

TORONTO, ONTARIO--(Marketwired - Apr 17, 2017) - [Itafos](#) (TSX VENTURE:IFOS) ("Itafos") is pleased to announce that it has entered into a subscription agreement (the "Subscription Agreement") with [Stonegate Agricom Ltd.](#) ("Stonegate") pursuant to which [Itafos](#), or a wholly owned subsidiary of [Itafos](#), will subscribe for 47,500,000 common shares of Stonegate (the "Stonegate PP Shares") at a price of C\$0.02 per Stonegate PP Share for an aggregate subscription amount of C\$950,000 (the "Private Placement").

Stonegate, a Toronto Stock Exchange listed issuer engaged in acquiring and developing agricultural nutrient projects, owns the Paris Hills Project, a high-grade phosphate deposit located in Idaho, United States and the Mantaro Project, a high-grade phosphate deposit located in Peru. Stonegate intends to use the net proceeds of the Private Placement for permitting at its Paris Hills property, for land concession payments and professional advisory fees associated with the Mantaro property and for general corporate, working capital and administrative purposes.

[Itafos](#) is currently a controlling shareholder of Stonegate. As of the date hereof, [Itafos](#) beneficially owns, controls and directs, indirectly 154,950,642 common shares of Stonegate, representing 29.6% of the issued and outstanding common shares of Stonegate. Upon completion of the Private Placement, [Itafos](#) would beneficially own, control and direct, indirectly 202,450,642 common shares of Stonegate, representing approximately 35.4% of the issued and outstanding common shares of Stonegate. Mr. Brian Zatarain, [Itafos](#)' Chief Executive Officer, is a director of Stonegate.

In light of the foregoing, the Private Placement is considered a "related party transaction" under the policies of the TSX Venture Exchange (the "TSXV") and for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Investments* ("MI 61-101"). [Itafos](#) is relying on the formal valuation exemption in section 5.5(a) of MI 61-101 and the minority approval exemption in section 5.7(a) of MI 61-101 on the basis that neither the fair market value of the Stonegate PP Shares nor the consideration to be paid for the Stonegate PP Shares exceeds 25% of [Itafos](#)' market capitalization.

Additionally, the Private Placement constitutes a reviewable transaction under TSXV Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets*. Accordingly, the completion of the Private Placement will be subject to receipt of TSXV approval.

Closing of the Private Placement is anticipated to occur on or around April 17, 2017. The Stonegate PP Shares will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities laws.

#### 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 "intends", "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. This information speaks only as of the date of this news release. Such forward looking information includes, among other things, statements or information relating to the terms and completion of the Private Placement and any plans in respect of Stonegate's future prospects or activities and its use of the proceeds from the Private Placement.

With respect to forward looking information contained in this news release, assumptions have been made regarding, among other things, the approval of the TSXV in connection with the Private Placement.

Actual results could differ materially from those anticipated in the forward looking information contained in this news release as a result of certain risk factors, including the risk that the necessary regulatory and other approvals required to complete the Private Placement will not be obtained.

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](#) does not undertake any obligation to publicly update or revise any forward looking information except as required by applicable securities laws.

#### About Itafos

[Itafos](#) (TSX VENTURE:IFOS) is focused on becoming a significant integrated producer of phosphate based fertilizers and related products. [Itafos](#) has an experienced team with significant experience in the business of fertilizer operations, management, marketing and finance. [Itafos](#) owns and operates the [Itafos](#)-Arraias SSP Operations, which consists of an integrated fertilizer producing facility comprised of a phosphate mine, a mill, a beneficiation plant, a sulphuric acid plant, an SSP plant and a granulation plant and related infrastructure located in central Brazil. [Itafos](#)' exploration portfolio includes a number of additional projects in Brazil, including the Santana Project, a high-grade phosphate deposit located in close proximity to the largest fertilizer market of Mato Grosso State and animal feed market of Pará State, and the Araxá Project, a high-grade rare

earth elements, niobium and phosphate deposit located in close proximity to two operating mines, therefore benefiting from existing local infrastructure. In addition, [Itafos](#) owns an approximate 31.3% interest in [GB Minerals Ltd.](#) which owns the Farim Project, a high-grade phosphate deposit located in Guinea Bissau and an approximate 29.6% interest in [Stonegate Agricom Ltd.](#) which owns the Paris Hills Project, a high-grade phosphate deposit located in Idaho, United States and the Mantaro Project, a high-grade phosphate deposit located in Peru.

*Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*

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