(1,293)
Cash costs	**$ 11,283**	**$ 5,838**	**$ 20,889**	**$ 10,460**
Less: excess sulfuric acid	7,282	4,325	16,341	8,686
Cash costs excluding excess sulfuric acid	**$ 4,001**	**$ 1,513**	**$ 4,548**	**$ 1,774**
Cash margin	**$ 5,694**	**$ 4,309**	**$ 7,923**	**$ 7,135**
Cash margin excluding excess sulfuric acid	**$ 1,942**	**$ 1,215**	**$ 2,202**	**$ 1,464**
Sales volumes (tonnes P_2O_5)[i]	**7,708**	4,904	**8,835**	6,039
Revenues per tonne P_2O_5	$ 771	$ 556	$ 764	$ 536
Cash costs per tonne P_2O_5	$ 519	$ 309	$ 515	$ 294
Cash margin per tonne P_2O_5	$ 252	$ 247	$ 249	$ 242

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 and six months ended June 30, 2026 and 2025, the Company had corporate selling, general and administrative expenses as follows:

	For the three months ended June 30,		For the six months ended June 30,	
(unaudited in thousands of US Dollars)	**2026**	**2025**	**2026**	**2025**
Selling, general and administrative expenses	$ 4,012	$ 5,384	$ 11,877	$ 11,356
Share-based payments expense	475	(1,380)	(2,244)	(3,877)
Corporate selling, general and administrative expenses	**$ 4,487**	**$ 4,004**	**$ 9,633**	**$ 7,479**

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 or project, including carrying out the planned drilling programs at Conda, completing the MgO Reduction Project, restarting SSP production including the beneficiation plant at Arraias, and completing the resource and metallurgical drilling of the Farim project;
- 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 geopolitical developments and the impact on global supply chains and commodity prices;
- expectations regarding the benefits, terms and effects of key supply and offtake agreements, including the sulfuric acid supply agreement and any amendments thereto;
- 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;
- permitting and licensing 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;
- 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;
- 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;
- non-governmental organizations (“NGO”) risks; and
- labor disruptions or disputes 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 including 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 2025 AIF.

For the three months ended June 30, 2026, 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 Accounting Standards 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 2025 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 recorded, processed, summarized, 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 Accounting Standards.

The design of an internal control system must reflect the fact that there are resource constraints, and that 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. These inherent limitations include 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 June 30, 2026, 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 is Jennifer Simper, Professional Geologist (P.Geo.) with the Association of Professional Engineers and Geoscientists of Alberta. Mrs. Simper 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 Resources for Santana is Carlos Guzmán, FAusIMM (229036), Principal 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 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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