



April 16, 2020

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

Corporate Update

Grand Cayman, Cayman Islands - Tethys Petroleum Limited (TSXV: TPL.H) ("**Tethys**" or the "**Company**") today provides a corporate update.

Gas sales prepayment

Tethys is pleased to announce that its Kazakhstan subsidiary TethysAralGas LLP ("**TAG**") has received a prepayment of approximately US\$7.6 million from its gas customer. TAG will continue to invoice its gas customer monthly in the normal way and the price of gas sold will be determined each month in accordance with the terms of the existing gas sales contract.

Repayment of Corporate Loan

On January 6, 2020 the Company announced that it had agreed with one of its lenders, Khan Energy (Cayman) SPV Limited, to restructure a loan (the "**Khan Energy Loan**") with outstanding balance at that date of approximately US\$14.1 million. Tethys is pleased to announce that it has now fully repaid the restructured Khan Energy Loan by remitting approximately US\$7.7 million.

Completion of Convertible Debenture

On February 8, 2020 the Company announced that it had reached a legally binding settlement agreement with Olisol Petroleum Limited and certain of its affiliated companies and their principals (together "**Olisol**") and DSFK Special Finance Company LLP ("**DSFK**") pursuant to which Tethys planned to issue a convertible debenture to Gemini IT Consultants DMCC ("**Gemini**"). Tethys is pleased to announce that it has completed the issuance of the convertible debenture in the amount of US\$4.8 million and received the proceeds.

TSX Venture Exchange Application

Tethys previously announced that it had received conditional approval from the TSX Venture Exchange ("**TSXV**") to graduate from the NEX Board to the TSXV as a Tier 2 Oil & Gas Issuer. Graduation to the TSXV is conditional on completion of the convertible debenture with Gemini and the previously announced shares for debt transaction with Olisol. Now that the convertible debenture has been completed, the Company plans to complete in short order the settlement payment to DSFK and the shares for debt transaction with Olisol and will then request the TSXV to promote Tethys to the TSXV.

Once the shares for debt transaction with Olisol has been completed, Tethys will have reduced its outstanding borrowings from US\$40.2 million at December 31, 2019 to US\$9.0 million, significantly improving the financial condition of the Company.



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Disclaimer

Some of the statements in this document are forward-looking, including statements relating to the graduation to the TSXV, completion of the transactions with Olisol and other conditions of the TSXV. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements, including the risk that the TSXV will not give final approval for Tethys graduation to the TSXV or that Tethys will not be able to complete the transactions with Olisol or meet the TSXV conditions. 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. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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