2Q15 RESULTS

AUGUST, 2015



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.

2Q15 HIGHLIGHTS

Polvo Field

- production levels more stable
- meticulous reservoir management
- operational efficiency: 98.5% in 2Q15, a notable progress
- discussions with ANP: provision for the future abandonment

Acquisition of BJSA

- 80% Shell + 20% Petrobras
- Polvo model to be replicated

Divestment of Solimões

- strengthen the Company's cash position

Namíbia

- discussions with local government
- sale of assets related to these activities

One of Brazil’s largest independent oil and gas producers

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POLVO FIELD – OVERVIEW

Highlights

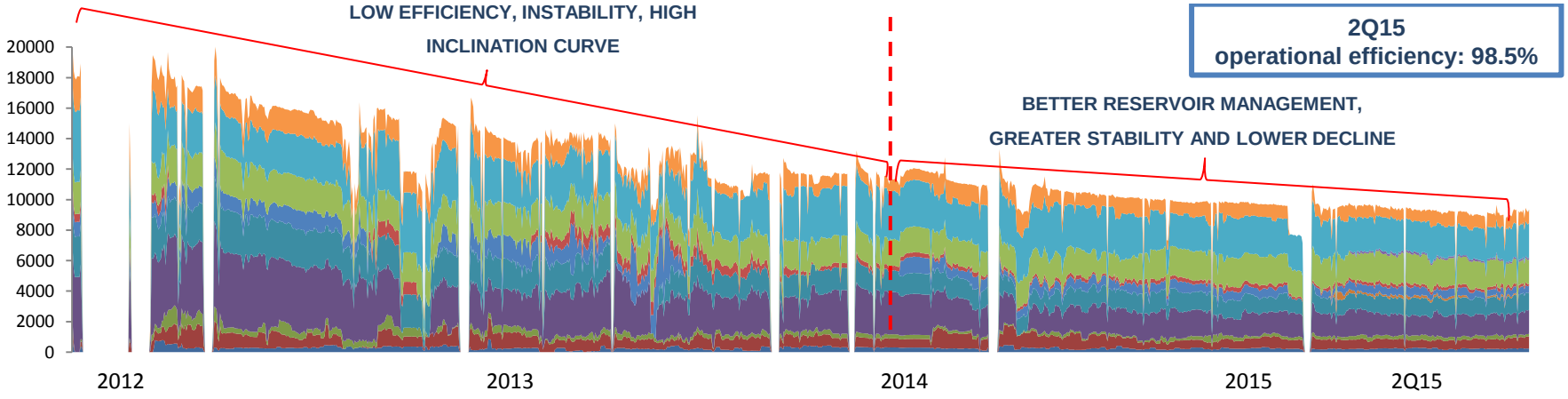
- ✓ 100% stake after ANP approval
- ✓ “Polvo A” well head platform and rig, operator and owner
- ✓ 21° API Oil

Reserve Category

Reserve Category	Medium & Heavy Oil (MMbbl)
Proved (1P)	14.0
Proved + Probable (2P)	22.4
Proved + Probable + Possible (3P)	33.8

Source: D&M Appraisal Report - December 31, 2014 – Reserves of the Polvo Field

Reservoir Management



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40% Maersk: still to be approved by ANP

BIJUPIRÁ AND SALEMA FIELDS (BJSA) - OVERVIEW

Highlights

- ✓ 100% stake + FPSO Fluminense
- ✓ Acquisition cost: US$ 175 MM
- ✓ Average daily production: 22,000 bbl
- ✓ 29° API

RESERVE CATEGORY	1P	2P
LIGHT AND MEDIUM OIL (MMbbl)	16.0	22.5
SOLUTION GAS (bcf)	8.7	12.0
TOTAL (MMboe)	17.4	24.5

Reserves estimated by Rose & Associates (April 2015)

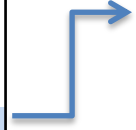
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BJSA acquisition still to be approved by ANP

BJSA + POLVO: NEW RANKING POSITION

Operators Ranking (Actual x Expected)

National Oil & Gas Operators Ranking[1]		
#	Operator	Total Production (boe/d)
1	Petrobras	2.776.671
2	Shell Brasil	77.075
3	Statoil Brasil	71.090
4	Parnaíba Gás	28.614
5	OGX	15.850
6	Chevron Frade	14.199
7	**PETRORIO**	9.083
8	Gran Tierra	1.094
9	Sonangol SHB	713
10	Petrosynergy	609



National Oil & Gas Operators Ranking[2]		
#	Operator	Total Production (boe/d)
1	Petrobras	2.776.671
2	Statoil Brasil	71.090
3	Shell Brasil	55.075
4	**PETRORIO**	**31.083**
5	Parnaíba Gás	28.614
6	OGX	15.850
7	Chevron Frade	14.199
8	Gran Tierra	1.094
9	Sonangol SHB	713
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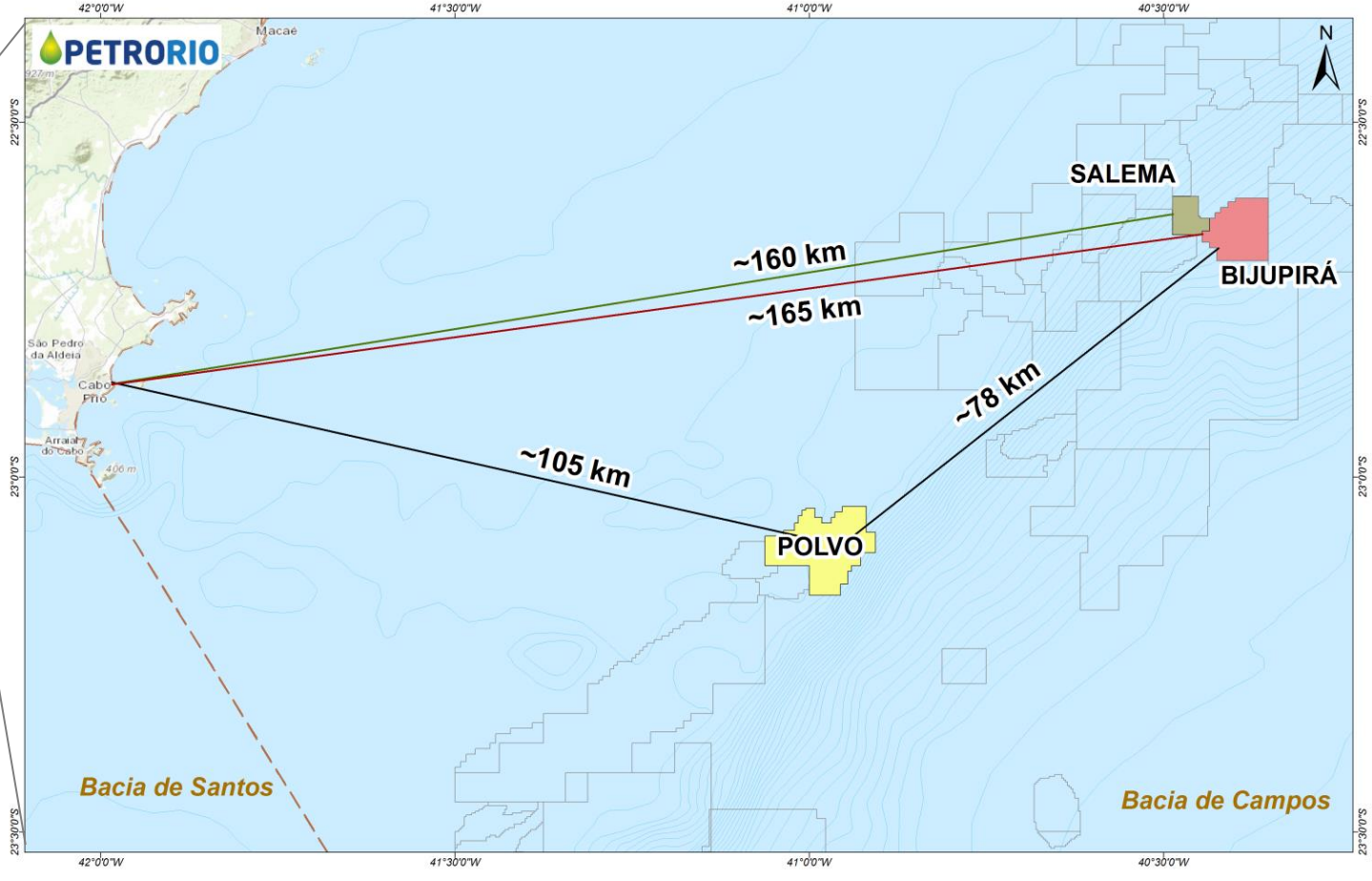
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[1] Source: Oil & Gas Production Report (ANP - June 2015)

[2] Estimated by PetroRio, 40% Maersk and BJSA acquisition still to be approved by ANP

PRODUCING ASSETS



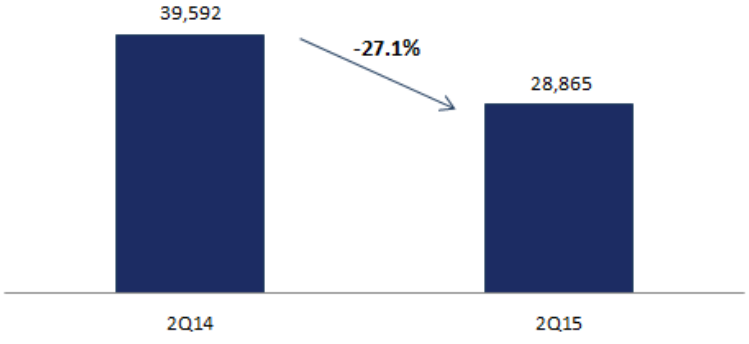


PETRORIO

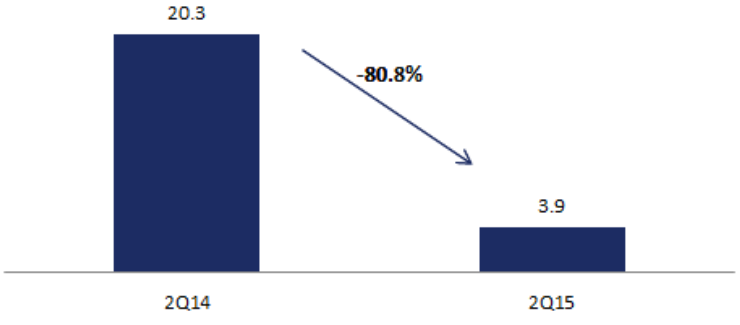
BJSA acquisition still to be approved by ANP

2Q15 X 2Q14: RESTRUCTURING RESULTS

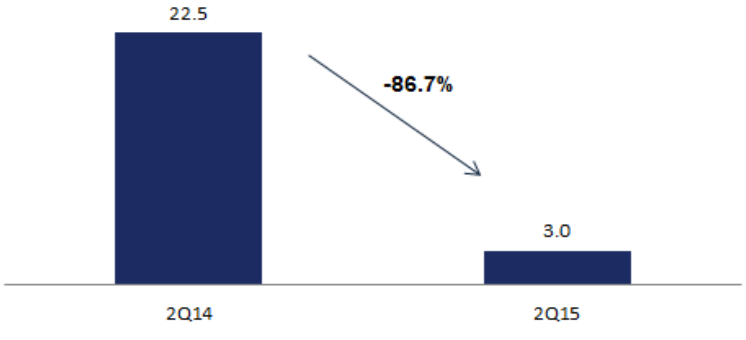
Lifting Cost - Polvo Field
(in US$ million)



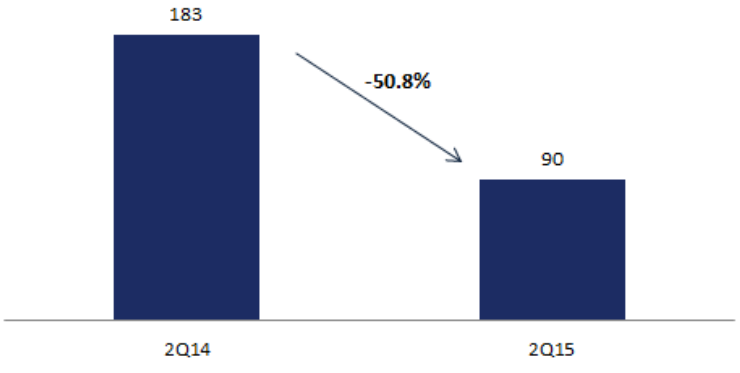
G&A Expenses
(in R$ million)



Solimões and Namíbia Expenses
(in R$ million)



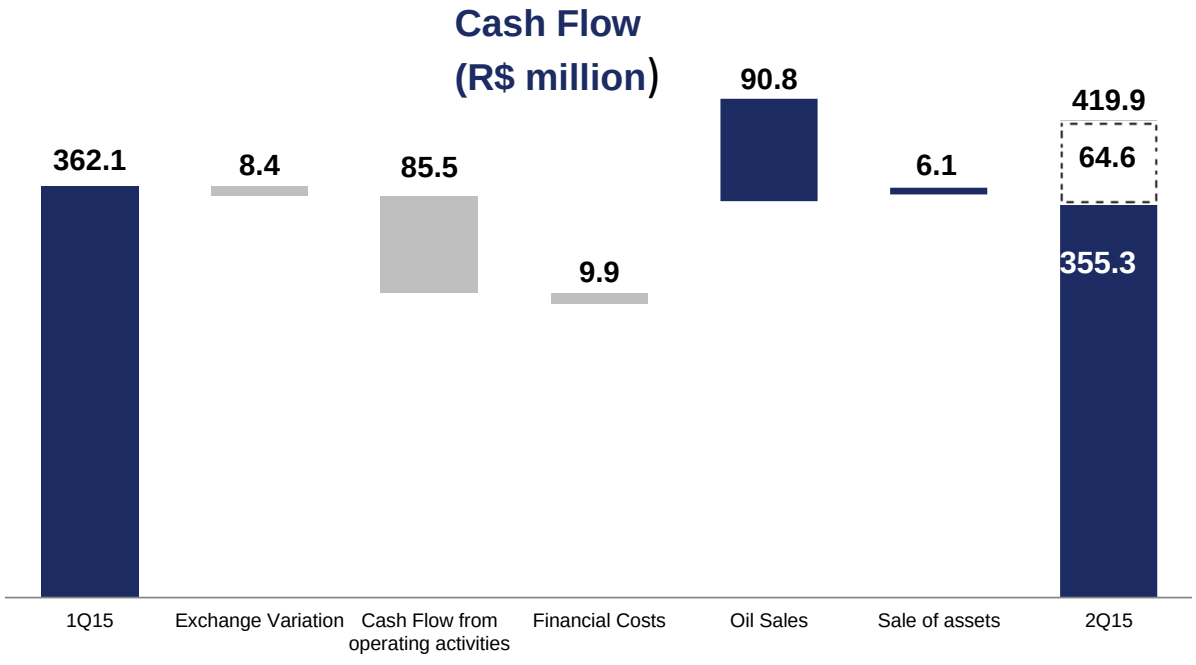
Number of Employees



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2Q15 FINANCIAL HIGHLIGHTS

- Sale of 623,000 BBL, revenues of R$ 92 MM
- Adj EBITDA: R$ 16 MM, margin Adj EBITDA: 16.5%
- Cash position: R$ 356 MM



- June/15: 424,000 BBL in inventory (424,000 * US$ 48.71 * R$ 3.10 = R$ 64.6 MM)
- Beginning of July/15: sale of 178,000 BBL
- Adj EBITDA considering this sale in 2Q15: R$ 21.5 MM, 34.4% higher than actually recorded

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BUSINESS MODEL

Our 3 step strategy to acquire assets in production as operator and implement our proven business model

1

COST REDUCTION POLVO

- 60% Cost decrease compared to previous operator
- Operational efficiency increased from 80% to 98%

2

ENHANCED OIL RECOVERY (REDEVELOPMENT)

- Fast track: polymer application, scale squeeze, re-entries, water injection, reservoir management
- Re-exploration in field and near field

3

FOCUS

- Assets considered “small” for majors producers are carefully evaluated by from PetroRio

This strategy shall extend Polvo’s economic life by 5 years*

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* Depending on macroeconomic scenario