

## BRAZIL MINERALS, INC.

### Poised to Emerge as Largest Diamond Company in Latin America

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#### BRAZIL MINERALS, INC. (OTCQB – BMIX- \$0.0235)

Price Target: \$0.30

Rating: Speculative Buy

#### COMPANY SNAPSHOT

Brazil Minerals, Inc. is a revenue-generating U.S. holding company in the natural resources area. The Company's primary holding is 100%-owned Mineração Duas Barras Ltda. ("MDB"), a Brazilian producer located in the state of Minas Gerais, which mines conflict free diamonds and gold, and sells rough and polished diamonds and 96% purity gold. MDB has a fully-operational mining concession and the permit to export its production of rough and polished diamonds. Additionally, BMIX holds 100% ownership of the mineral rights for a 24,700 acre area with known presence of gold and copper in the state of Amazonas, Brazil. Separately, BMIX has an option to acquire up to a 75% ownership interest in a titanium, vanadium and iron project in the state of Piauí, Brazil.

#### KEY STATISTICS

Price as of 11/21/14	\$0.0235
52 Week High – Low	\$0.15 – 0.023
Est. Shares Outstanding	84.6M
Market Capitalization	\$2.0M
3 Mo Avg. Vol.	269,000
Exchange	OTCQB

#### COMPANY INFORMATION

**Brazil Minerals, Inc.**  
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#### KEY TAKEAWAYS

**BMIX's commercial strategy of increasing its percentage of polished diamonds sold versus rough diamonds is paying major dividends:**

The Company periodically sells GIA-graded polished diamonds to U.S. private buyers and ungraded polished diamonds to an 11-store jewelry chain in Brazil that has been in operation since 1944 and caters to the high-end market.

Plus, in the last two weeks BMIX sold ungraded polished diamonds to knowledgeable private buyers in Brazil which has resulted in the creation of a new sales channel for the Company.

**Recent strategic moves ensure future operational gains.**

After an application process and detailed review, BMIX received approval from the environmental regulator in Minas Gerais to sell sand, a by-product of processing for diamonds and gold at the MDB mine. MDB has a large amount of high quality sand, an essential component of cement which is sought after by the local construction industry. Its periodic sale could boost profit margins by several basis points.

BMIX has recently raised \$493,000, mostly via the sale of restricted stock, thereby strengthening the Company's balance sheet

**BMIX is the only pure play on the huge Brazilian natural resources space and the only publicly-traded diamond and gold company from Brazil.** As evidenced by the steps outlined above, management is making the right moves to position the Company to emerge as the leading diamond firm in Latin America. Therefore, we reiterate our Speculative Buy rating and our \$0.30 price target.

## SENIOR ANALYST: ROB GOLDMAN

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

## ANALYST CERTIFICATION

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