

ITAFOS ANNOUNCES CLOSING OF US\$165 MILLION CREDIT AND GUARANTY AGREEMENT

June 6, 2018 – Itafos (TSX VENTURE: IFOS) announced today that it has closed its previously announced US\$165 million secured term loan facility. Parties to the facility include Itafos, as the borrower, its wholly-owned subsidiaries, Itafos Brazil Holdings, Itafos International Holdings Cooperatie UA, Itafos Ltd., Itafos II LP and Itafos Conda Holdings, as the guarantors (collectively, the **Guarantors**), CL Fertilizers Holding LLC (formerly known as Zaff LLC) (**CLF**), funds managed by BlackRock Financial Management Inc. and its affiliates, and a syndicate of other lenders, as the lenders (collectively, the **Lenders**), and Cortland Capital Market Services LLC, as the administrative agent (the **Agreement**).

On closing, certain outstanding unsecured promissory notes of Itafos in the aggregate principal amount of US\$89,961,951, together with all interest accrued thereon, were deemed to have been converted into loans constituting part of the Agreement and/or prepaid, in whole or in part. The net proceeds of the US\$165 million secured term loan facility (after deduction of applicable fees and other transaction costs) will fund working capital and other cash requirements of Itafos Conda and Itafos Arraias, continued implementation of the company's business development initiatives (including, but not limited to Itafos Paris Hills and Itafos Farim) and other general corporate purposes.

The key terms of the Agreement are:

- Term of four years commencing on the closing with a bullet repayment schedule subject to certain prepayment rights and requirements and applicable prepayment penalties.
- Interest at a per annum rate of 10% commencing on the closing until 18 months following the closing with 50% payable in cash and 50% payable in kind and 12% thereafter with 75% payable in cash and 25% payable in kind.
- Secured by Itafos' direct and indirect interest in the Guarantors and other assets of Itafos and the Guarantors.
- Issuance of bonus shares to the Lenders in an aggregate amount of 2,750,000 (the **Bonus Shares**) on closing.
- Other terms, fees and cost reimbursements standard and customary for similar agreements.

The Bonus Shares will be subject to resale restrictions pursuant to a 'distribution compliance period' (as defined in Regulation S under the United States Securities Act of 1933, as amended) of one year from the date the shares were issued. The Bonus Shares are also subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable Canadian securities legislation and TSXV requirements, which hold period will run concurrently with the above referenced one year restricted period under US securities legislation.

Upon issuance of the Bonus Shares, Itafos shall have 142,070,301 shares outstanding, of which CLF would beneficially own, or control or direct, 81,980,064, representing approximately 57.7% of the issued and outstanding shares (on an undiluted basis).

About Itafos

Itafos is a vertically integrated phosphate based fertilizers and specialty products company with an attractive portfolio of long-term strategic businesses 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 which produces approximately 540,000 tons per year of mono-ammonium phosphate, super phosphoric acid, merchant grade phosphoric acid and specialty products located in Idaho, U.S. and Itafos Arraias, a vertically integrated phosphate fertilizer business with production capacity of approximately 500,000 tons per year of single super phosphate located in Tocantins, Brazil. Itafos is developing Itafos Paris Hills, a high-grade phosphate mine project located in Idaho, U.S., Itafos Farim, a high-grade phosphate mine project located in Farim, Guinea Bissau, Itafos Santana, a vertically integrated high-grade phosphate fertilizer project located in Pará, Brazil, Itafos Araxá, a high-grade rare earth oxide and other elements

mine project located in Minas Gerais, Brazil and Itafos Mantaro, a high-grade phosphate mine project located in Junin, Peru.

For more information, please visit <http://itafos.com>.

About The Blueshirt Group

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FORWARD LOOKING STATEMENTS

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. The forward looking information provided in this news release is based upon a number of material factors and assumptions, including the intended use of funds from the Agreement.

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 Itafos 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 Itafos' Management Discussion and Analysis and other disclosure documents available under its 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.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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