CONFERENCE CALL 3Q18

OCTOBER 31, 2018



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.

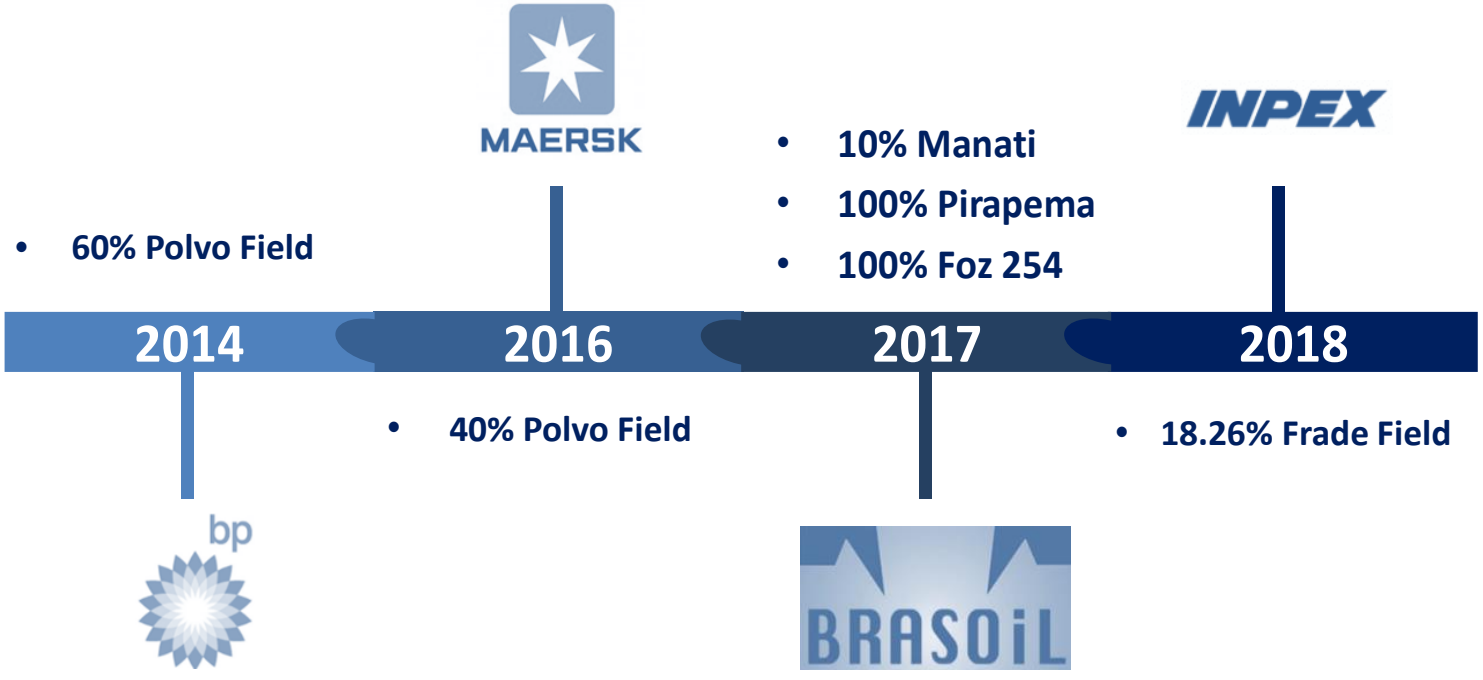
The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this presentation are made as of the date of this presentation. Except as required by applicable securities laws, we do not undertake to update such forward-looking statements.

3Q18 HIGHLIGHTS

- Net Revenue of R$ 224.6 million, over twice that of 3Q17
- Highest Operating Results in Company history: R$ 130.1 million
- Highest ever Adjusted EBITDA: R$ 107.1 million for the quarter, vs. R$ 22.8 million in 3Q17
- Highest contribution margin for Polvo (U$ 33/bbl) since 2Q14
- Signing for the acquisition of 18.26% of Frade Field in October

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M&A SINCE THE TURNAROUND IN 2014



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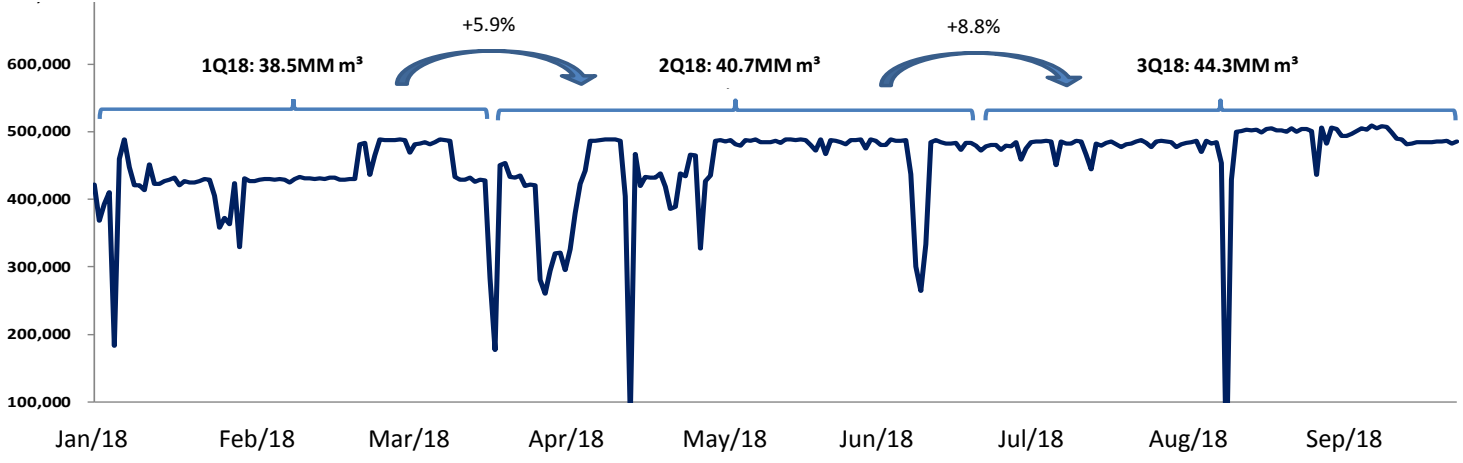
3Q18 OPERATIONAL HIGHLIGHTS

- Manati producing above the take-or-pay contract (44.3 Mm³ in 3Q18, 8.8% higher than 2Q18)
- Operational Efficiency in Polvo above 98% in 3Q18 (Industry benchmark)
- Lifting Cost in Polvo of US$ 26.6/bbl in the quarter (US$ 34.5/bbl in 2Q18)
- Conclusion of the 2018 Drilling Campaign extending the useful life of the Field to 2024+

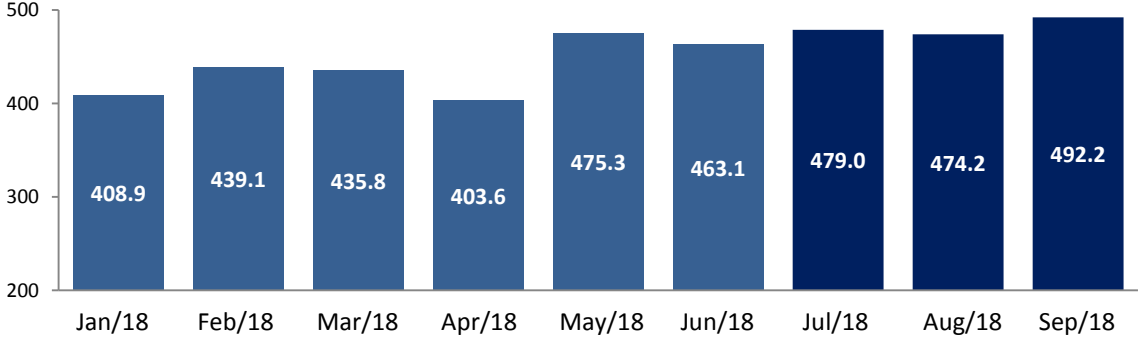
MANATI: PRODUCTION

Manati – Gas Production (m3)

(Related to PetroRio's 10% W.I.)



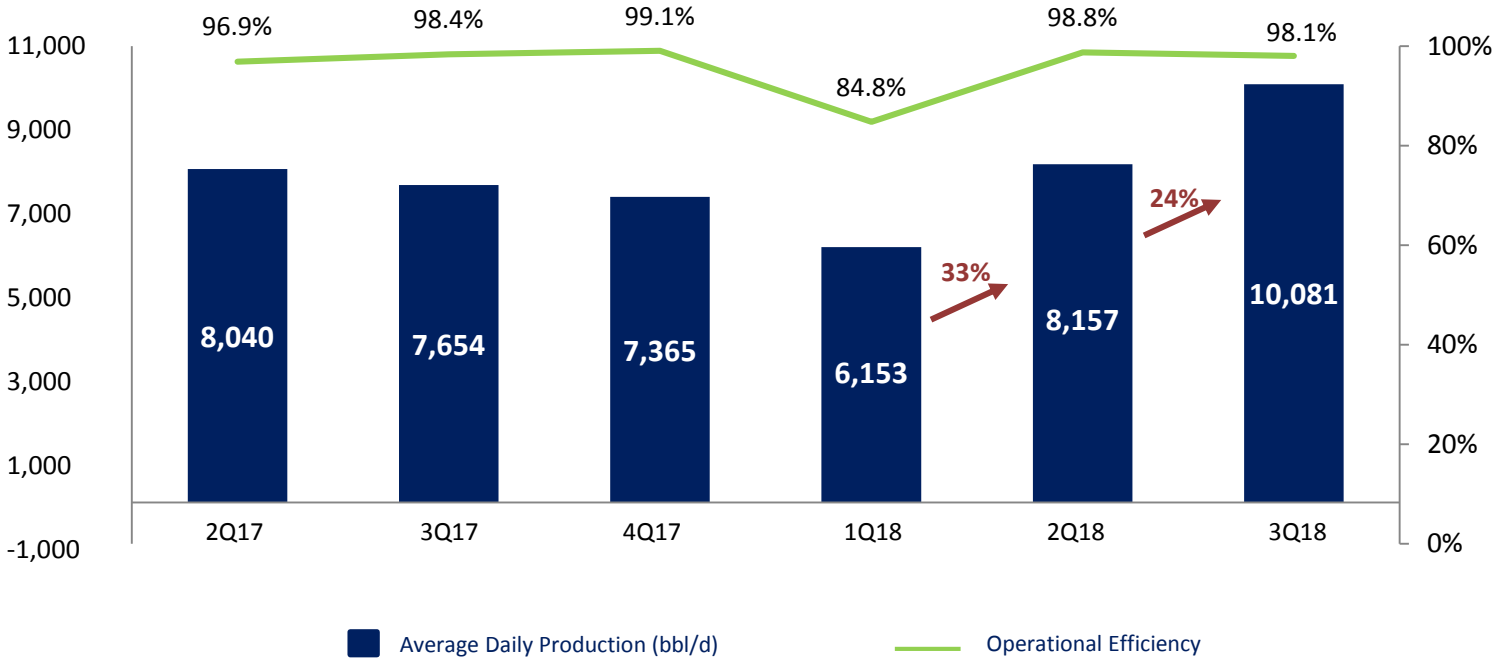
Manati – Gas production (Mm3/d)*



* Related to PetroRio's 10% W.I.

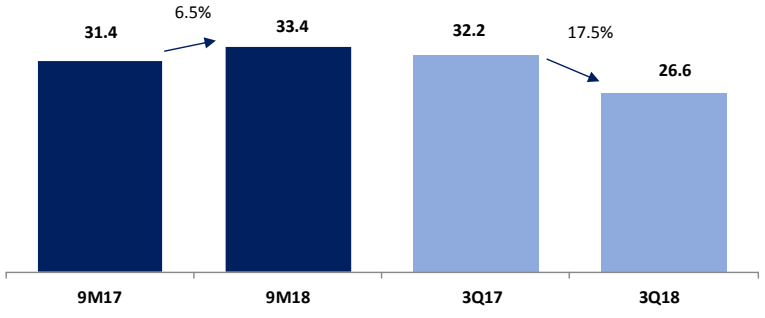
POLVO: PRODUCTION AND OPERATIONAL EFFICIENCY

Average Daily Production and Operational Efficiency

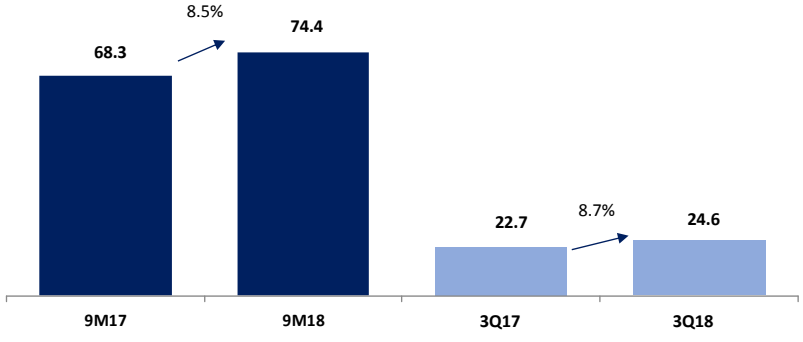


POLVO: LEAN OPERATION

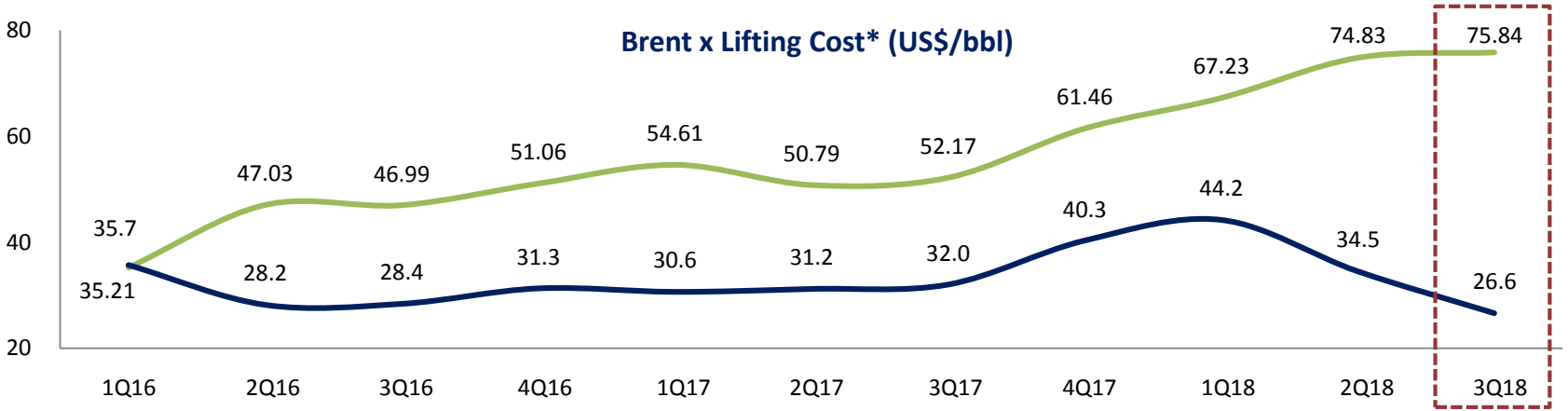
Lifting cost – Polvo Field (US$/bbl)



Operating Costs – Polvo Field (US$ million)



Brent x Lifting Cost* (US$/bbl)



Average Brent — Lifting Cost

* 100% of the Field (Excluding amortization, depreciation and royalties)

2018 DRILLING CAPAIGN

- Total CAPEX for the campaign: US$ 42 milhões
- Increase in Reserves:

In millions of barrels of oil

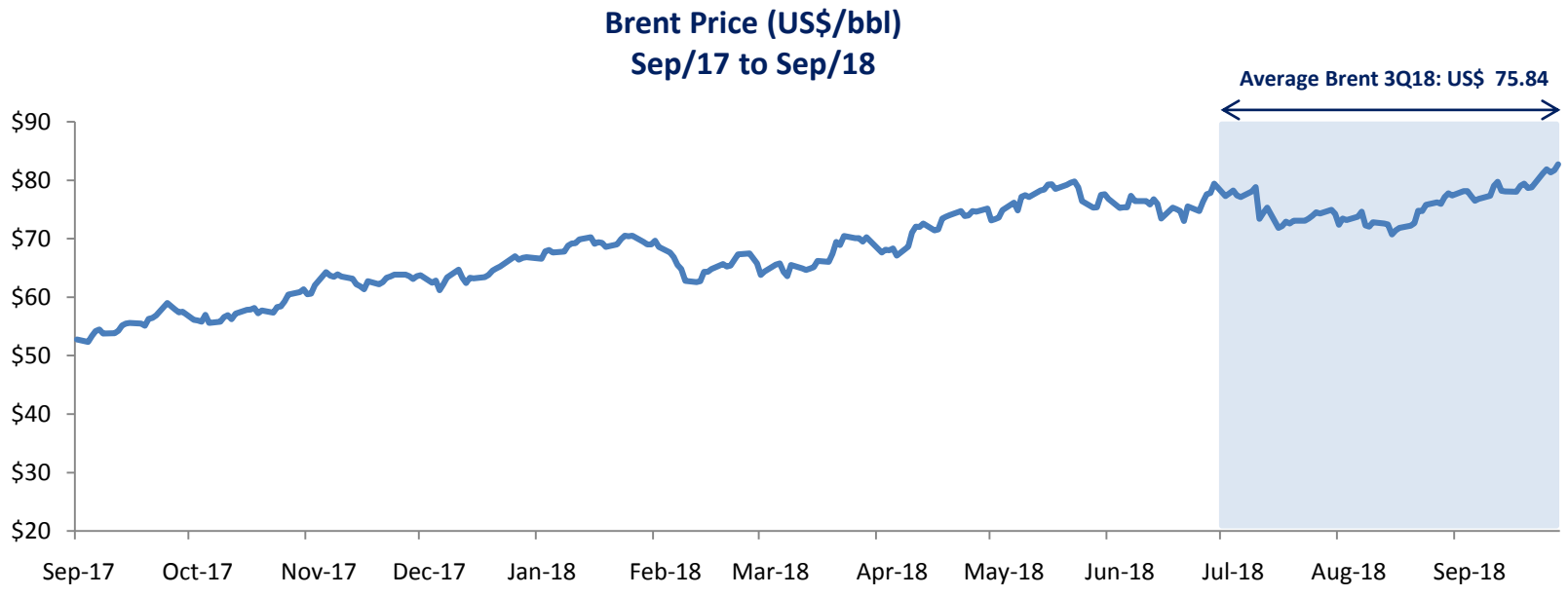
Reserves	D&M Report Dated Dec-17	(-) Production Jan to Jul-18	D&M Report Dated Dec-17, Adjusted for Production	D&M Report Jul-18	Reserves added by 2018 Drilling Campaign	Reserves added in %
Proved (1P)	10.8	-1.6	9.2	12.9	+3.7	+40%
Proved+Probable (2P)	12.9		11.3	20.9	+9.6	+85%
Proved+Probable+Possible (3P)	17.1		15.5	32.0	+16.6	+107%

- Useful life of the Field:
  - 1P: 2024
  - 2P: 2027
  - 3P: 2031

3Q18 FINANCIAL HIGHLIGHTS

- Net Revenue of R$ 224.6 million in 3Q18, more than twice that of 3Q17
- Highest Operating Results in Company history: R$ 130.1 million
- Highest ever Adjusted EBITDA: R$ 107.1 million for the quarter, vs. R$ 22.8 million in 3Q17
- Highest contribution margin for Polvo (US$ 33/bbl) since 2Q14

OFFTAKES



Offtakes 2018							
Quarter	**1Q18**	**2Q18**		**3Q18**			**9M18**
Month	March	May	June	August	September	**Total**	**TOTAL**
Volume (kbbl)	463.32	461.0	330.8	461.3	231.8	**693.1**	**1948.1**
Gross selling price (US$/bbl)	64.71	77.01	75.76	73.84	79.11	**75.60**	**73.37**

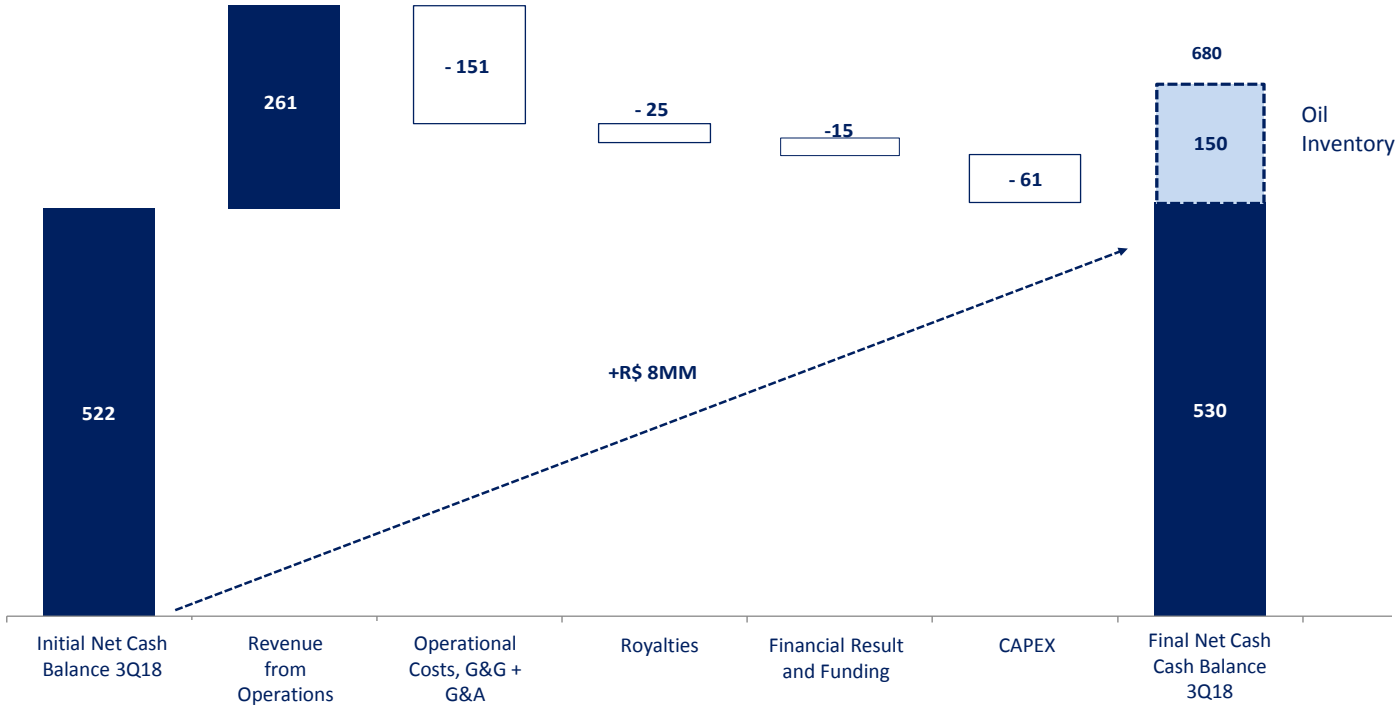
QUARTER RESULTS

R$ thousand

Proforma Income Statement	9M18	9M17	Δ	3Q18	3Q17	Δ
Revenues	581,187	340,307	*70.8%*	224,627	110,014	*104.2%*
Cost of products/services	(247,046)	(199,099)	*-24.1%*	(76,608)	(62,058)	*-23.4%*
Royalties	(45,771)	(33,054)	*-38.5%*	(17,911)	(10,028)	*-78.6%*
Gross profit	**288,370**	**108,154**	*166.6%*	**130,107**	**37,928**	*243.0%*
G&A, G&G and Project expenses	(77,292)	(61,234)	*-26.2%*	(23,000)	(15,090)	*-52.4%*
Other revenues/expenses	(19,264)	40,582	*n.a*	(15,906)	(1,849)	*-760.5%*
EBITDA	**191,814**	**87,502**	*119.2%*	**91,202**	**20,989**	*334.5%*
EBITDA Margin	33%	26%	*7 p.p*	41%	19%	*22 p.p*
Adjusted EBITDA	**211,078**	**46,920**	***349.9%***	**107,108**	**22,838**	***369.0%***
Adjusted EBITDA Margin	**36.3%**	**13.8%**	***22.5 p.p***	**47.7%**	**20.8%**	***26.9 p.p***
Depreciation and amortization	(67,151)	(61,603)	*-9.0%*	(23,132)	(21,313)	*-8.5%*
Financial results	45,812	46,518	*-1.5%*	29,143	14,224	*104.9%*
Income tax and social contribuition	(25,763)	(4,910)	*-424.7%*	(25,754)	2,664	*n.a.*
Profit (loss) for the period	**144,712**	**67,507**	*114.4%*	**71,458**	**16,564**	*331.4%*

NET CASH FLOW 3Q18

(R$ MILLION)



OUTLOOK

- Closing and incorporation of FRADE JAPÃO's results
- New M&A opportunities in mature fields
- Planning for the 2019 Drilling Capaign

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