

QGOG Constellation Announces Extension of and Amendment to its Exchange Offer for Any and All of its 6.250% Senior Notes due 2019 and Related Consent Solicitation

- Steering Group of Bondholders Representing 59% of the Senior Notes Agree to Support the Exchange Offer -

Luxembourg, June 28, 2017 -- QGOG Constellation S.A. ("QGOG Constellation" or the "Company") announced today that it has extended and amended its previously announced private exchange offer (the "Exchange Offer") for any and all of its outstanding 6.250% Senior Notes due 2019 (the "Existing Notes"). Concurrently with the Exchange Offer, the Company is soliciting consents (the "Consent Solicitation" and, together with the Exchange Offer, the "Offer") to certain proposed amendments with respect to the indenture dated as of November 9, 2012, pursuant to which the Existing Notes were issued (the "Existing Notes Indenture").

The Company's decision to amend and extend the Offer follows discussions with certain bondholders (the "Bondholders") who hold approximately 59% of the Company's Existing Notes and comprise the steering group of a larger ad hoc group of holders who have represented to the Company that they hold approximately 66% of the Existing Notes. As of the date hereof, the Company and Bondholders have agreed to the terms of the amended Offer and to support the Offer (including by exchanging their Existing Notes and consenting to the proposed amendments to the Existing Notes Indenture) pursuant to a voting agreement, dated June 28, 2017, among the Company and the Bondholders (the "Voting Agreement").

Mr. Leduvy Gouvea, CEO of the Company said, "This exchange offer is an important step for the company, providing flexibility to help the Company navigate industry headwinds and to facilitate the refinancing of the remainder of the Company's debt, in preparation for the anticipated recovery in industry conditions. The support of the Bondholders and the previously tendered notes shows strong momentum towards the closing of the Exchange Offer."

Under the amended terms of the Offer, the Company is offering to exchange its Existing Notes for 9.000% Cash / 0.500% PIK Senior Secured Notes due 2024 (the "New Notes").

Eligible Holders (as defined below) who validly tender their Existing Notes and deliver their consents on or prior to 5:00 p.m., New York City time, on July 12, 2017, unless extended by us (the "Early Expiration Date"), will now be eligible to receive U.S.\$1,000 in principal amount of New Notes and U.S.\$20 in cash for each U.S.\$1,000 in principal amount of Existing Notes accepted for exchange. Eligible Holders who validly tender their Existing Notes on or prior to 11:59 p.m., New York City time, on July 17, 2017, unless extended by us (the "Expiration Date"), but after the Early Expiration Date, will receive U.S.\$1,000 in principal amount of New Notes for each U.S.\$1,000 in principal amount of Existing Notes accepted for exchange. The aggregate principal amount of New Notes issued to each participating holder for all Existing Notes properly tendered (and not withdrawn) and accepted by us will be rounded, if necessary, to \$150,000 or the nearest whole multiple of \$1,000 in excess thereof. This rounded amount will be the principal amount of New Notes a participating holder will receive, and no additional cash will be paid in lieu of any principal amount of New Notes not received as a result of rounding down. All Eligible Holders who validly tender, without subsequent withdrawal, their Existing Notes will receive a cash payment for the accrued interest on their Existing Notes upon closing of the Offer (as defined below). As of June 23, 2017, Eligible Holders had validly tendered \$95.6 million aggregate principal amount of the Existing Notes. All Existing Notes previously tendered and related consents for the Existing Notes previously delivered will remain so tendered and delivered (unless subsequently withdrawn) and no other action with respect to these Notes is required.

The complete amended terms and conditions of the Company's offer to Eligible Holders, including amendments to the terms of the New Notes, are set forth in the Company's supplement to the exchange offer memorandum and consent solicitation statement, dated June 28, 2017 (the "Supplement"). Eligible Holders may contact the Exchange Agent identified below for a copy of the Supplement.

Tendered Existing Notes may not be withdrawn and consents may not be revoked subsequent to the time of execution and delivery of the supplemental indenture containing the proposed amendments to the Existing Notes Indenture, except as required by applicable law. Prior to such time, if a holder withdraws its tendered Existing Notes, such holder will be deemed to have revoked its consent and may not deliver consent without re-tendering its Existing Notes. Any Eligible Holder who tenders Existing Notes for exchange must also deliver its consent to the proposed amendments.

The consummation of the Offer is conditioned upon the valid tender, without subsequent withdrawal, of at least 90% of the aggregate principal amount of the outstanding Existing Notes. The consummation of the Offer is also subject to the satisfaction or waiver of certain other conditions. In addition, the Company has the right to terminate, modify or withdraw the Exchange Offer and Consent Solicitation and extend the Expiration Date or Early Expiration Date in its sole discretion, but in accordance with the Voting Agreement and subject to applicable law.

The Offer is being made, and the New Notes are being offered and will be issued, only (a) in the United States to holders of Existing Notes who are "qualified institutional buyers" (as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act")) and (b) outside the United States to holders of Existing Notes who are persons other than U.S. persons in reliance upon Regulation S under the Securities Act. The holders of Existing Notes who have certified to the Company that they are eligible to participate in the Exchange Offer and Consent Solicitation pursuant to at least one of the foregoing conditions are referred to as "Eligible Holders."

The New Notes have not been registered under the Securities Act or any state securities laws. Accordingly, the New Notes will be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and other applicable securities laws, pursuant to registration or exemption therefrom.

During the course of the discussions with the Bondholders, the Company disclosed certain material confidential information concerning the Company (the "Confidential Information") pursuant to certain confidentiality agreements. In accordance with its obligations under such confidentiality agreements, the Company has posted on its website the Confidential Information provided to the Bondholders through June 28, 2017.

This press release is neither an offer to sell nor the solicitation of an offer to buy any security. This press release is also not a solicitation of any consent to the proposed amendments to the Existing Notes Indenture. The Offer is being made solely pursuant to the exchange offer memorandum and consent solicitation statement, as supplemented by the Supplement. No recommendation is made as to whether the holders of Existing Notes should tender their Existing Notes for exchange and deliver their consents in the Offer.

Rothschild Inc. is acting as the Company's financial advisor in connection with the Offer. White & Case LLP and Mattos Filho, Veiga Filho, Marrey Jr. e Quiroga Advogados are serving as New York and Brazilian legal advisors, respectively, to the Company. Ipreo LLC has been appointed as the information agent and the exchange agent for the Offer (the "Exchange Agent"). Holders may contact the information agent to request the eligibility letter in order to become an Eligible Holder at (212) 849-3880 or toll free at (888) 593-9546.

NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, such statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by the “forward-looking statements.” The Company undertakes no obligation to release publicly revisions to any “forward-looking statement,” including, without limitation, outlook, to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued “forward-looking statement” constitutes a reaffirmation of that statement. Continued reliance on “forward-looking statements” is at investors’ own risk.