

MLog S.A.

Publicly held Corporation
CNPJ/MF No. 13.444.994/0001-87
NIRE 33.3.0029745-6

MATERIAL FACT

MLog S.A. ("MLog" or "Company") hereby informs that on July 16, 2019, it entered into a binding commitment to terminate the acquisition of Mineração Marsil EIRELI ("Marsil"). The termination was approved by the Company's Board of Directors at a meeting held on the same date.

The acquisition of Marsil by MLog in April 2018 was conditioned and supported by the payment of the portion of MLog's capital increase subscribed by Maverick Holding S.A. ("Maverick"). As part of the transaction, Bocaiuva Participações S.A. ("Bocaiuva Group") indirectly became a controlling shareholder of MLog through the subscription of Maverick Empreendimentos e Participações S.A. ("MEP") shares, indirectly representing 11.39% of MLog's capital, for the amount of R\$50,000,000.00 (fifty million Brazilian reais).

The acquisition of Marsil by MLog included the requirement of the equalization and assumption of all the liabilities, obligations, debts and/or contingencies of Marsil by the Bocaiuva Group.

On July 5, 2018, Mr. Iracy Parreiras, indirect controller and administrator of the Bocaiuva Group, responsible for the negotiation of the transaction for the Bocaiuva Group, died as a result of a sudden illness.

Following the start of the inventory process of Mr. Iracy Parreiras, the Bocaiuva Group failed in equalizing and assuming Marsil's liabilities. Marsil's operational activities were negatively affected by the situation, which also posed risks to MLog.

In order to protect the interests of MLog and its shareholders, the Company's management was employing the necessary efforts to solve the contractual breaches by the Bocaiuva Group, including through legal proceedings. This effort culminated in the signing of the contractual termination agreement between Grupo Bocaiuva, MLog, and its controlling shareholders. The instrument provides, among other clauses, (i) the immediate assumption of Marsil by the Bocaiuva Group, (ii) the obligation of payment of R\$ 50,000,000.00 (fifty million Brazilian reais) by Maverick to MLog, amount to be properly updated.

Lastly, the Company announces that the Board of Directors will call an Extraordinary General Meeting so that the Company's shareholders may decide, in addition to the maintenance of the credit commitment by Maverick, to make the mentioned payment with the equivalent of shares held by Maverick representing 11.39% of the Company's capital.

For further information, please contact the Investor Relations department - email: ri@mlog.com.br

Rio de Janeiro, July 17th 2019

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CIO/IRO