



July 8, 2020

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

Settlement Agreement and Corporate Update

Grand Cayman, Cayman Islands - Tethys Petroleum Limited (TSXV: TPL.H) ("**Tethys**" or the "**Company**") is pleased to announce its approval for graduation from NEX to a Tier 2 'Oil & Gas' issuer on the TSX Venture exchange. This graduation will occur on Friday, July 10, 2020. A bulletin from the TSX will be released today. Tethys has successfully completed the necessary conditions as originally detailed in the press release from February 8, 2020 and further updated on April 16, 2020, and June 8, 2020. Tethys entered into 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**"), (hereinafter the "**Settlement Agreement**").

The key terms of the Settlement Agreement insofar as they affect Tethys are:

- (1) Tethys has issued eighteen million (18,000,000) ordinary shares to Olisol in full satisfaction, and in exchange for full repayment, of all amounts owing under the facility agreement between the parties. Based on the amount claimed by Olisol to be owing at December 31, 2019 of US\$7,396,812, this equates to a price of US\$0.41 per ordinary share;
- (2) Olisol has agreed to sell a total of two million eight hundred and nine thousand and thirty six (2,809,036) Tethys ordinary shares to existing shareholder Gemini IT Consultants DMCC ("**Gemini**") for an aggregate of US\$1,151,705, at a price of US\$0.41 per Share. The proceeds of the sale shall be delivered by Olisol to DSFK; This transaction is expected to be completed soon.
- (3) Tethys has issued Gemini a debenture for US\$4.8 million with a three year term, interest and principal due at maturity, interest rate of 9% payable if held to maturity or 4% if converted prior to maturity. Upon conversion 15,483,871 shares would be issued.

About Tethys

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

Disclaimer

Some of the statements in this document are forward-looking. 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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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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