

Galp Energia enters into a farm-in agreement with Porto Energy

Galp Energia announces today that it has entered into a definitive farm-in agreement with Porto Energy, through its wholly owned subsidiary Mohave Oil and Gas Corporation, according to which Galp Energia will acquire a 50% participating interest, in exchange for payment of Porto Energy's sunk costs, in the Aljubarrota-3 concession, totalling approximately US\$4.3 million.

The Aljubarrota-3 concession comprises approximately 300,000 acres, onshore Portugal, where, under the terms of the agreement, the Alcobaça #1 pre-salt well is scheduled to be drilled. The well has a target depth of approximately 3,000 meters with drilling expected to commence in late August and to take approximately 45-55 days to complete.

Following the drilling and testing of the Alcobaça #1, Galp Energia has the option to acquire a 25% working interest in each of Porto Energy's other six concessions in Portugal in exchange for payments totalling no more than 25% of Porto Energy's sunk costs in each concession. Porto Energy will remain the operator through the drilling of the Alcobaça #1 well, after which Galp Energia will have the option to become the block operator.

The closing of the agreement is subject to customary conditions including the receipt of all regulatory and government approvals.

According to an independent report from Netherland Sewell & Associates (NSAI), dated March 2012, the Aljubarrota-3 concession, a more gas prone concession, has estimated mean unrisked exploration resources of around 1.3 billion barrels of oil equivalent and contingent resources of 45 million barrels of oil equivalent (mean estimate).

This farm-in agreement is part of Galp Energia strategy execution, further expanding its exploration portfolio focused on core strategic areas, like the resource-rich Atlantic basin. Exploratory focus continues to be centered on geographies, and respective geologies, to which Galp Energia is already quite acquainted with, as it is the case of Portugal.

Galp Energia also continues to leverage on its early mover profile, entering in the early stages of exploration, so continuing capturing the most value creation potential.

Galp Energia exploration portfolio in Portugal also includes several stakes in offshore blocks, namely 30% in four blocks in the Peniche basin and 50% in three blocks in the Alentejo basin.

About Porto Energy

Porto Energy is an international oil and gas company, engaged in the exploration of crude oil and natural gas in Portugal through its subsidiary Mohave Oil and Gas Corporation. The company holds working interests in seven concessions in Portugal's Lusitanian Basin totalling approximately 1.9 million net acres. Through its exploration efforts to date, Porto Energy has identified seven major exploration trends over its concessions including unconventional oil and gas resource plays as well as conventional oil and gas targets. Porto Energy's shares trade on the TSX Venture Exchange under the ticker symbol "PEC". For more information on Porto Energy visit www.portoenergy.com.

Galp Energia, SGPS, S.A.

Investor Relations:

Tiago Villas-Boas, Head
Cátia Lopes
Inês Santos
Maria Borrega
Pedro Pinto
Samuel Dias

Contacts:

Tel: +351 21 724 08 66
Fax: +351 21 724 29 65
Address: Rua Tomás da Fonseca, Torre A, 1600-209
Lisboa, Portugal

Website: www.galpenergia.com

Email: investor.relations@galpenergia.com
Reuters: GALP.LS
Bloomberg: GALP PL