



MINERVA S.A.

Publicly-held Company

CNPJ/MF n.º 67.620.377/0001-14

NIRE 35.300.344.022 – CVM 02093-1

MATERIAL FACT

Company's Repurchase of Shares Program

Minerva S.A. ("Minerva" or "Company"), one of the leaders in South America in the production and sale of fresh beef, live cattle and cattle byproducts, with operations also in the beef processing segment, pursuant to the provisions of article 157, paragraph 4, of Brazilian Corporations Law, and in accordance with CVM Instruction No. 358 of January 3, 2002, as amended ("ICVM 358/02"), hereby informs its shareholders and the market in general the following:

At the meeting of the Company's Board of Directors held on the date hereof, it has been approved the launch of a program for the repurchase of Company's shares ("Company's Repurchase of Shares Program"), in the following terms and conditions, in compliance with the Company's Bylaws, the Instruction No. 567 of the Brazilian Securities and Exchange Commission ("CVM"), dated as of September 17, 2015 ("ICVM 567/15"), and the Brazilian Corporations Law:

1. Objective: The objective of the Company's Repurchase of Shares Program is to improve the generation of value for its shareholders in view of the discount currently applied on the Company's shares in the market, through the application of available funds in the acquisition of shares via the stock exchange, at market prices, to be held in treasury, to be cancelled or to be further sold in the market or to be used in the exercise of the call options under the Company's stock option plan, in compliance with the first paragraph of Article 30 of Brazilian Corporations Law and the provisions of ICVM 567/15.
2. Free Float: On this date, there are ninety-nine million, eight hundred and eighty thousand, one hundred and seventy-three (99,880,173) common shares, book-entry and with no par value issued by the Company in the free float ("Free Float Shares"), as defined by the third paragraph of Article 8 of ICVM 567/15. On this date, there are no shares issued by the Company held in treasury.
3. Number of shares to be acquired: The Company may, at its sole discretion and in compliance with the terms of the Company's Repurchase of Shares Program, subject to Article 8 of ICVM 567/15, acquire up to nine million, nine hundred and eighty-eight thousand and seventeen (9,988,017) common shares, book-entry and with no par value issued by the Company, corresponding to up to four point sixteen percent

(4.16%) of the outstanding shares of the Company and up to ten percent (10%) of the Free Float Shares.

4. Price and acquisition mode: The transactions for the acquisition of shares will be carried out in BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA"), at market price, being the Company's Board of Executive Officers responsible for deciding the moment and the amount of shares to be acquired, either by a single transaction or by a series of transactions, in compliance with the limits provided for in the applicable rules.

5. Term of the Company's Repurchase of Shares Program: The acquisition of shares shall be carried out within eighteen (18) months, starting on May 11, 2016 and ending on November 11, 2017.

6. Financial institutions: The acquisition of shares will be carried out by the following brokerage firms:

BTG PACTUAL CORRETORA DE TÍTULOS E VALORES MOBILIÁRIOS S.A.

CNPJ/MF: 43.815.158/0001-22

Av. Brigadeiro Faria Lima, n. 3477, 14th floor.

São Paulo, SP

Zip code 04538-133

UBS BRASIL CORRETORA DE CâMBIO, TÍTULOS E VALORES MOBILIÁRIOS S.A.

CNPJ/MF: 02.819.125/0001-73

Av. Brigadeiro Faria Lima, n. 4.440, 7th floor.

São Paulo, SP

Zip code 04538-132

CM CAPITAL MARKETS CCTVM LTDA.

CNPJ/MF: 02.685.483/0001-30

R. Gomes de Carvalho, n. 1195, 4th floor.

São Paulo, SP

Zip code 04547-004

7. Available Funds: The transactions performed under the Company's Repurchase of Shares Program will be funded by the total amount of (a) the profits and capital reserves, with the exclusion of the legal reserve, the reserve of unrealized profits, the special reserve of undistributed dividends and the reserve of tax incentives; (b) net income of the relevant fiscal year, with the exclusion of the amounts to be destined to the legal reserve, the reserve of unrealized profits, the special reserve of undistributed dividends and the reserve of tax incentives and to the payment of the mandatory dividend.

8. Verification of available funds: The existence of available funds for the acquisition of shares will be verified based on the Company's latest annual, interim or

quarterly financial statements released before the actual transfer of the shares to the Company.

9. Precautionary measures: The use of the interim financial statements or the quarterly financial information to back the transactions shall observe the following precautionary measures: (a) segregation of values that, at the end of the fiscal year, would be placed in the mandatory reserves and the amount that would be destined to the mandatory dividend; (b) performance of the necessary withholdings to ensure that the values to be used for the payment of the mandatory dividend at the end of the fiscal year and for the repurchase of shares are fully backed by ascertained profits (immediately or shortly available); and (c) analysis of Company's past records regarding the regular behavior of the earnings in the remainder of the fiscal year and a projection of the earnings in the relevant fiscal year, submitting such information to the Board of Directors

10. Projected earnings of the relevant fiscal year: The projected earnings of the relevant fiscal year cannot be used to back the transactions carried out under the Company's Repurchase of Shares Program.

11. Verification by the Board of Executive Officers: The Board of Executive Officers shall only carry out the acquisitions once it has taken all the necessary diligences to ensure that: (a) the liquidation of each transaction is compatible with the financial situation of the Company, not affecting the fulfillment of the obligations undertaken by the Company with its creditors nor the payment of the mandatory dividend; and (b) in case of verification of available funds based on interim financial statements or reflected in the quarterly information forms (ITR), there are no predictable events capable of causing relevant changes in the amount of such funds throughout the remainder of the fiscal year.

12. Treasury shares: According to the applicable rules, shares held in treasury are not entitled to political or cash-flow rights. As per the second paragraph of the Article 10 of ICVM 567/15, treasury shares shall not be counted for the purpose of calculating the quorum for convening the shareholders' meetings and the quorum for voting on decisions provided for under Brazilian Corporations Law and the securities rules applicable.

13. Stock bonus, reverse share splits or share splits: Should any stock bonus, reverse share splits or share splits be approved, the number of treasury shares shall be altered in order to adjust the numerical expression of shares held in treasury, such adjustment not modifying the balance sheet which backed the acquisition.

14. Sale or cancellation of exceeding shares: The shares acquired in connection with this Company's Repurchase of Shares Program may, at the sole discretion of the Company's Board of Director, be used in the context of the Company's stock option plan. The Company shall, yet, cancel or sell the shares which exceed the balance of profits and the available reserves within six (6) months as of the release of the annual

and interim financial statements or the quarterly financial information in which such excess is verified.

The Company reaffirms its commitment to keep the shareholders and the market in general informed about any developments of this matter, as well as any other matters that are relevant to the market.

Barretos, May 10, 2016.

Minerva S.A.
Eduardo Pirani Puzziello
Diretor de Relações com Investidores