



**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"), a leader in South America in the production and sale of fresh beef, live cattle and cattle byproducts, also operating in the beef, pork and poultry processing sectors, in regard to Official Letter 304/2016/CVM/SEP/GEA-2 of September 2, 2016, received by the Company on September 5, 2016 ("Official Letter"), hereby provides the clarifications requested by the Brazilian Securities and Exchange Commission.

For a better understanding of the request and the clarifications provided by the Company, the full content of the Official Letter is transcribed in Exhibit I and the Company's response in Exhibit II hereto.

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

Barretos, September 6, 2016.

**Minerva S.A.**  
**Eduardo Pirani Puzziello**  
**Investor Relations Officer**



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**EXHIBIT I**

**TRANSCRIPTION OF OFFICIAL LETTER 304/2016/CVM/SEP/GEA-2,  
DATED SEPTEMBER 2, 2016**

Rio de Janeiro, September 2, 2016.

To:

EDUARDO PIRANI PUZZIELLO

Investor Relations Officer of

**MINERVA S.A.**

Avenida Antônio Mano Bernardes, s/n - Chácara Minerva

14781-545 - Barretos - SP

Phone: (17) 3321-3355 Fax: (17) 3323-3041

E-mail: ri@minervafoods.com

Copy to: emissores@bvmf.com.br

Subject: **Request for clarification of news items**

Dear Sir,

1. We refer to the news items published on the websites of the newspaper *Valor Econômico* and of *Agência Brasil - Empresa Brasil de Comunicação (EBC)*, respectively, on August 31 and September 1, 2016, entitled *Vazamento de amônia em unidade da Minerva deixa 1 morto e 30 feridos* ("Ammonia leak at Minerva unit kills one and injures 30") and *Bombeiros de Barretos tentam descontaminar frigorífico onde trabalhador morreu* ("Barretos firefighters try to decontaminate meatpacking unit where employee died"), which contain the following information:

**"Ammonia leak at Minerva unit kills one and leaves 30 injured"**

**SÃO PAULO** One person died and 30 were injured after ammonia leak at Minerva's meatpacking plant in Barretos (423 km from São Paulo), on the morning of Thursday 31st.

The unit, located in the city's rural zone, was evacuated after the accident. The causes are still unknown, but one theory is that the ammonia, which is toxic, leaked after an explosion in a cold store.

The injured, suffering from shortness of breath, vomiting and headaches, were sent to Santa Casa de Barretos hospital and the city's Emergency Care Unit.

According to Santa Casa, 21 victims were admitted to the hospital, four of whom have already been discharged. The others remain under observation and are in a stable situation with no risk of death. The name of the employee who died has not been disclosed.

According to the hospital, the families of the employees involved are being received in a different room and are receiving help from psychologists and social workers.

According to the city government, nine other people went to the Emergency Care Unit with breathing difficulties.

This is not the first such episode in the meatpacking plant. In March 2013, Minerva was ordered to pay R\$200,000 by the Araraquara Labor Court for causing collective pain and suffering due to irregularities following an ammonia leak in the previous year. At the time, the company claimed that no one had been affected by the toxin. The investigation conducted by the Labor Prosecution Office concluded that the leak was caused by a mechanical flaw in the water cooling system.

The company, which was also responding to another civil lawsuit in Araraquara for not controlling ammonia leaks, finally reached a settlement in 2014, agreeing to pay R\$750,000 in order to dismiss the suits. In its filings, the Prosecution Office referred to leaks that resulted in accidents with severe consequences to employees' health in Goiás, Minas Gerais and São Paulo.

Through its media relations department, Minerva Foods stated that the Barretos ammonia leak had already been contained and that the company is "providing all the support necessary to its employees", adding that it had no further details on the incident, and that Minerva is doing everything possible to ensure compliance with safety rules and is prioritizing assistance for the people.

*(Folhapress)".*

### **"Barretos firefighters try to decontaminate the meatpacking unit where employee died"**

*Marli Moreira - Reporter from Agência Brasil*

*Firefighters are trying to decontaminate the meatpacking unit in Barretos where a worker died*

Firefighters were still working this afternoon (September 1) to decontaminate a Minerva S/A meatpacking unit in Barretos, in the interior of São Paulo, where an ammonia leak in the late morning of yesterday, August 31, killed one employee and injured 30 others.

According to Cetesb (São Paulo State Environmental Company), technicians were waiting for the firefighters to conclude their work before entering the location. The leak is thought to have begun at around 11:00 a.m. in the conserve room, but it will only be possible to investigate this hypothesis after decontamination.

The official investigation began this morning. The report on the causes of the accident should be ready within 30 days, according to Commissioner Antônio Alcício Simões Júnior, from the First Police Department of Barretos.

According to him, a police investigation for involuntary manslaughter was constituted, due to the death of Clademilson Aparecido Leal, 42, a plant employee, and the case has been forwarded to the Regional Labor Authority.

The victim died on the way to Santa Casa de Misericórdia de Barretos hospital, where most of the rescued victims with symptoms of ammonia intoxication were taken. Of the 21 people originally admitted, only one was

still under observation. The other nine victims went to the Emergency Care Unit.

According to the municipal government, most were released after receiving medication, the last of whom at around 10:00 p.m. on Wednesday.

Agência Brasil tried to contact the plant's media relations department, which had not returned our calls by the time this article was published.

#### *Recidivism*

According to the Labor Prosecution Office, the case will be subject to an investigation headed by examining magistrate Élisson Miessa dos Santos, to assess the plant's responsibility.

In an official letter sent by the Labor Prosecution Office of Araraquara to the Brazilian Securities and Exchange Commission (CVM), stating the amount provisioned by the company for labor lawsuits, prosecutor Rafael de Araujo Gomes declared that, in 2013, Minerva had reported three cases of ammonia leaks in its Araguaína facility, resulting in the hospitalization of dozens of employees.

*Edited by: Armando Cardoso"*

2. In view of the above, we request that you clarify whether the information in question is in fact true, and if so, we request further information on the occurrence itself and the measures the Company is taking, as well as the reasons why it was not deemed to constitute the subject of a Material Fact, pursuant to the *caput* of Article 2 of CVM Instruction 358/02.

3. **Said declaration should include a copy of this Official Letter and should be sent via 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 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 material act or fact that has occurred or is 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. Pursuant to paragraph 3 of Article 3, the Investor Relations Officer is responsible for disclosing material acts or facts, as provided for in the *caput* and paragraph 4 of said article, prior to or simultaneously with the disclosure of the information by any means of communication, including through the media, or in meetings of professional associations, investors, analysts or selected audiences in Brazil or abroad.

5. It is also worth noting that, pursuant to the sole paragraph of Article 4 of CVM Instruction 358/02, the Investor Relations Officer is obliged to inquire of the Company's management and controlling shareholders, in order to ascertain whether they are aware of information that should be disclosed to the market, of any material fact that has occurred or is related to the business, as well as to

ensure its wide and immediate dissemination, simultaneously, in all markets in which said securities are admitted for trading.

6. We caution that, as determined by the Corporate Relations Department, in compliance with its legal duties and based on clause II of Article 9 of Law 6385/1976 and Articles 7 and 9 of CVM Instruction 452/2007, a punitive fine in the amount of one thousand Brazilian Reais (R\$1,000.00) will be applied, without prejudice to other administrative sanctions, in case of non-compliance with the requirements in this letter, also sent by e-mail, within **one (1) business day**.

7. Should you have any questions regarding this Official Letter, please enter into contact with Gustavo André Ramos Inúbia by email: [ginubia@cvm.gov.br](mailto:ginubia@cvm.gov.br).

Sincerely,

(digitally signed by)

**Guilherme Rocha Lopes**

Company Monitoring Manager — 2



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**NOTICE TO THE MARKET**

**EXHIBIT II**

**CLARIFICATIONS ON THE OFFICIAL LETTER 304/2016/CVM/SEP/GEA-2**

Barretos, September 6, 2016.

To the

**BRAZILIAN SECURITIES AND EXCHANGE COMMISSION**

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

Att: Guilherme Rocha Lopes  
**Corporate Oversight Department – 2**  
[gea-2@cvm.gov.br](mailto:gea-2@cvm.gov.br)

Fernando Soares Vieira  
**Corporate Relations Department**  
[sep@cvm.gov.br](mailto:sep@cvm.gov.br)

**Re: Clarification of Official Letter 304/2016/CVM/SEP/GEA-2**

Dear Sirs,

**Minerva S.A.**, a corporation headquartered at Avenida Antônio Mano Bernardes, s/n.º, Rotatória Família Vilela de Queiroz, Chácara Minerva, CEP 14.781-545, in the city of Barretos, state of São Paulo, with its articles of incorporation filed at the São Paulo State Registry of Commerce, under Company Registry (NIRE) no. 35.300.344.022, inscribed in the roll of corporate taxpayers (CNPJ/MF) under no. 67.620.377/0001-14, registered at the Brazilian Securities and Exchange Commission ("CVM") as a category "A" publicly-held company under code 02093-1, with shares traded in the Novo Mercado Listing Segment of BM&FBOVESPA S.A. – Securities, Commodities and Futures Exchange ("BM&FBOVESPA") under the ticker BEEF3, a leader in South America in the production and sale of fresh beef, live cattle and cattle byproducts, also operating in the beef, pork and poultry processing sectors, in response to Official Letter 304/2016/CVM/SEP/GEA-2 of September 2, 2016, received by the Company on September 5, 2016 ("Official Letter"), hereby clarifies that:

Operations in the industrial facility located in the Municipality of Barretos, state of São Paulo, were paralyzed in the late morning of Wednesday, August 31, 2016, due to an incident with an evaporator that resulted in an ammonia leak in one of the unit's chambers. Contrary to what was published, there was no explosion in the industrial unit nor in any other Company facility.

The leak in one of the chambers triggered the entire "Ammonia Security System" (comprising an Ammonia Detection System, Audible Alarm and Ammonia Extraction), whose operation allowed, with the aid of its Emergency Brigade and



Specialized Occupational Health and Safety Engineering Service (SESMT), the evacuation of nearly 800 people who were in the building in approximately four minutes.

Thirty employees who reported discomfort were promptly treated and sent to Santa Casa de Misericórdia hospital and the Emergency Care Unit, where they received medical and psychological assistance, and were released shortly afterwards. The Company is still offering help to the employees affected by the incident.

Once again, the Company would like to thank all the agents and bodies directly or indirectly involved in the event for the help and support offered to the Company's employees.

Unfortunately, there was one fatal victim of the accident, to whose family the Company reiterates its regret and for whom it is providing psychological support, paying funeral costs, maintaining the dependents' health plan, and helping them with insurance indemnification.

After an investigation conducted by the firefighters and other competent authorities, Minerva resumed its activities at the Barretos' plant on Thursday afternoon, September 1, 2016.

Until now, no adverse environmental impact has been detected and the causes of the accident are being investigated by experts.

The Company is working with the competent authorities, including the Labor Prosecution Office, on technical measurements related to the accident. The Company has also begun a detailed internal investigation to find out the causes of the event in order to constantly improve its safety procedures related to its employees and the environment.

It is worth noting that Minerva ensures compliance with technical and occupational health rules and the commitments assumed before the authorities and the Labor Prosecution Office in its plants, including the unit in Araraquara, state of São Paulo, where the "Ammonia Security System" is installed and operating.

Regarding the non-disclosure of a material fact, the Company believes that the shutdown of one of its 17 plants for a one-day period, for reasons related to the employees' safety, does not materially affect production, sales or operating performance, and is part of the dynamics of industrial activity. The Company's Management therefore understands that the incident does not have the potential to influence the decision of investors concerning the acquisition, sale or maintenance of securities issued by Minerva or referenced to securities issued by Minerva.

In addition to this belief, it is worth noting that on the day of the incident and on the following day, the Company's shares actually appreciated, and there was no

atypical variation in the number of trades, traded volume or price of the securities issued by Minerva.

The Company hereby reaffirms its commitment to keeping its shareholders, the Brazilian Securities and Exchange Commission, the BM&FBOVESPA and the market in general informed on the matter.

We remain at your disposal for any additional clarifications you may require.

Sincerely,

**Minerva S.A.**  
**Eduardo Pirani Puzziello**  
**Investor Relations Officer**