



BRAZIL: A OCEAN OF OPPORTUNNITIES

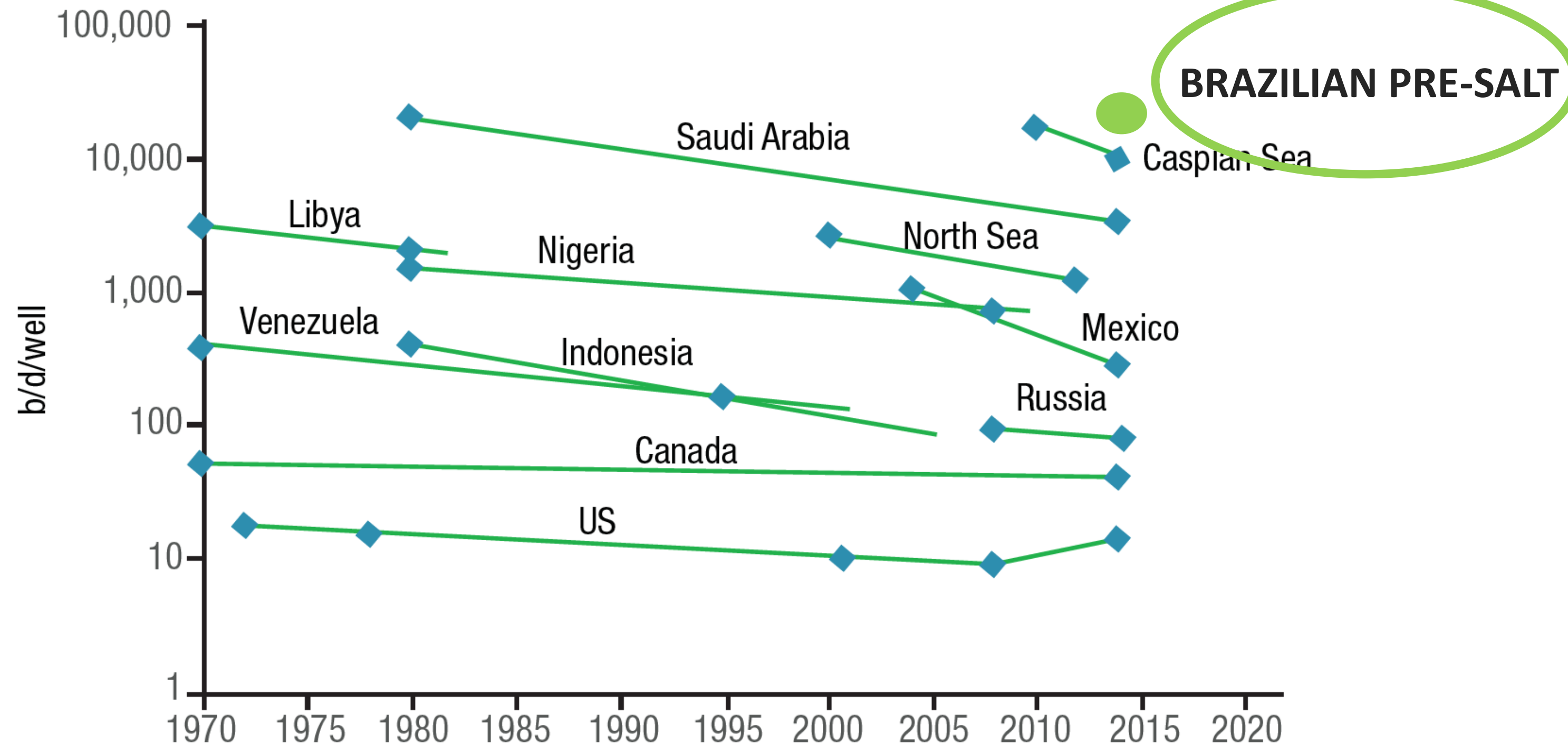
PPSA: A KEY ACTOR IN THE BRAZILIAN PRE-SALT

EDUARDO GERK
CEO

MAY 2019

World's top class reservoirs

WELL PRODUCTIVITY



* Sandrea and Goddard, 2016, *New reservoir-quality index forecasts field well-productivity worldwide*, Oil & Gas Journal, 7 p

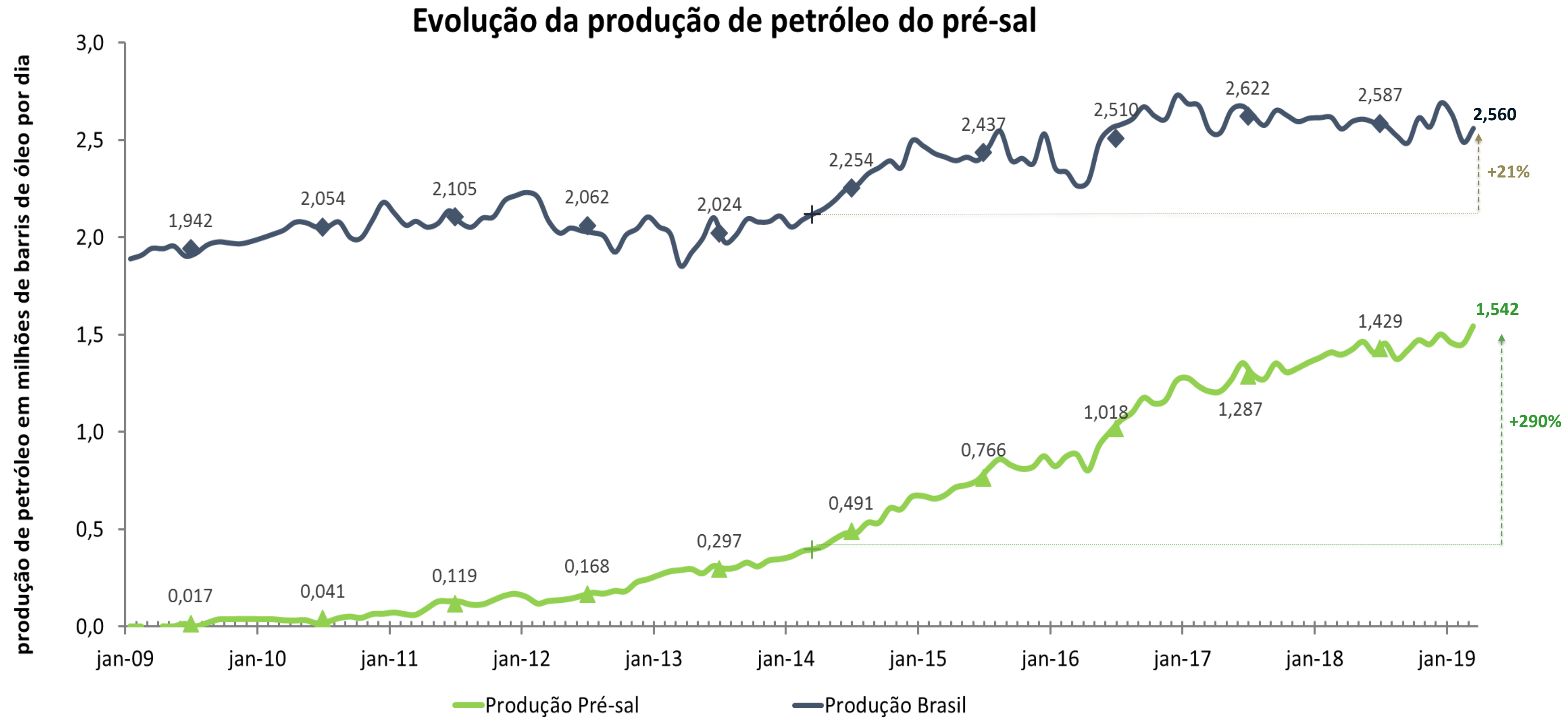
Mero (Libra) – 60.000 boe/day out of a single well

Early Production System

First oil only 4 years after PSA execution



The increasing importance of the pre-salt for Brazil





PPSA's three pillars



Management
of production
sharing
agreements



Representation of the
Federal Government in
the Production
Individualization
Agreements
(unitization)



Commercialization of
the Federal
Government's oil and
gas share

PPSA's portfolio

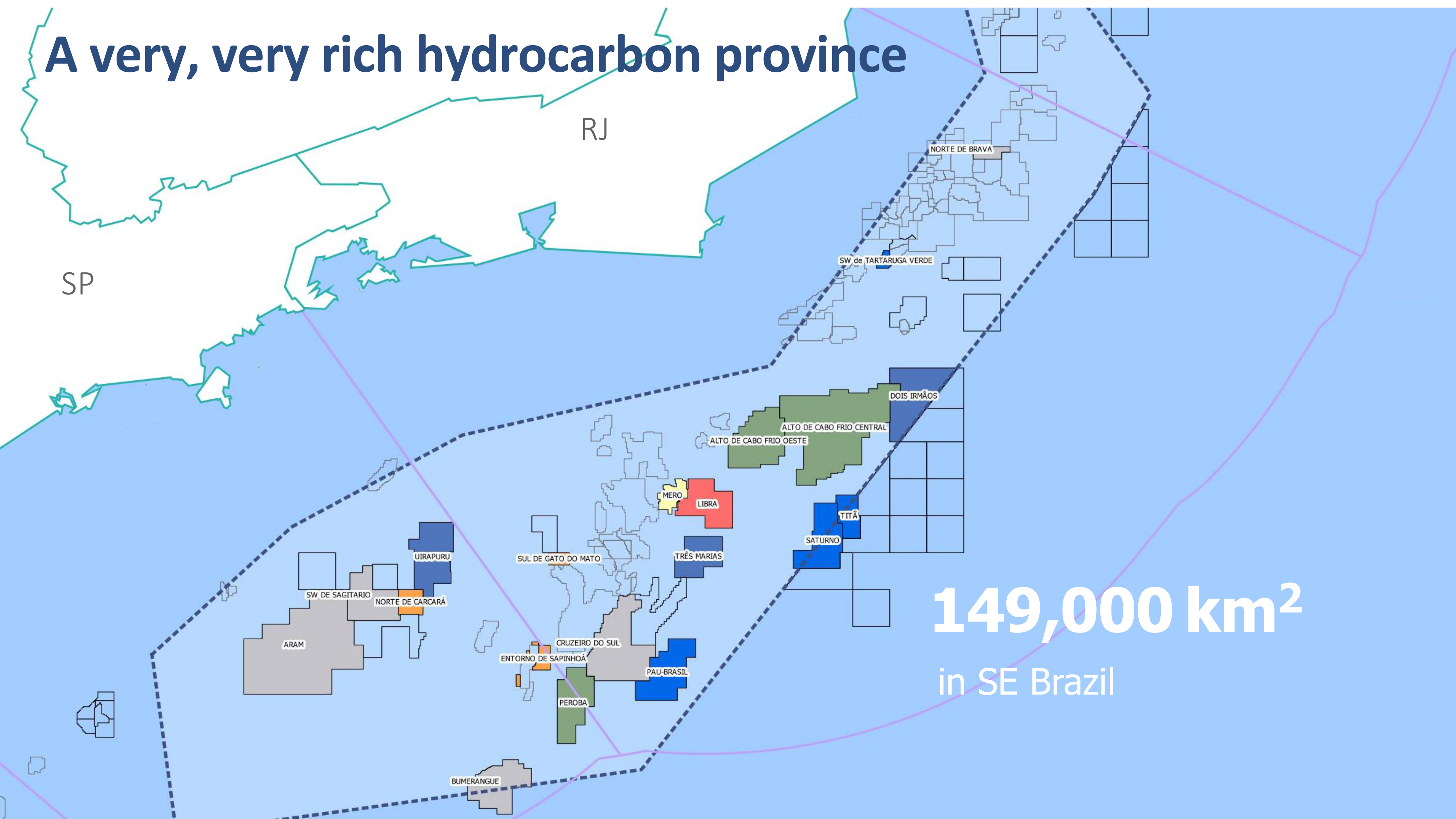


14 Production Sharing Agreements

22 Unitization Agreements

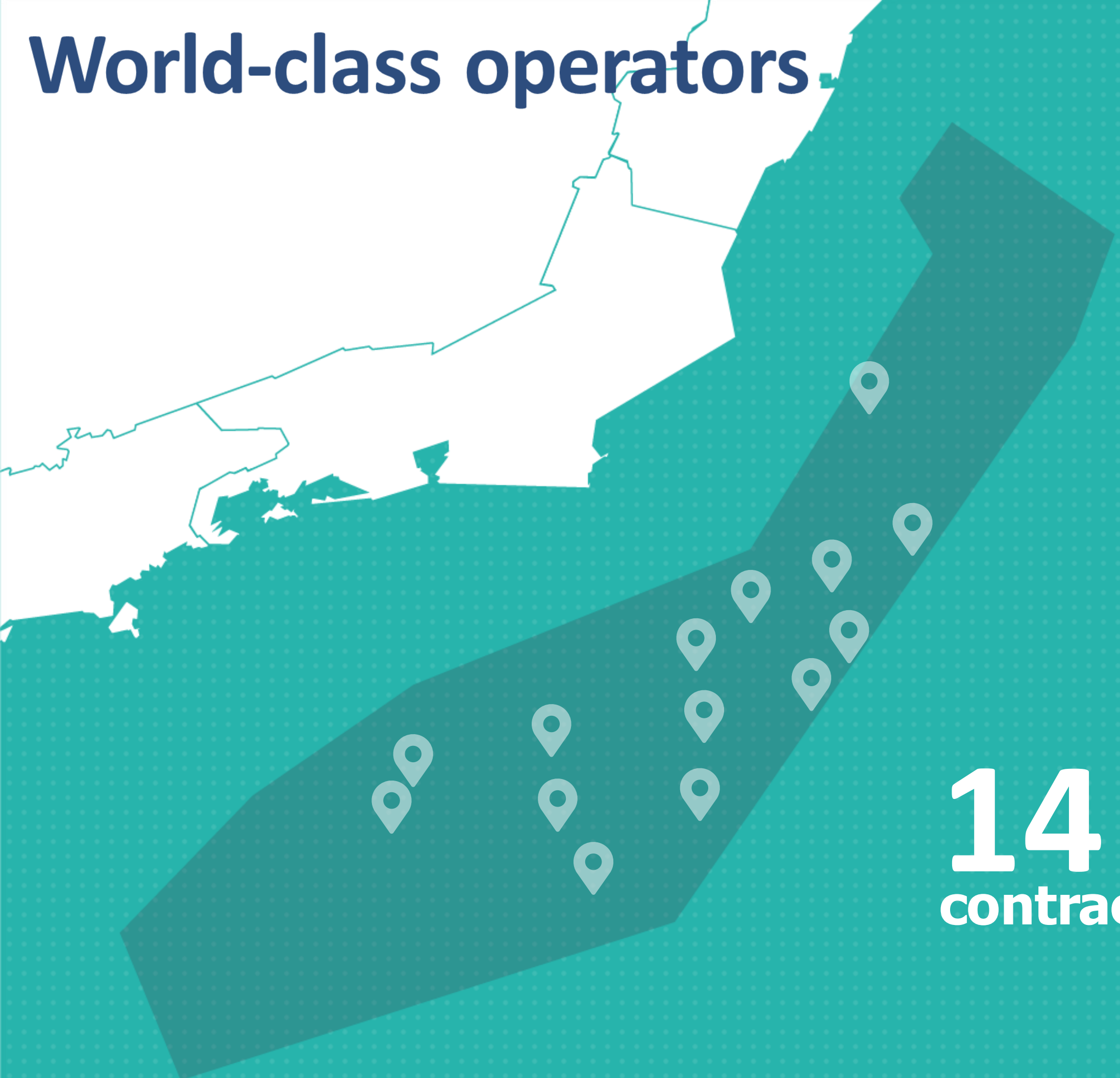
Oil trade: Mero, Sapinhoá and Lula fields

A very, very rich hydrocarbon province



149,000 km²
in SE Brazil

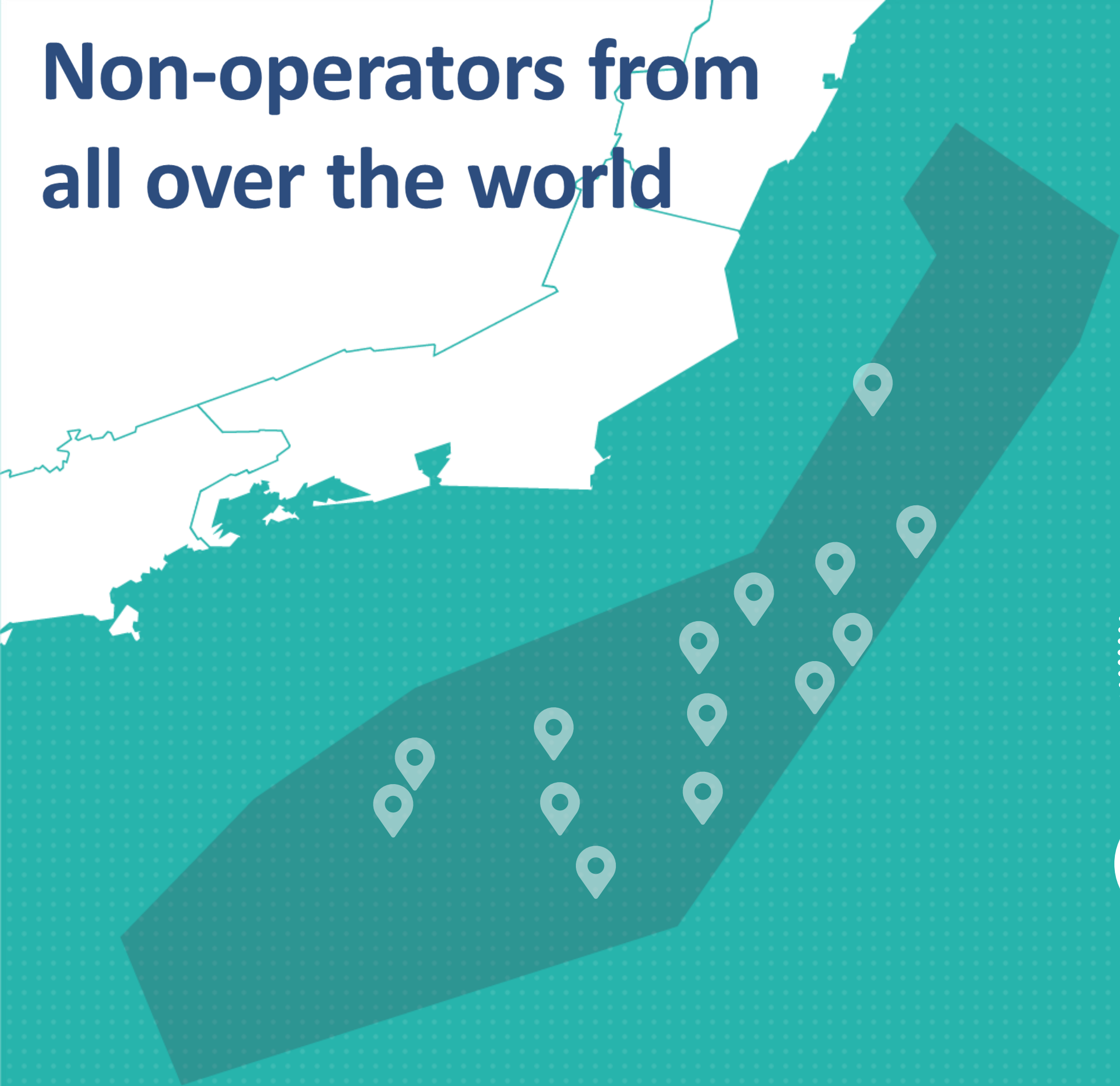
World-class operators



14
contracts

5
operating
Companies

Non-operators from all over the world

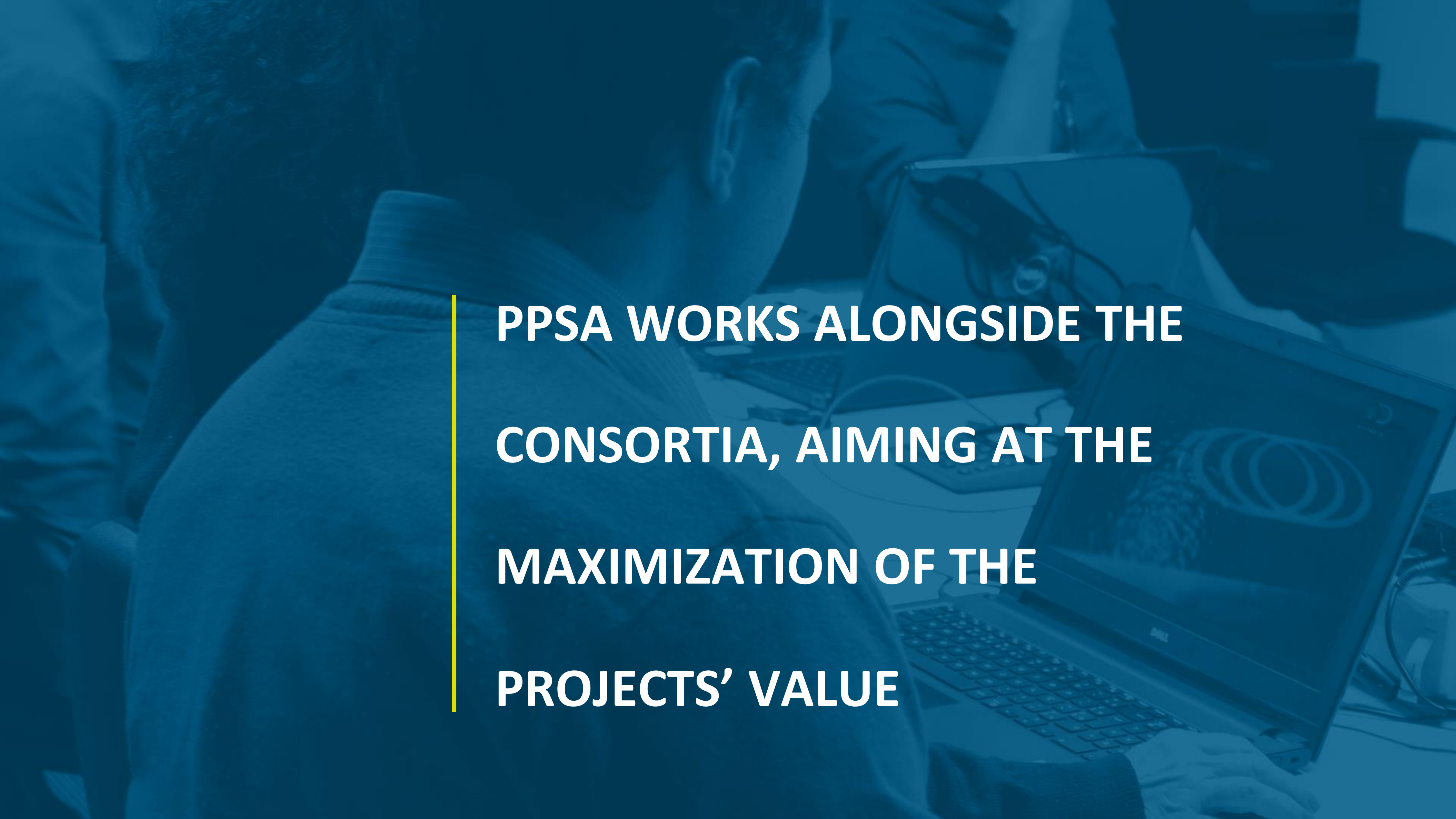


PPSA's legal obligations



➤ PPSA's governing principles:

1. Standardization
2. Simplification
3. Transparency

A blue-tinted photograph of a business meeting. Several people are seated around a table, looking at laptops. The image is semi-transparent, allowing the text to be overlaid. A vertical yellow line is positioned to the left of the text.

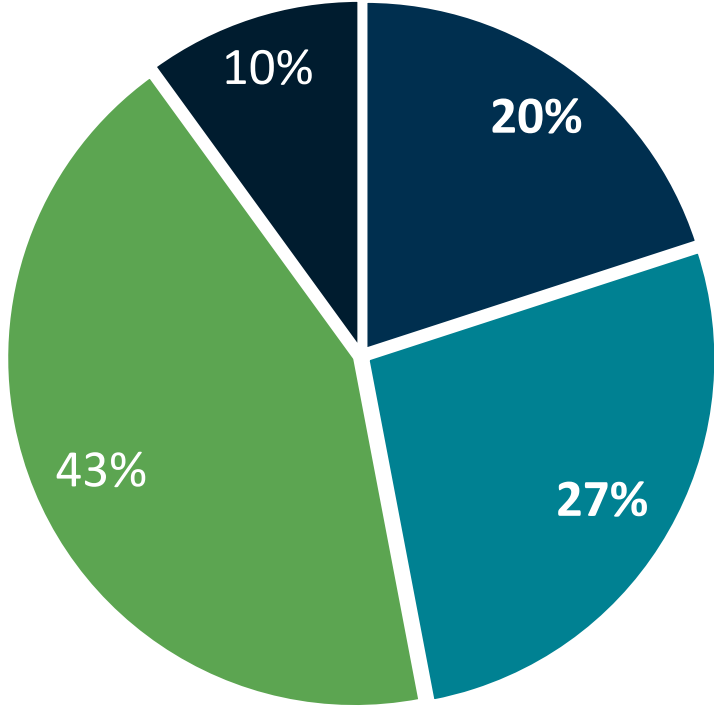
**PPSA WORKS ALONGSIDE THE
CONSORTIA, AIMING AT THE
MAXIMIZATION OF THE
PROJECTS' VALUE**

High performance team

Average experience in the oil & gas industry: 31 years

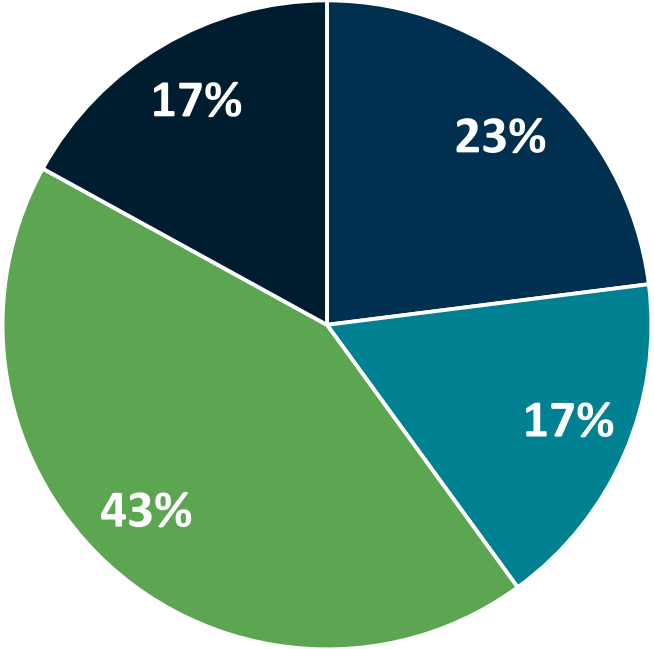


Academic Background



■ PhD ■ Master ■ MBA ■ University

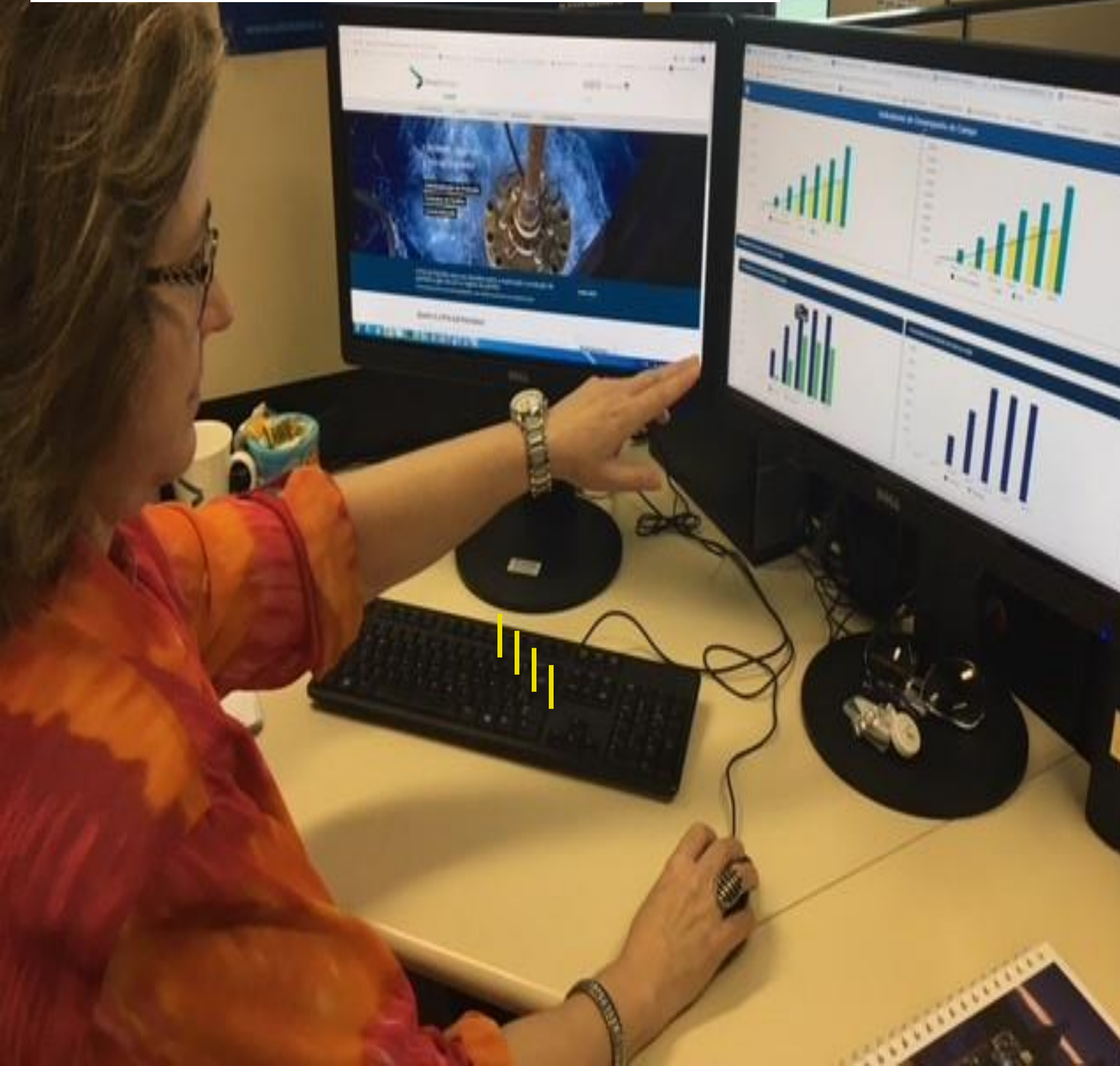
Experience in the oil and gas industry



■ 10 - 20 years ■ 20 - 30 years ■ 30 - 40 years ■ Up 40 years

Production follow up

Each barrel matters



Applied Technology

Intensive partnership with consortia aiming at innovation

Pilot plant for testing new gas membranes



SGPP - Production Sharing Management System

Digital system for the management of the PSAs (total of 10 modules)

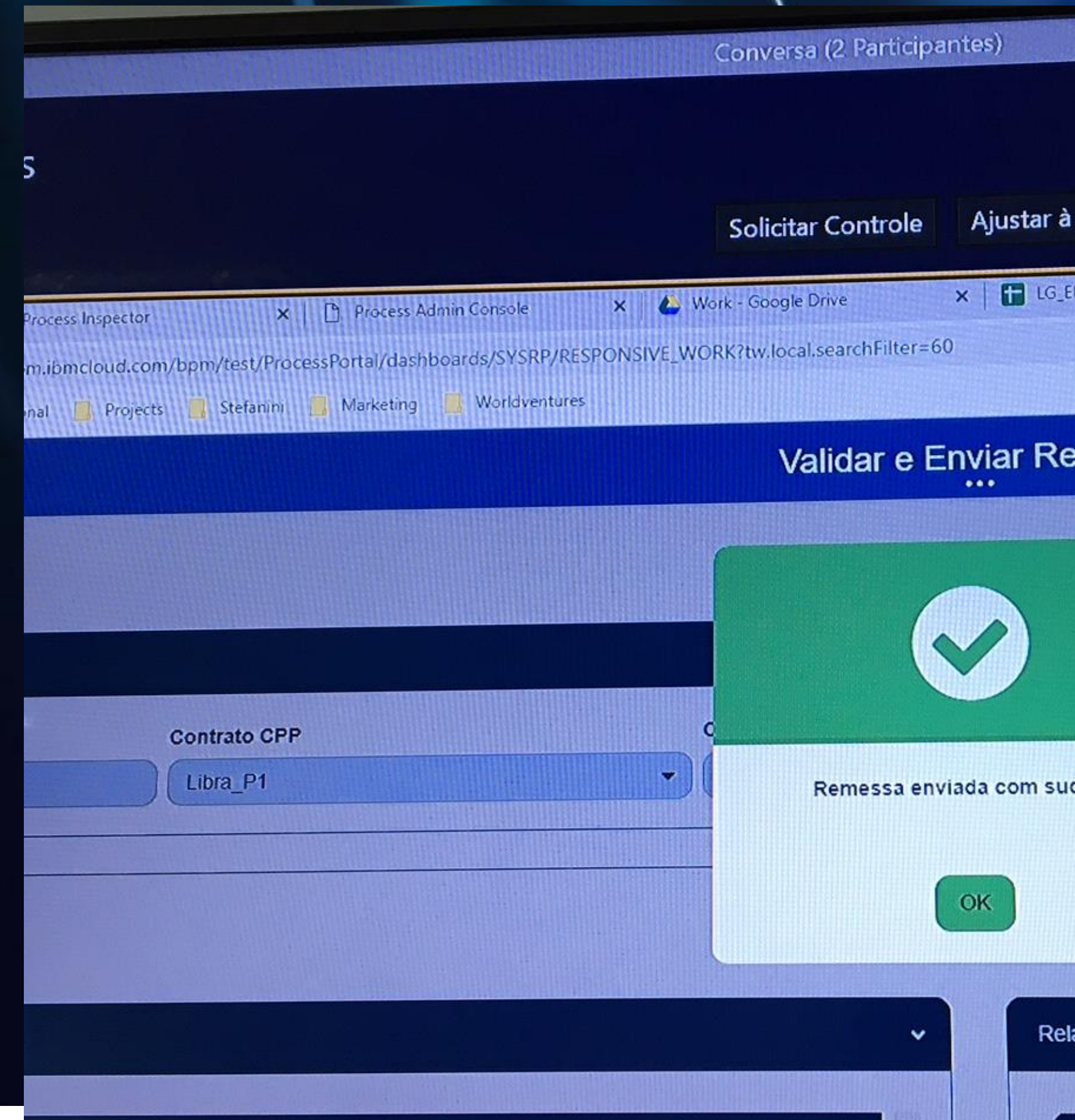
A US\$ 3.6 MM investment

Significant time reduction in the cost recognition process

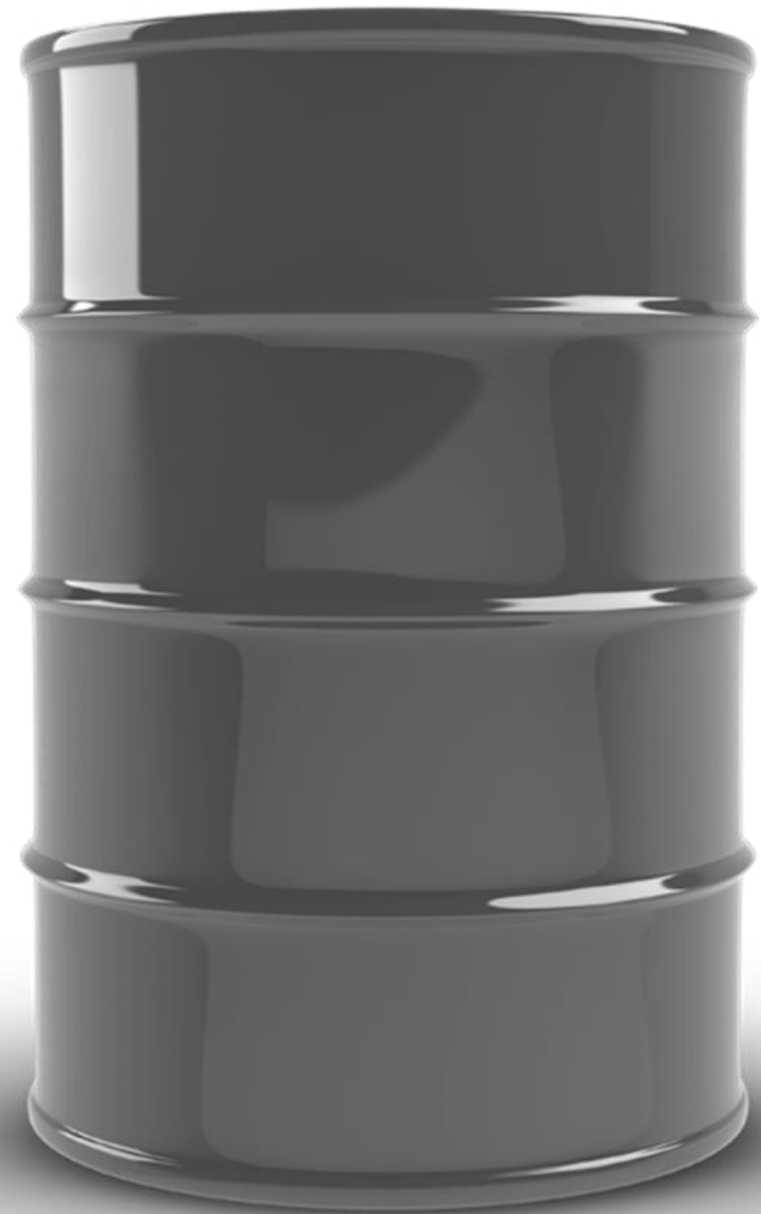
Gain in data validation: from 4 days to 4 minutes

Higher confiability

A unique data base for the Brazilian pre-salt



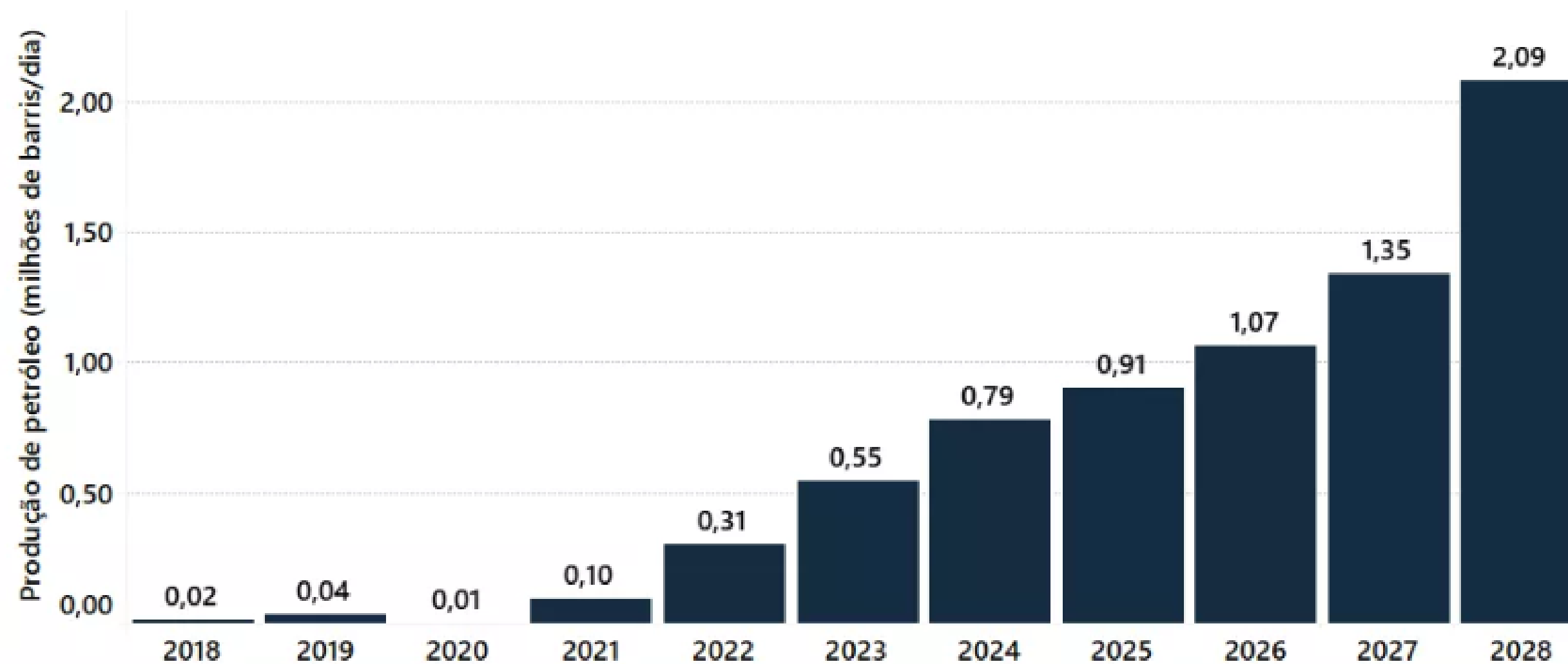
Estimated production from the 14 PSAs for 2028



2 million
barrels of oil/day

Government's share
250,000 barrels of oil/day

Estimated production curve for the 14 PSAs until 2028



Elaborado pela epbr com dados da PPSA
20 de novembro de 2018

Methodology

- 80% exploration success rate rate
- The 14 projects should produce their first oil by 2028

Investment forecast until 2028



**US\$ 144
billion until
2028**

US\$ 50,4 billion

Production platforms

US\$ 43,2 billion

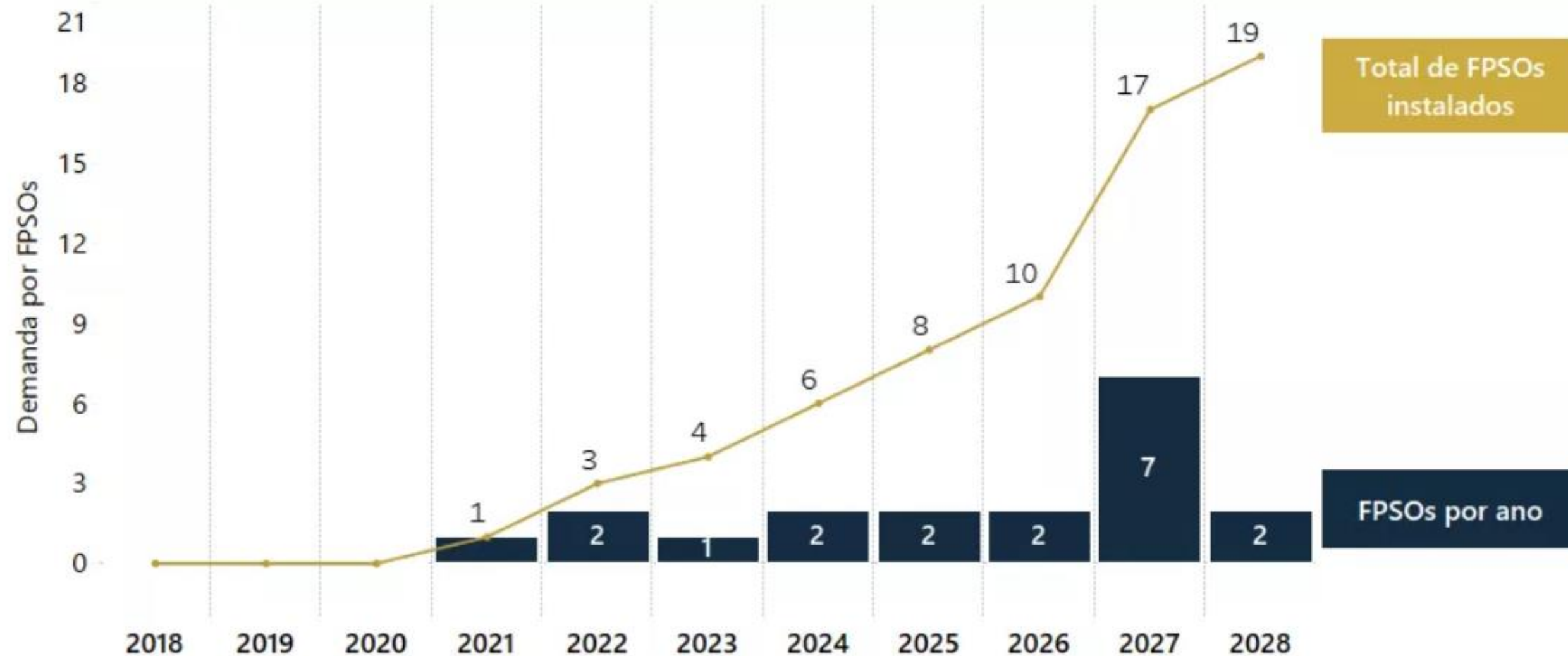
Subsea systems

US\$ 50,4 billion

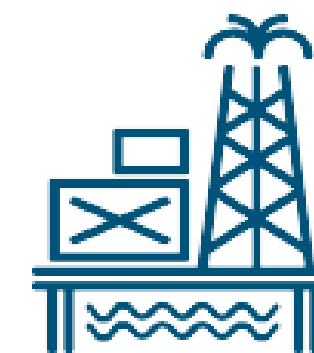
Wells

High demand for goods and services

FPSOs contracting curve



Elaborado pela epbr com dados da PPSA
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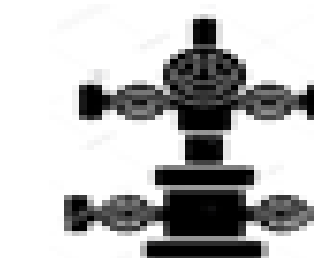


11 exploratory wells *

316 production and injection wells



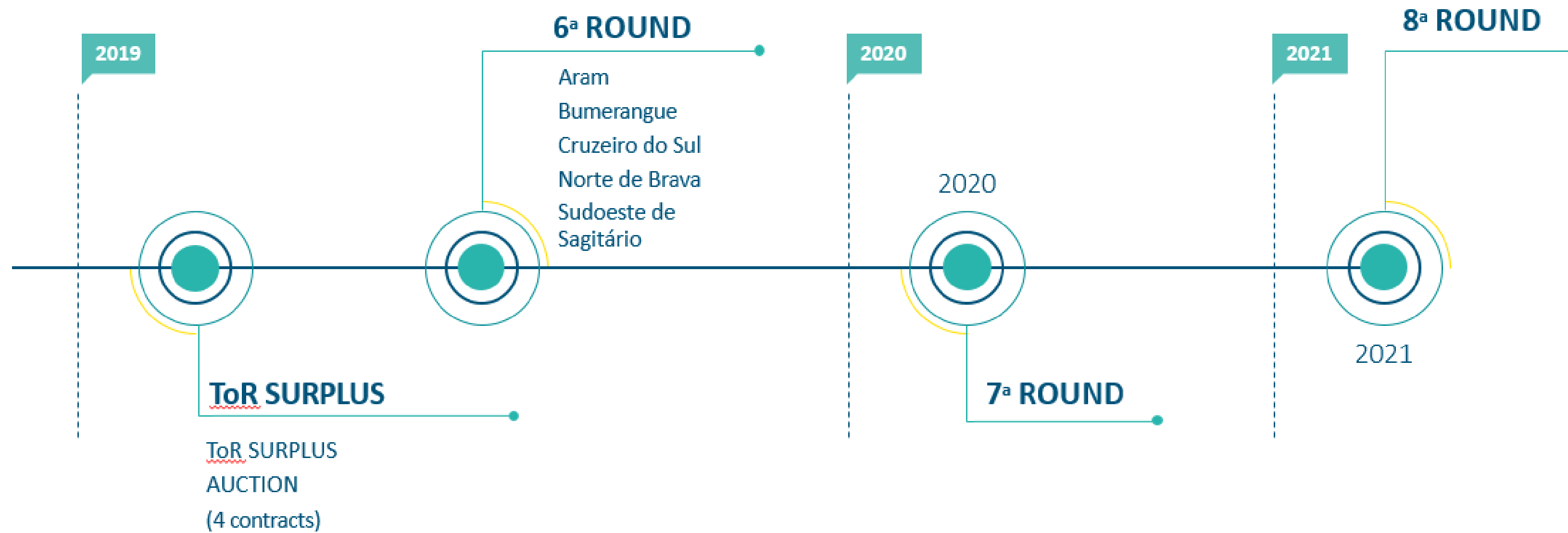
19 FPSOs



316 christmas trees

* minimum

Near future challenges



THANK YOU!

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CEO

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