

ELDORADO BRASIL CELULOSE S.A.

CNPJ/MF No. 07.401.436/0002-12

PUBLICLY HELD COMPANY

MATERIAL FACT

Eldorado Brasil Celulose S.A. ("**Company**" or "**Eldorado**") communicates to its shareholders and to the market in general, under the terms of CVM Instruction No. 358/02, that, on the date hereof, it was informed by its controlling shareholder, J&F Investimentos S.A., that, on September 2, 2017, it entered into a share purchase agreement to sell up until the totality of its direct and indirect equity interest held in the Company to CA Investment (Brazil) S.A., a company from the group Paper Excellence ("**Paper Excellence**"), for the total enterprise amount of BRL 15 billion, to be adjusted according to the Company's working capital and net debt, under the terms of the agreement ("**Transaction**").

As informed by its controlling shareholder, the Transaction will observe the rights of Fundação Petrobrás de Seguridade Social – Petros and of Fundação dos Economiários Federais – Funcef provided in the Shareholders' Agreement of Florestal Fundo de Investimentos em Participações Multiestratégia, a shareholder of the Company, as well as the rights of Florestal Fundo de Investimentos em Participações Multiestratégia provided in the Company's Shareholders' Agreement, and its closing is subject to precedent conditions usual in this type of transaction.

Paper Excellence in one of the world's biggest players in the pulp sector. With industrial operations in Canada and in France, the Paper Excellence has an annual production capacity of approximately 2.3 million tons of pulp.

The Company's management will keep the market posted about the Transaction's progress.

São Paulo, September 2, 2017.

ELDORADO BRASIL CELULOSE S.A.

José Carlos Grubisich Filho

Investor Relations Officer