



MINERVA S.A.

Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF): 67.620.377/0001-14
Company Registry (NIRE): 35.300.344.022

NOTICE TO THE MARKET.

Minerva S.A. ("Minerva" or "Company"), one of South America's leaders in the production and sale of fresh beef, live cattle and its byproducts, also operating in the beef, pork and poultry processing segments, in accordance to Official Letter No. 315/2016/CVM/SEP/GEA-2, as of September 8, 2016, received by the Company on September 8, 2016 ("Official Letter"), hereby submits the requested clarifications to the Company by the Brazilian Securities and Exchange Commission by means of the said Official Letter.

In order to better understand the query made and the clarification provided by the Company, the Official Letter's entire content is attached to this Notice to the Market as Appendix I and the Company's reply as Appendix II.

Pursuant to the applicable law and in compliance with the best governance practices, the Company will keep its shareholders, its investors and the market in general informed.

Barretos, September 8, 2016.

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer



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NOTICE TO THE MARKET

APPENDIX I

**TRANSCRIPTION OF OFFICIAL LETTER No. 315/2016/CVM/SEP/GEA-2,
AS OF SEPTEMBER 8, 2016**

Rio de Janeiro, September 08, 2016.

To Mr.
EDUARDO PIRANI PUZZIELLO
Investor Relations Officer of
MINERVA S.A.
Avenida Antônio Manço Bernardes, s/n - Chácara Minerva
14781-545 - Barretos - SP
Phone: (17) 3321-3355 Fax: (17) 3323-3041
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apereira@bvmf.com.br; nortega@bvmf.com.br

Subject: **Request for clarification on news published in the media**

Dear Sir,

1. We refer to the Notice to the Market and the minutes of the Board of Directors' meeting available on the IPE Module of the Empresas.NET System on 08/31/2016, as well as news published on the website of the *Valor Econômico* newspaper on 09/08/2016 under the headline "Minerva wants to raise at least US\$500 million", which contains the following information:

"Minerva wants to raise at least US\$500 million

By Alessandra Bellotto

Minerva Foods, which started a "roadshow" with investors on Monday in London, aims to raise at least US\$500 million with a ten-year bonds issuance abroad, according to a source. On Tuesday, the meeting was held in Los Angeles and Boston, and yesterday in New York. The company expects to close the operation on Thursday.

The resources from the issuance will be allocated to finance the early repurchase of US\$868 million in foreign debt securities maturing in 2023. The public offer was launched last week and, according to the company, it intends to withdraw all the securities from the market, which were issued with a coupon of 7.75% per annum.

The repurchase offer term runs until September 28. For every US\$1,000 in bonuses, the company will pay US\$1,035, or 103.5% of face value. Investors who adhere, by September 14, will be entitled to an additional premium and will receive US\$1,065 (or 106.5% of face value).

In the secondary market, these bonuses have already been adjusted to the value of the offer at a premium for early adherence, being trade at 106.5% of face value.

In addition to the repurchase, Minerva requested the securities holders the consent to remove covenant, as well as certain default events and related provisions set forth in the deed. The proposed amendment needs the consent of the majority of holders."

2. In view of the above, we require that you clarify whether the information is true and, if so, we require clarifications on the steps being taken by the Company regarding the subject and the reasons why the issue was not disclosed through a Material Fact, pursuant to CVM Instruction No. 358/02.

3. **Such clarifications must include a copy of the Official Letter and be sent to the IPE System, category "Notice to the Market", type "Clarifications of CVM/BOVESPA requests".**

4. It is worth noting that, pursuant to Article 3 of CVM Instruction No. 358/02, the Investor Relations Officer is responsible for disclosing and informing the CVM and, if applicable, the stock exchange and entity responsible for the organized over-the-counter market in which the Company's securities are traded, of any act or material fact related to the Company's business, as well as ensuring its wide and immediate dissemination, simultaneously in all markets in which said securities are traded.

5. We also point out the obligation, under the sole paragraph of Article 4 of CVM Instruction No. 358/02, to inquire the Company's directors and controlling shareholders, for the purpose of verifying whether they had knowledge of information that should be disclosed to the market, material fact occurred or related to their business, as well as ensuring its wide and immediate dissemination, simultaneously in all markets in which these securities are listed.

6. We caution that, as determined by the Corporate Relations Department – SEP, in compliance with its legal duties and, based on clause II of Article 9 of Law No. 6,385/76 and Article 7 c/c Article 9 of CVM Instruction No. 452/07, a punitive fine in the amount of R\$1,000.00 (one thousand reais) will be applied, without prejudice to other administrative sanctions, in case of non-compliance with the requirements in this official letter within **1 (one) business day** from the date of knowledge of the content of this letter, also sent by e-mail.

7. In case you have any doubts about this Official Letter, please contact the analyst Gustavo André Ramos Inúbia, through the email ginubia@cvm.gov.br.

Sincerely,

(digitally signed by)

Fernando D'Ambros Lucchesi

Acting manager



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NOTICE TO THE MARKET

APPENDIX II

CLARIFICATIONS TO THE OFFICIAL LETTER No. 315/2016/CVM/SEP/GEA-

Barretos, September 8, 2016.

To

BRAZILIAN SECURITIES AND EXCHANGE COMMISSION

Rua Sete de Setembro, 111,
Centro, Rio de Janeiro-RJ
CEP: 20050-901

For the attention of:

Messrs. Guilherme Rocha Lopes and Fernando D'Ambros Lucchesi

Business Monitoring Management – 2

gea-2@cvm.gov.br

Mr. Fernando Soares Vieira

Superintendence of Corporate Relations

sep@cvm.gov.br

Ref. Clarifications to the Official Letter No. 315/2016/CVM/SEP/GEA-2

Dear Sirs,

Minerva S.A., a corporation headquartered in the City of Barretos, State of São Paulo, at Avenida Antônio Manço Bernardes, Rotatória Família Vilela de Queiroz, Chácara Minerva, CEP 14.781-545, with its articles of incorporation filed with the Board of Trade of the State of São Paulo under Company Registry Number (NIRE) 35.300.344.022, enrolled with the Corporate Taxpayers' Registry (CNPJ/MF) under number 67.620.377/0001-14, registered with the Brazilian Securities and Exchange Commission ("CVM") as a category "A" publicly-held company under the code 02093-1, with its shares traded on the Novo Mercado segment of BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange ("BM&FBOVESPA") under the code BEEF3, one of South America's leaders in the production and sale of fresh beef, live cattle and its byproducts, also operating in the beef, pork and poultry processing segments, in accordance to Official Letter No. 315/2016/CVM/SEP/GEA-2, as of September 8, 2016, received by the Company on September 8, 2016 ("Official Letter"), clarify as follows:

According to Notice to the Market and the minutes of the Board of Directors' meeting available on the IPE Module of the Empresas.NET System on August 31, 2016, the Company's Board of Directors approved: (i) the issue of debt securities by its subsidiary Minerva Luxembourg S.A. ("Issuer"), and reported that the final amounts, terms and conditions would be defined pursuant to market conditions and ratified in a meeting of the Company's Board of Directors to be held at the appropriate time ("New Notes" and "Issue", respectively); (ii) provision of a joint and several guarantee, by the Company, with regards to the Issuer's obligations through the Issue of New Notes; and (iii) the early buyback offer of debt securities

issued abroad by the Issuer, maturing in 2023, currently outstanding in the international market ("Early Buyback Offer").

Additionally, as a material fact disclosed on this date, after the pricing of the issuance, which took place by the end of this afternoon, with the definition, among others, of the amount involved and the applicable interest rates, the Company's Board of Directors, at a meeting held today at 5:00 p.m., approved among others (i) the conditions of the Issue in the amount of US\$1 billion, with compensatory interest of 6.50% per annum payable semiannually; and (ii) the provision of the Company's guarantee.

At this point in time, we would like to reiterate our highest regard and consideration, and our availability to provide any further clarification that may be necessary.

Sincerely,

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer