

Itafos and GB Minerals Ltd. Announce Merger

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Transaction Highlights

- Itafos, the second largest investor in GB Minerals since January 2014, to merge with GB Minerals, which owns the Farim phosphate project in Guinea-Bissau, West Africa, with a view to further develop the Farim project
- GB Minerals shareholders benefit from the opportunity to participate in a combined company with enhanced technical expertise, project management capabilities and financial resources
- Directors and executive officers of GB Minerals, as well as Aterra, collectively holding 48.67% of the outstanding common shares of GB Minerals, have entered into voting support agreements with [Itafos](#) in respect of the transaction
- Aterra to become and remain a shareholder in Itafos
- The disinterested members of the boards of directors of both [Itafos](#) and GB Minerals have unanimously approved the transaction which is expected to close in late February 2018

[Itafos](#) (TSX-V: IFOS) and [GB Minerals Ltd.](#) ("GB Minerals") (TSX-V: GBL) are pleased to announce that they have entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which [Itafos](#) will acquire, by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia) (the "Arrangement"), all of the issued and outstanding common shares of GB Minerals (the "GB Minerals Shares") in exchange for ordinary shares of Itafos (the "Itafos Shares") or for a combination of Itafos Shares and cash, as further described below.

Under the terms of the Arrangement Agreement, shareholders of GB Minerals (each a "GB Minerals Shareholder"), other than Itafos and its affiliates, will receive, at the election of each such shareholder, either (i) 0.035714 of an Itafos Share for each GB Minerals Share held (the "Share Option"); or (ii) a combination of C\$0.05 in cash and 0.011905 of an Itafos Share for each GB Minerals Share held (the "Cash and Share Option" and, together with the Share Option, the "Consideration"). Outstanding options to purchase GB Minerals Shares ("GB Minerals Options") will be cancelled in accordance with the terms of the Arrangement.

The Arrangement is subject to the approval of the Supreme Court of British Columbia and (i) at least two-thirds of the votes cast by GB Minerals Shareholders at the GB Minerals Meeting (as defined below); (ii) at least two-thirds of the votes cast by GB Minerals Shareholders and holders of GB Minerals Options (together with the GB Minerals Shareholders, the "GB Minerals Securityholders") voting as a single class at the GB Minerals Meeting; and (iii) a majority of the votes cast by disinterested GB Minerals Shareholders at the GB Minerals Meeting. In addition to the aforementioned approvals, completion of the Arrangement is subject to other customary conditions, including the receipt of all necessary regulatory and stock exchange approvals. Subject to the receipt of these approvals, and timely satisfaction of the conditions contained in the Arrangement Agreement, the Arrangement is expected to close in late February 2018. If the Arrangement is completed, the GB Minerals Shares will be delisted from the TSX Venture Exchange (the "TSXV").

The Arrangement Agreement contains customary representations and warranties of each party, and non-solicitation and interim operations covenants. The Arrangement Agreement also contains customary non-solicitation provisions which are subject to GB Minerals' right to consider and accept a superior proposal subject to a matching right in favour of Itafos. In the event that the Arrangement is not completed as a result of a superior proposal or for other certain specified circumstances, GB Minerals will pay Itafos a termination fee.

GB Minerals' Board of Directors (the "GB Minerals Board") formed a special committee (the "Special Committee") to consider the proposed Arrangement. The Special Committee has unanimously determined that the completion of the Arrangement is in the best interests of GB Minerals.

Deloitte LLP has provided a verbal fairness opinion (the "Fairness Opinion"), which determined that, subject to certain underlying assumptions, limitations and qualifications, the Consideration to be received is fair, from a financial point of view, to the holders of GB Minerals Shares, other than [Itafos](#). The Special Committee unanimously recommended that the GB Minerals Board approve the Arrangement.

Taking into account the recommendation of the Special Committee and the Fairness Opinion, the GB Minerals Board has unanimously determined that the Arrangement is in the best interests of GB Minerals,

and recommends that the GB Minerals Shareholders vote in favour of the Arrangement.

In connection with the Arrangement, directors and senior officers of GB Minerals, who in aggregate hold 1.09% of the outstanding GB Minerals Shares and 70.25% of the GB Minerals Options, as well as A.B. Aterra Resources Ltd. ("Aterra") (a GB Minerals Shareholder who beneficially owns, or controls or directs, directly or indirectly 46.5% of the GB Minerals Shares), have entered into customary voting support agreements (collectively, the "Support Agreements") with Itafos pursuant to which, among other things, they have agreed to vote their GB Mineral Shares and GB Minerals Options, as applicable, in favour of the Arrangement.

Concurrent with the signing of the Arrangement Agreement, GB Minerals will receive interim financing in an aggregate amount of US\$7 million from [Itafos](#) (the "Interim Financing"). The Interim Financing will be evidenced by 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 six months from their respective dates of issuance (collectively, the "Promissory Notes"). GB Minerals will use the proceeds of the Interim Financing for expenses and development of GB Minerals' Farim phosphate mineral property and to meet GB Minerals' financial obligations and operational commitments. Itafos is a "related party" to GB Minerals under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101") by virtue of indirectly holding more than 10% of GB Minerals' issued and outstanding share capital. Accordingly, the issuance of the Promissory Notes is a "related party transaction" under MI 61-101. The Interim Financing is exempt from (i) the formal valuation requirements under Section 5.4 of MI 61-101 pursuant to Subsections 5.5(b) of MI 61-101; and (ii) the minority approval requirements under Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(f) of MI 61-101 because the Interim Financing consists of loans obtained by GB Minerals from [Itafos](#) on reasonable commercial terms that are not less advantageous to GB Minerals than if the loans were obtained from a person dealing at arm's length with GB Minerals and are not convertible into, or repayable in, equity or voting securities of GB Minerals. A material change report with respect to the Interim Financing will be filed less than 21 days prior to the closing of the transaction. This time period is reasonable and necessary in the circumstances as GB Minerals wishes to complete the transaction in a timely manner.

The notice of meeting of GB Minerals Securityholders and information circular containing information relating to the proposed Arrangement is expected to be filed with regulatory authorities and mailed to GB Minerals Securityholders in January 2018, with the meeting GB Minerals Securityholders in relation to the Arrangement expected to be held in February 2018 (the GB Minerals Meeting). Copies of the information circular, the Arrangement Agreement, the Support Agreements and certain related documents will be filed with the applicable Canadian securities regulators and will be available under GB Minerals' profile on SEDAR at www.sedar.com.

Luis da Silva, President and Chief Executive Officer of GB Minerals, commented:

"The transaction with Itafos provides a clear path for the Farim project to be fully financed and developed with a group that has rapidly demonstrated it can transact and operate fertilizer businesses and we look forward to further updating shareholders of this exciting progress."

Brian Zatarain, Chief Executive Officer of Itafos, commented:

"With the consolidation of Itafos' interest in GB Minerals, Itafos further diversifies its strategic positioning and asset base with the Farim project, what we believe to be one of the highest quality phosphate projects in the world, and we look forward to continue working with all its stakeholders as the project advances."

None of the securities to be issued pursuant to the Arrangement Agreement have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and any securities issued in the Arrangement are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Itafos, which currently beneficially owns, or controls or directs, directly or indirectly 31.3% of the GB Minerals Shares, will file an updated early warning report in connection with entering into the Arrangement Agreement and the Support Agreements. A copy of the report will be available under GB Minerals' profile at www.sedar.com.

Further information on GB Minerals can be found at www.gbminerals.com.

Further information on Itafos can be found at www.itafos.com.

ABOUT ITAFOS

[Itafos](#) is an integrated producer of phosphate based fertilizers and specialty products with an attractive

portfolio of long-term and strategic phosphate assets located in key agricultural and fertilizer markets worldwide. Itafos is managed by an experienced and diverse team with extensive operations, commercial and financial expertise in the phosphate fertilizer industry. Itafos owns the Itafos Arraias 500,000 ton per year Single Super Phosphate (SSP) operations, which consists of an integrated fertilizer production facility comprised of a phosphate mine, a mill, a beneficiation plant, a sulphuric acid plant, an SSP plant and related infrastructure located in central Brazil. Itafos' development portfolio includes a number of additional projects in Brazil, including the Santana project, a high-grade phosphate mine located in Pará State and the Araxá project, a high-grade rare earth elements and phosphate mine located in Minas Gerais State. In addition, Itafos owns the Paris Hills project, a high-grade phosphate mine located in Idaho, United States, the Mantaro project, a high-grade phosphate mine located in Junin, Peru and an approximate 31.3% interest in GB Minerals which owns the Farim project, a high-grade phosphate mine located in Farim, Guinea Bissau.

ABOUT GB MINERALS LTD.

[GB Minerals Ltd.](#) is a Canadian mining exploration and development company focused on advancing its Farim phosphate project located in Guinea-Bissau in West Africa, which consists of a high grade sedimentary phosphate deposit of one continuous phosphate bed extending over a known surface area of approximately 40 km². The Farim phosphate project is estimated to contain measured and indicated resources of 105.6 million dry tonnes at a grade of 28.4% P₂O₅ and additional inferred resources of 37.6 million dry tonnes at 27.7% P₂O₅. The measured and indicated resources include 44.0 million dry tonnes of reserves based on a 25 year mine plan with a targeted final production of phosphate concentrate of 1.32 mtpa at a 34.0% P₂O₅ grade at 3% moisture based on 1.75 mtpa of run of mine feed. The life of mine operating costs are approximately US\$52.13 per tonne of final concentrate. The initial capital cost for the project is estimated at US\$193.8 million (excluding owner's costs of approximately US\$11 million). The Farim phosphate project is the subject of a feasibility study entitled "NI 43-101 Technical Report On the Farim Phosphate Project" (dated effective September 14, 2015). For additional information, please visit us at www.gbminerals.com.

GB Minerals' Qualified Person is Dan Markovic, P. Eng., who has reviewed and approves this press release.

FORWARD LOOKING STATEMENTS

Certain information in this news release relating to Itafos and GB Minerals is forward-looking and related to anticipated events and strategies. When used in this context, words such as "will", "anticipate", "believe", "plan", "intend", "target" and "expect" or similar words suggest future outcomes. Forward-looking information contained in this press release includes, but may not be limited to the Arrangement, statements related to the closing of the Arrangement, statements related to the timing of the GB Minerals Meeting, the receipt of GB Securityholder, court, regulatory and TSXV approvals in respect of the Arrangement, the Interim Financing, business plans, statements or information relating to the anticipated development activities of [Itafos](#) and GB Minerals, and their respective mineral assets, the potential to upgrade inferred mineral resources, the ability of GB Minerals to develop the Farim project into a commercially viable mine and the proposed plans relating thereto regarding operations, mine design, estimates relating to tonnage, grades, recovery rates, future phosphate production, future cash flows, life of mine estimates, expectations regarding production and estimates of capital and operating costs. By their nature, such statements are subject to significant risks and uncertainties that may cause actual results or events to differ materially from current expectations. Such risks and uncertainties include, but are not limited to, the failure to obtain shareholder, regulatory or court approvals in connection with the Arrangement, the synergies expected from the Arrangement not being realized, business integration risks, the ability to obtain adequate financing, political, social and other risks inherent in daily operations, industry risks such as commodity prices, interest rate and exchange rate fluctuations, health, safety and environmental risks and competition. Readers are cautioned not to place undue reliance on forward-looking information as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking information. Forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable law, Itafos and GB Minerals disclaim any obligation to update or modify such forward-looking information, either as a result of new information, future events or for any other reason.

Disclosure herein of exploration information and of mineral resources and mineral reserves relative to the GB Minerals' Farim project is derived from the 2015 Feasibility Study. Information relating to "mineral resources" and "mineral reserves" is deemed to be forward-looking information as it involves the implied assessment based on certain estimates and assumptions that the mineral resources and mineral reserves can be profitable in the future. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource and mineral reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may

ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on GB Minerals. Accordingly, readers should not place undue reliance on forward-looking information. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may be attached to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration.

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