

Press Release



PETROPERÚ'S NORTH BRANCH PIPELINE ATTACKED BY SURROUNDING COMMUNITIES

Lima, Peru, November 28, 2018 – Petróleos del Perú S.A. "Petroperú" or "the Company" (OTC:PETRPE) announced that yesterday a new attack occurred on the North Branch Pipeline (ORN), at km 193, in the area of the district of Morona, 500 meters near the Community of Mayuriaga. Petroperú has immediately activated its Contingency Plan to remediate the problem; however, the residents of Mayuriaga Community are not allowing our personnel to repair the pipeline and contain the oil spill.

The surrounding communities of the area, mainly Mayuriaga, had threatened Petroperú about this attack, due to discontent with the results of the last Municipal Elections in that district. This threat was communicated by Petroperú in a timely manner to the local authorities of the area.

Petroperú has requested the intervention of the National Police and the Public Prosecutor's Office since this attack represents a criminal act to the infrastructure, and causes environmental and social consequences to the area.

The Company will keep the market informed as to any changes or updates regarding this situation.

About Petroperú

Established in 1981 as a Public Limited Company pursuant with Legislative Decree No 43 (founded in 1969), Petroperú is the largest hydrocarbon corporate entity in Peru in terms of total sales and the largest enterprise of the Peruvian sovereign (100% owned by Peru). It is also Peru's second largest refiner in terms of refining volume capacity and form a critical part of the country's energy infrastructure and economy. It has the largest distribution network for crude oil and refined products in the country, and it is the sole provider of refined products to certain areas of Peru. It is also the owner and operator of Peru's main oil pipeline, the "Nor Peruano Pipeline", which links the crude oil production fields in the northern rainforest of Peru with our facilities in the Port Bayovar near our Talara Refinery. Their business is comprised primarily of midstream and downstream petroleum activities, including: the refining and blending of crude and intermediate hydrocarbon products, the distribution and sale of refined products through our wholesale distributors and associated retail service stations and direct sales, the transportation of crude through the Nor Peruano Pipeline, and the leasing of certain of our facilities to third parties.