

**QGEP Participações S.A.
CNPJ/MF nº 11.669.021/0001-10
Publicly Held Company**

NOTICE TO THE MARKET

**QGEP provides an update on the payments schedule for sale
of its Interest in Block BM-S-8**

Initial payment of U\$ 189.5 Million, or one-half the purchase price, received at
2017 year-end

Second payment of U\$45 million due in 30 business days, following of the
publication in the Official Gazette (Diario Oficial) of the signing of the Adjacent Area
Production Sharing contract, which took place today

Rio de Janeiro, February 02nd, 2018 – QGEP Participações S.A. (“QGEP”,
“Company”, B3:QGEP3”) QGEP Participações S.A. (“QGEP”, “Company”,
BM&FBovespa: QGEP3”) provided an update on the payment schedule related to the
sale of its interest in Block BM-S-8 to Statoil.

The Company confirmed that it received US\$189.5 million from Statoil at the end of
2017, representing one-half of the total purchase price for QGEP’s 10% interest in
Block BMS-8. The second payment in the amount of US\$45 million is expected to be
received within 30 business days of the publication in the Official Gazette (Diario
Oficial) of the signing of the Adjacent Area Production Sharing contract, which took
place today. The remaining payment, accounting for 38% of the purchase price is
due to QGEP upon the signing of the Production Individualization Agreement, or
unitization.

Commenting, Paula Costa Côte-Real, Chief Financial and Investor Relations Officer
noted, “The strategic sale of our interest in BM-S-8 has significantly increased our
already strong cash position and has materially reduced our medium and long capital
expenditure obligations. As we enter 2018, we continue to finalize our capital
allocation plans, and evaluate investments in our production and exploration asset
portfolio as well as the potential distribution of special dividends to shareholders.”

For more information, please contact our Investor Relations team:

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About Queiroz Galvão Exploração e Produção

QGEP Participações S.A. is one of Brazil’s largest producing company in the Brazilian Exploration and
Production (E&P) private sector, and the first and only private Brazilian company to operate in the premium
pre-salt area in Brazil. QGEP was qualified by the ANP 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 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 6 million of m³ per day. For more
information, access www.qgep.com.br/ri