



December 20, 2018

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

Possible Acquisition of Control

Grand Cayman, Cayman Islands - Tethys Petroleum Limited ("Tethys" or the "Company") today announces that Tethys' board has received a verbal expression of interest for a possible acquisition of a significant number of Tethys' ordinary shares from representatives of existing shareholders Jaka Partners FZC and Gemini IT Consultants DMCC ("the New Investors"). The structure of the transaction is being discussed though the New Investors or their affiliates would acquire up to 70% of Tethys' issued and outstanding ordinary shares not yet owned at a price of US\$0.06 in cash payable on closing and up to 30% of issued and outstanding ordinary shares not yet owned would be exchanged for preference shares of Tethys which shares would be automatically redeemed at a price of US\$0.18 after three years. Tethys has received shareholder approval to effect a 10:1 share consolidation and the aforementioned references to per share pricing are based on pricing pre-consolidation and will be adjusted to give effect to the consolidation.

Negotiations are progressing but no definitive agreement has yet been reached. While both the New Investors and the board are working toward a mutually satisfactory agreement, there can be no assurances that a definitive agreement will be reached or that the transaction will go ahead, or if a transaction proceeds, when it will proceed or the exact terms on which it will proceed. Nevertheless, the board wanted to make shareholders aware of this development so they can exercise caution when trading in Tethys shares.

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. 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. 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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