

Petrobras announces E&P teaser in the Pelotas Basin

Rio de Janeiro, December 16, 2019 – Petróleo Brasileiro S.A. – Petrobras announces that it has started the opportunity disclosure stage (teaser), referring to the sale of its interest in the concession BM-P-2, located in the Pelotas Basin, in the state of Rio Grande do Sul.

Petrobras and Total are partners in this concession and each has a 50% stake, with Petrobras as the operator. It will be a joint divestment, between 30% and 65% of participating interest.

The teaser, which contains key information about the opportunity, as well as the eligibility criteria for the selection of potential participants, is available on the Petrobras website: <https://www.investidorpetrobras.com.br/en/results-and-notice/teasers>

The main subsequent stages of the project will be reported to the market in due course.

This announcement is in accordance with Petrobras' divestment guidelines and with the provisions of the special procedure for assignment of rights to exploration, development and production of oil, natural gas and other fluid hydrocarbons, provided for in Decree 9,355/2018.

This transaction is in line with the portfolio optimization and the improvement of the company's capital allocation, aiming at generating value for our shareholders.

About the exploratory blocks

The BM-P-2 Concession is located in the Pelotas Basin deep waters, in water depths between 1,000 m and 2,000 m, and was acquired by Petrobras (100% interest) in 2004 in the 6th Bidding Round of the National Agency of Petroleum, Natural Gas and Biofuels (ANP). Total became a partner with the acquisition of a 50% stake in 2013.

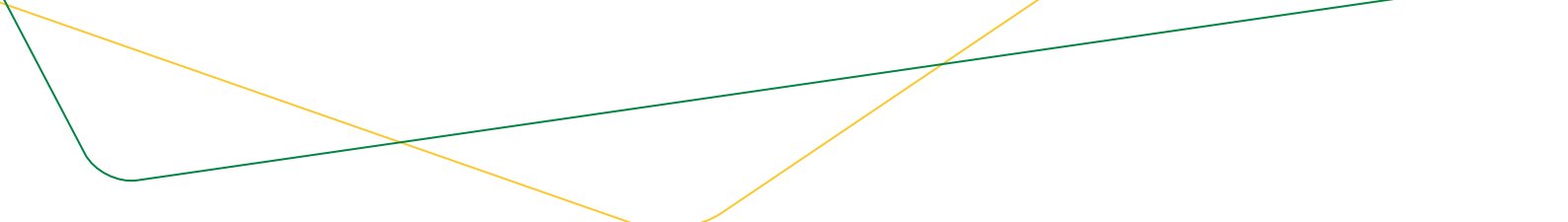
Currently, the concession contemplates the exploratory blocks P-M-1269, P-M-1271, P-M-1351 and P-M-1353 and is strategically positioned in relation to the 18th ANP Bidding Round, scheduled for 2021, in which blocks from the Pelotas Basin shall be selected. This concession presents a reduced exploratory commitment with the potential to prove significant volumes and establish a position in a new exploratory frontier.

www.petrobras.com.br/ir

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FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as "believe," "expect," "estimate," "anticipate," "optimistic," "intend," "plan," "aim," "will," "may," "should," "could," "would," "likely," and similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason. The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the "Lava Jato Operation"; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2017, and the Company's other filings with the U.S. Securities and Exchange Commission.



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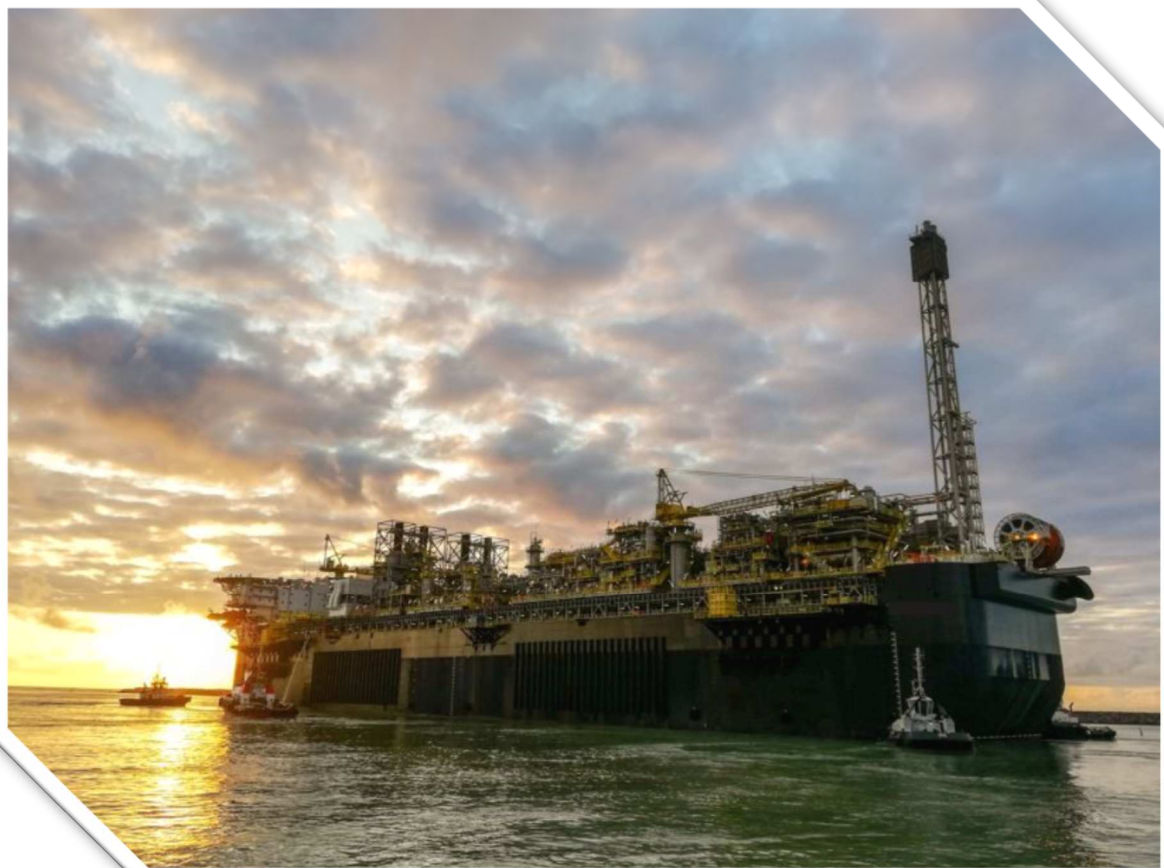
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Offshore Exploratory Concessions Opportunity, Pelotas Basin, Brazil

December - 2019



Offshore Exploratory Concessions Opportunity, Pelotas Basin, Brazil

Summary

Petróleo Brasileiro S.A. (“Petrobras”) and Total are undertaking a process (“Process”) to sell party of their equity interests in four offshore Blocks, P-M-1269, P-M-1271- P-M-1351, P-M-1353, forming BM-P-2 Concession, located at Pelotas Basin, Brasil (“The Potential Transaction”).

- Petrobras and Total holds 50% of Participating Interest each.
- Joint divestment, between 30% and 65% of Participating Interest.
- Blocks in 2º exploratory period, 1 well committed.

Table 1 - Summary of characteristics of concessions

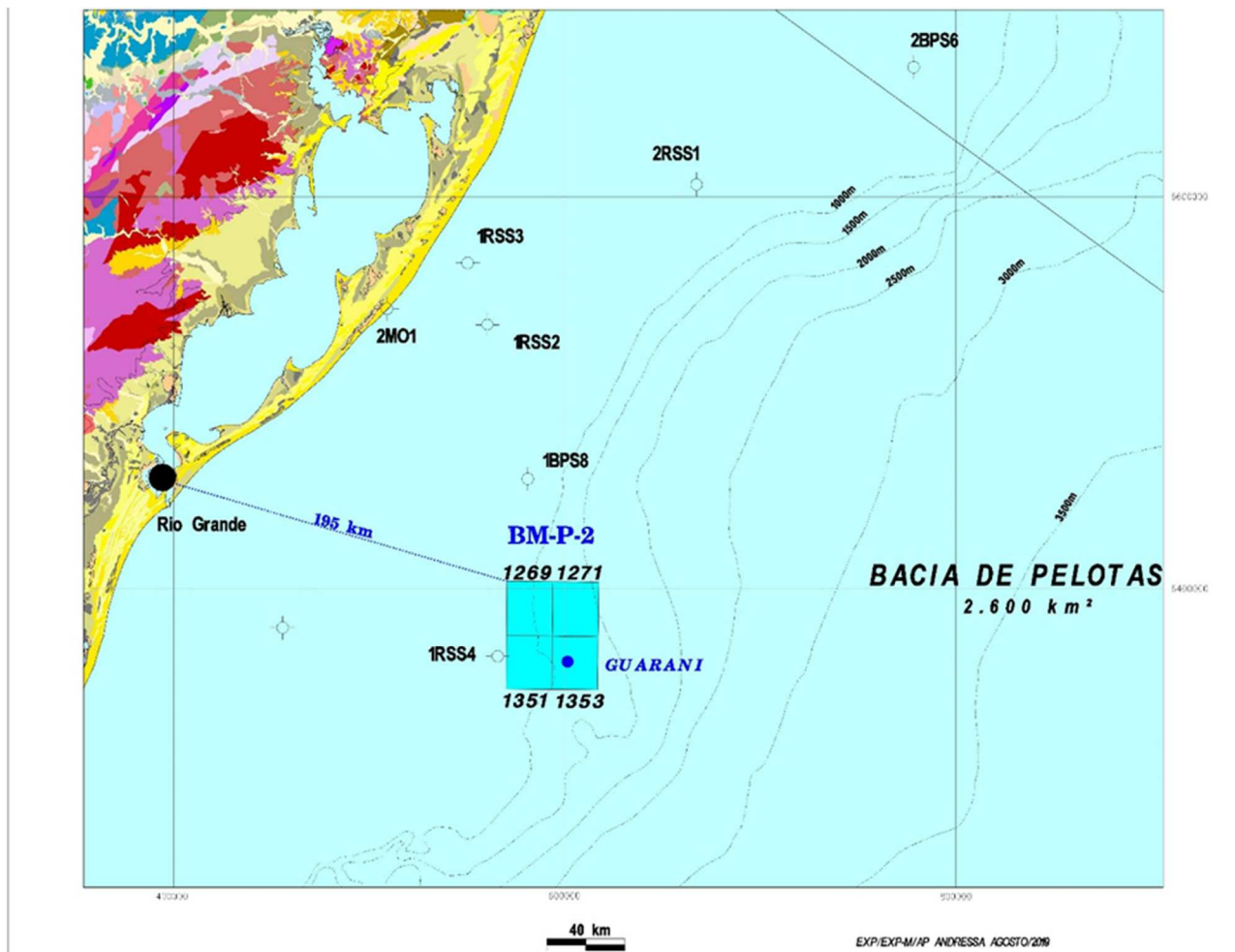
<u>Bloco</u>	<u>Rodada ANP</u>	<u>Área (km²)</u>
P-M-1269	Bid 6	650,45
P-M-1271	Bid 6	650,47
P-M-1351	Bid 6	648,67
P-M-1353	Bid 6	648,67

Highlights

- Opportunity to buy interest in four exploratory blocks, totaling 2,598 km² of area, which include two prospects;
- Reduced exploratory commitment, potential to prove significant volumes and establish position in a new exploratory frontier;
- Blocks strategically positioned in relation to the next ANP Bidding Rounds in the basin.

LOCATION MAP

Figure 1 - Location Map



REQUIREMENTS FOR ELIGIBILITY OF PROSPECTIVE PURCHASER

1. In order to participate in the Process, the Prospective Purchaser must meet the following criteria ("Eligibility Requirements"):

1.1. Minimum net equity of R\$ 38,000,000.00 to be qualified as non-operator financial criteria, to be proved on the occasion of the qualification of the Prospective Purchaser;

1.2 Companies currently positioned in Brazil offshore or other countries, qualified as "A" Operators or Non-Operators by ANP and registered in the last ANP bid-rounds or already qualified in bid-rounds to be held by ANP in the coming months (technical capacity criteria).

1.3 In the case a company is not qualified as Operator or Non-Operator by ANP, it may participate of the process if, under the strict terms of the model to be provided by Petrobras, it declares (i) to be aware of the Agency Qualification process and (ii)) to meet ANP requirements for classification as Non Operator.

2. Prospective Purchaser will be allowed to form a consortium with an independent party, or parties, to participate in this Process.

2.1 In this case, Prospective Purchaser must inform Petrobras, by written notice, of such intention and the parties or independent parties must sign the Confidentiality Agreement and the Compliance Certificate, as establish in item 6, separately, and must also meet the criteria established in items 3 and 4 below.

2.2 One or more independent parties may participate in the Process jointly with Prospective Purchaser, considering that, for all purposes of the Process, the original Prospective Purchaser and the party or independent party may be treated as one Prospective Purchaser.

2.3 For the purpose of this Process, the parties must indicate which one will be the leader of such consortium.

2.4 O líder do consórcio deve cumprir com os Critérios de Elegibilidade.

3. By participating in the Process, the Prospective Purchaser shall undertake not to take any action or omission that violates any applicable law regarding business ethics, including, but not limited to, the US Foreign Corrupt Practices Act, the UK Bribery Act and Brazilian Federal Law n. 12.846/2013 (Brazilian Anti-Corruption Laws).

4. The Prospective Purchaser shall not be listed in the following restrictive lists:

(A) “Cadastro Nacional de Empresas Inidôneas e Suspensas (CEIS)

(Available at: <http://www.portaldatransparencia.gov.br/ceis>);

(B) “Cadastro Nacional de Empresas Punidas (CNEP)

(Available at : <http://www.portaltransparencia.gov.br/sancoes/cnep>);

(C) “Empresas impedidas de transacionar com a Petrobras”

(Available at : <http://transparencia.petrobras.com.br/licitacoes-contratos>).

4.1 In case the Prospective Purchaser, or any of its affiliates, is identified in the abovementioned hypothesis, or fail to meet any of the above mentioned requirements, it will be excluded from the Process at any time.

5. In the Compliance Certificate, the Prospective Purchaser must declare neither the Prospective Purchaser nor any of its affiliates (i) is subject to any sanctions; (ii) is located, has been constituted or is resident in a country subject to any sanctions; or (iii) has the predominant part of its commercial affiliation or business with any Sanctioned Person or in a Sanctioned Country.

5.1 Petrobras will evaluate the information presented by the Prospective Purchaser regarding the above item, and in case is identified in the abovementioned hypothesis, the Prospective Purchaser will be excluded from the Process, in compliance with the rules applicable to Petrobras.

5.2 Sanctions means (i) sanctions, (ii) regulations, (iii) embargoes or (iv) restrictive measures that were administered, enacted, imposed or executed by the World Bank, the United Nations Security Council, the United States of America, Canada, the United Kingdom, the European Union, the Netherlands, Brazil and the respective governmental institutions and agencies of any mentioned previously.

6. In order to participate in the Process and comply the requirements, Prospective Purchaser shall sign a Compliance Certificate, following the document to be provided by Petrobras.

7. The accuracy of the declaration and the fulfillment of the requirements mentioned above will be verified by Petrobras after the acceptance, by the Prospective Purchaser, of the confidentiality obligations necessary to participate in the Process.
8. During the Process, Petrobras may perform preventive risk analysis, in compliance with Anti-Corruption Law and the Petrobras Program for Preventing Corruption.

THE PROCESS

- The interested parties who meet the "Eligibility Requirements" should contact the project's email address below to express your interest in the opportunity by **December 23th, 2019** to receive the necessary documents to participate in the Process: (i) Confidentiality Agreement; (ii) Compliance Certificate.
 - At Petrobras request, the Prospective Purchaser shall provide supporting documentation.
- Project e-mail address: patagonia@petrobras.com.br
- The interested parties who are duly eligible for the Process must submit the documents mentioned above, until **January 3th, 2020**, in order to have access to the Additional Asset Information Package.
- Petrobras reserves the right to amend the Process as it deems appropriate and will ensure that any changes be disclosed to all participants.
- During the Process, Petrobras may perform preventive risk analysis, in compliance with Anti-Corruption Law and the Petrobras Program for Preventing Corruption and may request the Prospective Purchaser to fill a report detailing its procedures and guidance towards Anti-Corruption Laws.
- The queries from Prospective Purchasers which meet the above mentioned Eligibility Requirements should be addressed exclusively at patagonia@petrobras.com.br The Prospective Purchaser shall not directly contact any Petrobras employee.
- This e-mail should be used only for the purposes of the Potential Transaction. Any general questions or inquiries not specific and directly related to the Potential Transaction should be addressed to the following website: <http://transparencia.petrobras.com.br/>

Relevant Legal Information

This document ("Teaser") is being furnished to potential assignees and published in Petrobras site ("<http://www.investidorpetrobras.com.br/en>") with the purpose to present this offshore opportunity ("Transaction").

This Teaser is being provided solely for the purpose of verifying the potential interest in the Transaction and therefore does not obligate Petróleo Brasileiro S.A. - Petrobras ("PETROBRAS") to initiate or complete any sale procedure of its assets. This document may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) that merely reflect the expectations of PETROBRAS' management. Such terms as "anticipate", "believe", "expect", "forecast", "intend", "plan", "project", "seek", "should", along with similar or analogous expressions, are used to identify such forward-looking statements. These predictions evidently involve risks and uncertainties, whether foreseen or not by

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This Teaser has been assembled for the sole purpose of determining whether the potential assignees wish to receive further information for analysis in connection with the Transaction, upon its written agreement and undertaking certain confidentiality obligations, and provided that the potential assignees meet the abovementioned requirements to participate in the competitive process regarding the Transaction (“Process”).

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