



ONSHORE E&P DIVESTMENT OPPORTUNITY

July - 2019

ONSHORE E&P - TUCANO SUL CLUSTER

SUMMARY OF THE OPPORTUNITY

Petróleo Brasileiro S.A. ("PETROBRAS") hereby informs the initiation of a process ("Process") to divest the total of its equity interests in selected onshore E&P fields located in the state of Bahia, Brazil, jointly designated as Tucano Sul Cluster (the "Potential Transaction"), as detailed in the table below. The purpose of this process is to divest the right to explore, develop and produce natural gas from this group of onshore fields with integrated facilities, providing potential buyers with full operating conditions.

- The Tucano Sul Cluster divestment process comprises the sale of the total of PETROBRAS' equity interests in 4 onshore concessions in the State of Bahia, on the Tucano Basin (located between Jatobá and Recôncavo Basins), next to the Municipalities of Biritingas and Sátiro Dias. Petrobras currently holds a 100% stake in all concessions.

Table 1 - Tucano Cluster's Average 2018 Production

Cluster	Concession	ANP Round	Petrobras Equity Stake	Production (Average 2018)	
				Oil (bpd)	Gas ('000 m ³ /d)
TUCANO SUL	Conceição	BID 0	100%	0	17.7
	Fazenda Matinha	BID 0	100%	0	3.8
	Fazenda Santa Rosa	BID 0	100%	0	3.9
	Quererá	BID 0	100%	0	3.8
	TOTAL			0	29.2

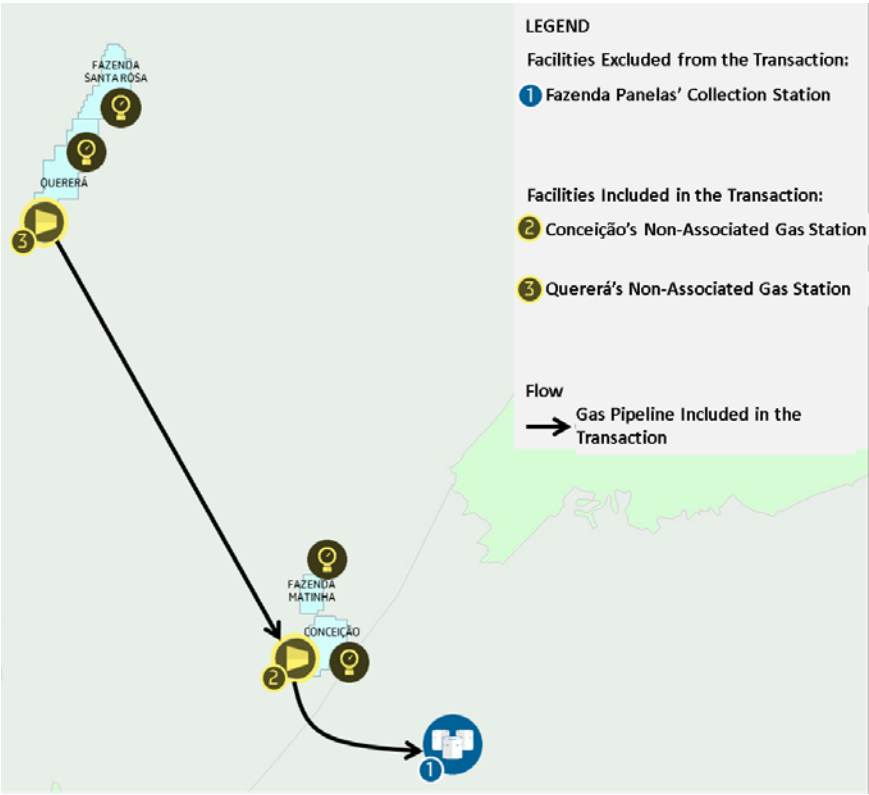
- The proposed cluster business model optimizes the sharing of logistics and production treatment facilities, which justifies grouping the concessions in a single cluster.
- The transaction may also include gas purchase and sale agreement with Petrobras, as well as other services contracts, in case the potential buyer wishes to sell its production to Petrobras.

HIGHLIGHTS

- Opportunity to acquire 100% operating equity interest in all concessions;
- Average natural gas production: 29.2 thousand m³ / day;
- Buying possibility, from Petrobras, of the gas produced at the Tucano Sul's concessions, with measurement at the exit of Conceição's gas station, with custody transfer point at the Panelas Farm Station;
- Fields are organized in a cluster to ensure greater autonomy to operators and to optimize the operational flow and logistics infrastructure.

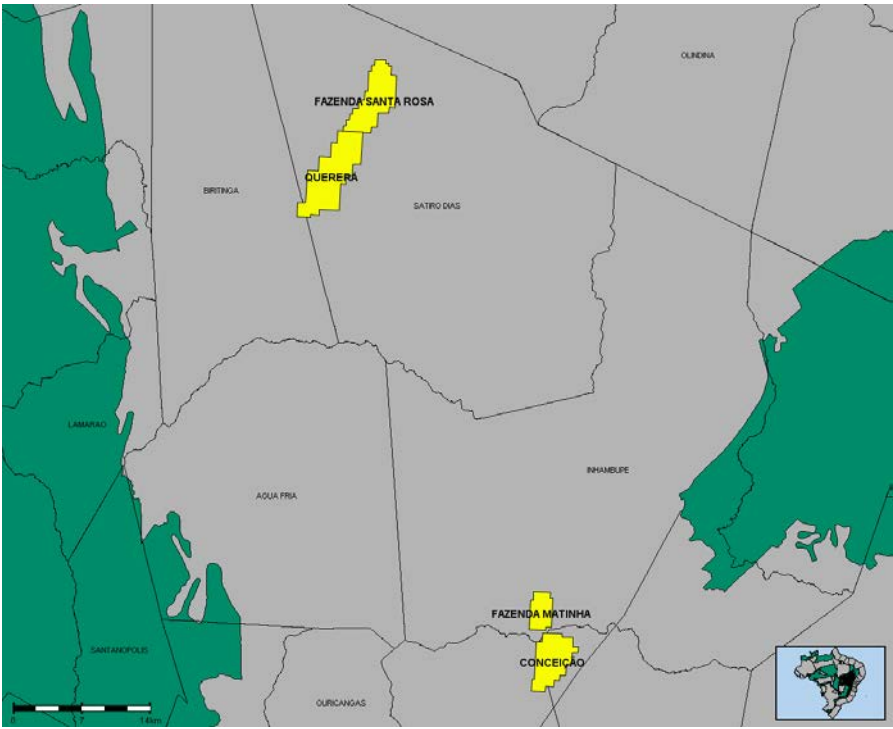
CLUSTER FLOW CHART

Figure 1 - Tucano Sul Cluster Flow Chart



LOCATION

Figure 2 - Tucano Sul Cluster Location



CRITERIA FOR ELIGIBILITY OF POTENTIAL ASSIGNEES

1. In order to participate in the Process, the potential assignee must meet the following criteria ("Eligibility Criteria"):

1.1. Be "Operator C" according to the ANP classification (able to operate onshore fields). The companies classified as "Operator B" (able to operate on shallow waters) or "Operator A" (able to operate on deep water), according to the ANP classification, in Brazil can also participate, since, according to the Brazilian rules, they are also able to operate onshore fields. Alternatively, even if the prospective assignee is not classified as "Operator C" by ANP, it will be able to participate in the Process if it declares, in the exact same terms of the declaration model to be provided by PETROBRAS, that: (i) is aware of the Agency's Qualification process and (ii) it will meet, by the signing, the requirements of ANP to be classified as operator "C". The declaration template will be provided by Petrobras.

OR

1.2. Be an onshore operator in Brazil or abroad. Offshore companies abroad are also allowed to participate in the Process, since, according to the Brazilian rules, they are also able to operate onshore fields.

2. Potential assignees are allowed to submit a Joint Proposal with an independent party or parties to participate in this Process, observing limits and conditions to be detailed throughout the Process.

2.1. In this case, potential assignees will be required to inform Petrobras, in writing, of such intention and the independent party or parties will be required to sign a separate Confidentiality Agreement and Compliance Certificate as set forth in item 6 below, and shall meet the requirements set forth in items 3 and 4 below.

2.2. An independent party or parties will be allowed to participate in the Process together with a potential assignee, considering that, for all purposes and intents of this Process, the initial potential assignee and such independent party shall be treated as one potential assignee.

2.3. For the purpose of this Process, the parties must indicate which Joint Proposal member should be considered the leader of such proposal.

2.4. Without prejudice to the fulfillment of the requirements established in items 3 and 4 below, Joint Proposal leader must comply with the Eligibility Criteria described in item 1 above.

3. If any of the events A, B or C below cause any non-compliance of any (i) sanctions, (ii) regulations, (iii) embargoes or (iv) restrictive measures, which have been enacted, imposed or enforced by the World Bank, the United Nations Security Council, the United States of America, the Canada, the United Kingdom, the European Union, the Netherlands and Brazil, as well as their respective institutions and government agencies in any of the countries mentioned ("Sanctions") applied to Petrobras, the potential assignee or any of its affiliates shall not, pursuant to item 7.2 below:

(A) Be subject, owned or controlled by a person or entity subject to any Sanctions ("Sanctioned Person");

(B) Be located, have been incorporated in or are resident in a country subject to Sanctions ("Sanctioned Country");

(C) Have any commercial affiliation or business with, or investments in, any Sanctioned Country or Sanctioned Person

4. The potential assignee and its affiliates must not be included in any of the following restrictive lists:

(A) "National Register of Unidentified, Suspended and Punished Companies". "Cadastro Nacional de Empresas Inidôneas e Suspensas" (Ceis) (Available at: <http://www.portaldatransparencia.gov.br/ceis>);

(B) "Companies prevented from trading with Petrobras". "Empresas impedidas de transacionar com a Petrobras" (Available at: <http://transparencia.petrobras.com.br/licitacoes-contratos>).

4.1. Should a potential assignee, or any of its affiliates, be included in the abovementioned lists or fail to meet any of the abovementioned criteria the potential assignee will be eliminated from this process.

5. "Affiliate" of a Person means, for purposes of items 3 and 4, any company or legal entity that controls, or is controlled by, or is controlled by an entity that controls a Party. "Control" means, in relation to a Person or Consortium, a Person who has (i) the direct or indirect ownership of more than fifty (50) percent of the voting rights in a company or other legal entity; (ii) directly or indirectly, the power or rights to direct or direct management policies, whether through the ownership of securities with voting rights, by contract or credit agreement, as fiduciary or executor, or otherwise.

6. Additionally, by participating in the Process, the potential assignee agrees not to take any action, or fail to take action, that may violate any applicable laws, including but not limited to the US Foreign Corrupt Practices Act, the UK Bribery Act and Brazilian anti-corruption laws (especially Federal Law 12846/2013) and the principles outlined in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, adopted within the framework of the Organization for Economic Co-operation and Development (OECD) ("Anti-Corruption Law"). Furthermore, when participating in the Process, the potential assignee further declares to know and comply with the rules established in the Petrobras System Code of Ethics.

7. In order to assume that it meets the requirements established in items 3 and for above, to participate in the Process, the potential assignee must sign a Compliance Certificate, in the strict terms of the model to be supplied by Petrobras.

7.1 The accuracy of this disclosure and the fulfilment of the requirements stated above will be verified by Petrobras after the completion, by the assignee, of all confidentiality obligations required to participate in this Process.

7.2 The Compliance Certificate shall specify the relationships and the situations described in item 3 and sub items (A), (B) and (C) of item 3, if any. In these cases, Petrobras will evaluate if the relationships or the situations described prevent the participation of the potential assignee due to a non-compliance of any Sanctions applicable to Petrobras

8. All the qualifications and regulatory requirements necessary for the assignment of the Concession Contract with ANP are the exclusive responsibility of the potential assignee (and of all consortium parties, if applicable).

PROCESS CONSIDERATIONS

- Advisor: Petrobras has retained Banco Itaú BBA as its exclusive financial advisor ("Advisor") in the context of the Potential Transaction.
- Procedure's and Timeline: interested Parties, who meet the "Criteria for Eligibility of Potential Assignees", should contact the project e-mail address to express their interest in the opportunity by 23h59 of **19th July, 2019** in order to receive the required documents to participate in the Process: (I) Confidentiality Agreement; (II) Declaration of Non-Operator; and (III) Compliance Certificate.
- At the request of Petrobras, the potential assignee must provide supporting documentation.
- Project e-mail address: onshorebrazil@itaubba.com
- Documents delivery: qualified interested Parties who execute the aforementioned documents by **23rd July, 2019** will be given access to an Information Package.
- Petrobras reserves the right to alter the Process, as it deems appropriate, and will ensure that any such change will be disclosed to all participants.
- During the Process, Petrobras may undertake risk prevention analysis in accordance with the Anti-Corruption Law and the Petrobras Program for Prevention of Corruption ("PPPC") and

may request the participants to complete a detailed questionnaire to verify the compliance of its practices and conducts with the Anti-Corruption Law.

- Queries from interested Parties which meet the “Criteria for Eligibility of Potential Assignees” above mentioned should be addressed exclusively to the Project e-mail address set forth above. Under no circumstances should you contact any Petrobras personnel.
- The Project e-mail address should only be used for the purposes of the Potential Transaction. Any general questions or inquiries not specific to or not directly related to the Potential Transaction should be addressed to the following site:
<http://transparencia.petrobras.com.br/>.

RELEVANT LEGAL INFORMATION

This Opportunity Overview (the “Teaser”) is being furnished to potential assignees and published in Petrobras site (“<http://www.investidorpetrobras.com.br/en>”) with the purpose to present the Potential Transaction. Any queries regarding this Process shall be addressed to Banco Itaú BBA. This document does not oblige PETROBRAS to start or to conclude the Process for the assignment of its working interests.

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