

MANABI S.A.

CNPJ/MF n° 13.444.994/0001-87

NIRE 33.3.0029745-6

Publicly-Held Corporation

MATERIAL FACT

MANABI S.A. (“**Company**” or “**Manabi**”), a Brazilian mining company focused on the development of a high-grade iron ore project and integrated logistics, informs to its shareholders and to the market in general that the independent consulting company SRK Consulting (“**SRK**”) issued on this date a Technical Report (the “**Technical Report**”) on the Company’s flagship Morro do Pilar Iron Ore Project (the “**Pilar Hill Project**”).

The Technical Report contains a technical analysis and review of engineering work done for each of the key components of the Pilar Hill Project, including beneficiation plant, pipeline, filtering plant and port terminal, as well as an updated resource statement pursuant to CIM Guidelines (National Instrument 43-101) certifying 1.33 billion tons of measured and indicated resources (M&I) and 312 million tons of inferred resources in the exploration area of the Pilar Hill Project.

The Technical Report also confirms the metallurgy data of the Pilar Hill Project: 80% metallurgical recovery and a process design able to consistently produce a 68.0% to 68.5% Fe premium product, with low impurities.

Subject to appropriate funding and other conditions and applicable risk factors, the Project Implementation Planning (PIP) considered in the Technical Report estimates commissioning of the Pilar Hill Project in the fourth quarter of 2017 and start-up in the beginning of 2018.

Rio de Janeiro, February 25, 2014.

Antonio Borges Leal Castello Branco

Chief Financial Officer and Investor Relations Officer