

Dommo Energia S.A.

CNPJ/MF: 08.926.302/0001-05

Public Company – B3: DMMO3

Material Fact**– Conclusion of the Capitalization of the Company's Financial Debts and Implementation of the Agreement with Creditors –**

Rio de Janeiro, December 22nd, 2017 – Dommo Energia S.A. (“Dommo Energia” or “Company”) (B3: DMMO3; OTC: DMMOY), in accordance with Article 157, paragraph 4th, of Law No. 6,404/76 and CVM Rule No. 358/02, and further to the Material Fact Notices of October 28, 2016, January 10, 2017, July 24, 2017 and October 3, 2017, informs their shareholders and the market that it was concluded yesterday the capitalization of the financial debt of the Company with its creditors, (a) OSX-3 Leasing BV (“OSX-3”); (b) Nordic Trustee ASA, as the Bond Trustee for the OSX-3 Senior Secured Callable Bond Issue 2012/2015 and as assignee of OSX-3 (the “OSX-3 Bond Trustee”); (c) certain holders of debentures of the Dommo Energia 3rd issuance of secured debentures, convertible into shares, with additional fiduciary collateral, in three series (as amended or supplemented from time to time, the “DIP” and “Debentures”); and (d) certain lenders under the Export Pre-Payment Agreement dated as of June 23, 2014 (the “IF Lenders”, and together with OSX-3, OSX-3 Bond Trustee and certain holders of the Debentures, the “Creditors”), pursuant to the Agreement executed on July 24, 2017 (“Agreement”). The totality of the debts held by the Creditors, in the approximate amount of R\$ 1.7 billion, was paid by the Company through the delivery of part of the Eneva S.A. shares held by the Company, capitalization of the credits held by OSX-3 and IF Lenders (“Capitalized Credits”) and the conversion of the totality of the Debentures into shares issued by Dommo Energia (“Converted Debentures” and, together with the Capitalized Credits, “Credits”).

The Credits held by OSX-3 and IF Lenders were paid yesterday by the Company to such Creditors by means of (i) the delivery of 9,916,942 shares issued by Eneva S.A., at the fixed price per share of R\$ 17.00, totalizing R\$ 168,588,014.00; (ii) delivery of 799,481,816 shares issued by the Company, at a price per share of R\$ 1.3069595, totalizing R\$ 1,044,890,358.00; and (iii) delivery of R\$ 197,860.30 in cash, due to the exercise of the preemptive right by the current shareholders of the Company. The Credits held by the Debenture holders were paid yesterday by the Company through the conversion of the totality of the Debentures issued by the Company, being 299,200 debentures series 1, 197,575 debentures series 2 and



17,849 debentures series 3, all related to the 3rd Issuance of Convertible Debentures of Dommo Energia, in 1,732,538,613 shares issued by the Company, in accordance with the terms of the issuance deed of referred third issuance of convertible debentures of Dommo Energia.

Thus, the Board of Directors of the Company has approved yesterday the total confirmation of the capital increase approved on October 2, 2017, in the total amount of R\$ 1,045,088,218.30, with the private issuance of 799,633,206 newly-issued common, nominative and book-entry shares, with no par value, and the conversion of the totality of Debentures issued by the Company representing a capital increase in the amount of R\$ 681,120,000.00, by means of the issuance of 1,732,538,613 new shares.

Therefore, the Company confirms that the totality of its financial debt with the Creditors was fully liquidated as detailed above and, consequently, all disputes among the Company and its Creditors will be settled.

Rio de Janeiro, December 22nd, 2017

Tatiana Gomide de Faria Tandler
Chief Financial Officer and Chief Investor Relations Officer
Dommo Energia S.A.

Legal Notice

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