

TORONTO, Aug. 14, 2017 (GLOBE NEWSWIRE) -- [Itafos](#) (TSX VENTURE:IFOS) (“Itafos”) announced today that it has received advances (the “Advances”) in the amounts of US\$5,000,000 from Pala Investments Limited (“Pala”) and US\$5,000,000 from Zaff LLC (“Zaff”). The Advances are evidenced by unsecured promissory notes that are pre-payable, in whole or in part, at any time, bear interest at a rate of 15% per year and mature on January 31, 2018. It is expected that the proceeds of the Advances, together with available cash, will be used primarily for the ramp-up of the [Itafos](#) Arraias SSP Operations, the continued implementation of business development initiatives including the development of the Farim project owned by [GB Minerals Ltd.](#) and general corporate purposes.

Each of Zaff and GB Minerals is a “related party” to the Company under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). Zaff is a “related party” to the Company by virtue of its shareholding being in excess of 10% of the Company’s issued and outstanding share capital and GB Minerals is a “related party” to the Company as [Itafos](#) owns an approximate 31.3% interest in GB Minerals. Accordingly, the Advance from Zaff and any investments concerning the development of the Farim project are “related party transactions” under MI 61-101. The transactions are exempt from (i) the formal valuation requirements under Section 5.4 of MI 61-101 pursuant to Subsection 5.5(a) of MI 61-101; and (ii) the minority approval requirements under Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(a) of MI 61-101 because the subject matter of the transactions does not exceed 25% of the Company’s market capitalization.

## About Itafos

[Itafos](#) 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](#)’s 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 which owns the Farim Project, a high-grade phosphate deposit located in Guinea Bissau and a 100% 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.

## About The Blueshirt Group

The Blueshirt Group provides capital markets expertise and strategic financial and media relations counsel to growth companies and venture capital firms globally. Founded in 1999, The Blueshirt Group has earned its reputation as a leader in investor relations (IR), financial communications, financial media relations and crisis management.

## Forward Looking Statements

This news release contains forward-looking information (“FLI”) regarding future events or the future performance of [Itafos](#) and its affiliates. Generally, FLI can be identified by expressions of belief, expectation or intention, and often contain words such as “anticipates”, “believes”, “expects”, “estimates”, “intends”, “plans”, “could”, “may”, “might”, “should”, “would” or variations of such words. FLI is based on various assumptions, including with respect to operations at the [Itafos](#) Arraias SSP Operations and other projects, technical feasibility, resources and reserves, mine life, financing sources and use of funds, growth of Brazilian and global fertilizer markets, results of operations, performance, business prospects and opportunities. While [Itafos](#) considers these assumptions to be reasonable based on information currently available, such assumptions may prove to be incorrect. FLI is subject to various risks and uncertainties that could cause actual events or results to differ materially from those projected. These risks and uncertainties include, but are not limited to, variations from [Itafos](#)’s assumptions regarding the matters mentioned above; the timing and outcome of current and pending environmental claims or lawsuits; imprecision in mineral reserves and resources estimates; changes in the agriculture, energy, fertilizer, financial, raw material and transportation market conditions; fluctuations in commodity prices and currency exchange rates; inability to obtain necessary permits; insurance and uninsured risks; potential increases in production costs; [Itafos](#)’s ability to effectively integrate any future acquisitions into its business structure; changes in government policy and in environmental and other governmental regulation; [Itafos](#)’s ability to attract and retain skilled employees with relevant industry expertise; catastrophic events such as fires, floods, explosions, release of hazardous chemicals and seismic events, as well as other risks and uncertainties reported by [Itafos](#) from time to time in its Management’s Discussion and Analysis filed with the securities regulatory authorities in Canada and available at [www.sedar.com](http://www.sedar.com). FLI should not be read as a guarantee of future events or results. You are cautioned not to put undue reliance on FLI.

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

*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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