2Q20 Conference Call

August 4, 2020

PetroRio



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DISCLAIMER

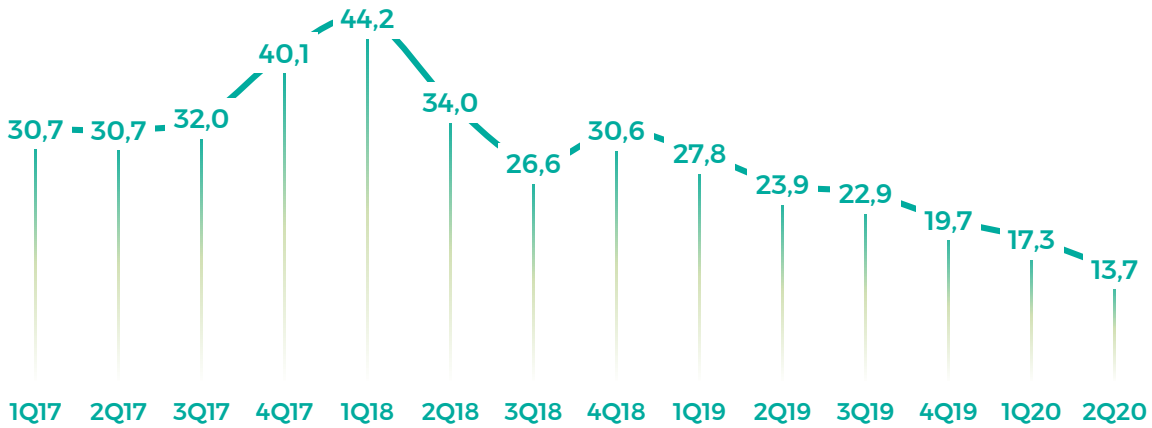
This presentation contains forward-looking statements. All statements other than statements of historical fact contained in this presentation are forward-looking statements, including, without limitation, statements regarding our drilling and seismic plans, operating costs, acquisition of equipment, 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 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.

HIGHLIGHTS FOR THE QUARTER

Lifting Cost PetroRio
(US$/boe)

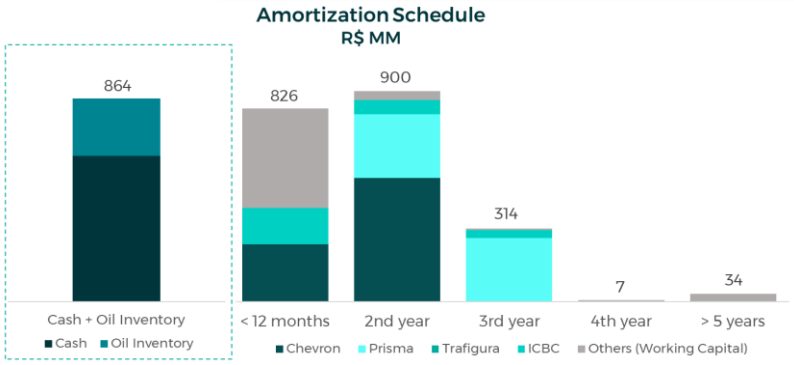


Farm-in of Tubarão Martelo

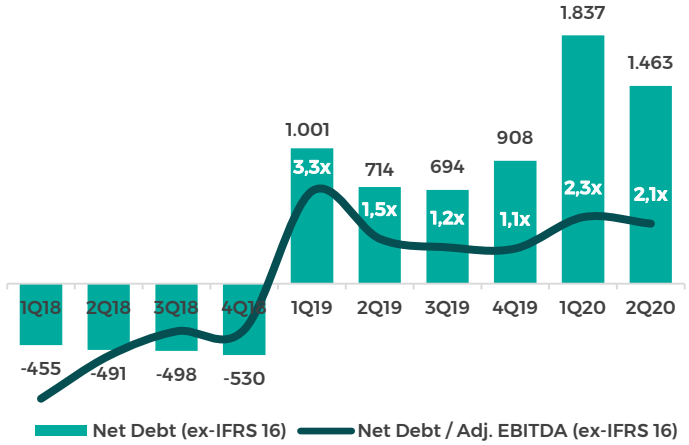


- Closing of the deal on 03/08/20. **Petrorio is the new TBMT operator**
- Successful connection with TBMT-2HP well, which increased Field's production levels to 7,000 bbl/day
- Final stages of connection of well TBMT-4HP currently in progress
- Completion and connection of well TBMT-10-RJS during the *tieback* in 2021

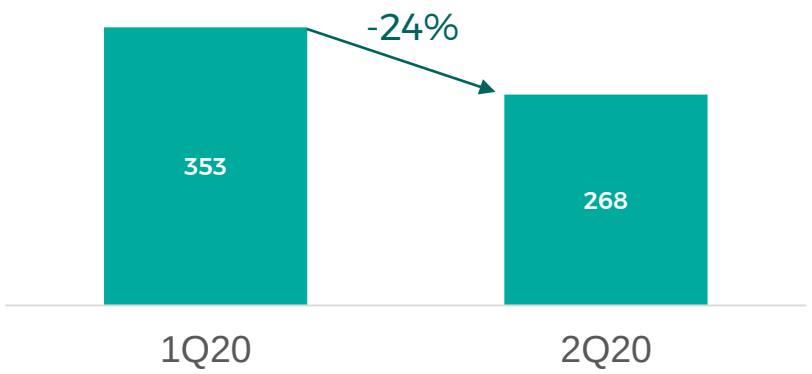
New debt amortization schedule with Chevron



Decrease in Net Debt/EBITDA
(In R$ million)



Net Debt Reduction
(In US$ million)



MEASURES FOR COVID 19

- Focus in health, safety and liquidity: Improved measures for Covid-19
- Shutdown in **Polvo**: Third-party review is currently underway to determine whether standards were followed correctly in the FPSO operated by BW Offshore
- Reduction of POB (People on Board) and extension of onboard periods
- Adoption of rapid tests and screening procedures at the airport
- Activities in the Company's head office in Rio de Janeiro are gradually returning
- Payroll reduction for onshore employees (25%) and corporate directors (50%)
- CAPEX postponement and review of OPEX and G&A

OPERATIONAL HIGHLIGHTS

- Lifting cost reduction to US$ 13.7/bbl in 2Q20, an improvement of 43% vs. 2Q19 and 21% vs. 1Q20
- Production of 23.4 kboed, still excl. **Tubarão Martelo** figures and in line with 1Q20
- PetroRio takes over the **TBMT** Field operation in early August after the conclusion of the acquisiton
- **Frade**'s production levels 21% higher than the Field's expected decline curve for 2020
- 30% production increase in **Polvo** after Drilling Campaign. Royalties of only 5% on this surplus
- Maintenance of the efficiency and production levels of the fields despite the pandemic

ASSET PERFORMANCE

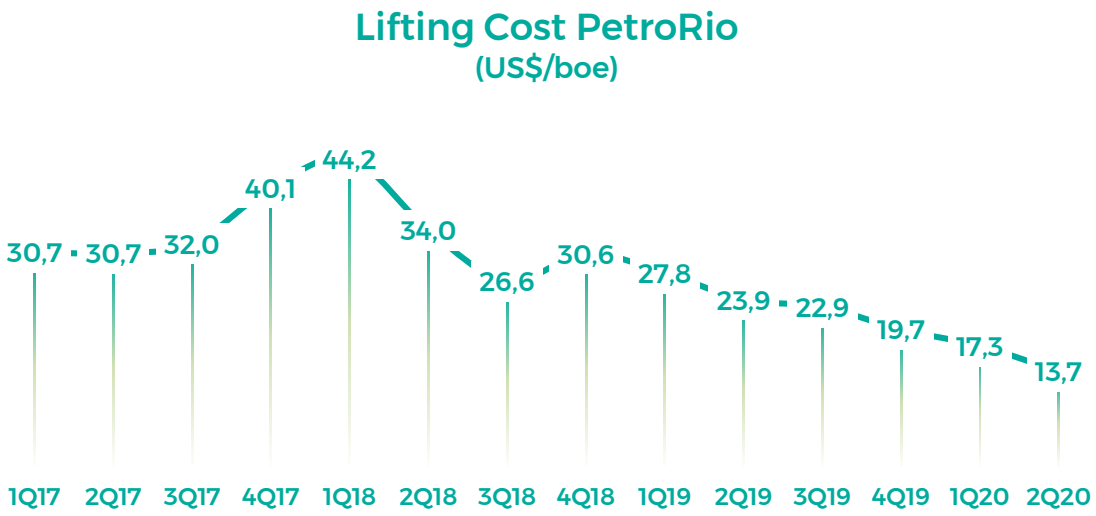


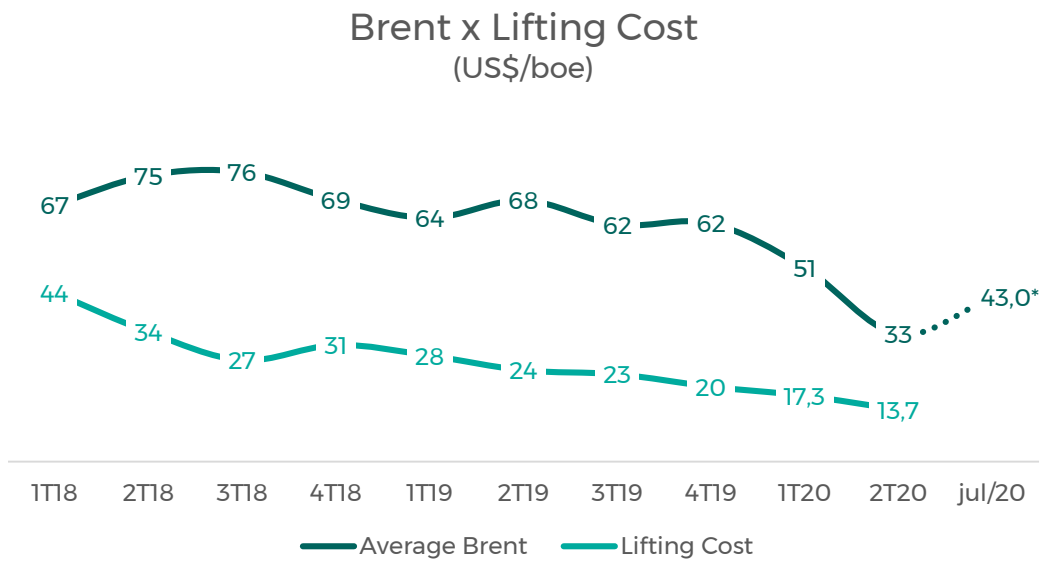
	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	2Q20 x 2Q19	2Q20 x 1Q20
Avg. Brent	$ 63.83	$ 68.47	$ 62.03	$ 62.42	$ 50.44	$ 33.39	-51.2%	-33.8%
Avg. Sales Price	$ 64.40	$ 68.61	$ 62.31	$ 62.88	$ 31.79	$ 35.09	-48.9%	10.4%
Avg. Exchange Rate	3.77	3.92	3.97	4.12	4.47	5.38	37.2%	20.5%
Final Exchange Rate	3.90	3.85	4.16	4.02	5.20	5.46	41.9%	5.1%
Offtakes (kbbl)								
Frade Field (70%)	n/a	975	995	1,398	982	950	-2.6%	-3.3%
Polvo Field (100%)	545	1,025	508	930	470	447	-56.4%	-5.0%
Total PetroRio	545	2,001	1,503	2,328	1,452	1,396	-30.2%	-3.9%
Production (boepd)								
Frade Field (70%)[1]	n/a	9,824	9,865	13,639	13,563	13,380	36.2%	-1.3%
Polvo Field (100%)	9,567	8,523	8,070	7,478	8,620	9,446	10.8%	9.6%
Manati Field (10%)	2,033	1,776	2,413	2,859	1,254	707	-60.2%	-43.6%
Total PetroRio	11,600	20,123	20,348	23,976	23,437	23,533	16.9%	0.4%
Lifting Cost (US$/bbl)								
PetroRio	30.8	24.0	22.9	19.7	17.3	13.7	-42.9%	-20.8%

[1] From April through September, PetroRio had a 52% W.I. in the Field. In October, the interest increased to 70%.

Period highlight was lifting cost reduction to US$ 13.7 /bbl

LIFTING COST PER BARREL



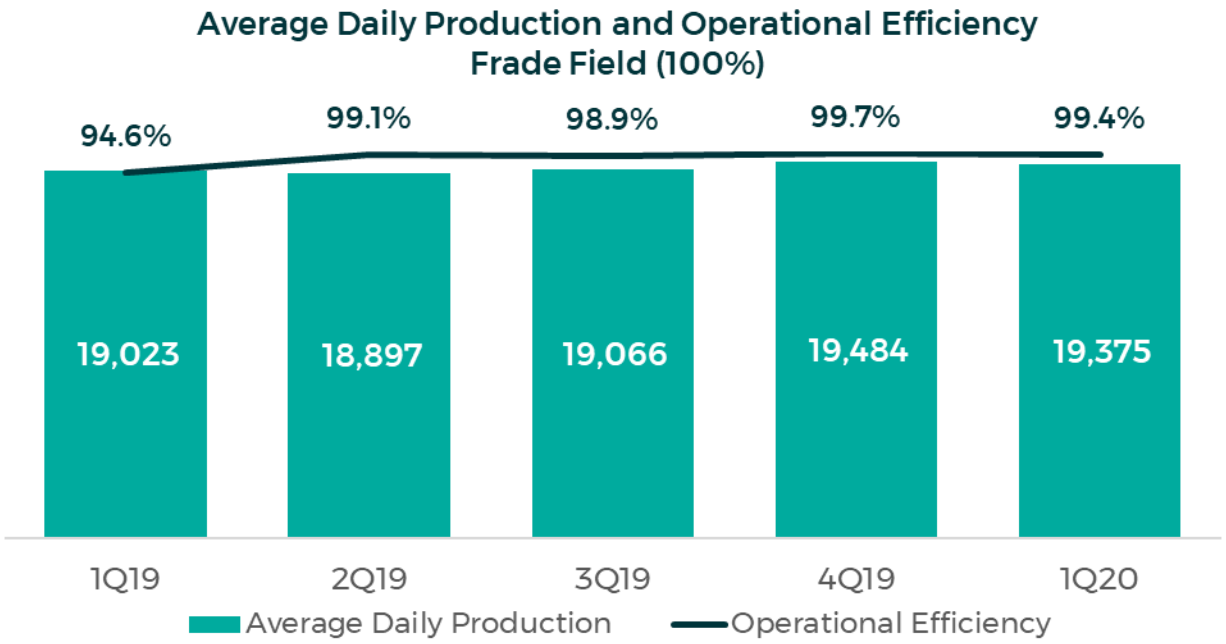


Lifting cost reduction is the most important protection strategy against oil price volatility

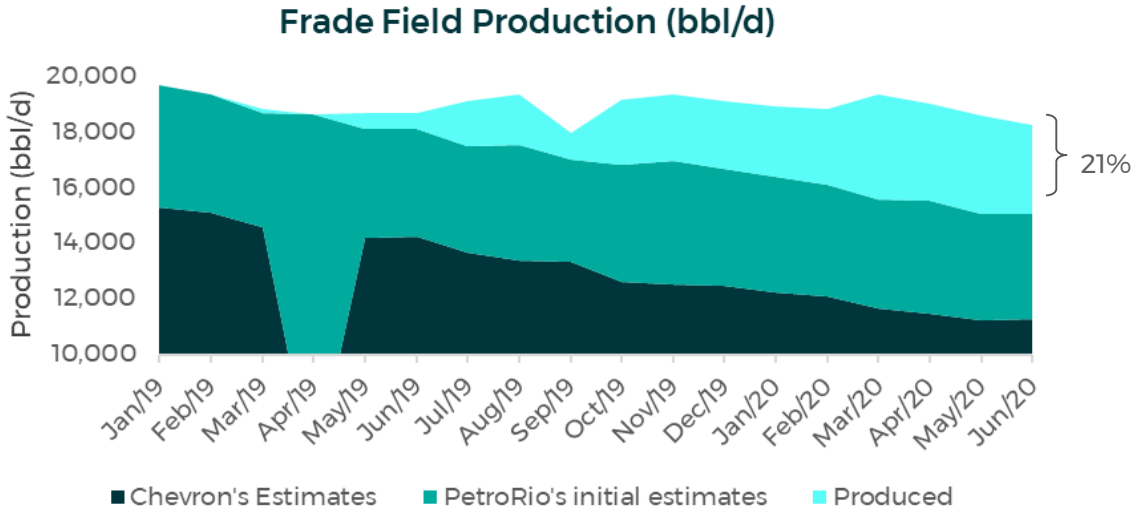
- Continuous reduction of Lifting Cost cost due to the optimization of operating costs and accelerated capture of synergies:
  - Projects and services' scope review
  - Service internalization
  - Contract Renegotiations
  - Postponement of non-essential services

- The reported reduction does not consider **Frade**'s 30% working interest acquired from Petrobras and the recent **TBMT** acquisition (concluded on August 3, 2020)

OPERATIONAL PERFORMANCE – FRADE FIELD

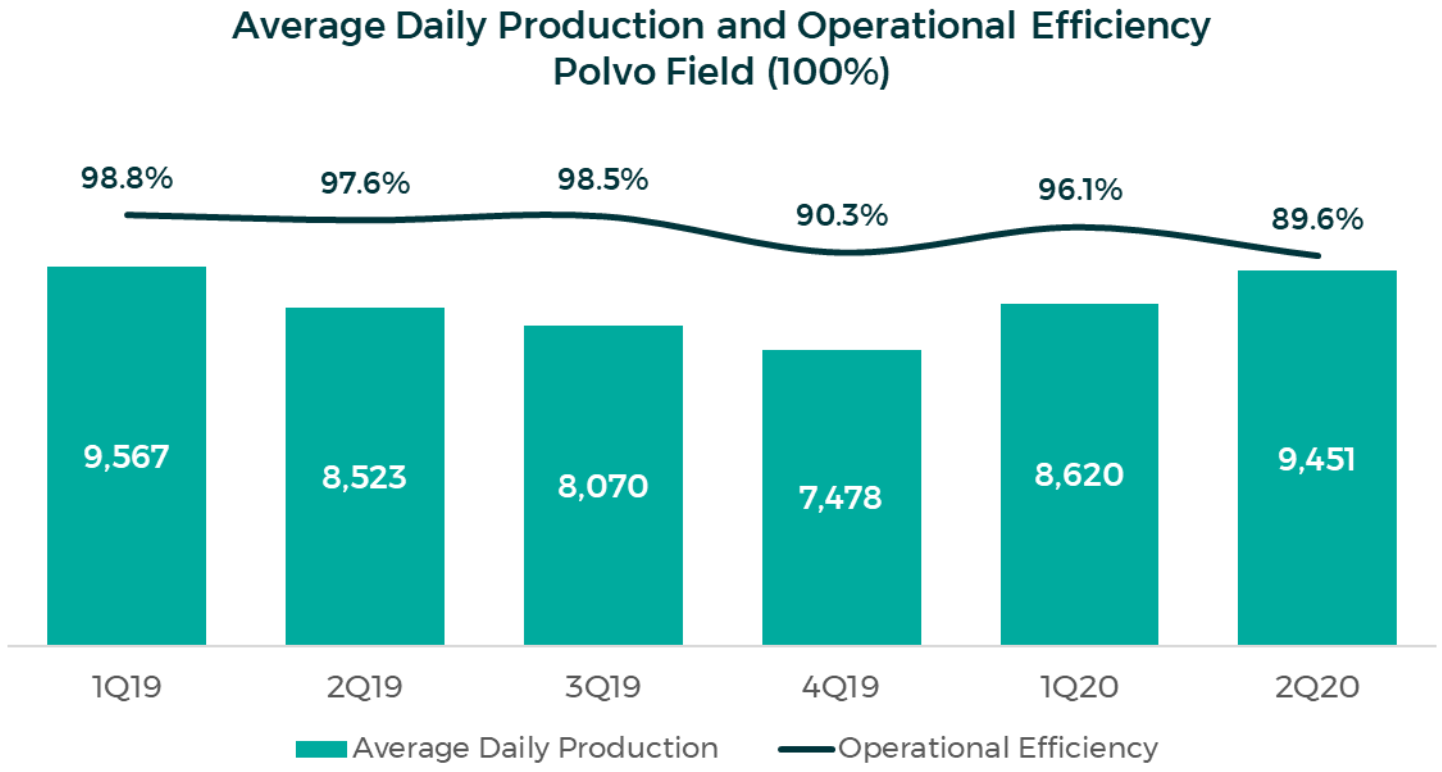


- Highest level of Operational Efficiency reported since the asset's incorporation.



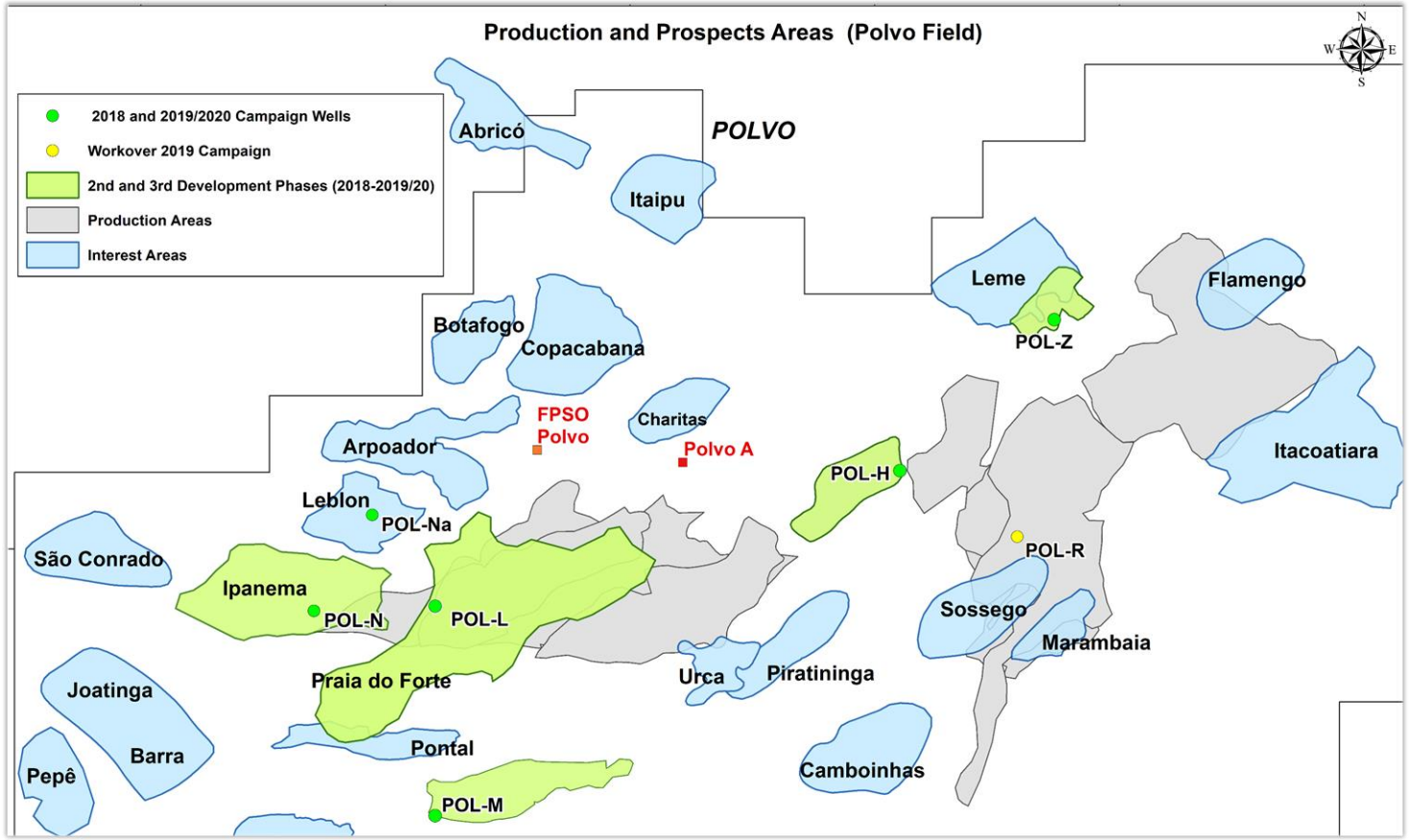
- Current production levels are **21%** higher than the Field's expected decline curve.

OPERATIONAL PERFORMANCE – POLVO FIELD



- The increased production levels reflect the success of the 2019/2020 Polvo Drilling Campaign
- Operational efficiency decreased due to shutdowns in the leased FPSO

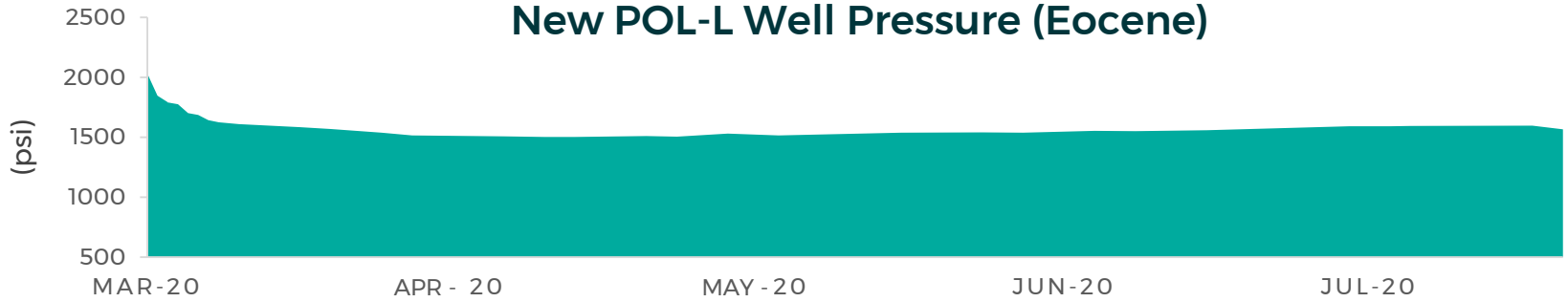
POLVO DRILLING CAMPAIGN



3rd PHASE
2019/2020 CAMPAIGN

- Production increased by 30% (~2.5 kbbl/d)
- Added reserves: 3 MMbbl at US$ 20 million cost
- Less than expected decline in Eocene well
- New data gives us confidence to pursue new wells in the reservoir (infill drilling)

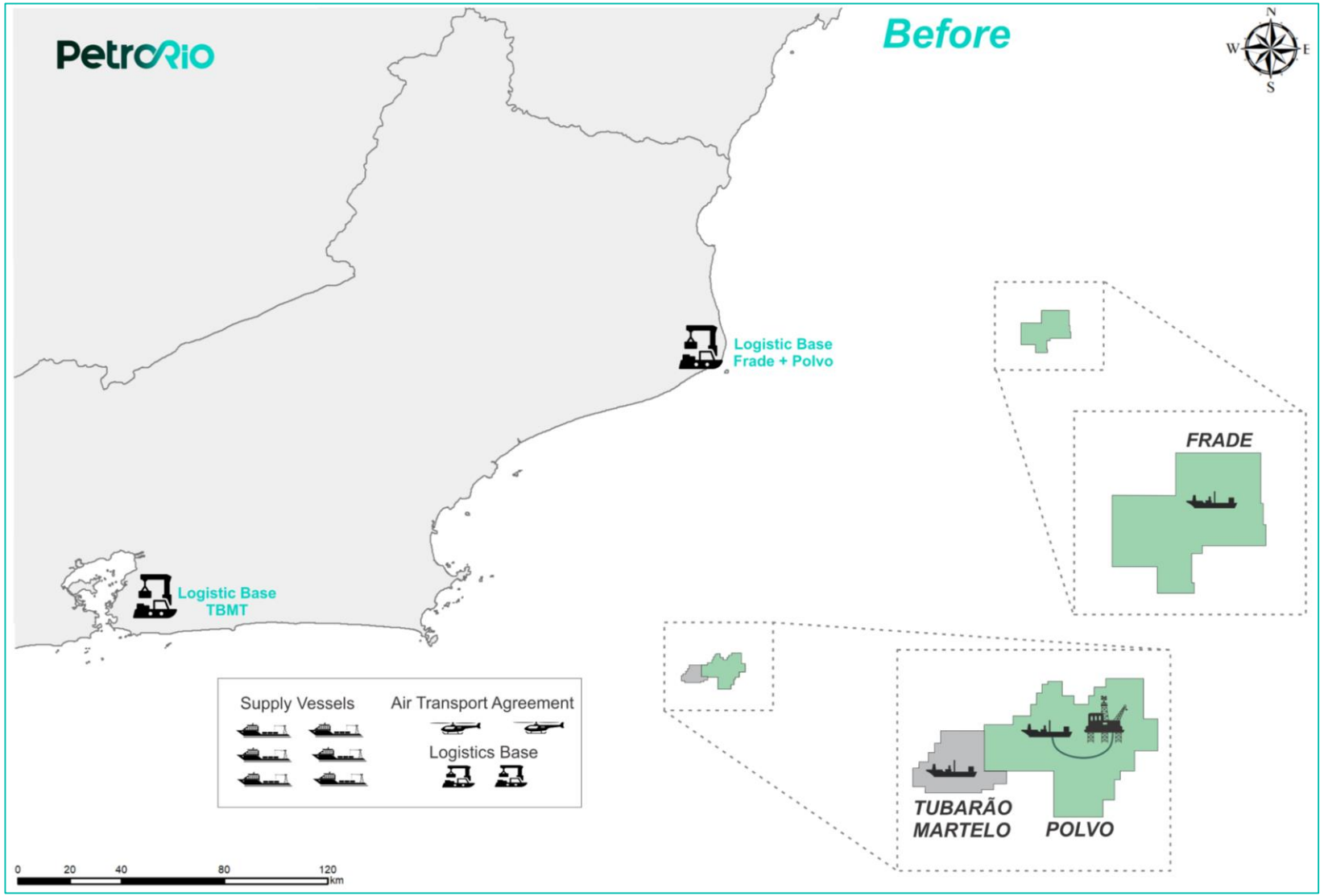
New POL-L Well Pressure (Eocene)



OSX-3 FPSO ACQUISITION AND TBMT FARM-IN

Pre-tieback

- 80% of TBMT's oil
- US$ 840 thousand monthly Charter fee
- Merger of logistics and support vessel contracts
- Merger of Support Bases

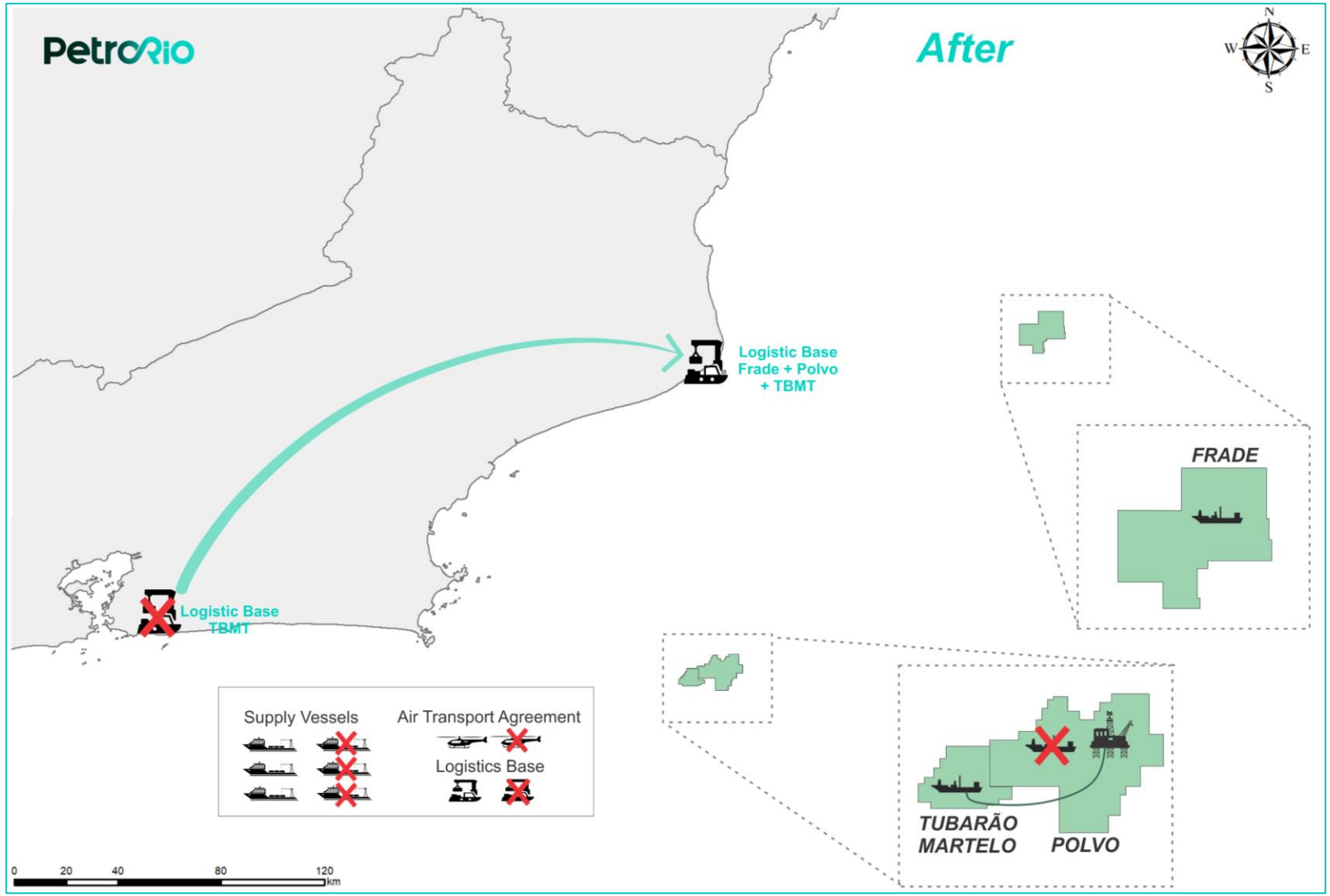


OSX-3 FPSO ACQUISITION AND TBMT FARM-IN

Post-tieback

95%* of Polvo + TBMT's oil

Decommissioning of Polvo FPSO



*After the production of the first 30 million barrels, this percentage rises to 96%

REGULATORY UPDATE



80% of **TBMT**

- All conditions precedent were met in July 2020
- Concession assignment to PetroRio took place on August 3, 2020



30% of **Frade**

- Estimated conclusion between 4Q20 and 1Q21

FINANCIAL HIGHLIGHTS

- Adjusted EBITDA (ex-IFRS 16) at R$ 306 million, incl. hedge operations
- Hedge contracts for 2Q20 resulted in an average gross Brent price of US$ 51.3
- Cash position of US$ 113MM in Jun/20. Other US$ 76MM in oil inventory
- New debt amortization schedule with Chevron, substantially improving liquidity in 2020/ 2021
- Net Debt reduction from US$ 353MM (1Q20) to US$ 268MM (2Q20)
- Net Debt/Adj. EBITDA reduction from 2.3x to 2.1x

PetroRio

FINANCIAL PERFORMANCE

(R$ thousands)

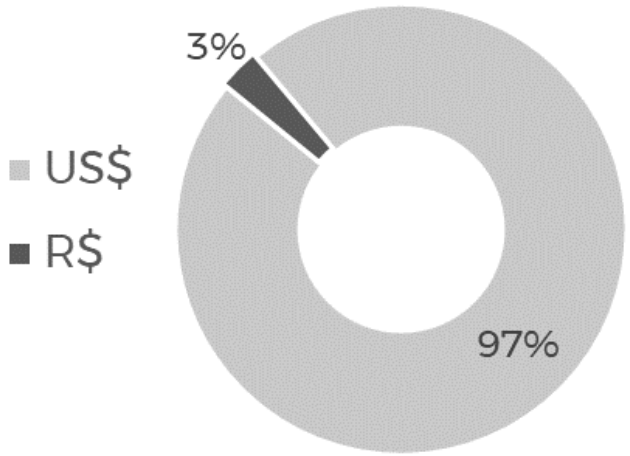
	Ex-IFRS 16			Accrued - Ex-IFRS 16		
	2Q19	2Q20	Δ	6M19	6M20	Δ
Net Revenue	**548,233**	**312,292**	**-43%**	**687,306**	**535,454**	**-22%**
Cost of goods sold	(183,924)	(87,108)	-53%	(252,460)	(205,025)	-19%
Royalties	(48,719)	(21,129)	-57%	(62,952)	(53,357)	-15%
Operatin Income	**315,590**	**204,055**	**-35%**	**371,894**	**277,072**	**-25%**
General and administratie expenses	(33,409)	(28,703)	-14%	(55,039)	(69,015)	25%
Other operating income (expenses)	(32,571)	113,821	n/a	(32,263)	228,924	n/a
EBITDA	**249,610**	**289,173**	**16%**	**284,591**	**436,981**	**54%**
EBITDA margin	***46%***	***93%***	***47 p.p.***	***41%***	***82%***	***41 p.p.***
Depreciation and amortization	(46,128)	(197,895)	329%	(61,307)	(303,222)	395%
Financial Results	*(11,196)*	*(190,243)*	*1599%*	*(134,106)*	*(177,628)*	*32%*
Hedge Income - Realized	*9,340*	*130,619*	*1298%*	*(5,773)*	*337,234*	*n/a*
Hedge Income - Marked to Market	*1,107*	*(168,144)*	*n/a*	*1,101*	*(33,572)*	*n/a*
Other financial income (expenses)	*(21,643)*	*(152,718)*	*606%*	*(129,434)*	*(481,290)*	*272%*
Income and social contribution taxes	(35,686)	22,953	-164%	(40,447)	14,063	-135%
Income (loss) for the period	**156,600**	**(76,013)**	**n/a**	**48,731**	**(29,806)**	**n/a**

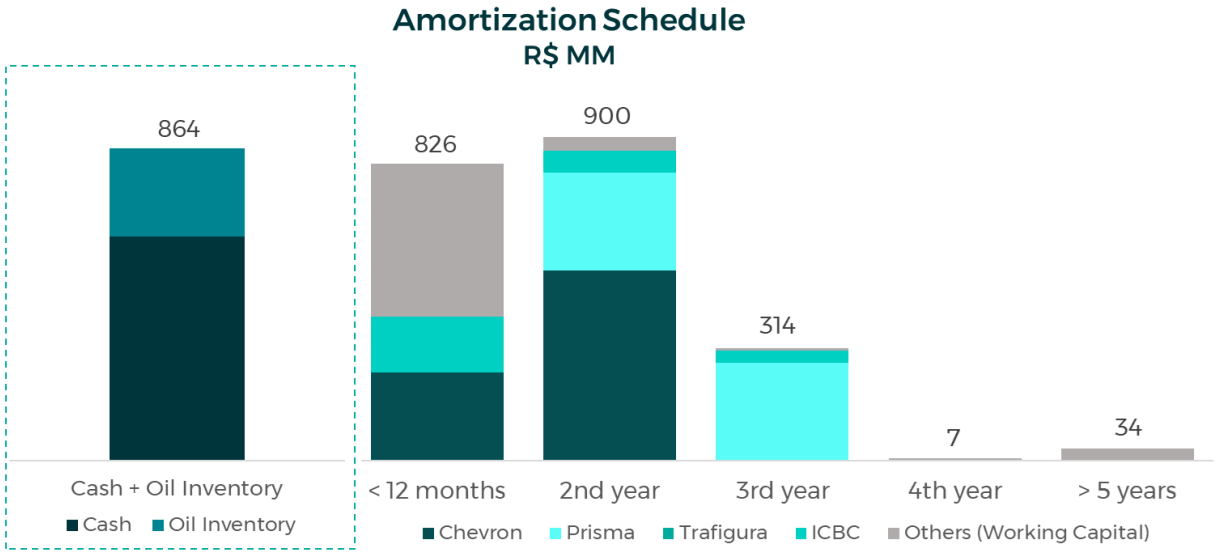
	2Q19	2Q20	Δ	6M19	6M20	Δ
(-) Other operating income (expenses)	(32,571)	113,821	n/a	(32,263)	228,924	n/a
(+) Hedge Income - Realized	9,340	130,619	*1298%*	(5,773)	337,234	n/a
Adjusted* EBITDA (inc. Hedge)	**291,521**	**305,970**	**5%**	**311,082**	**545,291**	**75%**
Adjusted EBITDA margin	***52%***	***69%***	***17 p.p.***	***46%***	***62%***	***16 p.p.***

*Adjusted EBITDA is calculated similarly to EBITDA, excluding the line item "Other Revenue/Expenses".
*Adjusted EBITDA (inl. Hedge) is calculated including only the hedge of contracts exercised during 2Q20.

FUNDING

Loans and Funding





Vendor Finance (Chevron) - Original

US$ 224 million
2 year term
Libor + 3% p.a.
Paying for the asset using its own cash flow with vendor finance

New Amortization Schedule

US$ 15 million in nov-20
US$ 30 million in may-21
US$ 97 million em nov-21
7% p.a.

Prisma

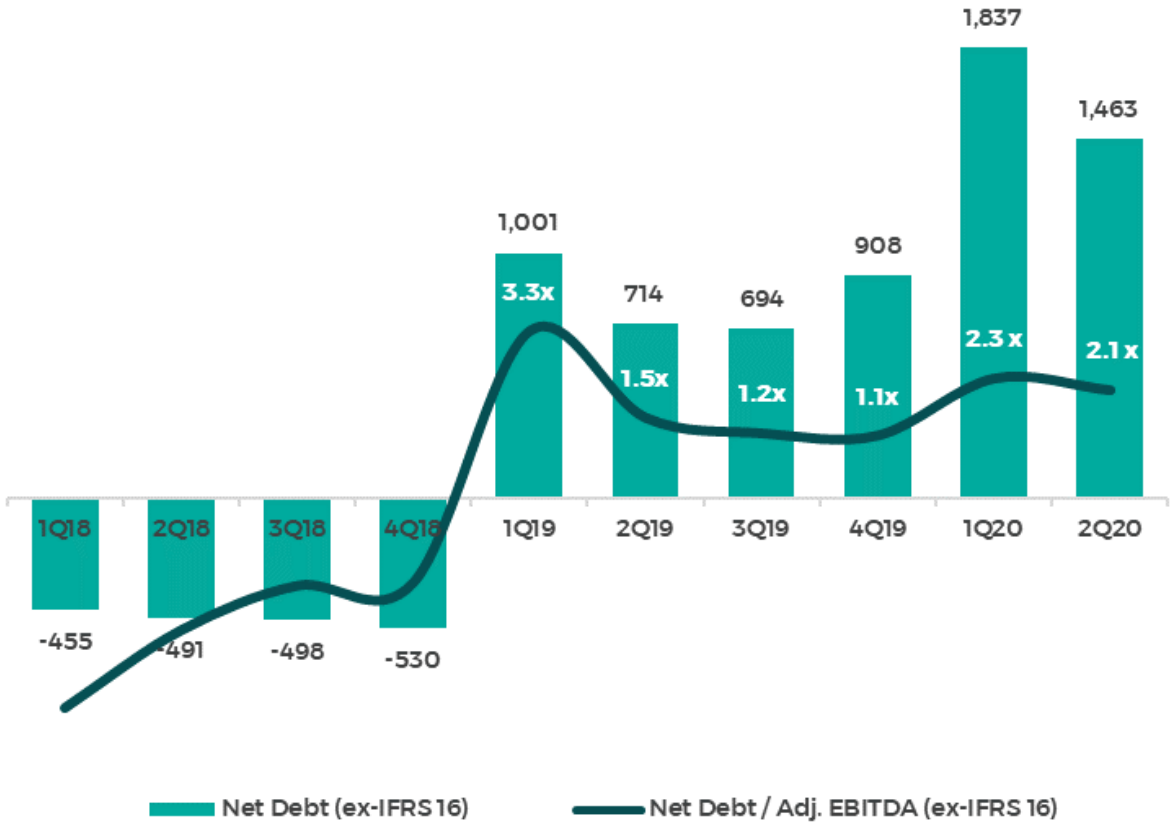
US$ 100 million
4 month term
8,95% a.a.
Bridge loan for the OSX-3 FPSO and Tubarão Martelo deal

Conversion into a long-term *Project Finance* according to contractual arrangements

PPE (ICBC)

US$ 60 million
4 year term
Libor + 3% p.a.
Guarantees Polvo Production sales to PetroChina

DELEVERAGING



Factors that affected Net Debt/EBITDA in 2Q20:

- **R$ 528.1 million** loan from Prisma Capital for the FPSO OSX-3 acquisition and farm-in of Tubarão Martelo Field. The debt has been entirely accounted for in the Company's balance sheet, without its corresponding LTM EBITDA, since the conclusion of the Tubarão Martelo acquisition took place on August 3, 2020;

- **Offtakes Postponement:** Estimated oil inventory of **R$ 415.5 million** at both assets by the end of the period, due to the postponement of Frade and Polvo offtakes to July in order to seek better oil discount conditions.

Adjusting for these effects, Net Debt/EBITDA would have been approximately 1.1x

NEXT STEPS

- Continuous focus on our employees' health and safety
- Meticulous management of costs and expenses to preserve the Company's liquidity
- **Tubarão Martelo** Revitalization: Connection of TBMT-4-HP well in progress
- **TBMT** tieback and TBMT-10-RJS well connection

Q&A

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