



ALL – AMÉRICA LATINA LOGÍSTICA S.A.
Corporate Taxpayers' ID (CNPJ/MF) 02.387.241/0001-60
Companies Registry (NIRE) 41.3.00019886

BRASIL FERROVIAS S.A.
Corporate Taxpayers' ID (CNPJ/MF) 02.457.269/0001-27
Companies Registry (NIRE) 35.3.00154002

NOVOESTE BRASIL S.A.
Corporate Taxpayers' ID (CNPJ/MF) 07.593.583/0001-50
Companies Registry (NIRE) 35.3.00323858

MATERIAL FACT

ALL – América Latina Logística S.A., a publicly-held company headquartered at Rua Emílio Bertolini, 100, Bairro Cajuru, in the City of Curitiba, State of Paraná, Corporate Taxpayers' ID (CNPJ/MF) 02.387.241/0001-60 (“ALL”); Brasil Ferrovias S.A., publicly-held company headquartered at Rua do Rócio, 351, 3º andar, in the City of São Paulo, State of São Paulo, Corporate Taxpayers' ID (CNPJ/MF) 02.457.269/0001-27 (“Brasil Ferrovias”); and Novoeste Brasil S.A., closely-held company headquartered at Rua do Rócio, nº 351, 3º andar, parte, in the City and State of São Paulo, Corporate Taxpayers' ID (CNPJ/MF) 07.593.583/0001-50 (“Novoeste” and, together with Brasil Ferrovias, the “Companies”), in compliance with CVM Instruction nº 358/02, and in complementation to (i) the joint Material Fact dated May 9, 2006 (“First Material Fact”), related to the execution of agreements for the acquisition, by ALL, of total capital stock of Brasil Ferrovias and Novoeste, (ii) the joint Material Fact dated May 31, 2006 (“Second Material Fact”), related to the execution, on May 31, 2006, by ALL, Brasil Ferrovias and Novoeste, of the Protocol of Merger of Shares and Justification – Brasil Ferrovias and Protocol of Merger of Shares and Justification – Novoeste (together “Protocols”), related to the merger, by ALL, of all shares issued by Brasil Ferrovias and Novoeste, respectively (“Merger of Shares”); and (iii) the joint Material Fact dated June 16, 2006 (“Third Material Fact”) related to the approval, by the Extraordinary Shareholders Meetings of ALL, Brasil Ferrovias and Novoeste held on the date of the Merger of Shares, pursuant to the dispositions of the Protocols, inform, by means of this Material Fact, the following:

1. Merger of Shares: upon the approval of the Merger of Shares, ALL became the holder of total shares issued by Brasil Ferrovias and Novoeste. Then, the former shareholders of Brasil Ferrovias and Novoeste are now shareholders of ALL.

2. Changes in the Register of Shares Issued by ALL and the Companies: on June 19, 2006, ALL and the Companies requested the formalization of the transfers of shares resulting from the Merger of Shares in the respective registers kept by (i) Banco Bradesco S.A., the depositary bank for the shares issued by the Companies and (ii) Banco Itaú S.A., depositary bank for the shares issued by ALL. However, for operating and controlling purposes and in compliance with the period established in article 137, IV, of Law 6.404, of December 15, 2006, and amendments thereto (“Brazilian Corporate Law”), for the exercise of the right to withdraw by shareholders dissenting from the approval of the Merger of Shares by the Shareholders’ Meetings of ALL and the Companies, the transfers of shares mentioned in above item 1 shall only be formalized after the end of said period for right to withdraw, with the confirmation of the Merger of shares by ALL and the Companies, under the terms of article 137 of the Brazilian Corporate Law. As the minutes for the shareholders’ meetings which approved the Merger of Shares were published on June 22, 2006, in the case of ALL, and June 23, 2006, in the case of the Companies, the period for right to withdraw shall terminate on July 24, 2006 for ALL’s dissenting shareholders, and on July 26, 2006 for the Companies’ dissenting shareholders; therefore, the date previously announced by Brasil Ferrovias through its Notice to the Market published on June 23, 2006 is confirmed. Upon the termination of the period for right to withdraw, on July 26, 2006, ALL and the Companies shall inform the market if the Merger of Shares will be maintained and, if so, the respective records of their shares should be amended to reflect the current shareholders of each company involved in the Merger of Shares.
3. Ownership and Trading of ALL’s New Shares: in view of the resolutions adopted by the General Shareholders’ Meetings of ALL and the Companies on June 16, 2006, the new shares issued by ALL, as a result of the Merger of Shares, are held by the former shareholders of Brasil Ferrovias and Novoeste, while the shares issued by Brasil Ferrovias and Novoeste are held by ALL. However, due to the formalization of the transfers referred to in item 2 above, the ALL shares issued as a result of the merger of Brasil Ferrovias shares, shall, until further guidance is given, be represented by the current registers of Brasil Ferrovias shares and traded, whether in private transactions or in transactions within the regulated ambit of the São Paulo Stock Exchange, as shares of Brasil Ferrovias (tickers FRPS3, for common shares, and FRPS4, for preferred shares). The shares issued by ALL as a result of the merger of Novoeste shares shall, until further guidance is given, be represented by the current registers of Novoeste shares and traded in private transactions as Novoeste shares.
4. Rights Inherent to Shares Issued by ALL traded as Shares of Brasil Ferrovias and Novoeste, as well as, to Shares issued by Brasil Ferrovias and Novoeste: the shares of ALL issued in light of the Merger of Shares, traded as shares of Brasil Ferrovias or Novoeste and represented by their share registers will be entitled to the rights attributed to them, depending on their type, in ALL’s Bylaws, including (i) full participation in any dividend payment as well as any other capital remuneration to be approved by ALL as of June 16, 2006, date on which the Merger of Shares was approved; and (ii) full voting right to common shares in social resolutions. Then, the shares issued by ALL traded as shares of Brasil Ferrovias or Novoeste will not entitle their holders any political or equity right in relation to respective Companies; but political and equity rights only in relation to ALL, exclusively, observing the replacement relation and

roundings informed in the Second Material Fact and Third Material Fact, as well as the right to have the interests held in ALL formalized after the end of the period mentioned in above item 2. On the other hand, all political and equity rights inherent to shares issued by the Companies will be exercised by ALL, as the single shareholder of Brasil Ferrovias and Novoeste.

As new material facts related to or resulting from the Merger of Shares occur, ALL, Brasil Ferrovias and Novoeste will issue new notices to the market.

Curitiba and São Paulo, June 30, 2006.

ALL - AMÉRICA LATINA LOGÍSTICA S.A.

Sergio Messias Pedreiro – CFO and Investor Relations Officer

BRASIL FERROVIAS S.A.

Paulo Luiz Araújo Basílio – Investor Relations Officer

NOVOESTE BRASIL S.A.

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