

## **MATERIAL FACT**

### **JBS IS AUTHORIZED TO NEGOTIATE ASSETS**

JBS S.A. ("JBS" or "Company" - B3: JBSS3; OTCQX: JBSAY) in accordance with the terms of CVM Regulation Number 358, dated January 3, 2002, as amended, communicates to its shareholders and to the market in general that, in a decision made last night, the 1st Regional Federal Tribunal has issued a judicial injunction removing the Company's restriction to negotiate assets. The referred decision authorizes JBS "to continue the normal course of its business activities, to buy and also sell assets, specifically the totality of shares from its beef subsidiaries in Argentina, Paraguay and Uruguay to the Minerva Group", as announced through a material fact on June 6, 2017.

Additionally, the Company informs that on July 6, 2017, the Brazilian antitrust authorities (CADE) approved the above mentioned transaction without restrictions, although there is still a deadline for the decision to become definitive.

Any facts regarding this matter considered relevant will be promptly disclosed to the market.

São Paulo, July 13, 2017.

**Jeremiah O'Callaghan**  
**Investor Relations Officer**