

PASADENA, CA--(Marketwired - Aug 13, 2015) - [Brazil Minerals Inc.](#) (OTC: BMIX) (the "Company" or "BMIX") announced today that it had established a subsidiary in Brazil called Hercules Brasil Ltda. ("Hercules") to pursue opportunities in the construction materials business.

Initially, Hercules is focused on the production and sale of mortar. A medium size plant that can produce mortar, grout and other industrialized sand products has been fully built and is operating. The plant is located next to a busy asphalt highway to facilitate transportation and is 18 miles away from our Duas Barras sand mine. It operates on electric power which lowers costs and utilizes a staff of three. At full capacity, with a staff of five, the plant has the capacity to produce up to 25,000 bags of mortar per month.

The content of sand per weight in a mortar bag ranges from approximately 80% to 90%. On a per kilogram basis, the aggregate value realized from recent mortar sales is 10 to 40 times that of raw sand. Gross product margins obtained on initial mortar sales to stores have ranged from 100% to 300% depending on the type of mortar sold.

Specialists in mortar have worked in developing proprietary formulations which utilize the Duas Barras raw sand for the Hercules mortar. Hercules currently produces the three basic types of mortar used in Brazilian construction: AC-I, AC-II, and AC-III, which have increasing levels of strength. Although mortars have been around for a long time, some specific and innovative solutions were devised that allow Hercules to increase the quality and lower the cost of its products. We believe that initial market response has noted that Hercules products are of high quality and comparable to the best national brands.

Hercules buys sand from our Duas Barras mine and processes it at the mortar plant, adding specific other ingredients for each type of mortar, mixing them, and finally packaging the resulting mixtures in 20-kg bags. AC-I bags have blue details, whereas AC-II bags have details in red and AC-III green. A photo of the Hercules AC-I in a reseller store setting and a photo of newly produced AC-II and AC-III are included in this release.

"Hercules" is the brand name adopted for the mortar business; it has been protected as a trademark in Brazil. Initial buyers of Hercules mortar have been small construction materials stores; some are already recurrent buyers with predictable bi-weekly orders. The Company believes that over time, it will have several additional as well as larger stores and chains as costumers. Some small amount of Hercules mortar has also been sold directly to retail buyers at higher gross margins. We believe that the local region of Montes Claros, northern part of Minas Gerais state, with a population of 1 to 2 million residents, is an attractive market for our mortar.

In keeping with the entrepreneurial spirit of BMIX, the entrance into construction materials adds a new business which on a standalone basis has strong prospects for margin and growth of relevance to BMIX as a holding company is the fact that cash flows from the construction materials business are uncorrelated to those from diamond and gold mining.

About Brazil Minerals, Inc.

[Brazil Minerals Inc.](#) (OTC: BMIX) is a U.S. holding company with Brazilian mining properties that produce rough diamonds, gold, and sand, and a business that manufactures and sells mortar. More information on BMIX can be found at [www.brazil-minerals.com](http://www.brazil-minerals.com).

Safe Harbor Statement

*This press release contains forward-looking statements made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements are based upon the current plans, estimates and projections of [Brazil Minerals Inc.](#)'s management and are subject to risks and uncertainties, which could cause actual results to differ from the forward looking statements. Such statements include, among others, those concerning market and industry segment growth and demand and acceptance of new and existing products; any projections of production, reserves, sales, earnings, revenue, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding future economic conditions or performance; uncertainties related to conducting business in Brazil, as well as all assumptions, expectations, predictions, intentions or beliefs about future events. Therefore, you should not place undue reliance on these forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: business conditions in Brazil, general economic conditions, geopolitical events and regulatory changes, availability of capital, BMIX's ability to maintain its competitive position and dependence on key management. This press release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.*

*Cautionary note regarding estimates of Indicated and Inferred Mineral Resources of Diamonds and Gold as found in MDB's NI 43-101 Technical Reports.*

*We advise U.S. investors that while these terms and amounts are recognized by Canadian regulations, the U.S. Securities and*

*Exchange Commission ("SEC") does not recognize them. U.S. investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves as defined by the U.S.'s Industry Guide 7.*

*Cautionary note regarding estimates of Mineral Reserves of Diamonds and Gold as found in MDB's Bankable Feasibility Study.*

*We advise U.S. investors that while these terms and amounts are recognized by Brazilian regulations, the SEC does not recognize them. U.S. investors are cautioned not to assume that any part or all of the mineral deposits in this category will ever be converted into mineral reserves as defined by the U.S.'s Industry Guide 7.*

*Cautionary note regarding estimates of Volume and Weight of Sand as found in MDB's studies filed with the local Brazilian regulatory agencies.*

*We advise U.S. investors that while sand volume and weight terms and amounts as filed in Brazil are recognized by Brazilian regulations, the SEC does not recognize them. U.S. investors are cautioned not to assume that any part of such are not considered mineral reserves as defined by the U.S.'s Industry Guide 7.*

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