



## PRESS RELEASE

### **PERUPETRO ANNOUNCES INTERNATIONAL BIDDING ROUND TO GRANT LICENSE CONTRACT FOR THE EXPLOITATION OF BLOCK 192**

- ***A minimum US\$ 200 million investment in 10 years is estimated***
- ***The Work Minimum Program includes drilling of 20 development wells***

PERUPETRO S.A. announced today the call for the International Bidding Round to grant License Contract for Hydrocarbons Exploitation in Block 192, which includes Block 1-AB (Marañón Basin), the award, is expected to be granted on July 15 of this year.

As per the bidding conditions approved by the Board of Directors of PERUPETRO, the Work Minimum Program (PMT) considers the drilling of 20 development wells in 10 years corresponding to the first period of the block exploitation stage, which represents a minimum investment of US\$ 200 million dollars.

At the same time, the PMT establishes the acquisition of 300 Km of 2D seismic during the second year and 100 Km<sup>2</sup> of 3D seismic during the third year.

The competition factor will depend on the technical offer (number of additional wells to the PMT, to be drilled by year) and the economic offer (percentage of additional royalty over the basis royalty).

The term for the exploitation stage is for 30 years, counted upon the date of signature of the License Contract.

Block 1-AB registers an oil measured production of 12,242 BPD (average up to 2014). Is the block with the bigger oil production in Peru and represents 17% of the total country production.

The License Contract for Block 1-AB ends on 29.08.2015, and it is necessary that the block area be opportunely licensed by PERUPETRO to guarantee the continuation of operations.

The bidding conditions establish that Petroperú S.A. has the right to participate in the License Contract with a percentage up to 25 per cent.

The bidding conditions, the schedule and the contract model of the bidding are published in PERUPETRO's website and are of free access for investors.

### **ENVIRONMENTAL PROTECTION**

According to the contract model, the future Contractor is obliged to comply with the environmental, indigenous people, community relations and citizen participation standards

in force in the country, as well as with the obligations assumed in its environmental studies and complementary environmental management instruments.

Furthermore, it is established that remediation of environmental liabilities identified by the competent authority, caused by the operations of the License Contract of Hydrocarbons Exploitation of Block 1-AB ( formerly Oil Services Contract with Risk – Block 1-AB) will be responsibility of whom the competent authority decides, as per it is established in Law Nr. 29134, Law which rules Environmental Liabilities in Hydrocarbons Subsector and its Bylaws, as well as its amended, complementary and default standards.

At the same time, the Contractor will be obliged to observe the agreements between State and indigenous people, as consequence of the prior consultation process which will finish before the issuance of the Supreme Decree approving the License Contract for Hydrocarbons Exploitation in Block 192.

**PERUPETRO S.A.**

**Lima, May 14, 2015**