



**QGEP Participações S.A.
Corporate Taxpayer ID (CNPJ/MF) 11.669.021/0001-10
Publicly Held Company**

MATERIAL FACT

QGEP Announces Farm-In Agreement

– Acquisition of stake in BS-4 in the Santos Basin –

QGEP Participações S.A. ("QGEPP" or "Company") (BM&FBovespa: QGEP3), hereby informs that Queiroz Galvão Exploração e Produção S.A. ("QGEPE"), a wholly owned subsidiary, has entered into a purchase and sale agreement for the acquisition of 30% of Shell Brasil Petroleo Ltda's participating interest in Block BS-4, offshore Santos Basin. Shell is the operator with a 40% working interest in the block and the consortium is comprised of Petrobras, Chevron Brasil and Shell.

The terms of the agreement are subject to approval by consortium members and the ANP.

For further information, please contact QGEPP Investor Relations Department:

Phone: 55 21 3509-5959
E-mail: ri@qgep.com.br
www.qgep.com.br/ri

Rio de Janeiro, August 24, 2011.

Paula Vasconcelos da Costa
Investor Relations Officer

About QGEP Participações S.A.

QGEP Participações S.A. is Brazil's largest private sector Exploration and Production (E&P) company and the fourth largest in the sector based on annualized daily production of barrels of oil equivalent (BOE) according to data from the ANP, and the only private Brazilian company in this sector qualified by the ANP in the last two auctions in 2007 and 2008 to act as "Operator A" in Deep and 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 the largest non-associated natural gas field under production in Brazil according to data by the ANP as of 2010. This field has been in operation since 2007, and has production capacity of approximately 50,300 boe per day. For more information, please go to www.qgep.com.br/ri.