



MBAC FERTILIZER CORP.

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PRESS RELEASE

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TSX:	MBC
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Shares Outstanding:	97,720,219
Fully Diluted:	105,007,635

FOR IMMEDIATE RELEASE: OCTOBER 14, 2011

BNDES APPROVES PROJECT DEBT FINANCING FOR THE ITAFÓS PROJECT TO BE PROVIDED ON AN ON-LENDING BASIS BY BANCO ITAÚ BBA

Toronto, Ontario, October 14, 2011, MBAC Fertilizer Corp. (“MBAC” or the “Company”) (TSX:MBC and OTCQX:MBCFF) is very pleased to announce that it has received BNDES (*Banco Nacional de Desenvolvimento Econômico e Social*) Board of Directors approval in respect of a project financing facility (the “Itaú BBA/BNDES Facility”) for the Itafós-Arraias SSP Project (the “Itafós Project”) which will be provided on an on-lending basis by Itaú BBA S.A with BNDES funds. The Itaú BBA/BNDES Facility is comprised of a line of credit in the amount of approximately R\$11.5 million, which has already been advanced to the Company, and a R\$193.5 million line of credit, for a total of R\$205 million (approximately US\$114 million). Itaú BBA also acted as financial advisor for the Itaú BBA/BNDES Facility. The Company expects loan disbursements to begin immediately after the execution of transaction documents and the satisfaction of customary conditions precedent. Transaction documents are expected to be executed within 60 days.

In addition to the proposed Itaú BBA/BNDES Facility, IFC (a member of the World Bank Group) has received final board approval for a US\$40 million project financing facility (the “IFC Debt Facility”).

Itaú BBA is the major Brazilian private bank and has expertise with BNDES financing structures. BNDES, the Brazilian Development Bank, is the main financing agent for development in Brazil. Since its foundation, in 1952, BNDES has played a fundamental role in stimulating the expansion of industry and infrastructure in the country as lender and also through its partnerships with commercial banks.

Antenor Silva, President and CEO of MBAC stated; “*The final BNDES board approval represents a significant milestone for the Itafós Project. We are very pleased to have Itaú BBA, BNDES and IFC as financial partners in this exciting project. The fundamentals for this project have continued to strengthen and we currently see a very robust market for Single Super Phosphate in our target markets with recent pricing in the US\$400 per tonne range.*”

Update on Progress at the Itafós-Arraias SSP Project

MBAC continues to advance the Itafós Project. The Company has ordered all long lead capital items required to date and the detailed engineering is near completion. Ground clearing, grubbing and earthworks are approximately 80% complete and the civil construction is expected to start this month. The Company has also recently started construction of the water dam which will be required to supply



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water for the operations. The Company now expects the start up of production to begin in early Q4 2012.

Corporate Update

The Company also announces that Greg Thompson has decided to resign from his position as a director of the Company, due to the corporate policy at National Bank Financial, where he recently joined as EVP of Global Equities. Today's announcement brings the total number of members of the Company's Board of Directors to eight (8).

"On behalf of the Board of Directors of MBAC Fertilizer Corp., I would like to thank Greg for his contributions to the Company as MBAC pursues its exciting growth strategy and we wish him well in his endeavors" commented Mr. Peter Marrone, Chairman of the Company's Board of Directors.

For further information about MBAC:

Steve Burtleton, Vice President, Corporate Development, at 416-367-2200, investor@mbacfert.com or visit our website at: www.mbacfert.com

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 exciting phosphate and potash 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 Gross State and animal feed market of Pará State. 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 and on SEDAR at 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 and United States 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 execution of the transaction documents relating to the Itaú BBA/BNDES Facility, the start up of production in early Q4 2012, and the Company's business strategy, objectives and goals. 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



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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 success of the Company in securing 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 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.