



CIA. DE FERRO LIGAS DA BAHIA - FERBASA

CNPJ/MF n.º 15.141.799/0001-03

NIRE 29 3 000043-91

(publicly-held company)

MATERIAL FACT

CIA. DE FERRO LIGAS DA BAHIA - FERBASA (B3: FESA3 / FESA4) ("**FERBASA**" or "**Company**"), hereby, in attendance to the disposal of article 157, §4º, Law nº 6,404, 1976, as amended, ("Brazilian Corporate Law"), and article 2 of CVM Instruction nº 358, 2002, as amended, informs its shareholders, investors and the market in general that, in this date, signed Memorandum of Understanding ("**Memorandum**") with AES Tietê Energia S/A, which links the Company to the commercial terms and conditions to the electricity acquisition, in the average volume of 80MW, for a period of 20 (twenty) years, with supply beginning in 2024. The parties, from the signing of the Memorandum, initiates the negotiation of the Power Purchase Agreement ("**PPA**"), which will detail the commitments already signed in the Memorandum and establish essential terms to the conclusion of the deal.

The Company also informs that the acquisition of the mentioned average volume of 80MW does not represent an increase in production capacity, but a strategy to reduce the electricity cost in its energy contract portfolio.

The Company reiterates its commitment to the best corporate governance practices and will keep its shareholders, investors and the market in general duly informed, under the terms of the applicable legislation.

Salvador, January 12, 2021

Heron Albergaria de Melo

CFO & IRO