

# TERRA OIL: EXECUTIVE SUMMARY

## Private Equity in Argentine Conventional Oil

### THE OPPORTUNITY IN BRIEF

Terra Oil is an investment platform focused on acquiring conventional oil and gas assets in Argentina. The opportunity exists because YPF and other major operators are divesting their "non-core" conventional fields to concentrate capital on unconventional oil & gas (fracking) in Vaca Muerta - the world's second-largest shale oil reserve and fourth-largest shale gas reserve. These divested assets are exactly what experienced investors look for: cash-flowing operations with existing infrastructure, known reserves, and decades of production history.

The investment thesis rests on three pillars. First, we are buying at what appears to be the bottom of the oil cycle - the one major commodity that has yet to move in the broader capital rotation into hard assets. Second, Argentina is undergoing structural reform under the Milei administration, with export retentions being removed and provincial governments actively supporting conventional oil revival. Third, these are heavy crude assets - the specific grade required by US refineries to produce diesel. Without heavy crude, the American economy grinds to a halt. These are strategically important barrels.

Terra Oil is led by Doris Capurro, former Vice President of YPF and one of the architects of Vaca Muerta's commercial development. Her co-investors include Ali Moshiri, former President of Chevron Africa-Latin America, who led Chevron's initial \$2 billion investment into Vaca Muerta. This is not an outsider parachuting in - it is the team that built Argentina's energy renaissance now turning their attention to the conventional assets being left behind.

### WHY CONVENTIONAL OIL, WHY NOW

#### The global picture:

- Oil is the one commodity class that has yet to move despite the capital rotation into hard assets
- Heavy crude specifically is required for US refineries - light sweet crude cannot produce diesel
- Energy equities are already moving despite weak oil prices - textbook bottoming behaviour
- Demand growth continues, driven by data centres, AI, and developing world consumption

#### The Argentina picture:

- Vaca Muerta's success means majors are divesting conventional assets to redeploy capital
- Conventional production declined ~25% over the past decade - due to underinvestment, not depletion

- These fields retain significant infrastructure and proven reserves
- Export retentions are being removed; provincial governments are lowering royalties for mature fields
- Argentina expected to return to emerging market status in 2026, triggering institutional capital flows

#### **The conventional opportunity:**

- YPF alone is divesting approximately 60,000+ barrels per day equivalent of conventional production
- Other major operators are following suit
- Redevelopment through well reactivations, workovers, and infill drilling can deliver strong returns with modest capital intensity
- Existing infrastructure minimises incremental capex requirements

## **THE TERRA OIL PLATFORM**

Terra Oil LLC is a Florida-organised investment platform established to channel capital into Argentina's conventional oil sector. The company is designed to act as a long-term platform for multiple upstream acquisitions, leveraging its local partnerships, operational know-how, and governance framework to scale across Argentina's conventional energy landscape.

#### **Terra One - The Santa Cruz Cluster:**

The first acquisition comprises three mature concessions in Santa Cruz Province within the San Jorge Basin, one of Argentina's most established hydrocarbon regions:

- El Guadal – Lomas del Cuy
- Cañadón Yatel
- Cerro Piedra – Cerro Guadal Norte

#### **Key metrics:**

- Current production: approximately 6,000-7,000 barrels per day equivalent
- Combined area: roughly 2,600 km<sup>2</sup>
- Concessions secured through 2042-2047
- Operated by Roch S.A., one of Argentina's foremost independent E&P companies

The fields share extensive existing infrastructure. The redevelopment plan focuses on well reactivations, workovers, new drillings, and waterflood recovery enhancement - unlocking value through operational improvement rather than exploration risk.

#### **The Pipeline - Terra Two, Three, Four, Five:**

This is not a one-off deal. The divestment wave from YPF and other majors creates a runway of acquisition opportunities. Roch is contractually required to present new opportunities to the investor group, who have the right to participate. The platform is built to scale.

## THE NUMBERS

Current production:	~6,000-7,000 barrels/day equivalent
Asset area:	~2,600 km <sup>2</sup>
Concession life:	Through 2042-2047
Oil price floor:	Economically robust at Brent \$60-65/bbl
Minimum investment:	\$50,000 (Cayman cell) / \$100,000 (direct BVI)

The business model is straightforward: acquire undercapitalised conventional assets being divested by majors, improve operational efficiency, reduce operating costs, and benefit from production improvements and eventual oil price recovery. Cash flows begin immediately - these are producing assets, not exploration plays.

## THE TEAM

### **Doris Capurro - Founder, Terra Oil**

Former Vice President of YPF (2012-2015) where she oversaw corporate affairs, strategy, and labour relations. Played a central role in repositioning YPF after the Repsol expropriation and in launching the commercial development of Vaca Muerta, securing partnerships with Chevron, Dow, and Petronas. Also founded LUFT Energía, which developed Argentina's first 100 MW wind farm under the RenovAr programme. Over 30 years in corporate strategy and energy development.

### **Ali Moshiri - Co-investor, AMOS Global Energy**

39-year career at Chevron, rising to President of Chevron Africa-Latin America. Oversaw upstream operations in Argentina, Brazil, Colombia, Mexico, Trinidad & Tobago, Venezuela, and multiple African countries. Led Chevron's initial \$2 billion investment into Vaca Muerta alongside Doris. As he told her when she was considering conventional assets: "Oil is always oil." He invested alongside her.

### **Pablo Petrillo - CFO, Terra Oil**

Over seven years at YPF in upstream accounting, investor relations, planning, and reporting. Six years as Financial Associate at Castlake L.P., a \$21 billion international investment fund. Master's in Finance from CEMA University.

### **Roch S.A. - Operator**

One of Argentina's foremost independent E&P companies with a track record spanning more than three decades. Founded by renowned reservoir engineer Ricardo Omar Chacra. Proven history of acquiring mature fields from YPF and increasing production through efficient reservoir management. Roch retains 60% ownership and operates the Santa Cruz Cluster.

### **Explorador Capital Management - Co-investor**

New York-based investment firm managing approximately \$250 million on behalf of institutional and family investors. Focused on Latin American equities for over 25 years with a notable long-term presence in Argentina. Founded by Andrew Cummins (Harvard MBA, former AshmoreEMM).

**Chris MacIntosh - Principal, Mavericks**

25+ years in global macro investing. Leading the partnership with Terra Oil to bring this opportunity to Mavericks investors.

**Andrew - Operations Lead, Subvertre Capital**

Building the private equity infrastructure and managing on-ground execution for Mavericks' Argentine investments.

## HOW THE MONEY FLOWS

**Investment structure:**

- Investors become limited partners in a BVI Segregated Portfolio Company
- This structure is standard for international private equity
- Segregation isolates your investment from other projects or risks
- Cayman cell structure available for lower minimums and diversification across deals

**The underlying asset:**

- Terra Oil holds equity in Roch Proyectos S.A.
- Roch Proyectos owns the three Santa Cruz concessions
- Roch S.A. operates the fields under contract
- Cash flows from oil sales distribute through the structure to investors

The infrastructure built for Añelo Oasis - legal frameworks, banking rails, compliance procedures - carries over to Terra Oil. The same mechanisms that move capital efficiently into Argentine real estate work for Argentine oil assets.

## TIMELINE

Early 2026:	Operational optimisation underway; focus on OPEX reduction
2026:	Capital raise opens to Mavericks investors (timing TBD)
2026 onwards:	Terra Two, Three, Four identified from YPF divestment pipeline
2042-2047:	Concession expiry (long operational runway)

Operations have commenced. A one-year crude sales contract with YPF is already in place, providing revenue predictability in the initial period.

## RISK FACTORS

**Oil price risk:**

- Current Brent prices (~\$62-65/bbl) are low but manageable
- A sustained collapse to \$30/bbl (COVID-style event) would severely pressure returns
- Mitigation: Buying at cycle bottom; operational efficiency improvements reduce breakeven; sales contracts already in place; thesis is oil eventually moves higher like other commodities

**Operational risk:**

- Inherited bloated workforce from YPF - over 1,000 people where approximately 300 are needed
- Already reduced to around 600; further reductions required
- Mitigation: Roch has 30+ years experience executing exactly these turnarounds; technical team already in place; operational playbook proven across multiple field acquisitions

#### **Political risk:**

- Argentina could revert to interventionist policies
- Mitigation: Energy enjoys rare cross-party consensus in Argentina. The Milei government is actively removing export retentions. Provincial governments are lowering royalties for mature fields. Even under Kirchner-era governments, Vaca Muerta was supported and developed. The national consciousness around energy's importance has fundamentally shifted.

#### **Labour and union risk:**

- Powerful unions in Argentina's oil sector
- Workforce reductions are contentious
- Mitigation: Roch has existing relationships with unions; reductions negotiated through proper channels; government and province aligned on need for operational efficiency; this is not the first time these negotiations have happened

#### **Worst case:**

- Oil collapses, political reversal, operational failure, forced sale
- You own real assets - concessions, infrastructure, equipment - that retain tangible value
- Heavy crude is strategically important; demand does not disappear
- Entry valuations provide downside cushion

## **WHO THIS IS FOR - AND WHO SHOULD SIT IT OUT**

This investment suits you if:

- You are a sophisticated or accredited investor
- You have a multi-year investment horizon (think years, not months)
- You want hard asset exposure outside traditional financial systems
- You understand and accept oil price volatility
- You see the capital rotation into real assets continuing
- You can allocate \$50,000-\$100,000+ without affecting your lifestyle
- You are comfortable with emerging market and private equity risk
- You understand that private equity means you are an owner in a business, not a trader in a security

This is NOT for you if:

- You need liquidity within 12-24 months
- You cannot stomach oil price swings
- Emerging market exposure makes you uncomfortable
- You want passive, index-style investing

- You would be financially stressed if this capital were locked up for years
- The idea of investing in Argentina keeps you awake at night

Minimum investment: \$50,000 via Cayman cell structure; \$100,000+ for direct BVI investment.

## **WHY PRIVATE EQUITY INSTEAD OF LISTED EQUITIES**

A common question: why not just buy YPF stock?

The arbitrage is liquidity. In listed equity markets, anyone can buy YPF - it trades as an ADR on the New York Stock Exchange. That accessibility creates a premium. In private equity, you sacrifice daily liquidity but acquire assets at far cheaper valuations than their listed equivalents.

Think of it like real estate development. Many people can buy a 500 square metre plot. Far fewer can buy 10,000 hectares. The developer buys the large parcel, improves it, and captures the spread. That is the private equity model.

The other factor is Argentina's market size. The entire Argentine stock market capitalisation is approximately \$80 billion. Microsoft alone is \$3 trillion. When institutional capital begins flowing into Argentina - which emerging market status will accelerate - it will quickly exhaust listed options. Private equity will be where that capital searches next. Positioning now, ahead of that wave, is the opportunity.

Chris and Andrew are placing their own capital into these deals. This is foundational to the Subvertere Capital mandate: hard assets, counter-cyclical, counter-jurisdictional, away from the chaos unfolding in traditional financial centres.

## **THE BROADER PLATFORM**

Beyond Terra One, the relationship with Doris and her team opens additional opportunities:

Conventional oil pipeline: YPF is divesting 60,000+ boe/d of conventional assets. Other majors are doing the same. Terra Oil - with its relationships, operational partner, and institutional co-investors - is positioned to acquire additional concessions as they come to market.

Energy services: Vaca Muerta's growth has created massive demand for supporting infrastructure - sand terminals, water treatment, trucking, worker accommodation. The picks-and-shovels opportunities around Argentina's energy boom are substantial. The relationships built through Terra Oil provide access to evaluate and potentially participate in these adjacent plays.

This is a platform, not a single transaction.

## NEXT STEPS

This investment is not currently open to new investors. Capital raise timing expected in 2026.

When available, interested investors will receive access to the data room containing:

- Private Placement Memorandum
- Term sheet
- Supporting documentation

For questions: [admin@subvertere.capital](mailto:admin@subvertere.capital)

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