



January 6, 2020

**Tethys Petroleum Press Release  
(TSXV: TPL.H)**

**Loan Restructuring**

Grand Cayman, Cayman Islands - Tethys Petroleum Limited ("**Tethys**" or the "**Company**") today announces completion of a loan restructuring.

The Company has agreed with one of its lenders to restructure a loan with current outstanding balance of US\$14.1 million, the key terms of which are described below:

- (i) The lender has provided a waiver of all past defaults;
- (ii) The maturity date has been extended from January 31, 2017 to December 31, 2021;
- (iii) Repayment of US\$1,000,000 contingent upon certain future events;
- (iv) A discount of US\$500,000 will be applied to the outstanding balance upon payment of the US\$1,000,000;
- (v) The Company shall be required to use 15% of any gas sales receipts (net of VAT) received by its subsidiary companies, subject to a minimum of two hundred thousand dollars (US\$200,000) per month, to repay a portion of the outstanding balance;
- (vi) The interest rate has changed from 20% to 10.5%, payable monthly;
- (vii) An early payment discount will apply if Tethys makes any repayments exceeding those described above on or before June 30, 2020 such that the outstanding balance will be reduced by two times the amount of the repayment i.e. an effective discount of up to 50% of the outstanding balance; and
- (viii) A discount of US\$2,000,000 will apply to the outstanding balance upon full repayment of the loan on or prior to the maturity, less the amount of any early payment discount already received.

The Company is currently engaged with its other lenders to reach amicable resolutions for all of its borrowings. Further announcements will be made in due course if terms have been agreed.

**About Tethys**

Tethys is focused on oil and gas exploration and production activities in Central Asia and the Caspian Region. This highly prolific oil and gas area is rapidly developing and Tethys believes that significant potential exists in both exploration and in discovered deposits.

**Disclaimer**

Some of the statements in this document are forward-looking, including statements relating to repayments, loan repayment obligations and potential discounts that may be received from the outstanding loan balance and the restructuring of other corporate borrowings. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual



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outcomes to differ materially from those suggested by any such statements, including the risk that the Company will not be able to make the US\$1,000,000 repayment, that Tethys will not be able to fulfil the new loan terms, will not receive the potential loan discounts and will not be able to agree loan restructuring terms with other lenders. No part of this announcement constitutes, or shall be taken to constitute, an invitation or inducement to invest in the Company or any other entity and shareholders of the Company are cautioned not to place undue reliance on the forward-looking statements. Save as required by applicable law, the Company does not undertake to update or change any forward-looking statements to reflect events occurring after the date of this announcement.

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