2015 RESULTS

MARCH 24, 2016



DISCLAIMER

This presentation contains forward-looking statements. All statements other than statements of historical fact contained in this presentation are forward-looking statements, including, without limitation, statements regarding our drilling and seismic plans, operating costs, acquisition of equipment, expectations of finding oil, the quality of oil we expect to produce and our other plans and objectives. Readers can identify many of these statements by looking for words such as “expects”, “believe”, “hope” and “will” and similar words or the negative thereof. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. By their nature, forward-looking statements require us to make assumptions and, accordingly, forward-looking statements are subject to inherent risks and uncertainties. We caution readers of this presentation not to place undue reliance on our forward-looking statements because a number of factors may cause actual future circumstances, results, conditions, actions or events to differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements and the assumptions underlying the forward-looking statements.

The following risk factors could affect our operations: the contingent resource and prospective resource evaluation reports involving a significant degree of uncertainty and being based on projections that may not prove to be accurate; inherent risks to the exploration and production of oil and natural gas; limited operating history as an oil and natural gas exploration and production company; drilling and other operational hazards; breakdown or failure of equipment or processes; contractor or operator errors; non-performance by third-party contractors; labour disputes, disruptions or declines in productivity; increases in materials or labour costs; inability to attract sufficient labour; requirements for significant capital investment and maintenance expenses which PetroRio may not be able to finance; cost overruns and delays; exposure to fluctuations in currency and commodity prices; political and economic conditions in Namibia and Brazil; complex laws that can affect the cost, manner or feasibility of doing business; environmental, safety and health regulation which may become stricter in the future and lead to an increase in liabilities and capital expenditures, including indemnity and penalties for environmental damage; early termination, non-renewal and other similar provisions in concession contracts; and competition. We caution that this list of factors is not exhaustive and that, when relying on forward-looking statements to make decisions, investors and others should also carefully consider other uncertainties and potential events. The forward-looking statements herein are made based on the assumption that our plans and operations will not be affected by such risks, but that, if our plans and operations are affected by such risks, the forward-looking statements may become inaccurate.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this presentation are made as of the date of this presentation. Except as required by applicable securities laws, we do not undertake to update such forward-looking statements.

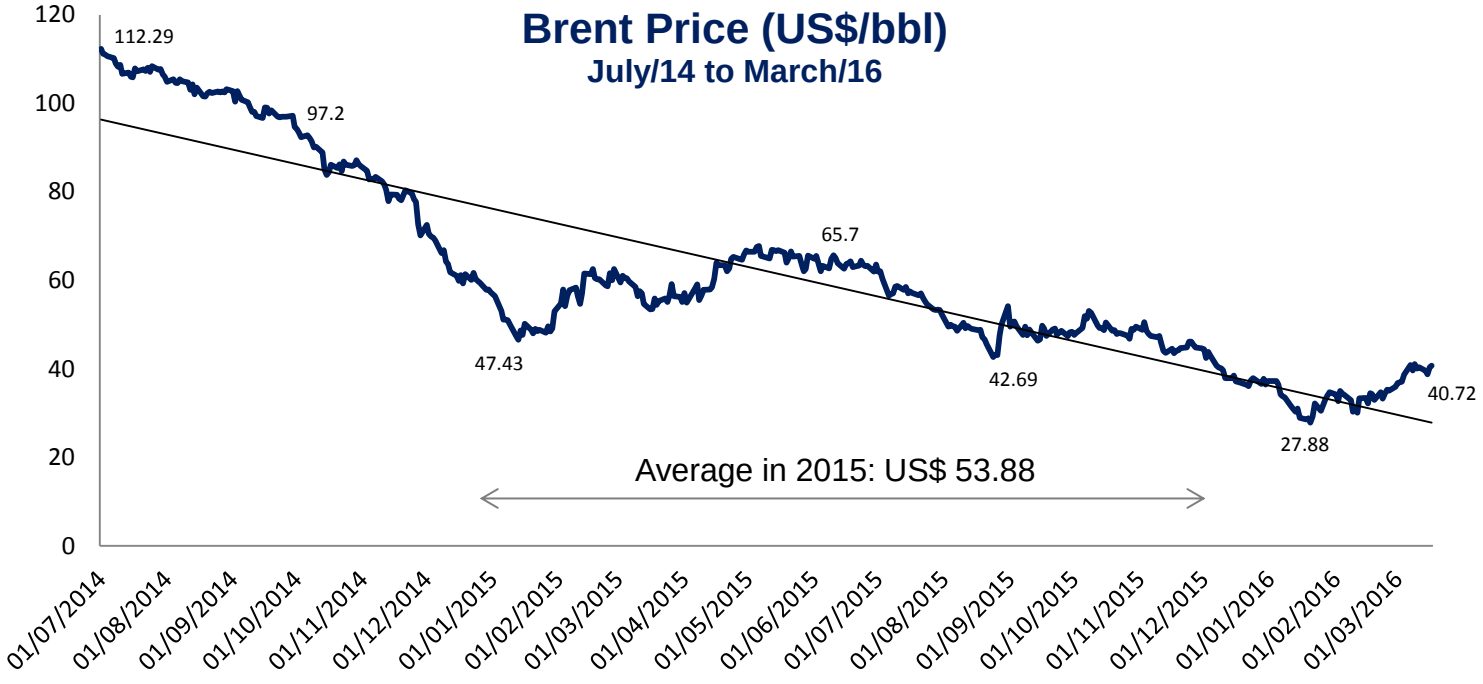
2015 HIGHLIGHTS

- Operational Efficiency: 95%, one of the best indexes of the Brazilian offshore
- Conclusion of the purchase of 40% of the Polvo Field
- Reduction of 30% in Polvo operational expenses compared to 2014
- Qualification of A Operator, granted by ANP
- Solimões disinvestment conclusion





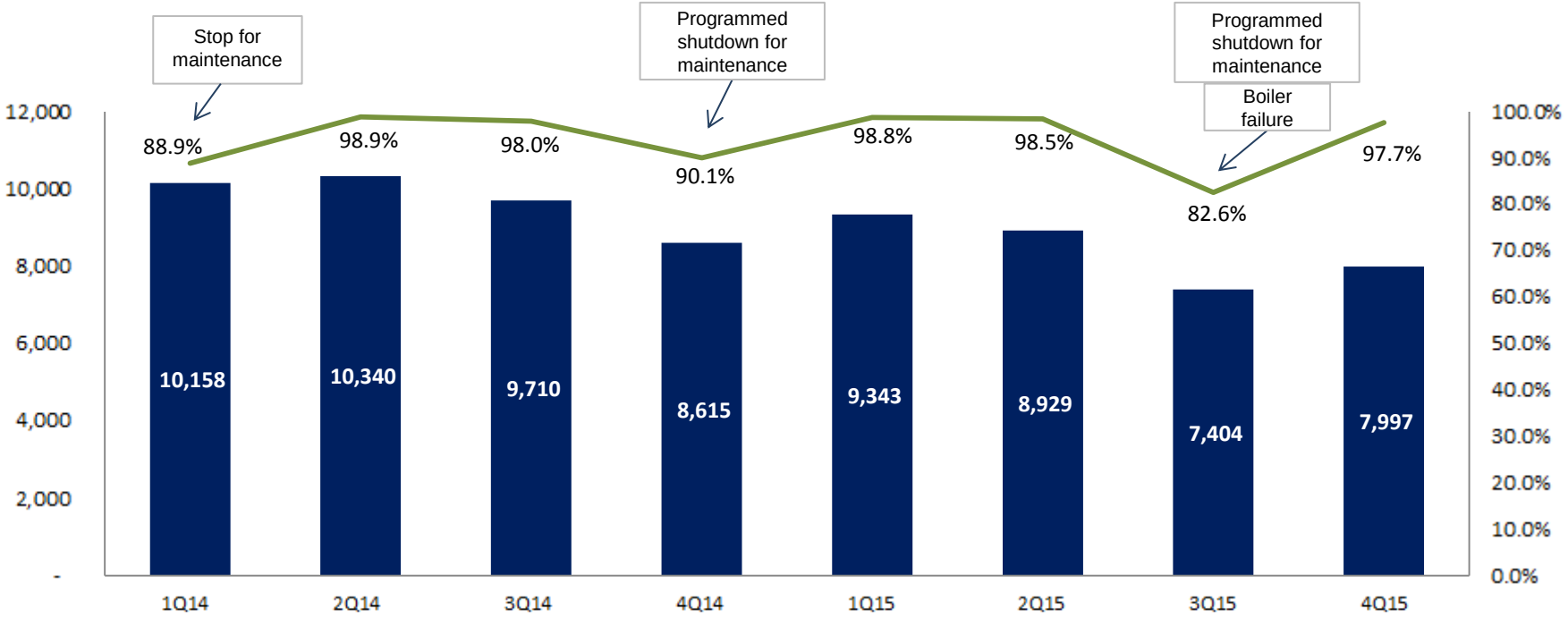
MACROECONOMIC SCENARIO



	2014	2015	Δ
Average Brent price in Dec 31	US$ 57.33	US$ 37.28	-35.0%
Average Brent price in the year	US$ 99.31	US$ 53.88	-45.7%
Exchange rate in Dec 31	US$ 2.66	US$ 3.90	-46.6%
Average exchange rate in the year	US$ 2.39	US$ 3.55	-48.5%

POLVO: PRODUCTION AND OFFTAKES

Average Daily Production and Operational Efficiency



2015 offtakes				
April	July	September	December	**Total**
622,774 bbl	178,010 bbl	595,414 bbl	402,510 bbl	**1,798,708 bbl**
US$ 58.19	US$ 57.93	US$ 48.70	US$ 35.03	**US$ 49.85**

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Operational Efficiency

Average Quarterly Production (bbl/d)

POLVO: 100% PETRORIO

Acquisition of 40% Polvo/Maersk

- **Main commercial terms:**

  Acquisition price: zero (due to production adjustments)

  Financial guarantee contracted by Maersk of US$ 34 million for the abandonment (when it occur)

- **ANP approval on December 2, 2015**

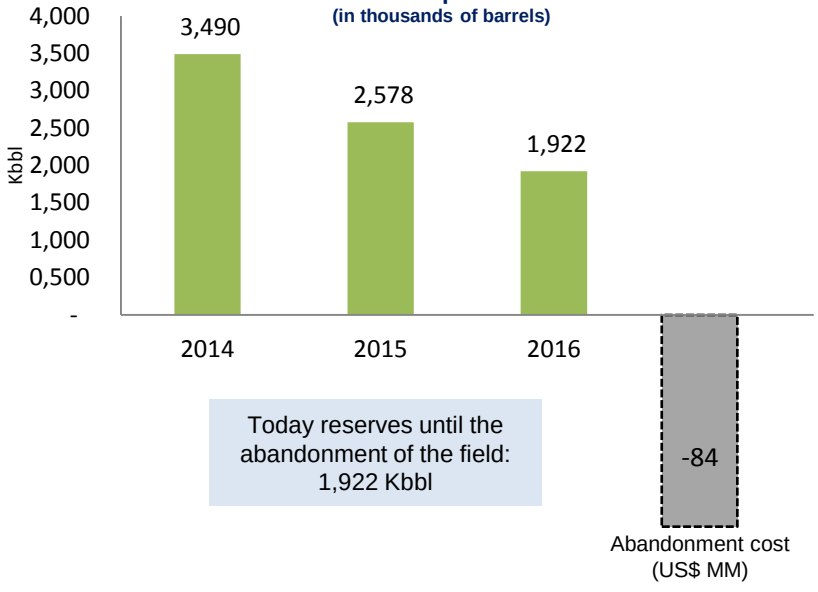




POLVO: EXTENSION OF ECONOMIC LIFE

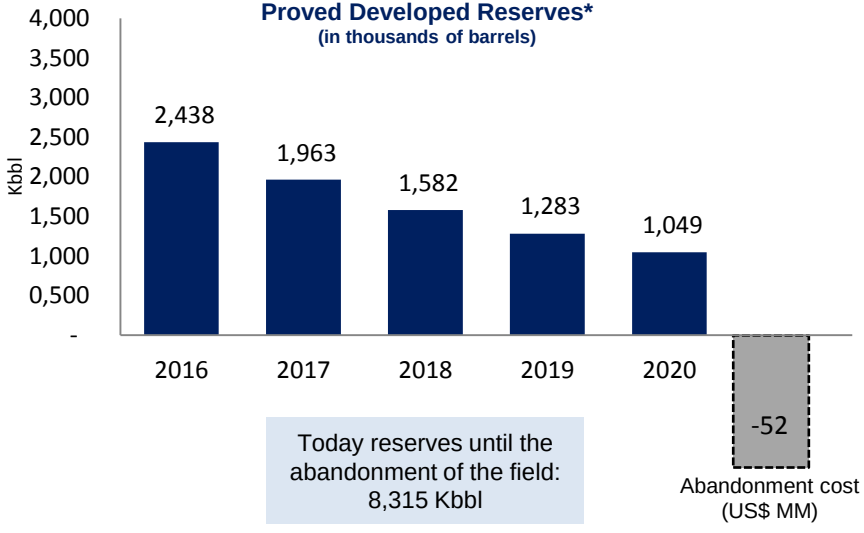
POLVO BEFORE:

Proved Developed Reserves*
(in thousands of barrels)



POLVO NOW:

Proved Developed Reserves*
(in thousands of barrels)



Improvements achieved**:

- **Excellent results obtained with cost reduction and careful reservoir management**
- **4 years extension in Polvo economic life (until 2020)**
- **Increase of 7.2x in Proved Developed Reserves: + 6.4 MM BBL**

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*Sources: DeGolyer and MacNaughton (D&M) Reports: 2014 and 2016, respectively

**The D&M Report – 2016 does not yet include the results of the redevelopment that is being made in 1Q16

POLVO: REDEVELOPMENT PROGRAM

Redevelopment of the Field

- Increase production through re-entries and perfurating guns
- Access to not explored areas
- Polymer injection – EOR: reduction in water production in the reservoirs
- Increase of 1.7 MM BBL in Proved Reserves*
- Evaluation of new prospects
- Capex: US$ 11 million

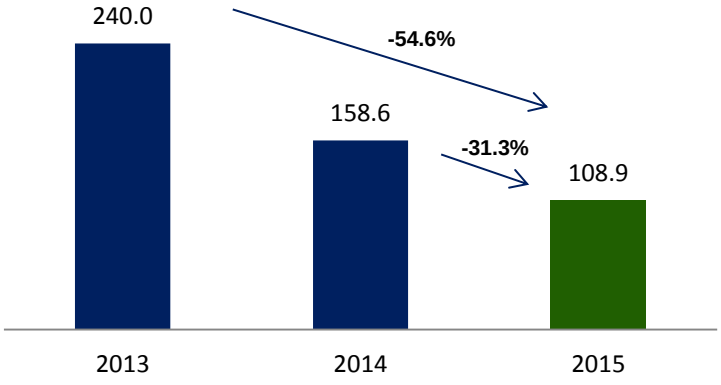


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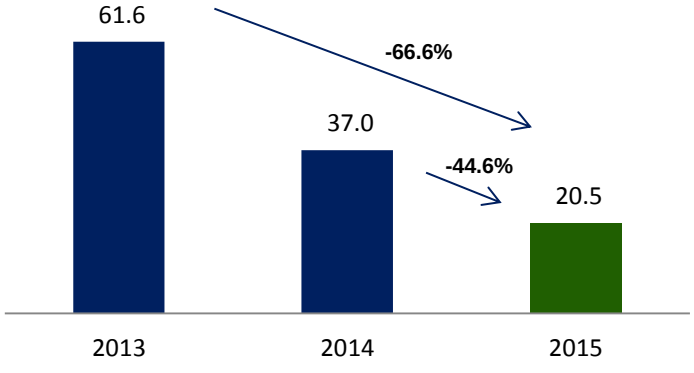
* The redevelopment results are not reflected in the D&M Report – 2016

PETRORIO: LEAN OPERATION

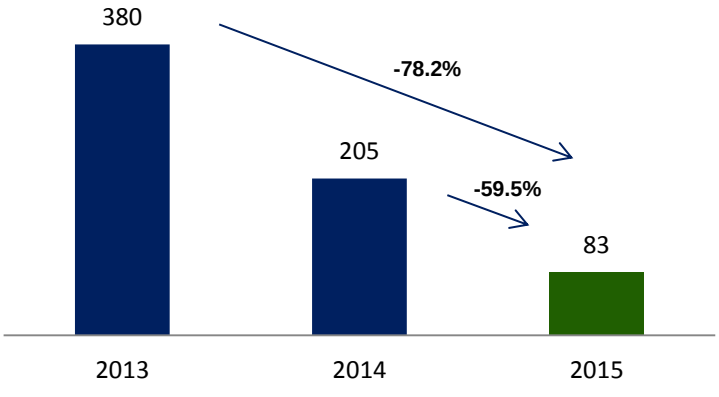
Operational Expenses- Polvo Field (in US$ million)



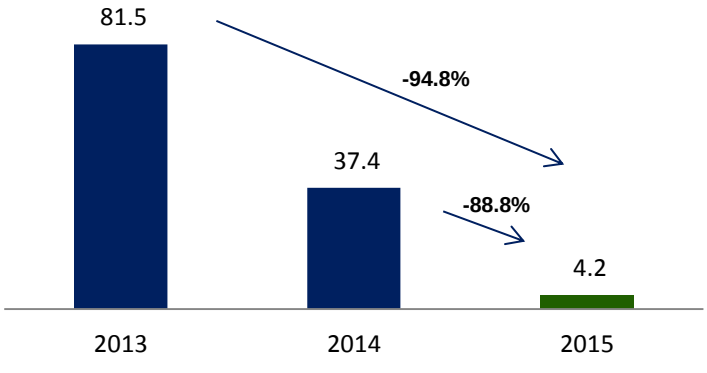
G&A Expenses (in US$ million)



Number of employees



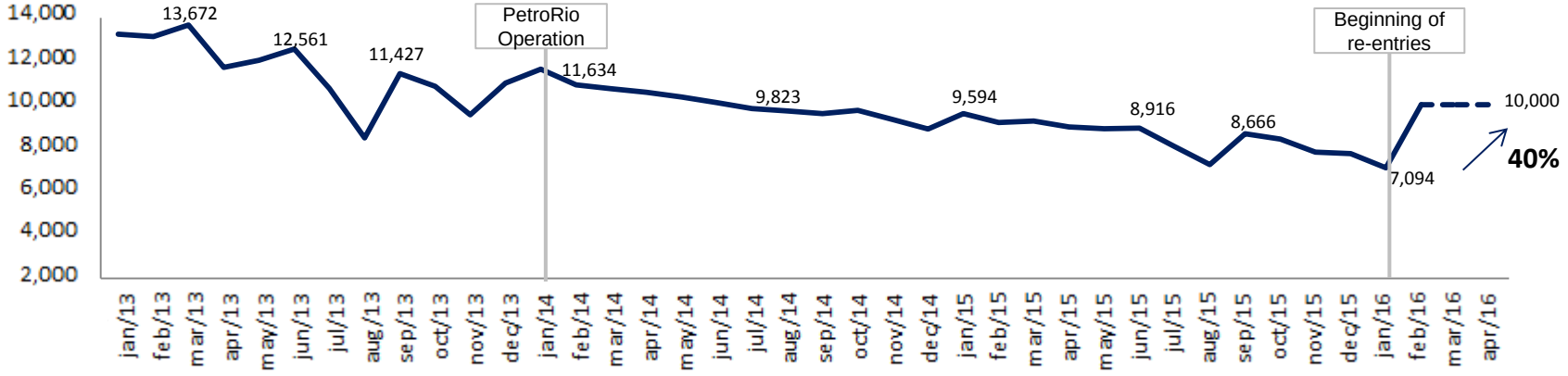
Solimões and Namíbia (in US$ million)



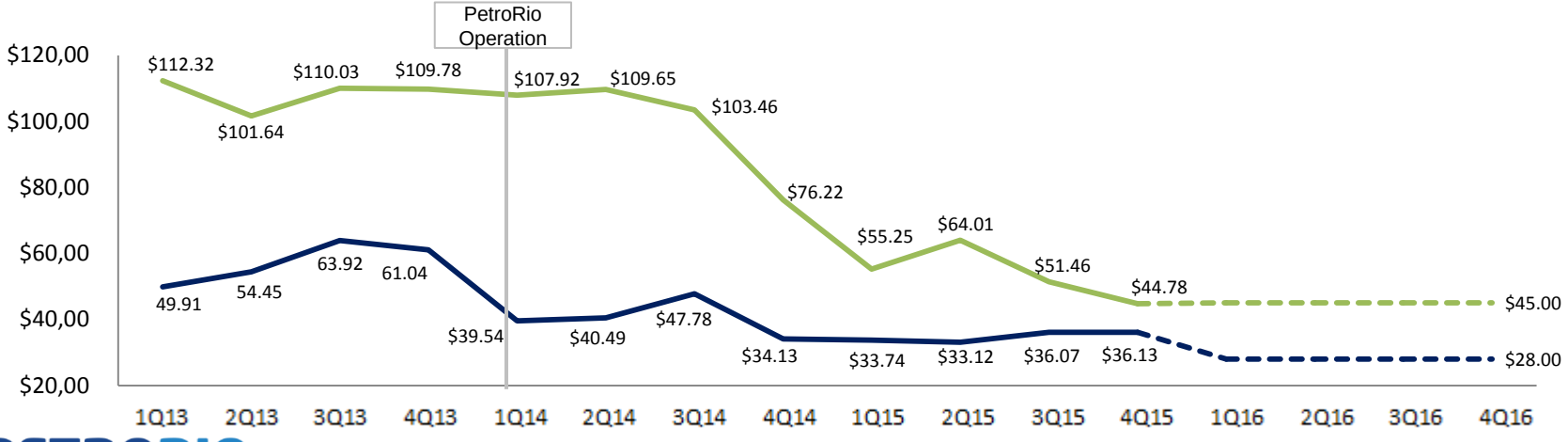
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POLVO: PRODUCTION, LIFTING COST X BRENT

Polvo Field production (bbl/d)



Brent x Lifting Cost (US$/bbl)

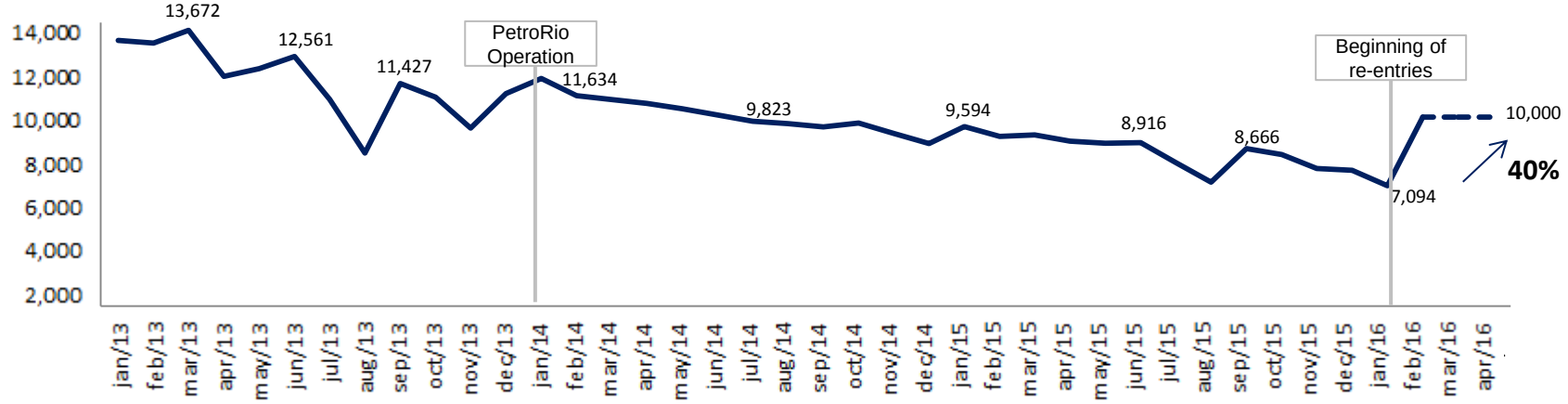


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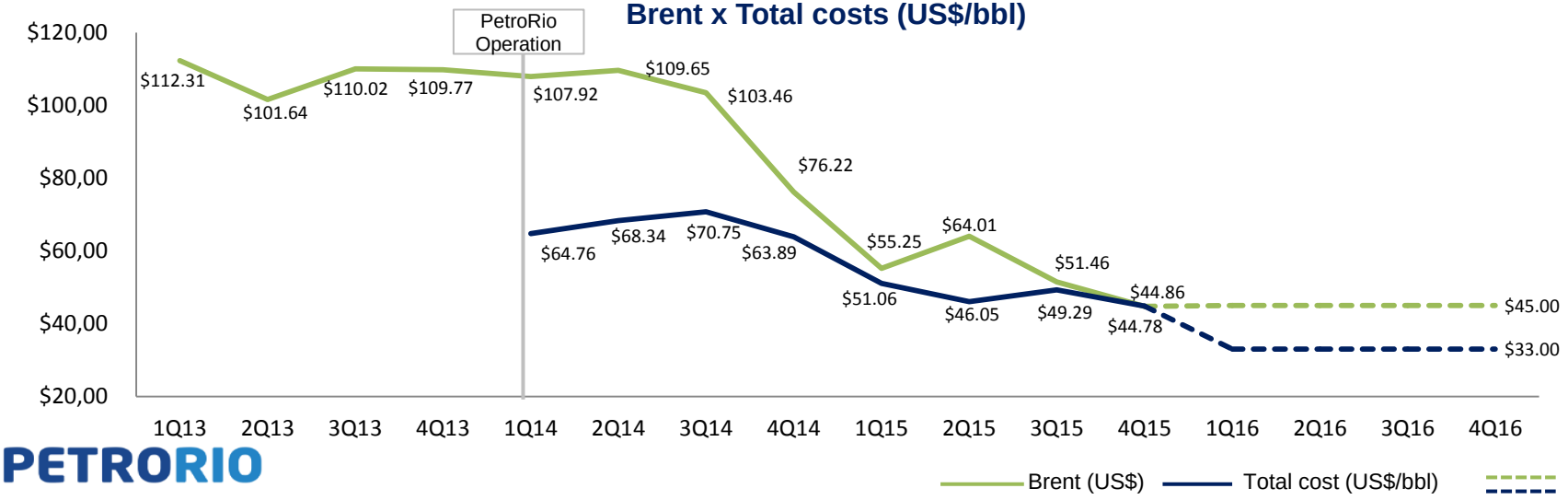
Brent (US$) Lifting Cost(US$/bbl) Estimated

POLVO: PRODUCTION, COSTS X BRENT

Polvo Field production (bbl/d)



Brent x Total costs (US$/bbl)



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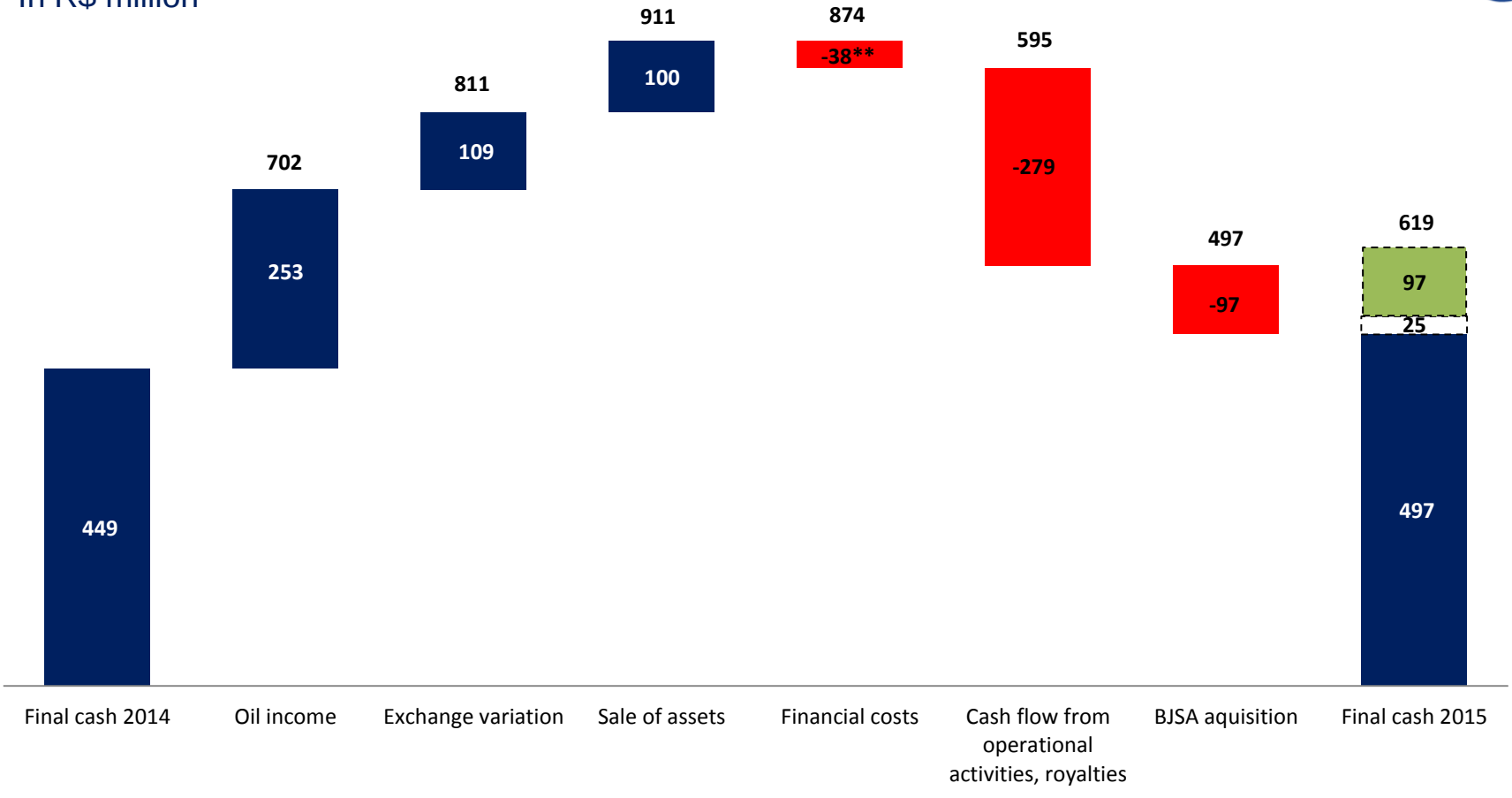
2015 RESULTS

In R$ million

	Accumulated	
Proforma Income Statement	**2014**	**2015**
Offtakes	2,316,154	1,798,700
Average selling price (US$)	86.82	49.85
Revenues	486,839	253,071
Costs of products/services	(254,861)	(205,557)
Royalties	(46,969)	(26,259)
Results of Operations	**185,009**	**21,255**
G&A, G&G and Project expenses	(133,543)	(81,159)
Other revenues/expenses	(947,314)	209,954
EBITDA	**(895,848)**	**150,050**
EBITDA margin	*-184.0%*	*59.3%*
Depreciation and amortization	(176,338)	(65,836)
Financial income	15,872	20,680
Income and social contribution	53,241	5,527
Profit (loss)	**(1,003,073)**	**110,421**

2015 CASH FLOW

In R$ million*



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* Exchange rate in Dec 31, 2015: US$ 3.9042

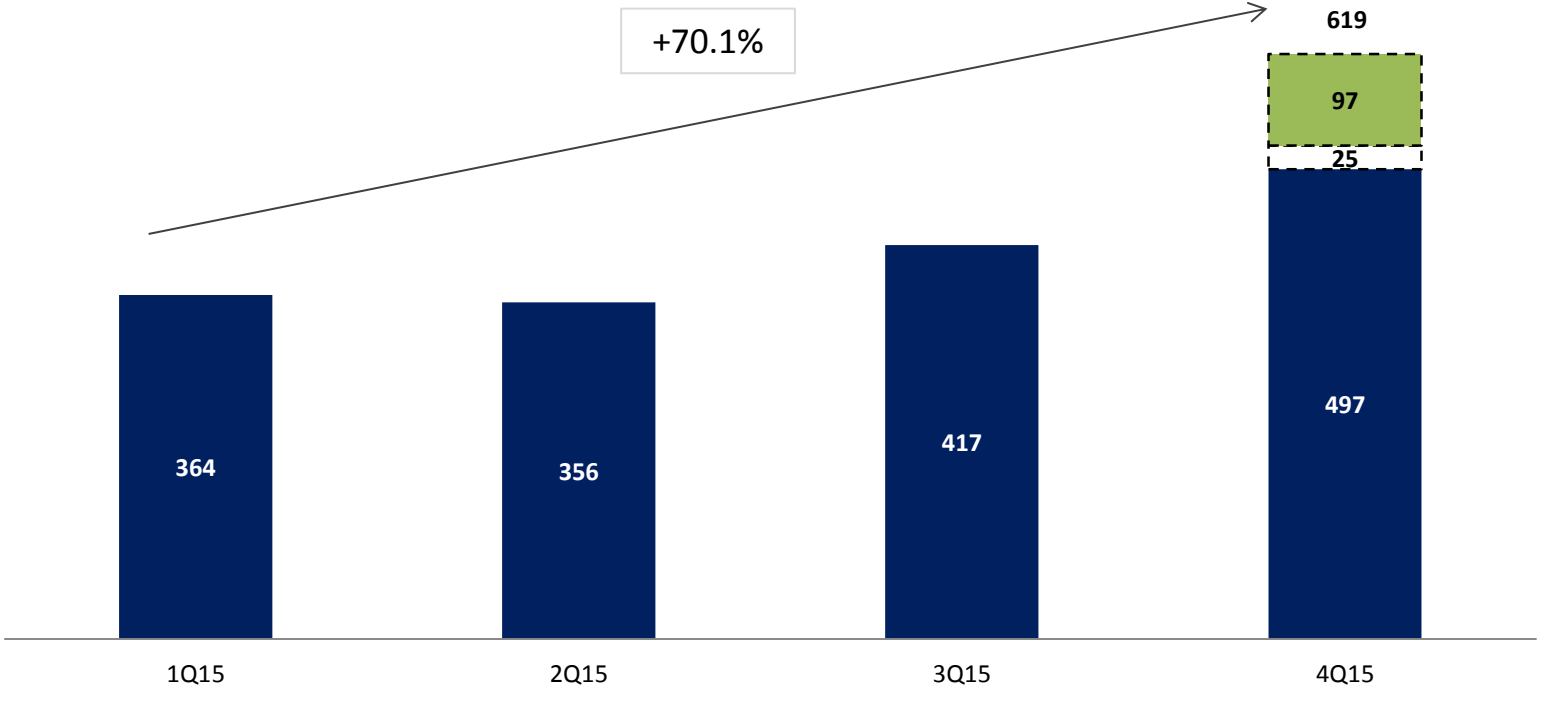
** Impacted by non-recurring expenses with letter of credit to purchase BJSA ; surplus trend to 2016

Oil in inventory

BJSA refund deposit

CASH AND CASH EQUIVALENTS

In R$ million



PETRORIO: LARGEST BRAZILIAN INDEPENDENT OIL & GAS PRODUCER



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