

Symbol:	MBC:TSX
Shares Outstanding:	72,689,336
Fully Diluted:	79,812,886

FOR IMMEDIATE RELEASE: DECEMBER 2, 2010

MBAC FERTILIZER CORP OBTAINS INITIAL ENVIRONMENTAL LICENSE FOR THE ITAFÓS EXPANSION PROJECT

Toronto, Ontario, December 2, 2010, MBAC Fertilizer Corp. ("MBAC" or the "Company") (TSX:MBC) is pleased to announce that the "Licença Prévia", or the Initial Environmental License (the "License") has been issued for the Itafós Expansion Project (the "Project") by Naturatins, the Tocantins State Environmental Agency ("Naturatins" or the "Agency").

The issuance of the License by Naturatins certifies that the Project is environmentally sustainable and establishes the basic requirements to be met in the next steps. The review by Naturatins included the proposed mine, processing plant, sulfuric acid and fertilizer plants and all related utilities, facilities and infrastructure.

As expected, Naturatins has also requested additional studies that will allow MBAC to move to the next stage of the process, which will be the issuance of the Construction License. MBAC expects to submit these studies to the Agency shortly, which will allow the Company to obtain the Construction License and start construction in Q1 2011.

The Licensing process in Brazil consists of three stages and involves the issuance of an Initial License, a Construction License and an Operating License, which is required six months prior to construction completion.

Antenor Silva, President and CEO of MBAC, stated: *"The approval of our Preliminary Environmental License is another milestone for MBAC in achieving its objective of producing Single Superphosphate (SSP) by mid 2012. The license allows us to proceed and confirms that there are no major environmental issues affecting the Project."* He added: *"This Project will provide long term employment, create infrastructure within the State, and elevate the living standard of the local communities. We are also very pleased to report that throughout this process the Project was overwhelmingly supported by the local communities."*

For further information:

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PRESS RELEASE

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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. MBAC is well funded with approximately C\$60 million, which will be used to develop the Itafós Expansion Project. 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. All material information on MBAC can be found on the Company's website at www.mbacfert.com or at SEDAR at www.sedar.com.

Antenor Silva **President & Chief Executive Officer**

FORWARD LOOKING STATEMENTS

This release contains "forward-looking statements" within the meaning of applicable Canadian securities legislation, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion, growth of the Company's businesses, operations, plans and with respect to exploration results, the timing and success of exploration activities generally, permitting time lines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcome of any pending litigation and timing and results of future resource estimates or future economic studies.

Often, but not always, forward-looking statements can be 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 material factors and assumptions, including, the result of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted. Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future commodities' price; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the company's publicly filed documents. 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



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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, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.