



**PETROBRAS**



# Investment Opportunity In Deep Water Potiguar Basin Assets

Equatorial Margin Brazil

# A. Executive Summary

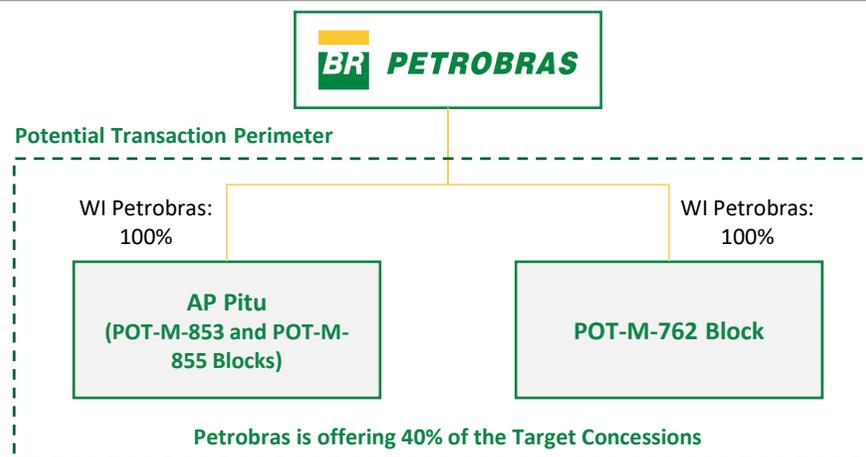
## Opportunity Description

Petróleo Brasileiro S.A. ("Petrobras") reports the beginning of the process ("Process") of offering 40% of its participation (Working Interest - "WI") in the BM-POT-17 exploratory concessions, in which the Appraisal Plan (AP) of the Pitu well is being developed (Blocks POT-M-853 and POT-M-855), and the POT-M-762\_R15 concession (Block POT-M-762) (collectively, the "Target Concessions"), located in deep waters in the Potiguar Basin - Equatorial Margin - off the coast of Rio Grande do Norte, Brazil.

The object of the Process consists in the partial assignment of 40% of the oil and natural gas exploration, development and production rights of Petrobras in the Target Concessions, for the establishment of a partnership in deep water blocks in the Potiguar Basin - Equatorial Margin, which are configured in a new exploratory frontier ("Potential Transaction"). Petrobras is the sole concessionaire and will continue as the operator of the Target Concessions.

The exploratory blocks were acquired in the 7th Bidding Round of the Agência Nacional de Petróleo, Gás Natural e Biocombustíveis ("ANP") in 2006 (POT-M-853 and POT-M-855) and in the 15th Bidding Round of ANP in 2018 (POT-M-762).

## Process Structure



# A. Executive Summary

## Process Overview

Petrobras has retained Banco Santander (Brazil) S.A. ("Santander" or "Advisor") as its exclusive financial advisor in the conduction of the Process.

- A. Interested parties ("Potential Buyers"), who meet the **Eligibility Criteria**, as described in Section D, shall notify Santander by **September 6th, 2022** to express their interest in the opportunity in order to receive the necessary documents to enable their inclusion in the Process: (i) Confidentiality Agreement ("CA"); (ii) Statement of Compliance ("SC") and (iii) Statement of Regulatory and Financial Requirements ("SRFR").
- B. If required by Petrobras, the Potential Buyers must provide other supporting documents.
- C. In order to qualify for the next step of the Process, i.e. the Binding Phase, the documents indicated above (CA, SC and SRFR) must be delivered signed by **September 9th, 2022**.
- D. The distribution of information about the assets will begin after the deadline date indicated in item C, for all Potential Buyers who have submitted the signed documents (CA, SC, SRFR and any other documents requested).
- E. The proposals must include the Target Concessions as a whole, and proposals for a single Block or for a different WI that is being offered at this time will not be accepted.

## Contact Information

Inquiries and questions from Potential Buyers who meet the above Eligibility Criteria should be addressed exclusively to Santander at [camarao2@santander.com.br](mailto:camarao2@santander.com.br).

- This e-mail address is to be used only for purposes of the Potential Transaction
- Under no circumstances should any contact be made with management or employees of Petrobras or any of its subsidiaries

Any general questions or inquiries not specifically and directly related to the Potential Transaction should be addressed to the following website:

<http://transparencia.petrobras.com.br/>

## B. Assets Overview

The concessions are located in the Equatorial margin, in Potiguar Basin deep waters

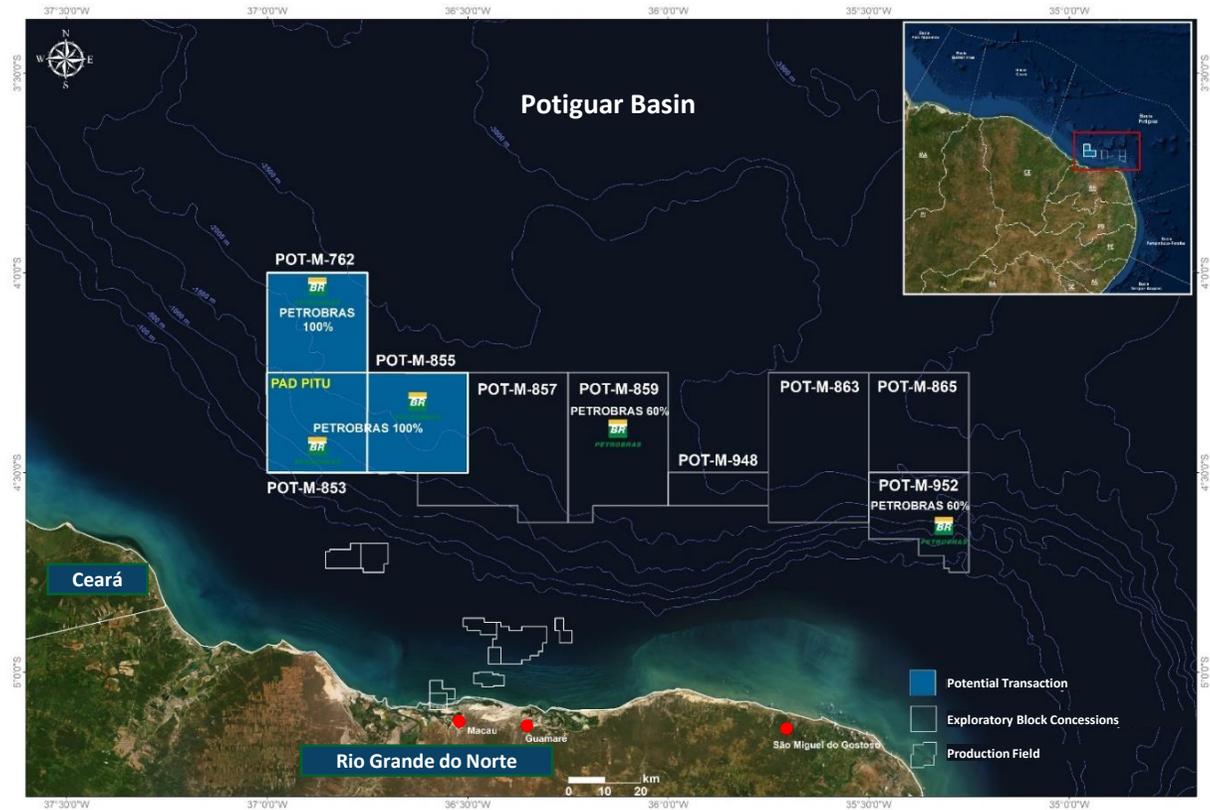
With accumulation of 25° API black oil in deltaic sandy reservoirs<sup>1</sup> and represented by the Middle/Upper Play Aptiano, Pitu<sup>2</sup> is the main Exploratory Opportunity ("EO") of AP Pitu.

In AP Pitu, 3 others EOs were identified: Xote<sup>3</sup>, Itanhangá<sup>4</sup> and Lucano<sup>5</sup>, considered as upsides.

In the POT-M-762\_R15 concession, with strong stratigraphic geometry, Anhangá<sup>6</sup> is the main EO to be drilled in order to investigate turbiditic sandy reservoirs.

In the next 2 years, it is planned to drill 2 exploratory wells: 1 in AP Pitu (Pitu West well) and 1 in Block POT-M-762 (Anhangá well).

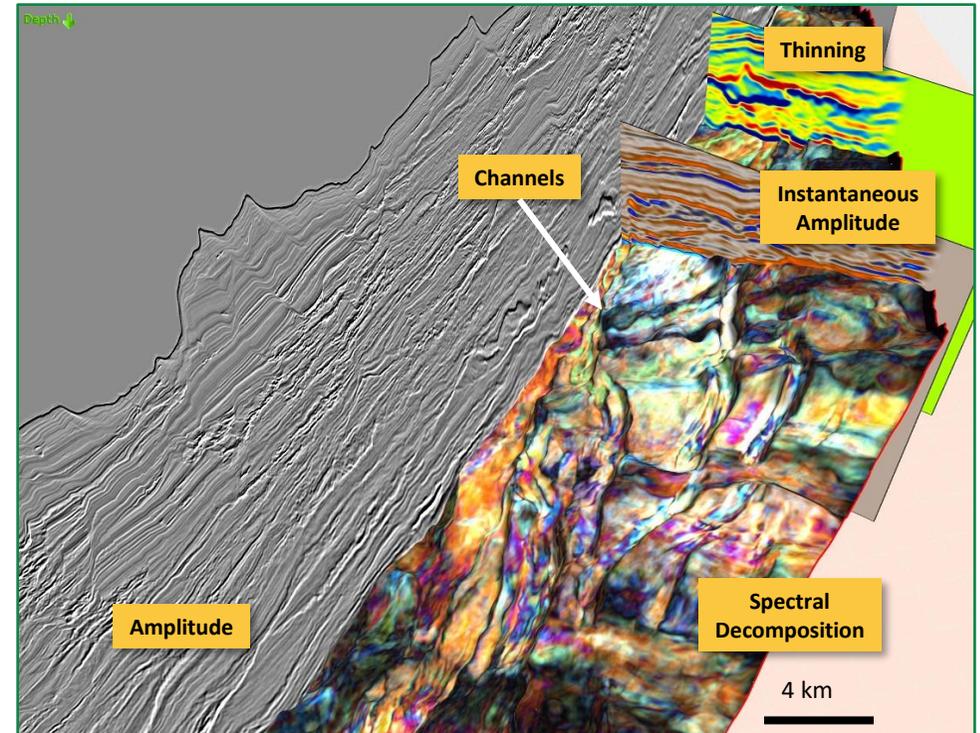
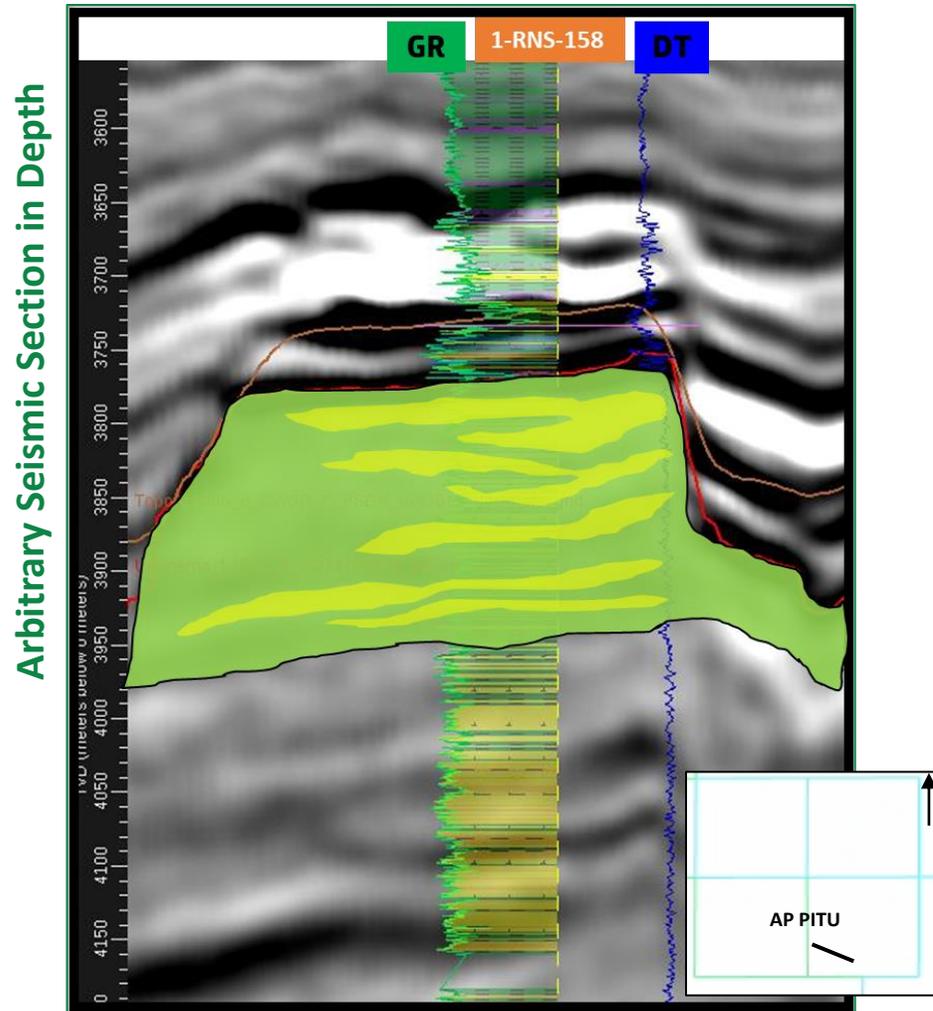
### Geographic Footprint



The Pitu and Anhangá EOs are at water depths of 77 to 2,380m and 1,470 to 2,590m, respectively

## B. Assets Overview – EO Pitu

Alagamar Formation (Middle/Upper Aptian) - mixed trap with structural predominance

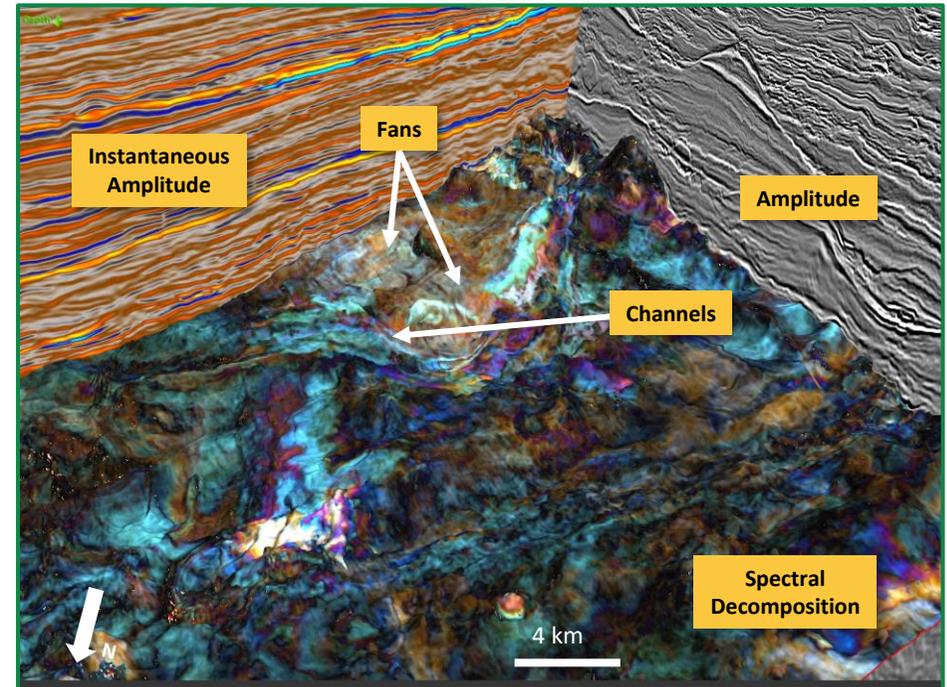
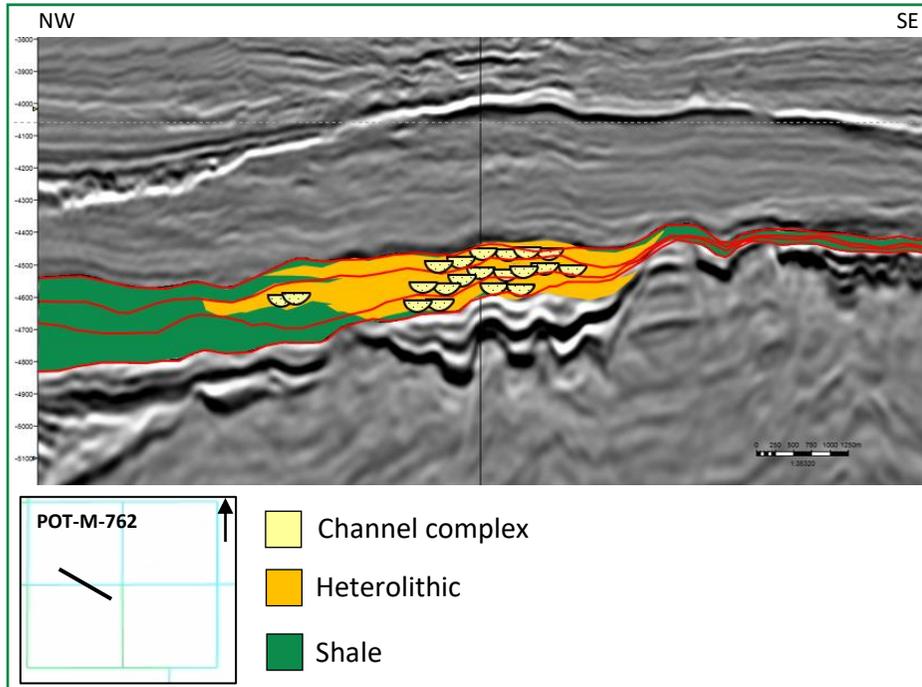


Geophysical Features of the Aptian Reservoir

## B. Assets Overview – EO Anhangá

Quebradas Formation (Albian/Cenomanian), chronocorrelated to the Açú Formation / lower sequence in shallow water - stratigraphic trap

### Arbitrary Seismic Section in Depth



Geophysical Features of the Albian/Cenomanian Reservoir

# C. Investment Thesis



1

## Subsurfaces Understood with Extensive Database

- The blocks have very good quality 3D seismic data
- Petroleum system proven in the basin by analysis performed on wells drilled, being the wildcat (Pitu) fluid light oil with associated gas



2

## Timely Scenario for Investments in Long Term Production

- Oil exploration and production activity has declined in several countries, reducing long-term supply - the number of active oil wells in the US is the lowest in 30 years
- Even with a challenging scenario for demand in the medium term, the restriction of supply should provide favorable conditions for long-term investments in the development of production



3

## Pioneering Exploration and Proximity Between Blocks

- Opportunity to leverage new exploratory frontiers in deep waters and in areas where there is already an exploratory discovery
- The proximity of the concessions offers potential synergies for exploration and development of the area



4

## Favorable Regulatory Environment for Independent Exploration and Production Operators

- ANP has promoted the entry of new players in the sector in the Brazilian market
- The E&P sector in Brazil has been the most active in M&A in Latin America

## D. Eligibility Criteria for Potential Buyers

To participate in this Process, the Potential Buyer must meet the following criteria ("**Eligibility Criteria**")

### 1. Technical Requirements

A. To be qualified as a Non-Operator by the Agência Nacional do Petróleo (ANP), according to the class of assets object of the Process;

or

B. If the Potential Buyer is not qualified as a "Non-Operator" by ANP (including in the case of operators of offshore assets outside Brazil), it must declare (as per SRFR to be sent by PETROBRAS) that it meets, at the time of submission of the declaration, the most recent technical requirements of the ANP to be classified as a "Non-Operator", according to the class of assets subject to the Process

In addition to the technical requirement stated above, the Potential Buyer that actually purchases the portion of the assets offered in the Potential Transaction must comply with all technical and regulatory requirements also in effect at the time of closing of the Potential Transaction. Petrobras reserves the right to require compliance with these requirements by the Potential Purchaser in all contracts it deems relevant.

### 2. Financial Requirements

A. Have an equity of at least US\$ 500 million (five hundred million U.S. dollars). The Potential Buyer must declare that it meets, at the time of submission of the SRFR, the minimum equity requirement established for entry into the Process. The values will be measured at the time of submission of the binding offer, through verification of the equity contained in the audited financial statement for the last fiscal year prior to the date of submission of the binding offer.

If the Potential Buyer decides to participate in the Process through an affiliated company, the proof of equity will be admitted through its Parent Company.

During the Process, Petrobras may request Potential Buyers to submit supporting documentation to prove their equity and financial capacity, in accordance with: (i) the ANP requirements to be qualified as a Non-Operator; (ii) the acquisition price to be presented in the binding offer; and (iii) the other financial commitments associated with the development and activities of the assets included in the Potential Transaction.

## D. Eligibility Criteria for Potential Buyers (Cont'd)

To participate in this Process, the Potential Buyer must meet the following criteria ("**Eligibility Criteria**")

### 3. Compliance Requirements

The Potential Buyer and/or its Affiliates shall not be listed in the following restrictive lists:

- A. "Cadastro Nacional de Empresas Inidôneas e Suspensas" (CEIS) (available in: <http://www.portaldatransparencia.gov.br/ceis>)
- B. "Cadastro Nacional de Empresas Punidas" (CNEP) (available in: <http://www.portaldatransparencia.gov.br/sanções/cnep>)
- C. "Empresas impedidas de transacionar com a PETROBRAS"

The Potential Buyer or any of its Affiliates or their respective officers and employees, and, to the best of the Potential Buyer's knowledge, their representatives and agents participating in this Process, shall not be subject to any economic, financial or trade sanctions, embargoes or restrictive measures administered enacted, adopted, imposed or enforced 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 of the foregoing ("Sanctions").

If any noncompliance or failure to meet the requirements mentioned above is identified, the Potential Buyer may be excluded from the Process at any time, in accordance with the rules applicable to Petrobras.

In case the Potential Buyer:

- A. Is located, incorporated, organized or resident in a country subject to comprehensive Sanctions (currently including Cuba, Iran, North Korea, Syria or the Crimea region of Ukraine);
- B. Is doing business with persons or in countries that are the target of Sanctions in violation of applicable Sanctions;

The Potential Buyer must describe the situation, including the nature, details and restrictions arising from the Sanction, in the Statement of Compliance ("SC") to be signed as a condition for participation in the Process. Petrobras will evaluate whether the relationships or situations described prevent the participation of the Potential Buyer in the Process due to non-compliance with the sanctions applicable to Petrobras. Petrobras will inform the Potential Buyer of its exclusion from the Process, if applicable.

In addition, by participating in this Process, the Potential Buyer commits not to take any action or omission that directly or indirectly violates any applicable law on business ethics, including, but not limited to, the US Foreign Corrupt Practices Act, the UK Bribery Act, and Brazilian anti-corruption laws (specifically Brazilian Federal Law No. 12.846/2013) (denominated "Leis Anticorrupção").

To participate in the Process and meet the requirements set forth above, the Potential Buyer must sign a Statement of Compliance ("SC").

The accuracy of the statement and the fulfillment of the requirements mentioned above will be verified by Petrobras after acceptance, by the Potential Buyer, of the confidentiality obligations necessary to participate in the Process.

## D. Eligibility Criteria for Potential Buyers (Cont'd)

To participate in this Process, the Potential Buyer must meet the following criteria ("**Eligibility Criteria**")

### Joint Offer Rules

The Potential Buyer may form a joint offer with an independent party, or independent parties, to participate in this Process ("Joint Offer"), whether through a consortium, company or other type of association, it being understood that the configuration indicated will be evaluated by Petrobras according to the following rules

- A. For the submission of the Joint Offer, each member must meet the financial requirements in proportion to its participation and all members must meet the technical and compliance requirements.
- B. The Joint Offer shall have a leader, who shall participate in the binding proposals stage, and conduct the negotiations, and also act as the main communication channel between Petrobras and the parties involved in the Joint Offer ("Joint Offer Leader").
- C. The Potential Buyer must previously inform Petrobras of its intention to submit a Joint Offer, including information identifying the Leader of the Joint Offer and who are the parties involved in the Joint Offer ("Joint Offer Member(s)"), within the period to be established in the Process Letter.
- D. The Joint Offer must contain: (i) powers of attorney granting authority to the Joint Offer Leader as designated by the other participants; and (ii) a statement by the Joint Offer Leader confirming that it is not acting as an intermediary in the Potential Transaction.
- E. Potential Buyers participating in the Binding Offer stage may not participate as lenders/investors in another proposal.
- F. The minimum participation of each member in the Joint Offer is 15% of the total Working Interest in the assets being sold.

The Joint Offer must be approved by Petrobras, in accordance with the legal criteria and the rules established herein, to be further detailed in the Process Letter, during the binding phase of the Process. After approval by Petrobras and verification of compliance with the Eligibility Criteria and the rules for the formation of a Joint Offer, the Potential Buyer members of the Joint Offer will be able to submit the Joint Offer.

Joint Offering Members must comply with the Eligibility Criteria Compliance Requirements (under the terms above) and must execute their own CA, SC and SRFR directly with Petrobras to access any non-public information related to the Potential Transaction or the assets.

## D. Eligibility Criteria for Potential Buyers (Cont'd)

To participate in this Process, the Potential Buyer must meet the following criteria ("**Eligibility Criteria**")

### **Additional Considerations**

Petrobras may, during the Process, conduct risk prevention analysis, in compliance with the Anticorruption Law and with Petrobras' Program for the Prevention of Corruption - PPPC, and may request the Potential Buyer to fill out a detailed questionnaire to check the conformity of its practices and conduct with the Anticorruption Law.

An Independent Proposal Statement must be submitted along with the binding offer.

To avoid conflicts of interest, no Potential Buyer or any debt or equity provider that is considered an affiliate of Petrobras' financial advisor will be permitted to participate in the Process.

The Potential Buyers may, under their sole responsibility and bearing all related expenses, hire financial, technical and/or legal consultants to assist them in the Process, provided that these consultants are institutions with undisputed reputation, experience and that they are not subject to any conflict of interest related to Petrobras, whatever the existence of the conflict, determined in accordance with the criteria specified by Petrobras.

## E. Relevant Legal Information

This Opportunity Overview (the “Teaser”) is being furnished to prospective assignees and published in Petrobras site ("<http://www.investidorpetrobras.com.br/en>") with the purpose to present the Potential Transaction.

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