



MINERVA S.A.

Public-held company

CNPJ/MF No. 67.620.377/0001-14

NIRE 35.300.344.022 – CVM Code No. 02093-1

MATERIAL FACT

Minerva S.A. ("Minerva" or "Company"), leader in South America in the sale of fresh beef, with operations also in the beef processing segment, selling its products for more than 100 countries, pursuant to the provisions of article 157, paragraph 4, of Law no. 6,404 of December 15, 1976, as amended ("Brazilian Corporate Law"), and in accordance with CVM Instruction 358 of January 3, 2002, as amended ("ICVM 358/02"), hereby informs its shareholders and the market in general that:

In the meeting held on September 11th, 2018, the Board of Directors resolved, among other matters, the proposal, to be submitted to the extraordinary shareholders' meeting, to increase the capital stock of the Company ("Capital Increase"), with the issuance of subscription bonus as an additional advantage to the subscribers of the shares issued within the scope of the capital increase ("Subscription Bonus").

The proposed Capital Increase anticipates an increase in the Company's capital stock in the amount of up to one billion, fifty-nine million and three hundred thousand Reais (R\$ 1,059,300,000.00), with the particular subscription of up to one hundred and sixty-five million (165,000,000) new registered common shares with no par value, at the issue price of six Reais and forty-two cents (R\$ 6.42) per share, determined without undue dilution of the current shareholders' interest, in accordance with Article 170, Paragraph 1, item III, of Brazilian Corporate Law based on the average weighted price of the Company's shares in the last thirty (30) trading sessions of B3 S.A. – Brasil, Bolsa, Balcão ("B3") prior to September 11th, 2018.

The approval of the capital increase partially subscribed will be allowed, as long as at least eighty-two million, one hundred and forty-seven thousand, eight hundred and eighty-seven (82,147,887) new registered common shares with no par value are subscribed, corresponding to an increase of at least five hundred and twenty-seven million, three hundred and eighty-nine thousand and four hundred and thirty-four Reais and fifty-four cents (R\$ 527,389,434.54) ("Minimum Subscription")

The shares issued in the Capital Increase will be entitled to full payment of dividends and/or interest on their own capital, as well as any other rights that may be declared by the Company as of the date of the extraordinary shareholders' meeting that approves the Capital Increase, on equal terms with the current shares.

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In accordance with Article 171 of Brazilian Corporate Law, and observing the procedures to be detailed in a notice to be disclosed by the Company, the shareholders will have preemptive rights, in the subscription of new shares to be issued in the Capital Increase, in the proportion of their interests in the capital stock of the Company at the time of closing of the trading session on the day the extraordinary shareholders' meeting is held to approve the Capital Increase.

Considering that the shareholders will have preemptive rights in the subscription of new registered common shares with no par value, if they exercise all of their respective preemptive rights, there will be no dilution of the shareholders.

The preemptive right in the subscription of shares in the scope of the Capital Increase can be freely assigned to third parties, pursuant to article 171, paragraph 6, of the Brazilian Corporate Law.

Upon the expiration of the period for the exercise of preemptive right, if there is any number of remaining shares not subscribed, a proceeding for the subscription and apportionment of the remaining shares not subscribed shall be conducted.

It should be highlighted that the term for the subscription of the remaining shares not subscribed shall be initiated even if the Minimum Subscription is reached in the end of the period for the exercise of the preemptive right. In this sense, if there are any number of shares not subscribed during the period of exercise of the preemptive right, the subscription of remaining shares not subscribed should be made, regardless of the verification of the Minimum Subscription

It means that the approval of the Capital Increase partially subscribed shall only be allowed after the end of, at least, one round of subscription of remaining shares not subscribed by the subscribers who have requested remaining shares not subscribed upon the act of subscription.

In view of the possibility of approval of the Capital Increase partially subscribed, when signing the bulletin of underwriting of shares, the subscribers may condition their investment decision upon the final conditions of the Capital Increase, in the way to be further detailed by means of a Notice to Shareholders.

Considering that the proposed Capital Increase will be carried out outside the limit of the authorized capital, the meeting of the Board of Directors that will be convened to ratify the Capital Increase shall propose to the first general meeting that occurs after the Capital Increase, the ratification of the Capital Increase, with the consequent amendment of the caput of art. 5th of the Company's bylaws to contemplate the new amount of capital stock and the number of shares after the Capital Increase.

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Within the scope of the Capital Increase, the current shareholders, Salic (UK) Limited and VDQ Holdings S.A. have committed, before the Company, to subscribe and pay-up an amount of new registered common shares with no par value, sufficient for such shareholders to keep their current participation in the Company's total and voting capital.

According to the informed above, it shall be attributed, as an additional advantage to the subscribers of each new share 1 (one) Subscription Bonus for the shares of the Company, issued in a single series, for a total issue of up to one hundred and sixty-five million (165,000,000).

The Subscription Bonus will be issued at no value, since they will be attributed as an additional advantage to the subscribers of the shares.

Each Subscription Bonus entitles its holder the right to subscribe 1 (one) common share ("Quantity of Shares").

The exercise price of each Subscription Bonus, which corresponds to the issue price per share, is six Reais and forty-two cents (R\$ 6.42), the same issue price of the shares approved for issuance ("Exercise Price").

The Subscription Bonus will be book-entry and will be issued automatically in the time of issue of the shares upon approval of the Capital Increase by the shareholders' meeting.

The Subscription Bonus will be valid for a three-year period counted as of its issue date ("Subscription Bonus Expiration Date"). After the Subscription Bonus Expiration Date, the Subscription Bonus that have not been exercised will automatically and without the need of any additional formality, lose its effectiveness and be duly extinguished.

After the issuance, the Company will request to B3 the applicable trading registration of the Subscription Bonus. If the registration enabling the Subscription Bonus to trade on exchanges is approved, the Company will publish a Material Fact indicating the date on which trading will commence. During the period from the issue of the Subscription Bonus until its admission for trading, the Subscription Bonus may be traded only privately, directly with Itaú Corretora, in accordance with governing law, without the possibility of negotiation in the regulated markets of securities.

The subscription of shares resulting from the exercise of each Subscription Bonus will be effected upon the exercise of the rights and the payment of the shares effectively

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subscribed will be made at sight in national currency upon subscription, subject to the rules and proceedings established by Itaú Corretora and Central Depository of Assets, as the case may be.

The common shares issued by the Company resulting from the exercise of the rights conferred by the Subscription Bonus, within the limits of the Company's authorized capital, will be entitled to receive in full any dividends or remuneration of capital that come to be declared by the Company as of the Subscription Bonus exercise date, as well as all other rights and benefits enjoyed by the other holders of the common shares issued by the Company henceforward, at conditions equal to those enjoyed by the other shares issued by the Company.

Additional information regarding the Capital Increase and the procedures for exercising preemptive right and subscription of the remaining shares not subscribed required by applicable law will be described in "Notice to Shareholders" to be disclosed in due time to the Company's shareholders and to the market in general and information regarding the Subscription Bonus will be also described in the management proposal for the Extraordinary General Meeting of the Company that will be convened to approve the Capital Increase.

In order to promote additional clarifications to this Material Fact, the Company will hold a conference call tomorrow, accordingly to the following information:

Portuguese	English
Wednesday, September 12 th , 2018 08:30 a.m. (US ET) 09:30 a.m. (Brasília) Phone: +55 (11) 2188-0155 Code: Minerva Replay: +55 (11) 2188-0400 Code: Minerva	Wednesday, September 12 th , 2018 09:30 a.m. (US ET) 10:30 p.m. (Brasília) Phone: +1 (646) 843 6054 Code: Minerva Replay: +55 (11) 2188-0400 Code: Minerva

Lastly, 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.

São Paulo, September 11th, 2018.

Eduardo Pirani Puzziello
Investor Relations Officer