

<b>Symbol:</b>	<b>MBC:TSX</b>
<b>Shares Outstanding:</b>	<b>86,374,336</b>
<b>Fully Diluted:</b>	<b>94,388,643</b>

**NEWS RELEASE**

**FOR IMMEDIATE RELEASE: SEPTEMBER 15, 2011**

**MBAC EXERCISES OPTION TO BUY RARE EARTH  
OXIDE/NIOBIUM/ PHOSPHATE PROJECT IN SOUTH EAST  
BRAZIL**

Toronto, Ontario, September 15, 2011, MBAC Fertilizer Corp. (“MBAC” or the “Company”) (TSX:MBC and OTCQX:MBCFF) is pleased to announce that it has exercised its option to purchase 100% of the rare earth oxide/niobium/phosphate project (the “Araxá Project” or the “Project”) located in the southern part of Minas Gerais State, Brazil, which was previously announced by the Company on June 29, 2011. The option had been acquired from a private vendor and the decision to exercise the option to acquire the Project was made after the completion of satisfactory due diligence by MBAC. No additional funds were required to be paid upon exercising the option.

Antenor Silva, President and CEO, stated “The Araxá Project is unique in the fact that it holds what we believe to be very high grade rare earth elements, niobium and phosphate deposits within the same site. These deposits are aligned such that value can be extracted by targeting the rare earths and niobium deposit initially which should allow for easy mining of the phosphate deposit subsequently. We continue to see great interest from potential partners on the rare earth elements and niobium deposits.”

The Company is currently performing metallurgical tests with the ore in order to confirm the historical work as well as the ability to produce REOs. MBAC will initiate drilling immediately with the intent of twinning the holes in order to validate historical drilling results.

**The Araxá Project**

The Project consists of four tenements covering 214 hectares of Barreiro carbonatite. The Barreiro carbonatite is the well known host rock to the Brazilian Company Companhia Brasileira de Metalurgia e Mineração’s (“CBMM”) massive niobium mine which currently supplies approximately 85% of the world’s niobium consumption each year. Historical exploration from the Araxá Project has led to the discovery of significant phosphate, rare earth oxides (“REO”) and niobium mineralization. Phosphate occurrences in the carbonatite were first discovered in the early 1950s and the tenement areas optioned to MBAC have been explored in the past by companies such as CBMM and Rhône-Poulenc. The area in which the Project is situated hosts excellent infrastructure and is home to one of the largest Brazilian phosphate mines currently owned and operated by Vale.

Historical exploration data is comprised of auger drilling (31 holes for a total of 199m), pitting (43 pits for a total of 436m), diamond drilling (35 holes for a total of 3485m) and metallurgical test work. This historical exploration has identified niobium, REO and phosphate mineralization; however no NI 43-101 compliant resource estimates currently exist. Exploration has been completed by a number of companies including:

- 1965 by DNPM/Geosol,
- 1970 by CBMM,
- 1974 by Rhône-Poulenc,
- 2004 by Extramil
- 2008 by Extramil and CIF

An historical resource for the REO was previously estimated by Jair Carvalho (geologist), an Extramil employee and is contained in a report filed with the DNPM on November 30, 1989. MBAC has received the digital excel spreadsheets utilized in the historical resource estimation. Extramil undertook an estimate based on 11 cross sections 40m apart with half distance influence. The cross sections were defined based on the above mentioned auger drilling, pitting and 16 of the 32 diamond drill holes. The estimate was then collated into an excel database with the half distance weighted average used to determine the average grade and tonnage.

Extramil reported, based on partial exploration of the property, 1.3 million tonnes at an average grade of 9.62% REO (using a 6% REO cut-off and density of 2.0 tonnes/m<sup>3</sup>). The 9.62% REO grade was comprised of the following:

CeO <sub>2</sub>	La <sub>2</sub> O <sub>3</sub>	Nd <sub>2</sub> O <sub>3</sub>	Pr <sub>2</sub> O <sub>3</sub>	Sm <sub>2</sub> O <sub>3</sub>	Eu <sub>2</sub> O <sub>3</sub>	Gd <sub>2</sub> O <sub>3</sub>	Dy <sub>2</sub> O <sub>3</sub>	Yb <sub>2</sub> O <sub>3</sub>	Y <sub>2</sub> O <sub>3</sub>
48.63%	29.46%	13.82%	4.24%	1.59%	0.33%	0.64%	0.30%	0.04%	0.94%

Mr. Beau Nicholls, the qualified person responsible for the technical disclosure in this press release information, has not done sufficient work to verify or classify the historical estimate as current mineral resources or mineral reserves; and MBAC is not treating the historical estimate as a current NI 43-101 mineral resource or mineral reserve. The qualified person is not able to relate the classification parameters used by Extramil to the NI 43-101 parameters of measured, indicated and inferred and no recent estimates are available. Accordingly, the historical estimate should not be relied upon.

To enable a current NI 43-101 mineral resource estimate to be completed and to verify the historical estimate by Extramil, the qualified person has recommended that MBAC undertake due diligence umpire sampling of 10% of the mineralized historical drill samples that are available along with undertaking a detailed topography and drill hole collar survey and bulk density sampling.

The following table contains significant results of historical diamond drilling on the Project. :

Table 1 – MBAC Araxá Project Significant Historical Diamond Core Results (Cut-off of 4% P <sub>2</sub> O <sub>5</sub> , and 0.75% for Nb <sub>2</sub> O <sub>5</sub> used)		
Hole number	Interval	Starting at
FS 04 A	17.50m @ 17.47% REO	0m
	70m @ 11.43% P <sub>2</sub> O <sub>5</sub>	0m
	35m @ 1.82% Nb <sub>2</sub> O <sub>5</sub>	0m
FS 03 A	118m @ 9.45 % P <sub>2</sub> O <sub>5</sub>	0m
	27.5m @ 7.93% REO	0m
	42.5m @ 1.28% Nb <sub>2</sub> O <sub>5</sub>	0m
FS 02 A	60.15m @ 11.10% P <sub>2</sub> O <sub>5</sub>	0m
	12.5m @ 8.08 % REO	0m
	57.65 @ 1.53% Nb <sub>2</sub> O <sub>5</sub>	0m
BAR - 01	78m @ 13.15 % P <sub>2</sub> O <sub>5</sub>	27m
BAR - 05	78m @ 11.8% P <sub>2</sub> O <sub>5</sub>	0m
	36m @ 1.09% Nb <sub>2</sub> O <sub>5</sub>	0m

The FS diamond drill holes (HQ and NQ diameter) were drilled in 2008 and are located in the central portion of the REO anomaly and are approximately 80m apart from each other.

The BAR diamond drill holes (NW diameter) were drilled in 2004. BAR-05 is located 700m east of the FS holes and BAR-01 is 370m SE of the FS holes.

Drilling results for these two campaigns can be viewed at the following link <http://files.newswire.ca/991/AraxaDrillingtable.pdf>

The exploration data is historical, however Amazon Geoservices has completed a site visit and validated the drill hole positions and geology in the field and have reviewed the diamond core which has been stored in Belo Horizonte. Due diligence grab samples have been taken in the field by Amazon Geoservices and a resampling umpire program for the available diamond drill holes duplicate samples is in progress and will be submitted to international laboratories along with appropriate QA/QC.

Under the terms of the option, MBAC paid to the vendor an initial fee of US\$100,000, which triggered a 90-day period for MBAC to complete due diligence on the project. The final payments to acquire 100% of the Project under the option are payable in instalments after the receipt of the initial environmental license, the construction license and the operating license, respectively. In addition, the vendor will be entitled to a Net Smelter Return Royalty (“NSR”) on revenue generated.

**Qualified Persons**

Beau Nicholls, (MAIG) principal consulting geologist of Amazon Geoservices, is the Qualified Person with respect to the technical information in this press release.

For further information:

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## About MBAC

MBAC is focused on becoming a significant integrated producer of phosphate and potash fertilizers in the Brazilian and Latin American markets. MBAC has an experienced team with over 150 years of combined 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. MBAC's exploration portfolio includes a number of additional phosphate and potash projects, which are also located in Brazil. The Company continues to search for additional fertilizer opportunities in the Brazilian and other Latin-American markets, where strong agricultural fundamentals and unique opportunities are expected to provide attractive growth opportunities in the near future. Further information on MBAC can be found on the Company's website at [www.mbacfert.com](http://www.mbacfert.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

**Antenor Silva**  
President & Chief Executive Officer

## 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; exploration of the Araxá Project; the completion of a current NI 43-101 resource estimate; and the develop of the Nb-REE area of the project. 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 factors include, among others, the completion of a current NI 43-101 resource estimate, including verification of historical data related to the Araxá Project; obtaining all necessary licenses to explore and develop the project; successful negotiation with third parties to develop the Nb-REE area of the project; successful definition of a current mineral resource at the project; 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](http://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.*