

TORONTO, ON--(Marketwired - May 15, 2015) - [MBAC Fertilizer Corp.](#) ("MBAC" or the "Company") (TSX: MBC) announced today its financial results for the three months ended March 31, 2015 and provided a general corporate and operational update on its ItafÃ³s Arraias Single Super Phosphate ("SSP") Operations ("ItafÃ³s" or the "ItafÃ³s Operations"). All amounts, unless noted, are in U.S. currency.

Q1 2015 HIGHLIGHTS:

- Executed and received disbursements on new working capital loans totalling approximately \$6.2 million (R\$19.7 million), the proceeds of which were primarily used to refinance bank indebtedness balances and to cover debt service requirements on other loan agreements;
- As part of the debt extension agreements executed in October 2014, the "ItafÃ³ Nassau Loan" and the "ItafÃ³ W/C Loan 2" agreements were amended to extend the maturity date of both loans to July 2015. The Modal Working Capital Loan was also extended to August 2015;
- Received a number of non-binding indicative offers from third parties related to the Company's strategic review process. These third parties are completing their due diligence on MBAC's assets, and are expected to submit binding proposals in the second quarter of 2015; and
- Suspended production at its ItafÃ³s Operations, and placed the operations on care and maintenance, in response to market conditions and as a means to preserve working capital pending and during the strategic review process.

ITAFÃ³S OPERATIONS

MBAC suspended production at its ItafÃ³s Arraias SSP Operations at the beginning of Q1 2015, and placed the operations on care and maintenance as a means to preserve working capital pending and during the strategic review process. The Company expects to resume production if and when its strategic review process is successfully completed and its liquidity constraints are resolved.

In consultation with its senior lenders, MBAC engaged Deutsche Bank AG in Q4 2014 to act as its financial advisor in connection with the Company's strategic review process. As MBAC's advisor, Deutsche Bank AG was given the mandate to help find a definitive solution to the Company's working capital constraints and liquidity requirements. Options under consideration in the strategic review process include, but are not limited to, securing a strategic partner, the sale of the Company or its assets as well as other potential value-maximizing transactions. A number of potential candidates were selected and approached.

MBAC received non-binding indicative offers and expressions of interest from a number of third-parties in Q1 2015, most of which are active in the fertilizer and agriculture sectors, in response to MBAC's strategic review process. These third-parties are currently completing their due diligence on MBAC's assets, and are expected to submit binding proposals in the second quarter of 2015. Once in receipt of the binding proposals, MBAC will evaluate the relative benefits of each binding proposal in consultation with its financial advisor, Deutsche Bank AG, and its senior lenders to identify which is in the best interest of existing stakeholders.

Q1 2015 FINANCIAL RESULTS

MBAC suspended production at the beginning of Q1 2015 at its ItafÃ³s Operations, and is currently in a care and maintenance mode. The Company expects to resume production once its strategic review process is successfully completed and its liquidity constraints are resolved.

MBAC incurred a net loss of \$43.2 million or \$0.24 basic and diluted net loss per share in Q1 2015. This compares to a net income of \$6.1 million or \$0.04 basic and diluted net income per share for Q1 2014.

The net loss was primarily due to an unrealized foreign exchange loss of \$19.4 million, finance expenses of approximately \$12.6 million and Operations care and maintenance expenses of \$7.5 million, which includes \$5.3 million of depreciation expense. Excluding unrealized foreign exchange losses, other non-cash items and non-recurring items, MBAC had an adjusted net loss(1) in Q1 2015 of \$22.7 million or \$0.13 adjusted basic and diluted net loss per share. This compares to an adjusted net loss of \$5.4 million or \$0.04 adjusted basic and diluted net loss per share in Q1 2014.

At March 31, 2015, MBAC had cash and cash equivalents of \$0.1 million and total restricted cash of \$0.8 million. This compares to bank indebtedness of \$1.6 million and restricted cash of \$1.4 million as at December 31, 2014.

MBAC's Financial Statements and Management Discussion and Analysis ("MD&A") for the three months ended March 31, 2015 are available on www.sedar.com and from the Company's website, www.mbacfert.com.

About MBAC

MBAC is focused on becoming a significant integrated producer of phosphate 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. MBAC owns and operates the Itafs Arraias SSP Operations which consists of an integrated fertilizer producing facility comprised of a phosphate mine, a mill, a beneficiation plant, a sulphuric acid plant, an SSP plant and a granulation plant and related infrastructure located in central Brazil ("Itafs Operations"). The Itafs Operations are estimated to have production capacity of approximately 500,000 tonnes of SSP per annum. MBAC's exploration portfolio includes a number of additional exciting projects, which are also located in Brazil. 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 Par State. Further information on MBAC can be found on the Company's website at www.mbacfert.com and on SEDAR at www.sedar.com.

(1) *Adjusted for the exclusion of certain non-cash and non-recurring items. Please refer to the Q1 2015 MD&A filed on www.sedar.com for a reconciliation of the Non-IFRS measures.*

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 being able to take the Itafs Operations off care and maintenance after re-evaluation in the coming months and resume production, the Company's expectation that it will be successful in its strategic process, the Company's business strategy, objectives and goals; the expectation of MBAC becoming a significant integrated producer of phosphate fertilizers and related products in the Brazilian markets; MBAC continuing to explore and implement initiatives to address its liquidity and capital restructuring requirements and improve cash flow generation. 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 becoming a significant integrated producer of phosphate fertilizers and related products in the Brazilian markets; MBAC not being successful in continuing to explore and implement initiatives to address its liquidity and capital restructuring requirements; not being able to obtain additional funds and not being successful in its strategic process; not being able to improve cash flow generation 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 plans, objectives and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking statements.

Shares Outstanding: 181,607,492
Fully Diluted: 221,612,672

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