Ventura International Energy Newsletter
Q4 2018

We are approaching Thanksgiving and there is a lot that Ventura can be thankful for, not the least of which is the support from the wider Ventura community. Our vision to become the leading independent offshore oil company in Brazil remains unchanged and this newsletter gives an update on the progress we made in the last quarter.

Election results keep Brazil open for investment

After an election process with many twists and turns, the election of Bolsonaro has ended some major political uncertainty. There are still many questions on the policies and programs that the incoming Bolsonaro government will implement. Assuming that Bolsonaro's economic policy is broadly in line with the views laid out by his economic advisor and presumptive finance Minister, Paulo Guedes, the signals are positive for an increase in foreign and private sector investment. A recent report by Fitch Solutions specifically highlights the expectation of accelerated asset divestment by Petrobras and continued support for recent Oil and Gas regulatory reforms.

IOC interest in Brazil has remained strong with continued investments in recent pre-salt bid rounds. The growing commitments and investments in the pre-salt polygon by Petrobras and the major international players, will increase the potential divestment deal flow of more mature post-salt assets.

Asset Evaluation and Bid Processes

With our capital raise in progress, we decided to pause our participation in the existing bid processes. We did continue to fine tune our target asset evaluation and updated various optimization scenarios for assets that are actionable in the near term. We also reviewed the options to create a portfolio that provides the production optimization, development and near field exploration potential that meet our thesis criteria. Our evaluation continues to support the rich asset base that has the potential to support 2-5X investment returns in 5 years based on low risk, lowest cost and safe operations.

Investor Engagements

There is continued investor interest in the Ventura team and thesis. The removal of the election uncertainty led to progressive conversations with leading oil and gas sector investors. We are hoping to announce a capital partner in the near future.

Team Development

In anticipation of a successful funding round, we have continued discussion with top industry people that are interested in joining the Ventura journey. In addition, we identified the structure and resources required to support a fit-for-purpose evaluation phase, so we can hit the ground running when opportunities arise.

What's Next?

Focus in the near term is on landing a capital partner while extending the Ventura community and partner relationships. Hopefully this will include realizing our delayed Brazil visit sometime in Q1 2019.

Thanks for your input and continued interest and support for the Ventura journey. In addition to this newsletter, you can now also follow Ventura via our website: www.venturainternationalenergy.com

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