

## MATERIAL FACT

### CONCLUSION OF THE TIEBACK BETWEEN TUBARÃO MARTELO AND POLVO FIELDS

**Rio de Janeiro, July 14, 2021** – Petro Rio S.A. (“Company” or “PetroRio”) (B3: PRIO3) informs its shareholders that it has concluded the tieback between the Polvo Field (“Polvo”) and Tubarão Martelo Field (“TBMT” or “Tubarão Martelo”), making PetroRio the first independent company to create a private cluster of mature fields in the Campos Basin region.

The tieback project between the Polvo-A Platform and the Bravo FPSO was completed in 11 months, had a \$ 45 million CAPEX and will enable an operational cost (“OPEX”) reduction of \$ 50 million per year for PetroRio. This OPEX accounts for the Polvo FPSO’s lease, currently chartered to the field and operated by BW Offshore, and maintenance and diesel expenses. The total operating cost for the cluster was at \$ 120 million per year and is now reduced to approximately \$ 70 million per year.

The cost reduction of the new cluster will allow more oil to be recovered for a longer period, increasing considerably the recovery factor of the fields. According to the reserve certification report published this year by DeGolyer & MacNaughton (“D&M”), the cluster has economic life until 2037 (considering 1P reserves), representing an extension of 10 years for Polvo and 12 years for Tubarão Martelo.

The Bravo FPSO, built and delivered to the TBMT Field in 2012, has high operational reliability and oil processing and storage capacity, allowing higher operational efficiency for the Polvo Field.

From an environmental perspective, these synergies will reduce the cluster’s emissions from 18.6 to 13.7 kilograms of CO2 per barrel of oil (26% approximate reduction) after the tieback’s conclusion, making a more sustainable operation, with less impact to the environment.

As of this date, PetroRio holds the right to 95% of the Polvo + TBMT oil, until the first 30 million cumulative barrels of oil produced and 96% of the cluster’s oil thereafter. PetroRio will also be responsible for 100% of the OPEX, CAPEX and field abandonment costs.

The tieback between the Polvo-A platform and the FPSO Bravo is 11 kilometers long, comprising 22 kilometers of installed lines, between the flowline and the electric umbilical. During the project’s final phase, two scheduled shutdowns were carried out, lasting 10 days in Polvo and 7 days in TBMT for adjustments to the electric system, the production lines and oil and water processing facilities.



## Next Steps

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In July, PetroRio's production team will be focused in adjusting and stabilizing the Polvo Field's production at the Bravo FPSO.

The project's successful implementation, of great relevance to PetroRio's strategy, shows the execution capacity of the operational teams, which are proven to be capable of executing the Company's future projects, such as the Frade Drilling Campaign, the development of Wahoo and the tieback project between Frade and Wahoo.

In parallel with the tieback project, the Kingmaker rig is finishing the TBMT-8H well workover within the next days, and, in sequence, will begin the completion of the Tubarão Martelo well TBMT-10HP, expected to be concluded in September 2021.

Finally, PetroRio thanks all the teams that worked in this pioneer project for their effort and dedication during this important period.

## About PetroRio

PetroRio is one of the largest independent companies in the oil and gas production in Brazil. The Company's corporate culture seeks to increase production through the acquisition of new production assets, the redevelopment of assets, increased operational efficiency and reduction of production costs and corporate expenses. PetroRio's main objective is to create value for its shareholders with growing financial discipline and preserving its liquidity, with full respect for safety and the environment. For further information, please visit the Company's website: [www.petroriosacom.br](http://www.petroriosacom.br).

## Disclaimer

This news release contains forward-looking statements. All statements other than statements of historical fact contained in this news release are forward-looking statements, including, without limitation, statements regarding our drilling and seismic plans, operating costs, acquisitions 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 news release not to place undue reliance on our forward-looking statements, since 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.