

ITAFOS REPORTS Q1 2019 FINANCIAL RESULTS AND OPERATIONAL HIGHLIGHTS

TORONTO, ON – May 16, 2019 – Itafos (TSX VENTURE: IFOS) (the “**Company**”) reported today its Q1 2019 financial results and operational highlights. The Financial Statements and Management’s Discussion and Analysis for the quarter ended March 31, 2019 are available under the Company’s profile at www.sedar.com and under the Investors – Financial Statements page of the Company’s website, www.itafos.com. All dollar values are in US Dollars.

Itafos Conda continues to operate well, with Q1 2019 fertilizer production volumes up more than 10% year-over-year. This solid production, coupled with higher year-over-year fertilizer prices, helped to offset the unusually cold and wet weather conditions across key growing areas of the US, which caused many growers to defer fertilizer purchases into Q2 2019. Itafos Conda generated revenues of \$69.3 million and Adjusted EBITDA of \$11.5 million in Q1 2019.

The Company continues to work toward implementing the repurpose plan at Itafos Arraias aimed at optimizing finished fertilizer production with a multi-product portfolio of higher grade SSP, micronutrient SSP and value added premium PK compound products. To enable the repurpose plan, the Company is focusing on procuring higher-grade phosphate rock from third parties and, once operational, from Itafos Farim.

Lastly, the Company continues to focus on extending Itafos Conda’s mine life by further advancing our nearby development projects, Itafos Paris Hills and Itafos Husky 1/North Dry Ridge, and continuing to de-risk Itafos Farim.

Q1 2019 Highlights

- For the three months ended March 31, 2019 and 2018, the Company’s financial highlights were as follows:

<i>(unaudited in millions of US Dollars except for per share amounts)</i>	<i>For the three months ended March 31,</i>	
	2019	2018
Revenues, net	\$ 73.2	\$ 58.1
Adjusted EBITDA	0.9	9.4
Net income	(13.3)	51.3
Maintenance capex	\$ 5.2	\$ 1.7
Growth capex	3.0	7.1
Basic income (loss) per share	\$ (0.09)	\$ 0.37
Fully diluted income (loss) per share	\$ (0.09)	\$ 0.36

- As at March 31, 2019 and December 31, 2018, the Company’s financial highlights were as follows:

<i>(unaudited in millions of US Dollars)</i>	March 31,	December 31,
	2019	2018
Total assets	\$ 575.3	\$ 576.4
Total liabilities	316.9	304.6
Net debt	160.2	152.1
Total equity	258.5	271.8

- For the three months ended March 31, 2019 and 2018, Itafos Conda's sales volumes and prices were as follows:

	<i>For the three months ended March 31,</i>	
	2019	2018
Sales volumes (t)		
MAP	76,877	86,174
SPA	33,444	26,155
MGA	30	—
APP	2,448	—
Realized price (\$/t)		
MAP	448	405
SPA	1,006	887
MGA	950	—
APP	472	—

- For the three months ended March 31, 2019 and 2018, Itafos Arraias' sales volumes and prices were as follows:

	<i>For the three months ended March 31,</i>	
	2019	2018
Sales volumes (t)		
SSP	7,133	—
SSP+	5,903	—
Sulfuric acid	8,794	—
Realized price (\$/t)		
SSP	165	—
SSP+	229	—
Sulfuric acid	153	—

- On December 12, 2018, the Company received conditional acceptance from the TSXV to commence a Normal Course Issuer Bid ("NCIB"). As at March 31, 2019, the Company repurchased 1,478,500 shares through the NCIB.

Subsequent events

- Subsequent to March 31, 2019 and as at May 16, 2019, the Company repurchased an additional 39,000 shares through the NCIB.
- Subsequent to March 31, 2019, the Company cancelled 1,517,500 shares repurchased through the NCIB.
- On April 15, 2019, the Company announced the appointment of Dr. Wynand van Dyk as Vice President of Operations, effective May 1, 2019.
- On May 8, 2019, the Company announced the retirement of Marten Walters, Vice President of Engineering, effective May 1, 2019. Dr. Wynand van Dyk will assume Mr. Walters' responsibilities.

Q1 2019 Segment Summary

Itafos Conda

The Company acquired Itafos Conda on January 12, 2018. Lower year-over-year MAP sales volumes were more than offset by higher year-over-year SPA sales volumes and fertilizer prices,

driving Q1 2019 revenues of \$69.3 million versus Q1 2018 revenues of \$58.1 million. Higher ore, natural gas and sulfuric acid input costs reduced Adjusted EBITDA to \$11.5 million in Q1 2019 from \$13.4 million in Q1 2018.

Itafos Arraias

Itafos Arraias achieved commercial production on July 3, 2018. Despite having achieved commercial production, Itafos Arraias experienced operational challenges post declaration of commercial production resulting in lower than optimal levels of capacity utilization. Constrained production volumes due to the transition to a repurpose plan at Itafos Arraias drove Q1 2019 revenues of \$3.9 million compared to \$0 in Q1 2018, and Adjusted EBITDA of \$(7.6) million in Q1 2019 compared to \$(2.0) million in Q1 2018.

Other

The Company's development and exploration Adjusted EBITDA was \$(0.4) million in Q1 2019 versus \$(0.6) million in Q1 2018, while corporate Adjusted EBITDA was \$(2.5) million in Q1 2019 and \$(1.4) million in Q1 2018. The decline in corporate Adjusted EBITDA year-over-year was primarily due to increased payroll expense.

Liquidity

The Company's net debt at March 31, 2019 was \$160.2 million as compared to \$152.1 million at December 31, 2018. The increase in net debt was primarily due to additional equipment financing at Itafos Conda and capitalization of in-kind interest expense.

Outlook

Currently, the Company is executing its strategy by focusing on the following:

- extending Itafos Conda's current mine life through advancing permitting of Itafos Paris Hills and Itafos Husky 1/North Dry Ridge and pursuing other alternatives;
- implementing the repurpose plan to optimize Itafos Arraias' finished fertilizer production with a multi-product portfolio of higher grade SSP, micronutrient SSP and value added premium PK compound products and procuring higher-grade phosphate rock from third parties and, once operational, from Itafos Farim for Itafos Arraias; and
- finalizing permitting, negotiating offtake agreements, selecting contractors and securing project financing for Itafos Farim.

Additional details are available under the Company's profile at www.sedar.com and on the Company's website, www.itafos.com.

About Itafos

Itafos is a vertically integrated phosphate fertilizers and specialty products company with an attractive portfolio of long-term strategic businesses and projects located in key fertilizer markets worldwide. Itafos is managed by an experienced and diverse team with extensive operations, commercial and financial expertise. Itafos owns and operates Itafos Conda, a vertically integrated phosphate fertilizer business with production and sales capacity of approximately 550kt per year of monoammonium phosphate ("MAP"), superphosphoric acid ("SPA"), merchant grade phosphoric acid ("MGA") and specialty products including ammonium polyphosphate ("APP") located in Idaho, US and Itafos Arraias, a vertically integrated phosphate fertilizer business with production and sales

capacity of approximately 500kt per year of single superphosphate (“SSP”), SSP with micronutrients (“SSP+”) and other products and approximately 40kt per year of excess sulfuric acid located in Tocantins, Brazil. Itafos owns and is developing Itafos Paris Hills, a high-grade phosphate mine project located in Idaho, US, Itafos Farim, a high-grade phosphate mine project located in Farim, Guinea-Bissau, Itafos Santana, a vertically integrated high-grade phosphate mine and fertilizer plant project located in Pará, Brazil, Itafos Mantaro, a large phosphate mine project located in Junin, Peru, and Itafos Araxá, a vertically integrated rare earth elements and niobium mine and extraction plant project located in Minas Gerais, Brazil.

For more information or to join our mailing list to receive notification of future press releases, please visit the Company’s website, www.itafos.com.

Non-IFRS Financial Measures

The Company considers both IFRS and certain non-IFRS measures to assess 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. In evaluating non-IFRS measures, investors, analysts, lenders and others should consider that non-IFRS measures do not have any standardized meaning under IFRS and that the methodology applied by the Company in calculating such non-IFRS measures may differ among companies and analysts. The Company believes the non-IFRS measures provide useful supplemental information to investors, analysts, lenders and others in order to evaluate the Company’s operational and financial performance. These non-IFRS financial measures should not be considered as a substitute for, nor superior to, measures of financial performance prepared in accordance with IFRS.

The Company defines:

- “Adjusted EBITDA” as earnings before interest, taxes, depreciation, depletion and amortization adjusted for non-cash, extraordinary, non-recurring and other items unrelated to the Company’s core operating activities;
- “Total capex” as 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;
- “Maintenance capex” as that portion of total capex relating to maintenance of ongoing operations of the Company;
- “Growth capex” as that portion of total capex relating to development of growth opportunities of the Company;
- “Realized price” as revenues, net divided by sales volumes; and
- “Net debt” as debt and debentures less cash and cash equivalents and short-term investments.

Forward Looking Information

Certain information contained in this news release constitutes forward looking information. All information other than information of historical fact is forward looking information. The use of any of the words “intend”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “would”, “believe”, “predict” and “potential” and similar expressions are intended to identify forward looking information. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking information. No assurance can be given that this information will prove to be

correct and such forward looking information included in this news release should not be unduly relied upon.

Forward looking information is subject to a number of risks and other factors that could cause actual results and events to vary materially from that anticipated by such forward looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to, those risk factors set out in the Company's Management Discussion and Analysis and other disclosure documents available under the Company's profile at www.sedar.com. Readers are cautioned that the foregoing list of risks, uncertainties and assumptions are not exhaustive. The forward looking information included in this news release is expressly qualified by this cautionary statement and is made as of the date of this news release. Itafos undertakes no obligation to publicly update or revise any forward looking information except as required by applicable securities laws.

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