



MINERVA S.A.

Publicly-Held Company
Corporate Taxpayer's ID (CNPJ/MF): 67.620.377/0001-14
Company Registry No (NIRE): 35.300.344.022

MATERIAL FACT

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, pork and poultry processing segment, pursuant to the provisions of article 157, paragraph 4th, of Law No. 6,404 of December 15th, 1976, as amended ("Brazilian Corporation Law") and in accordance with CVM Instruction No. 358 of January 3rd, 2002, as amended ("ICVM 358/02"), in continuation to the press release disclosed on November 7th, 2016, hereby informs its shareholders and the market in general as follows:

The share purchase agreement and other covenants by which the Company undertook to acquire shares issued by Frisa Frigorífico Rio Doce S.A. ("Frisa") representing 99.56% (ninety-nine point fifty-six percent) of its total capital stock, being 100% (one hundred percent) of its voting capital stock and 98.41% (ninety-eight point forty-one percent) of its capital stock without voting rights, as informed by the Company to its shareholders and the market in general by means of the Press Release disclosed on November 7th, 2016 ("Transaction"), was deemed terminated for all legal purposes, since all of the conditions precedent agreed upon between the parties thereto were not fulfilled by the sellers.

The management of the Company clarifies that, with the termination of the share purchase agreement and other covenants, the Transaction will not be implemented at this moment.

The Company hereby reaffirms its commitment to maintain its shareholders and the market in general informed about any developments on this matter and any other matters that may be relevant to the market.

Barretos, January 17th, 2017.

Minerva S.A.
Eduardo Pirani Puzziello
Investor Relations Officer