

# Extractive Sector Transparency Measures Act - Annual Report



|   |   |  |                                 |
|---|---|--|---------------------------------|
| <b>Reporting Entity Name</b>                                | Itafos  |  |                                 |
| <b>Reporting Year</b>                                       | <b>From</b> 1/1/2018  | <b>To:</b> 12/31/2018  | <b>Date submitted</b> 5/30/2019 |
| <b>Reporting Entity ESTMA Identification Number</b>         | E511870   | <input checked="" type="radio"/> Original Submission<br><input type="radio"/> Amended Report |                                 |
| <b>Other Subsidiaries Included</b><br>(optional field)      | Includes all wholly owned subsidiaries and controlled entities during the full reporting year with exception of GB Minerals Ltd. (E965364), which is included during the period February 27, 2018 through December 31, 2018. Refer to Additional Notes for detail.  |  |                                 |
| <b>Not Consolidated</b>                                     |   |  |                                 |
| <b>Not Substituted</b>                                      |   |  |                                 |
| <b>Attestation by Reporting Entity</b>                      | <p><i>In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.</i></p> |  |                                 |
| <b>Full Name of Director or Officer of Reporting Entity</b> | George Burdette   | <b>Date</b>  | 5/30/2019                       |
| <b>Position Title</b>                                       | CFO   |  |                                 |

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| <b>Reporting Entity Name</b>                        | Itafos   |                       |
| <b>Reporting Entity ESTMA Identification Number</b> | E511870  |                       |
| <b>Subsidiary Reporting Entities (if necessary)</b> | Includes all wholly owned subsidiaries and controlled entities during the full reporting year with exception of GB Minerals Ltd. (E965364), which is included during the period February 27, 2018 through December 31, 2018. Refer to Additional Notes for detail. |                       |

### Payments by Payee

| Country                  | Payee Name  | Departments, Agency, etc... within Payee that Received Payments | Taxes   | Royalties | Fees    | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid to Payee | Notes   |
|--------------------------|---|---|---------|-----------|---------|-------------------------|---------|-----------|-------------------------------------|----------------------------|---|
| United States of America | Government of United States of America              |   | 523,013 | 2,175,199 | 254,774 |                         |         |           |                                     | 2,952,986                  | Breakdown by department/office:<br>i) Office of Natural Resources: Royalties \$2,174,545<br>ii) Caribou County Tax Collector Office: Taxes \$523,013<br>iii) Idaho Department of Land: Royalties \$654<br>iv) Bureau of Land Management: Fees \$253,172<br>v) Idaho Department of Lands: Fees \$436<br>vi) Idaho Department of Water Resources: Fees \$695<br>vii) Mine Safety and Health Administration: Fees \$472<br>Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD.   |
| Guinea-Bissau            | Government of Guinea Bissau                         |   |         |           | 879,828 |                         |         |           |                                     | 879,828                    | Breakdown by department/office:<br>i) Ministry of Economics and Finance - Customs Office: \$2,768<br>ii) Ministry of Natural Resources - Department of Geology and Mines Administration and Finance Department: \$423,424<br>iii) Ministry of Interior - Department of Immigration: \$3,453<br>iv) Ministry of Public Works and Transport - Road Transportation: \$207<br>v) Ministry of Economics and Finance: \$32,407<br>vi) Judicial Secretariat of the Court of Auditors: \$417,568<br>Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD. |
| Peru                     | Instituto Geologico Minero y Metalurgico (INGEMMET) |   |         |           | 283,420 |                         |         |           |                                     | 283,420                    | Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD.   |

**Additional Notes:**

Notes regarding reporting year:  
On February 27, 2018 Itafos (E511870) completed the acquisition of all of the issued and outstanding common shares not previously owned directly or indirectly by Itafos of GB Minerals Ltd. (E965364). For the short tax year July 1, 2017 to February 26, 2018, GB Minerals Ltd. met the criteria of a reporting entity for ESTMA. Subsequent to the transaction, GB Minerals Ltd. does not meet the requirements of a reporting entity. As such, Itafos, as sole shareholder of GB Minerals Ltd., is including any reportable payments by GB Minerals Ltd. and its subsidiaries from February 27, 2018 onwards in its ESTMA reports.

Notes regarding currency translation:  
- Payments in USD were converted to CAD using an exchange rate at December 31, 2018 of CAD 1.363006:USD 1 and rounded to the nearest CAD.  
- Payments in EUR were converted to CAD using an exchange rate at December 31, 2018 of CAD 0.640881:EUR 1 and rounded to the nearest CAD.  
- Payments in CFA were converted to CAD using an exchange rate at December 31, 2018 of CAD 420.390801:CFA 1 and rounded to the nearest CAD.

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**Currency of the Report** CAD

### Payments by Project

| Country                  | Project Name   | Taxes   | Royalties | Fees    | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid by Project | Notes   |
|--------------------------|----------------|---------|-----------|---------|-------------------------|---------|-----------|-------------------------------------|------------------------------|---|
| United States of America | Itafos Conda   | 523,013 | 2,175,199 | 254,774 |                         |         |           |                                     | <b>2,952,986</b>             | Breakdown by department/office:<br>i) Office of Natural Resources: Royalties \$2,174,545<br>ii) Caribou County Tax Collector Office: Taxes \$523,013<br>iii) Idaho Department of Land: Royalties \$654<br>iv) Bureau of Land Management: Fees \$253,172<br>v) Idaho Department of Lands: Fees \$436<br>vi) Idaho Department of Water Resources: Fees \$695<br>vii) Mine Safety and Health Administration: Fees \$472<br>Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD.   |
| Guinea-Bissau            | Itafos Farim   |         |           | 879,828 |                         |         |           |                                     | <b>879,828</b>               | Breakdown by department/office:<br>i) Ministry of Economics and Finance - Customs Office: \$2,768<br>ii) Ministry of Natural Resources - Department of Geology and Mines Administration and Finance Department: \$423,424<br>iii) Ministry of Interior - Department of Immigration: \$3,453<br>iv) Ministry of Public Works and Transport - Road Transportation: \$207<br>v) Ministry of Economics and Finance: \$32,407<br>vi) Judicial Secretariat of the Court of Auditors: \$417,568<br>Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD. |
| Peru                     | Itafos Mantaro |         |           | 283,420 |                         |         |           |                                     | <b>283,420</b>               | Refer to Additional Notes for currency conversion method for amounts paid in currencies other than CAD.   |

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