

**TAURUS ARMAS S.A.**  
**PUBLICLY-TRADED COMPANY**  
**CNPJ/MF (National Registry of Legal Entities/Ministry of Finance) No.**  
**92.781.335/0001-02**  
**NIRE (Identification Number of Company Registry) 43 3 0000739 1**

### **MATERIAL FACT**

**São Leopoldo, March 19, 2019** – Taurus Armas S.A. (“Company”), listed under Level 2 of B3, pursuant to Law No. 6,404, dated December 15, 1976, (“Corporations Law”), and the regulations of the Brazilian Securities and Exchange Commission (“CVM”), especially CVM Instruction No. 358, dated January 3, 2002, in continuation of the important notices disclosed on January 9, 2019 and March 11, 2019, hereby informs its shareholders and the market that on March 15, 2019, a preliminary approval was granted by the Judge of the U.S. District Court for the Southern District of Florida, regarding the agreement, to put an end to the judicial action suggested by William Burrow, Oma Louise Burrow, Suzanne M. Bedwell and Ernest D. Bedwell against Taurus and its subsidiary in the United States, Braztech International L.C. (along with Taurus, “Companies”).

The management of Taurus understands that the execution of this agreement is a big step to minimize the financial impacts to the Company and to give more stability to the administration. This decision corroborates the restructuring process that the company is going through, seeking sustainable profitability and betterment of the financial and operational indicators.

The aforementioned agreement is pending final approval by the American Court, scheduled to occur on the second semester of 2019. All payments provided in the agreement shall only become mandatory after the final and definitive approval.

Taurus, in compliance with the legislation currently in effect, shall keep its shareholders and the market duly informed about the outcomes.

For additional information, please contact the Shareholder's Department of the Company (<http://www.taurusri.com.br/>), on the phone (051) 3021.3079 or through email: [ri@taurus.com.br](mailto:ri@taurus.com.br).

São Leopoldo, March 19, 2019.

**Sergio Castilho Sgrillo Filho**

Investor Relations Officer

Taurus Armas S.A.