

**CNPJ/MF nº 11.669.021/0001-10**  
**Publicly Held Company**

**MATERIAL FACT**

**QGEP updates Block BS-4 situation**

**Rio de Janeiro, September 26, 2018** – QGEP Participações S.A. ("Company", B3:QGEP3) refers to the previously disclosed arbitral procedure related to the BS-4 Block initiated in October, 2017 by Dommo Energia S.A. ("Dommo") before Queiroz Galvão Exploração e Produção S.A. ("QGEP"), a Company's wholly-owned subsidiary, and Barra Energia do Brasil Petróleo e Gás Ltda. ("Barra Energia").

The Company hereby informs and updates the market that the request of Dommo's compulsory withdraw from the BS-4 Consortium made by Barra Energia has been declared to be valid and effective in an award issued by the tribunal on September 25, 2018. As a consequence thereof, Dommo's rights, title and beneficial interests in BS-4 Block are deemed transferred by the tribunal to Barra Energia and QGEP as from October 11, 2017, who as a result will hold a 50% interest each in the Block. The award is subject to any clarification as requested by the parties to the tribunal.

The Company is assessing the award and intends to adopt all necessary measures to implement the decision before the arbitral tribunal and the relevant Brazilian authorities.

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**About Queiroz Galvão Exploração e Produção**

QGEP Participações S.A. is Brazil's only independent company operating in the premium pre-salt area in Santos Basin. QGEP is qualified by the ANP to act as "Operator A" from shallow to ultra-deep waters. The Company has a diversified portfolio of high quality and high potential exploration and production assets. Furthermore, it owns 45% of the concession for the Manati Field located in the Camamu Basin, which is one of the largest non-associated natural gas fields under production in Brazil. Manati Field has been in operation since 2007, and has average production capacity of approximately 5.5 million m<sup>3</sup> per day. Additionally, QGEP is the operator at the Atlanta Field Atlanta, a post-salt oil field situated 185 kilometers from the city of Rio de Janeiro, in water depths of approximately 1,500 meters. For more information, access [www.qgep.com.br/ir](http://www.qgep.com.br/ir)