

BRASILAGRO – COMPANHIA BRASILEIRA DE PROPRIEDADES AGRÍCOLAS

Publicly-Held Company with Authorized Capital

Corporate Taxpayer's ID (CNPJ/MF) No. 07.628.528/0001-59

State Registry (NIRE) 35.300.326.237

SALE ARAUCÁRIA FARM

A BrasilAgro – Companhia Brasileira de Propriedades Agrícolas (“Company”) informs its shareholders and the market in general that it has entered into a Purchase and Sale Agreement for an area of 956 hectares (660 arable hectares) of Araucária Farm. The property, located in Mineiros, Goiás state, was acquired in 2007 and had a total area of 9,682 hectares, of which 394 hectares were sold in May 2013, 1,164 hectares in July 2014, 274 hectares in March 2017 and 1.360 hectares in May 2017, remaining 5,534 hectares in the portfolio after this sale.

The total amount of the sale was 1.208 soybean bags per arable hectare or R\$61,6 million (~R\$93.356/ha). The buyer made the initial payment of 79,200 soybean bags, totaling R\$5,3 million. The payment of the second installment of 79,200 soybean bags will be made up to September 2018 and the remaining balance will be paid in six annual installments.

From the accounting perspective, this plot of the farm is valued in the Company's books at R\$11,0 million (acquisition cost + investments net of depreciation) and this partial sale has an expected Internal Rate of Return (IRR) in R\$ of 16.5%. The gain will be recognized in the Financial Statements for the year and the quarter ended June 30, 2018.

Such sale is in line with the Company's business strategy that focuses not only on agricultural production but also on capital gains through the sale of properties.

São Paulo, May 7, 2018.

**Gustavo Javier Lopez
Administrative Officer & IRO**