

## DESCRIPTION OF THE CPR AGREEMENT AND INSURANCE POLICY

### The CPR Agreement.

#### *a) Moinho Vale do Sol Mineradora e Agroindústria Ltda*

Moinho is a private limited company organized under the laws of Brazil with paid-up capital stock in the amount of R\$ 3.989.670.971 (equal to €1,001,423,436 on July 6, 2016).

On 4 February 2016, the “Company” signed a Memorandum of Understanding (MoU) with the “Moinho” for the purchase of agricultural products, especially soybeans through this. The price tag is equivalent to 90% of the price charged in the Mercantile and Futures Exchange (BMF). The product will be delivered to warehouses designated by the “Company”. This agreement includes the right to purchase the soybean produced or owned by Moinho in the Legal Amazonas, the region of the State of Mato Grosso,

As provided for in these listing particulars, if the Issuer does not exercise its option to invest in the crops to be developed by Moinho, the net proceeds from this private placement will be used either to invest in Brazilian securities (see “*Summary—Certain Proposed Business Activities—Investments in Securities*”) or to invest in renewable energy projects (see “*Summary—Certain Proposed Business Activities—Agribusiness Sector*”) and, in the latter case, investments will be guaranteed by guarantees to be issued by the beneficiaries of the Issuer’s investment.

The table below presents its selected financial information as of December 31, 2015

	<u>December 31,</u> <u>2015</u> <u>(R\$)</u>	<u>December 31,</u> <u>2015</u> <u>(€)</u>
<b>Assets</b>		
Intangible .....	<b>3.989.670.971</b>	<b>938,657,868</b>
Ores Resource Exploration – Ores Exploration .....	3.989.670.971	938,657,868
Long Term Loan ( Certificate of Rural Products – CPR).....	3.004.940.800	€706,978.431
<b>Total assets .....</b>	<b><u>R\$6.994.611.771</u></b>	<b><u>€1,645,636,299</u></b>

**Explanatory note related to the subject follows  
Moinho Vale do Sol Mineradora e Agroindustrial Ltda  
Balance Sheet 2014/2015**

### INTANGIBLE ASSETS

The called “intangibles assets” are those that have no physical existence. As an example, ore exploration rights, public services through concession or permission of the government, trademarks and patents, software and purchased commerce background.

It is referred to the dismembering of the fixed assets, which, from the force of the Brazilian Law 11.638 / 2007, ie from 1 August 2008, starts counting only tangible assets of permanent use. The accounting for goods must be made monthly in specific allowance account.

### APPRAISAL

The rights classified as intangible should be valued at cost incurred upon purchase deducted from the balance of the respective amortization account, made on the basis of legal or contractual term of use of the rights or by reason of their economic useful life of them whichever is less.

The goodwill and other acquired intangible values are evaluated by the agreed amount, less amortization, calculated based on the estimate of its economic activity (**Commerce Brazilian Standard- NBC 4.2.7.3**).

*Tony Andreo Marques da Silva -*  
Accountant: CRC-MT012643/O-6

## **Minuano Comércio de Insumos Agrícolas Ltda**

On November 6, 2014, the Company signed the "Partnership Agreement on Business for Agricultural Sector Operations" (**Contract**) with the company Minuano Comércio de Insumos Agrícolas Ltda into the following subject: (i) research and development of the crop plan for structuring commercial and financial to the "Santa Rita Farm" and "Amizade Farm", both located in the state of Mato Grosso, Middle-west of Brazil, in the cities of Paranatinga and Colider.(ii) elaboration of the business plan and project for construction of warehouses to grain storage, (iii ) expansion of the company's business in the rural sector.

After the signature of the Agreement and for business assurance, Minuano transferred free of any encumbrance the Rural Product Notes (CPR), class financial, issued on May 5, 2014, by it and held in book-entry custody through electronic registration at Cetip (Brazilian Central of Custody and Financial Settlement of Securities) for Decatal. The electronics registration codes of CPR are, respectively: 14E00316038, 14E00316039, 14E00316040, 14E00316041, 14E00316042, 14E00316043, 14E00316051, 14E00316055, 14E00316056, 14E00316058 due September 02, 2024 with R\$63.800.000,00 per par value, corresponding to 1.100.000 bags of soybean. The updated value, considering the price of soybean is R\$ 88.800,000,00 or € 17,487,599.

These CPR are guaranteed by: (i) Mortgage of real estate of the Farms Santa Rita and Paranatinga; (ii) pledge of the agricultural harvest and endorsement of the shareholders of Minuano.

### *Characteristic*

The CPRs are fixed income financial instruments, tradable with the following characteristics: It is a promise of future delivery of rural products (Product CPR). With this instrument, its issuers - farmers, their associations and cooperatives - receive payment for spot their goods. It is a tradable foreign exchange bond both for OTC market and stock exchange, in the following modalities:

**Physical CPR:** Generates an obligation on the maturity date for the established quantity and quality of product.

**Financial CPR:** Generates an obligation on the maturity date of the result of the established price multiplied by the amount of the given product. Allows for financial settlement (delivery of funds instead of goods) as long as the contract is explicit regarding price or the price index, the institution responsible for disclosure of said price, the financial center or market and the index name.

Before registration, this is a bearer bond, but as long as it is registered change the form to as book-entry or electronic. Financial CPR trades are exempt from IOF (Tax on Financial Transactions).