

MBAC Provides Operational Status Update

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Resumes Continuous Production; Implements Cost-Containment Initiatives

TORONTO, ON--(Marketwired - September 09, 2014) - [MBAC Fertilizer Corp.](#) ("MBAC" or the "Company") (TSX: MBC) (OTCQX: MBCFF) today announced that it has resumed continuous production of single super phosphate (SSP) at its Itafós operations following the receipt of funds from the recently obtained Santander Working Capital Facility at the end of August. Concurrent with the resumption of SSP production, the Company also implemented a number of initiatives aimed at optimizing its operations and reducing costs.

Production in the first few days of September to September 7 reached 4,140 tons of SSP and 3,264 tons of sulphuric acid following a period in which all plants had been operating well below capacity pending working capital for raw materials and spare parts. All four plants (beneficiation, sulphuric acid, acidulation and granulation) have now demonstrated that they operate at expected levels for commercial production and as designed. MBAC management believes that with the restocking of raw materials and critical spare parts, the Company is now in a position to achieve commercial production rates in the coming weeks. Commercial production rate is equivalent to a monthly production volume of 25,000 tons of SSP or approximately 60% of nominal capacity.

The Company also announced the implementation of a set of comprehensive cost-containment initiatives. The restructuring, which included a reduction in MBAC's workforce by more than 15%, re-negotiation of agreements with suppliers and the more efficient use of equipment and office facilities, is expected to generate annual savings of approximately \$4 million.

"Although our primary efforts are focused on the ramping up of production, streamlining costs and positioning MBAC as the phosphate supplier of choice in Brazil's agricultural heartland, we also continue to explore several strategic and financing options," said Mr. Cristiano Melcher, President and CEO of MBAC Fertilizer. "While we expect that access to sufficient working capital will enable us to complete the ramp up our operations quickly, we are not losing sight that cost containment and optimization initiatives are consistent with the operational excellence objectives of our 2014 action plan. While the restructuring regrettably included the elimination of several positions in Toronto, Rio and Arraial, it will also produce costs savings of approximately \$4 million, noticeably increasing our competitiveness."

The Company expects to incur one-time charges relating to the corporate restructuring in Q3 2014 of approximately \$1.5 million.

About MBAC

MBAC is focused on becoming a significant integrated producer of phosphate and potash fertilizers and related products in the Brazilian market. MBAC has an experienced team with significant experience in the business of fertilizer operations, management, marketing and finance within Brazil. In October 2008, MBAC acquired Itafós Mineração Ltda., which consisted of a phosphate mine, a mill and plant and related infrastructure, all located in central Brazil. Since late 2012, such operations have been phased out as the Company completed the construction of the Itafós Arraial SSP Project. The Santana Phosphate project is a high grade phosphate deposit located in close proximity to the largest fertilizer market of Mato Grosso State and animal feed market of Pará State. Further information on MBAC can be found on the Company's website at www.mbacfert.com and on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

This press release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements related to activities, events or developments that the Company expects or anticipates will or may occur in the future, including, without limitation, statements related to the Company's business strategy, objectives and goals; the expectation of Itafós becoming a significant integrated producer of phosphate and potash fertilizers and related products in the Brazilian market; the Company evaluating all strategic options including pursuing additional financing options; the expectation that it will ramp up operations and reach commercial production of 25,000 tonnes of SSP per month in the coming weeks; that costs will be streamlined and that MBAC will be positioned as the phosphate supplier of choice in the Brazil's agricultural heartland. Forward-looking statements are often identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements are based on a number of factors and assumptions made by management and considered reasonable at the time such statements are made, and forward-looking statements involve known and unknown risks, uncertainties and other factors may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. Such risk factors include, among others, the Company not being successful at becoming a significant integrated producer of phosphate and potash fertilizers and related products in the Brazilian markets; the risk that the Company may not be successful in securing additional financing; the risk of not completing the ramp up of operations and reaching commercial production of 25,000 tonnes of SSP per month in the coming weeks; the risk that costs may not be streamlined and that MBAC may not be positioned as the phosphate supplier of choice in the Brazil's agricultural heartland, as well as those factors disclosed in the Company's current Annual Information Form and Management's Discussion and Analysis, as well as other public disclosure documents, available on SEDAR at www.sedar.com. Although MBAC has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate. The forward-looking statements contained herein are presented for the purposes of assisting investors in understanding the Company's plan, objectives and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking statements.

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