

**ELDORADO BRASIL CELULOSE S.A.**  
**CNPJ/MF Nº 07.401.436/0002-12**  
**PUBLICLY-HELD CORPORATION**

**MATERIAL FACT**

In addition to the Material Facts released by Eldorado Brasil Celulose S.A. ("**Company**" or "**Eldorado**") on September 2, 2017 and on September 25, 2017, the Company 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. ("**J&F**"), that, in accordance with the Share Purchase and Sale Agreement entered into on September 2, 2017 ("**Share Purchase and Sale Agreement**"), between J&F and CA Investment (Brazil) SA ("**CA Investment**") and Paper Excellence BV ("**Paper Excellence**"), and as a result of the exercise of the tag along right by Florestal Fundo de Investimento em Participações Multiestratégia ("**FIP Florestal**"), in the terms of the Quotaholders' Agreement of FIP Florestal of November 30, 2011, CA Investment acquired 510,490,871 shares issued by the Company held by FIP Florestal, representing 33.46% of the total and voting share capital of the Company, for the amount of BRL 2,613,594,403.23. FIP Florestal will keep holding 15,067,548 shares issued by the Company, representing 0.99% of its share capital, which are pledged for purposes of guaranteeing certain financial obligations of the Company.

In addition, CA Investment acquired (i) 272,249,999.9999990 quotas issued by FIP Florestal held by Fundação dos Economistas Federais – Funcef ("**Funcef**"), for the amount of BRL 19,073,290.50; (ii) 272,249,999.9999990 quotas issued by FIP Florestal held by Fundação Petrobras de Seguridade Social – Petros ("**Petros**"), for the amount of BRL 19,073,290.50; and (iii) 555,500,000 quotas issued by FIP Florestal held by the JMF Fundo de Investimento em Cotas de Fundo de Investimento em Participações Multiestratégia ("**FIP JMF**"), for the amount of BRL 38,916,925.50, which, jointly considered, represent an indirect participation of approximately 0.98% of the share capital of Eldorado.

After the expiration of the lock up period for the negotiation of the new quotas of FIP Florestal issued and subscribed by the quotaholders of FIP Florestal under the regime of the CVM Ruling 476, of January 16, 2009, CA Investment will acquire the remaining quotas held by the quotaholders of FIP Florestal, becoming, therefore, the sole quotaholder of FIP Florestal.

In view of the above, together with acquisition of 13% of the shares issues by Eldorado disclosed by the Material Fact on September 25, 2017, CA Investment currently holds 47.45% of the Company's total and voting capital stock. This step of the transaction did not result, therefore, any change of control of Eldorado.

The Company's management will keep the market informed about the additional steps on the transaction.

São Paulo, December 12, 2017.

**ELDORADO BRASIL CELULOSE S.A.**  
Daniel Schmidt Pitta  
Investor Relations' Officer