



December 29, 2022

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

**Corporate update**

Grand Cayman, Cayman Islands - Tethys Petroleum Limited (TSXV: TPL) ("**Tethys**" or the "**Company**") is pleased to provide a corporate update.

**Exploration update and production update**

Oil –The KBD-02, KBD-04, KBD-06, and KBD-07 wells are continuing to produce at a combined rate exceeding 500 tons/day (4,000 bopd) on average in the fourth quarter.

The Company is making preparations to drill KBD-10 and KBD-11 with the wells expected to be spudded in January, 2023. KBD-10 is located southeast of KBD-08 and KBD-11 is located southeast of KBD-10 with both wells in the Klymene field area classified as C2 (not yet proven). The current plan is to wait on the results from these wells before deciding whether to drill an additional well (KBD-05).

The Company received ecology permission on the Kulbas exploration and trial production on December 19<sup>th</sup> which will allow the pilot production to continue without interruption until license expiration in October, 2023.

Gas - The KYZ-113 gas well was completed on December 24<sup>th</sup> and drilled to a depth of 664 meters. Initial results look favorable.

The Company received a notification of an environmental permit refusal for 2023 for permission to burn gas to power the gas turbines that pump the gas to the buyer. Continued gas production could result in a fine. Company management expects to likely receive this approval in February, 2023. As a result, the gas production is being reduced in order to minimize the amount of the fine. Some of the wells will not be completely shut in in order to reduce the long term risks to the wells from the shut in period.

The Company is also continuing to evaluate its options following the letter from the National gas company lowering the proposed gas price to a range of \$40-60 USD per thousand cubic meters (mc3). Tethys has not accepted this price and is reviewing alternatives.

**Akkulka license**

The Company has been attempting to extend the Akkulka oil development license. The final decision on this contract should be received by January 10, 2023.

**New Auctions**

On December 23<sup>rd</sup> Kazakhstan conducted an auction for a number of oil and gas exploration blocks. The Company participated and secured the rights to three relatively unexplored blocks covering approximately 5500 square kilometers or 1.4 million acres. The licenses



(Dyir, Nurzhau and Zhanasu) are contiguous with each other but are to the west of Kulbas and are not contiguous to the company's current operations.

### **Normal Course Issuer Bid update**

As of December 27th, the Company has repurchased 1,009,740 shares of the of the 5,377,000 common shares that it is approved to acquire until February 7, 2023.

### **Progress toward commercial license update**

The Kulbas exploration license expires in October, 2023. Tethys may be required to shut down oil production at that time if it hasn't received a commercial license or approval to continue to operate during the pilot production period. Management hopes to receive one of these licenses close to the time of the expiration of the exploratory license. Management expects to receive early drafts of the field development plan in January to help with the necessary submissions they will make to the MOE for the different approvals required to receive approval for a license.

### **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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