

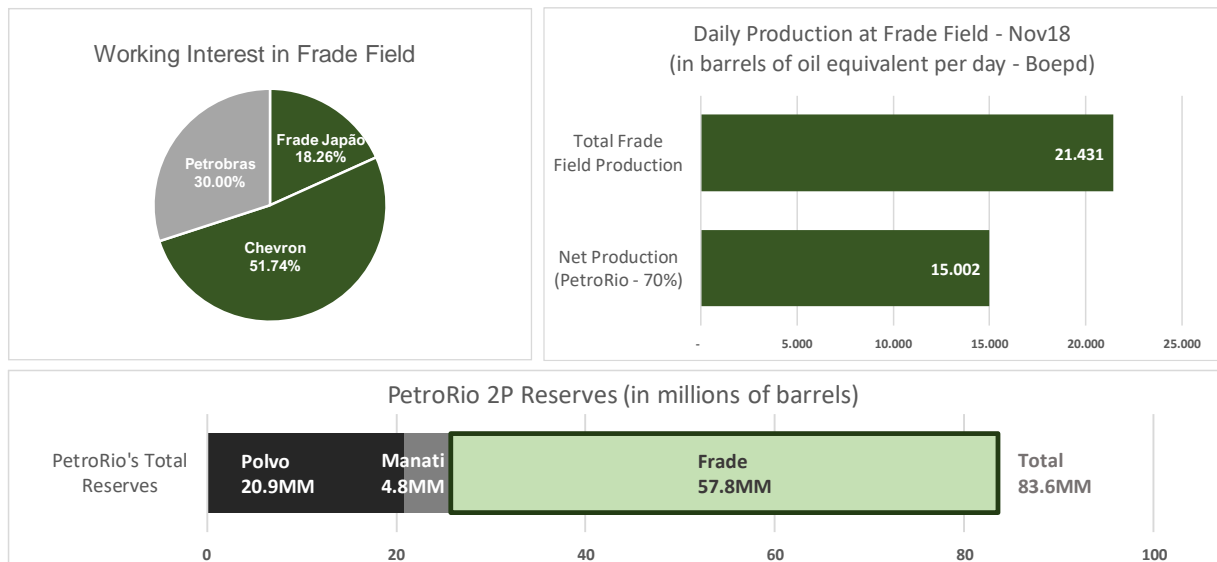
## MATERIAL FACT

### ACQUISITION OF ADDITIONAL INTEREST IN FRADE FIELD

Rio de Janeiro, January 30, 2019 - Petro Rio S.A. ("Company" or "PetroRio") (B3 ticker: PRIO3), in addition to the material fact disclosed to the market on October 29, 2018, hereby informs of the execution of a Share Purchase Agreement for the acquisition of Chevron Brasil Upstream Frade Ltda. ("Chevron Frade") - a limited liability company holding a 51.74% working interest and operatorship in the Frade Field - and of equivalent interest in assets operating in the field.

Once concluded, PetroRio's will increase its working interest in the concession from 18.26% to 70% and become the field's operator.

With the transaction, PetroRio's combined production at Frade will reach 15,000 boepd and contribute to a significant increase in the Company's total production, reaching approximately 28,000 boepd. In addition, Company 2P reserves are expected to reach 83.6 million barrels.



Source:

[http://www.anp.gov.br/images/planos\\_desenvolvimento/Frade.pdf](http://www.anp.gov.br/images/planos_desenvolvimento/Frade.pdf)

[http://www.anp.gov.br/images/publicacoes/boletins-anp/Boletim\\_Mensal-Producao\\_Petroleo\\_Gas\\_Natural/boletim-novembro-2018.pdf](http://www.anp.gov.br/images/publicacoes/boletins-anp/Boletim_Mensal-Producao_Petroleo_Gas_Natural/boletim-novembro-2018.pdf)

Company Estimates

The transaction also includes a 50% operated interest in the deepwater CE-M715 Block (Ceara Basin). The conclusion of the acquisition is subject to certain conditions precedent as well as internal and external approvals.

The transaction is accretive to cash flow and will result in PetroRio becoming the largest independent oil & gas player in Brazil. The agreement also reaffirms PetroRio's strategy of growth through acquisitions of producing assets and represents a diversification of its portfolio of revenue generating assets.

The commercial conditions of the transaction are subject to confidentiality and shall be duly disclosed to the market through the relevant channels. Scotiabank acted as PetroRio's financial advisor and Mattos Filho Advogados as external legal counsel on this transaction.

Sedar Profile # 00031536

#### 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 re-exploration 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.petroriosa.com.br](http://www.petroriosa.com.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 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.

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