

TORONTO, ONTARIO--(Marketwired - Apr 17, 2017) - [Itafos](#) (Itafos) (TSX VENTURE:IFOS) announces that it has entered into a subscription agreement (the Subscription Agreement) with [Stonegate Agricom Ltd.](#) (Stonegate), pursuant to which [Itafos](#) will indirectly acquire, by way of private placement (the Private Placement), ownership of and control over 47,500,000 common shares (the Acquired Shares) of Stonegate upon closing of the Private Placement.

Pursuant to the terms of the Subscription Agreement, [Itafos](#) will pay C\$0.02 in cash per Acquired Share for aggregate consideration of C\$950,000 for the Acquired Shares.

Prior to the Private Placement, [Itafos](#), through its wholly-owned subsidiaries Zaff LP and Zaff 2 LP, had indirect ownership of and control over 154,950,462 common shares of Stonegate, representing approximately 29.6% of the issued and outstanding common shares (on an undiluted basis) of Stonegate (the Common Shares).

Upon completion of the Private Placement (and assuming that no other Common Shares are issued), [Itafos](#) will have indirect ownership of and control over 202,450,642 Common Shares, representing approximately 35.4% of the Common Shares that are issued and outstanding (on an undiluted basis) at that time.

[Itafos](#) may take actions in the future in respect of its holdings in Stonegate based on the then existing facts and circumstances, which actions could include, without limitation, acquisitions or dispositions of shares, whether in the open market, by privately negotiated agreement or otherwise, or in connection with a strategic transaction with Stonegate.

The head office of Stonegate is located at Suite 1300 - 20 Adelaide Street East, Toronto, Ontario, M5C 2T6.

For further information, including a copy of the corresponding report filed with Canadian securities regulators, please contact:

[Itafos](#)

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