

QGEP Participações S.A.
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MATERIAL FACT

QGEP Wins 8 Blocks at Brazil's 11th ANP Bidding Round

Rio de Janeiro, May 15, 2013 – QGEP Participações S.A. (BMF&Bovespa: QGEP3), today announced that its wholly owned subsidiary, Queiroz Galvão Exploração e Produção S.A. ("Company", "QGEP"), has been awarded 8 blocks at the 11th Bidding Round hosted by the Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (ANP), the first government auction comprising offshore areas in Brazil since December 2008.

QGEP secured operatorship in 5 of the 8 blocks and committed a total of R\$94.9 million as signature bonus. Net to QGEP, approximately US\$30-40 million is expected to be expensed for the acquisition of seismic data in the next couple of years, prior to the drilling of at least four exploratory wells, which are expected to be drilled starting in 2017. The blocks acquired by QGEP are distributed across 5 different basins and encompass a total of 5,785 km².

"This is an important milestone for QGEP as it demonstrates our strategy of expanding and diversifying our exploratory portfolio, positioning us well for long-term, sustainable growth. In addition, we now have the opportunity to work with global partners and growing independent companies in exploring these five promising basins," said Lincoln Guardado, QGEP's Chief Executive Officer.

Below is a table outlining the 8 blocks won by QGEP at the 11th ANP Bidding Round:

Basin	Block	Consortium Members	Operator	QGEP Working Interest	Signature Bonus net to QGEP
Foz do Amazonas	FZA-M-90	QGEP Premier Oil Pacific Brasil	QGEP	35%	R\$ 18,944,726.50
Espírito Santo	ES-M-598	QGEP Statoil Brasil Petrobras	Statoil	20%	R\$ 14,181,573.00
Espírito Santo	ES-M-673	QGEP Statoil Brasil Petrobras	Statoil	20%	R\$ 12,562,463.00
Pará-Maranhão	PAMA-M-265	QGEP Pacific Brasil	QGEP	30%	R\$ 3,020,157.60
Pará-Maranhão	PAMA-M-337	QGEP Pacific Brasil	QGEP	50%	R\$ 35,205,999.50
Ceará	CE-M-661	QGEP Total OGX	Total	25%	R\$ 10,115,500.00
Pernambuco-Paraíba	PEPB-M-894	QGEP Petra Energia	QGEP	30%	R\$ 239,066.40
Pernambuco-Paraíba	PEPB-M-896	QGEP Petra Energia	QGEP	30%	R\$ 637,166.40
TOTAL NET TO QGEP					R\$ 94,906,652.40

A total of 289 blocks, spanning 11 Brazilian states and totaling 155,800 square kilometers were offered to the 64 national and international companies that were qualified for the auction. Located in eleven sedimentary basins across Brazil, 166 were offshore blocks with 94 in deepwater fields, 72 in shallow water and the remaining 123 blocks were located onshore. The total signature bonus paid in the 11th ANP Bidding Round was R\$2.8 billion.

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About Queiroz Galvão Exploração e Produção

QGEP Participações S.A. is Brazil's largest producing company in the Brazilian Exploration and Production (E&P) private sector, and the only private Brazilian company to operate in the premium pre-salt area in Brazil. QGEP is 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