

MINERVA S.A.

Public Held Company – CVM 20931-1
Corporate Taxpayer ID (CNPJ/MF): 67.620.377/0001-14
Company Register (NIRE): 35.300.344.022
Av. Antônio Manço Bernardes, s/nº, Rotatória Família Vilela de Queiroz, Chácara Minerva
CEP 14781-545 – Barretos/SP

MATERIAL FACT

Issuance of Mandatorily Convertible Debentures

Barretos, May 11th, 2011 - Minerva SA (BOVESPA: BEEF3; Bloomberg: BEEF3.BZ; Reuters: BEEF3.SA), one of the market leaders in South America in the production and sale of fresh beef, live cattle and byproducts, with operations also in the beef, pork and poultry processing segments, hereby informs its shareholders and the general market, pursuant to CVM Instruction No. 358/02, as amended, that the Board of Directors, meeting on this date, approved the 2nd public issuance of subordinated debentures (the “Debentures”), convertible into common shares issued by the Company (the “Shares”), in a single series, under a firm guarantee of settlement, with the following characteristics:

- Offering Size: R\$ 300,000,000.00;
- Face Value per Debenture: R\$1,000.00;
- Maturity: 4 years from the date of issuance, or June 15, 2015;
- Interest Rate: up to 100% of the Interbank Deposit Rate (*Taxa DI*), to be determined during the bookbuilding process;
- Convertibility: the Debentures will be mandatorily converted into Shares on the maturity date, at any time at the option of the holders of the Debentures, or upon the occurrence of other events;
- Conversion Price: subject to the maximum amount of at least R\$8.85 and the minimum amount of at least R\$6.65, to be determined during the bookbuilding process;
- Trading and Settlement: through the Asset Distribution System (*DDI – Sistema de Distribuição de Ativos*) and the BOVESPAFIX System;
- Use of Proceeds: settlement of debt of the Issuer and reinforcement of the Company’s working capital.

On this date, an application for registration of the issuance of the Debentures (the "Issuance") was filed with the Brazilian Association of Financial and Capital Markets Entities (*ANBIMA - Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais*) ("ANBIMA"). The Issuance will be the first public offering of Debentures mandatorily convertible into shares object of a public offering, pursuant to the terms of CVM Instruction No. 400/03, as amended. The current shareholders of the Company will not have preemptive rights pursuant to the terms of article 172, item I, of Law No. 6,404/76, as amended. Efforts will be made to place the Debentures outside of Brazil, subject to applicable laws in the country of residence of each foreign investor. The Debentures to be offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act) absent registration or an applicable exemption from the registration requirements of the Securities Act. The Debentures will be offered within the United States to Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) and outside the United States to non-U.S. persons (within the meaning of Regulation S under the Securities Act.)

The effective implementation of the offering of the Debentures (the "Offering") is subject to the conditions of the domestic and international capital markets, as well as the CVM's granting of the registration of the Offering.

Additional information with respect to the Offering will be duly disclosed.

Given the possibility that materials about the Company and the Offering may be transmitted through the media, the Company cautions investors that they should base their investment decisions solely and exclusively on the information contained in the Prospectus relating to the Offering, to be publicly available after analysis of the Offering documents by ANBIMA and the CVM.

Investor Relations

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THIS NOTICE OF MATERIAL FACT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO PURCHASE ANY SECURITIES OF MINERVA S.A. THE PROPOSED ISSUANCE OF SUBORDINATED CONVERTIBLE DEBENTURES BY MINERVA S.A. HAS NOT COMMENCED.



MINERVA

Qualidade em Alimentos

THE SUBORDINATED CONVERTIBLE DEBENTURES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED PURSUANT TO THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS ABSENT REGISTRATION OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. WE HAVE NO INTENTION OF REGISTERING OR CONDUCTING A PUBLIC OFFER OF SUCH SUBORDINATED CONVERTIBLE DEBENTURES IN THE UNITED STATES.

About Minerva SA

Minerva S.A. is one of the leaders producers and sellers of beef, leather and live cattle exports in South America, and is one of the country's three largest exporters in the sector in terms of gross revenue, exporting to some 100 countries. Minerva has daily slaughter capacity of 10,340 head of cattle and beef processing capacity of 2,040 tons. Present in the states of São Paulo, Rondônia, Goiás, Tocantins, Minas Gerais, Mato Grosso do Sul, Pará, in Paraguay and Uruguay, Minerva operates ten slaughter and deboning plants, one tannery and nine distribution centers. Minerva also operates in the food service segment through the Minerva Dawn Farms (MDF), which currently has meat processing capacity of 120 tons per day, producing food made from beef, pork and poultry. In the 12 months ended December 31st, 2010, the Company recorded net sales revenue of R\$3.4 billion, a growth of 31% on the same period a year earlier.

