

FORM 51-101F1

**STATEMENT OF RESERVES DATA
AND OTHER OIL AND GAS INFORMATION**

This Statement of reserves data and other oil and gas information has been prepared in accordance with the requirements of NI 51-101.

Tethys Petroleum Limited (the “Company”) engaged McDaniel & Associates Consultants Ltd. (“McDaniel”) to independently evaluate the Company’s oil and natural gas reserves in Kazakhstan.

McDaniel prepared an independent evaluation report (“McDaniel Reserves Report”) of the Company’s oil and natural gas reserves in respect of Kazakhstan. Relevant dates of the McDaniel Reserves Report are as follows:

Date of statement	April 26, 2024
Effective date of the information	December 31, 2023
Preparation date of the information	March 19, 2024

Disclosure of Reserves Data

Kazakhstan

The reserves data summarise the crude oil and natural gas reserves of the Company and the net present values of future net revenue for these reserves using forecast prices and costs. The reserves data set forth complies with the requirements of NI 51-101. The Company has included additional information not required by NI 51-101 which the Company believes to be pertinent to investors and to provide continuity with earlier disclosure. McDaniel was engaged by the Company to provide evaluations of proved, probable and possible crude oil and natural gas reserves.

In preparing the McDaniel Reserves Report, basic information was obtained from the Company, which included land data, well information, geological information, production data, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluations and upon which the McDaniel Reserves Report are based was obtained from public records, other operators and from McDaniel non-confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by McDaniel as represented.

Estimated future net revenue based on the McDaniel Reserves Report is presented in USD (note: oil and gas sales and qualifying expenditure are subject to VAT at 12% in Kazakhstan; however, these are outside the scope of the NI 51-101 evaluation). All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs (other than Kazakhstan-related general and administrative costs) and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of the Company’s properties. There is no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil and natural gas reserves may be greater than or less than the estimates provided herein.

Throughout the following summary tables differences may arise due to rounding.

Summary of Oil and Natural Gas Reserves⁽¹⁾
As of December 31, 2023
Forecast Prices and Costs

Reserves Category	Light and Medium Crude Oil		Natural Gas		Total	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (MMcf)	Net (MMcf)	Gross (MBoe)	Net (MBoe)
KAZAKHSTAN						
Proved						
Developed Producing	-	-	11,571	11,513	1,929	1,919
Developed Non-Producing	-	-	3,888	3,869	648	645
Undeveloped	46,930	46,930	-	-	46,930	46,930
Total Proved	46,930	46,930	15,459	15,382	49,506	49,493
Probable	34,036	34,036	12,943	12,878	36,193	36,183
Total Proved Plus Probable	80,966	80,966	28,402	28,260	85,700	85,676
Possible	39,732	39,732	6,311	6,280	40,783	40,778
Total Proved Plus Probable Plus Possible	120,697	120,697	34,713	34,540	126,483	126,454

Notes:

- (1) Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

**Summary of
Net Present Values of Future Net Revenue
As of December 31, 2023
Forecast Prices and Costs**

Reserves Category	Before Income Taxes Discounted at (%/year)					After Income Taxes Discounted at (%/year)					Unit Value Before Income Taxes Discounted at 10%/year (\$/boe)
	0	5	10	15	20	0	5	10	15	20	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
KAZAKHSTAN											
Proved											
Developed Producing	10,018	9,118	8,366	7,730	7,187	6,597	5,977	5,460	5,023	4,651	4.36
Developed Non-Producing	6,854	6,094	5,459	4,925	4,470	5,713	5,067	4,529	4,075	3,689	8.47
Undeveloped	1,141,736	895,655	720,552	592,136	495,458	628,240	477,765	373,235	298,290	243,051	15.35
Total Proved	1,158,608	910,866	734,377	604,791	507,115	640,549	488,809	383,223	307,389	251,391	14.84
Probable	1,024,989	686,968	477,061	341,757	251,643	550,066	360,415	245,483	172,949	125,513	13.18
Total Proved Plus Probable	2,183,596	1,597,834	1,211,439	946,548	758,758	1,190,616	849,224	628,707	480,338	376,904	14.14
Possible	1,475,527	912,246	593,881	404,243	286,011	686,300	406,829	255,142	167,958	115,286	14.56
Total Proved Plus Probable Plus Possible	3,659,123	2,510,080	1,805,320	1,350,791	1,044,770	1,876,916	1,256,053	883,849	648,296	492,190	14.28

**Total Future Net Revenue
(Undiscounted)
As of December 31, 2023
Forecast Prices and Costs⁽¹⁾⁽²⁾**

Reserves Category	Revenue	Royalties	Export Rent Tax	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Other Expenses	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue after Income Taxes
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
KAZAKHSTAN										
Total Proved	2,217,148	(168,996)	(316,792)	(365,013)	(193,924)	(10,797)	(3,019)	1,158,607	(518,058)	640,549
Total Proved Plus Probable	3,983,401	(334,126)	(589,502)	(591,038)	(268,524)	(13,597)	(3,018)	2,183,596	(992,980)	1,190,616
Total Proved Plus Probable Plus Possible	6,122,614	(527,099)	(705,265)	(890,588)	(321,824)	(15,697)	(3,018)	3,659,123	(1,782,207)	1,876,916
TOTAL										
Total Proved	2,217,148	(168,996)	(316,792)	(365,013)	(193,924)	(10,797)	(3,019)	1,158,607	(518,058)	640,549
Total Proved Plus Probable	3,983,401	(334,126)	(589,502)	(591,038)	(268,524)	(13,597)	(3,018)	2,183,596	(992,980)	1,190,616
Total Proved Plus Probable Plus Possible	6,122,614	(527,099)	(705,265)	(890,588)	(321,824)	(15,697)	(3,018)	3,659,123	(1,782,207)	1,876,916

Notes:

(1) "Other expenses" refers to the repayment of historical costs.

(2) "Royalties" include the Mineral Extraction Tax.

**Future Net Revenue
By Production Group
As of December 31, 2023
Forecast Prices and Costs ⁽¹⁾**

Reserves Category	Future Net Revenue Before Income Taxes (discounted at 10%/year) \$'000	Unit Value \$/boe
Light and Medium Crude Oil:		
Total Proved	720,552	15.35
Total Proved + Probable	1,189,422	14.69
Total Proved + Probable + Possible	1,778,226	14.73
Associated Gas and Non-Associated Gas:		
Total Proved	13,825	5.39
Total Proved + Probable	22,017	4.67
Total Proved + Probable + Possible	27,094	4.71

Notes:

(1) See table below "Summary of Pricing and Inflation Rate Assumptions" for pricing assumptions.

**Summary of Pricing and Inflation Rate Assumptions
As of December 31, 2023
Forecast Prices and Costs**

	KAZAKHSTAN				Inflation rate %/year
	Brent Crude Oil Price (\$/bbl)	Oil Export Crude Oil Price (\$/bbl)	Domestic Crude Oil Price (\$/bbl)	Natural Gas Domestic Gas Price (\$/Mcf)	
Forecast					
2024	84.00	60.95	35.28	3.60	2.00%
2025	80.58	57.53	33.84	3.67	2.00%
2026	79.59	57.17	33.43	3.75	2.00%
2027	78.53	56.11	32.98	3.82	2.00%
2028	80.10	57.05	33.64	3.90	2.00%
2029	81.70	58.66	34.31	3.97	2.00%
2030	83.34	60.29	35.00	4.05	2.00%
2031	85.00	61.33	35.70	4.14	2.00%
2032	86.70	63.03	36.42	4.22	2.00%
2033	88.44	64.76	37.14	4.30	2.00%
2034	90.21	65.90	37.89	4.39	2.00%
2035	92.01	67.71	38.64	4.48	2.00%
2036	93.85	69.55	39.42	4.57	2.00%
2037	95.73	70.80	40.21	4.66	2.00%
2038	97.64	72.71	41.01	4.75	2.00%
2039	99.59	74.66	41.83	4.85	2.00%
2040	101.59	76.03	42.67	4.94	2.00%
2041	103.62	78.06	43.52	5.04	2.00%
2042	105.69	78.25	44.39	5.14	2.00%
2043	107.80	80.36	45.28	5.24	2.00%

Reserves Reconciliation

Kazakhstan

The following table sets forth a reconciliation of Tethys' total gross proved, probable and proved plus probable reserves as at December 31, 2023, against such reserves as at December 31, 2022, based on forecast prices and cost assumptions.

Factors	Light and Medium Crude Oil			Associated and Non-Associated Natural Gas		
	Gross Proved (Mbbbl)	Gross Probable (Mbbbl)	Gross Proved Plus Probable (Mbbbl)	Gross Proved (MMcf)	Gross Probable (MMcf)	Gross Proved Plus Probable (MMcf)
January 1, 2023	42,978	34,252	77,230	17,104	12,825	29,929
Technical Revisions	4,460	(216)	4,244	(1,636)	118	(1,519)
Extensions	-	-	-	-	-	-
Production	(508)	-	(508)	(9)	-	(9)
December 31, 2023	46,930	34,036	80,966	15,459	12,943	28,402

Additional Information Relating to Reserves Data

Undeveloped Reserves

The following tables disclose the volumes of Proved and Probable Undeveloped Reserves as at the dates noted therein. The references to "First Attributed" refer to "Proved or Probable Undeveloped Reserves" as at the earliest date in the relevant year when such Undeveloped Reserves were first attributed to the Company. Undeveloped Reserves are those Reserves that are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production.

KAZAKHSTAN					
Proved Undeveloped	Associated and Non-Associated Gas(1)		Light and Medium Crude Oil		
	First Attributed (MMcf)	Total at Year End (MMcf)	First Attributed (Mbbbl)	Total at Year End (Mbbbl)	
Prior	33,076	33,076	-	-	-
2021	3,880	35,677	-	-	-
2022	-	41,768	-	-	-
2023	-	-	-	-	-
Probable Undeveloped	First Attributed (MMcf)	Total at Year End (MMcf)	First Attributed (Mbbbl)	Total at Year End (Mbbbl)	
Prior	40,451	40,451	-	-	4,995
2021	-	35,797	-	-	2,434
2022	-	32,740	3,214	-	3,290
2023	-	34,036	-	-	3,059

Note:

(1) Based on the forecast prices and costs evaluations carried out by McDaniel and reflected in the McDaniel Reserves Report.

With respect to the Company's Undeveloped Reserves in Kazakhstan, the Company is currently developing its plans with regard to developing its Proved Undeveloped and Probable Undeveloped Reserves. For the shallow gas and the oil reserves, the Company plans further development from 2024 onwards.

Significant Factors or Uncertainties

Kazakhstan

There are numerous uncertainties inherent in estimating quantities of proved reserves, including many factors beyond the control of the Company. The reserve data included herein represent estimates only. In general, estimates of economically recoverable oil and gas reserves and the future net cash flows therefrom are based upon a number of variable factors and assumptions, such as test rate production from the properties, the assumed effects of regulation by governmental agencies and future operating costs, all of which may vary considerably from actual results. The actual production, revenues, taxes and development and operating expenditures of the Company with respect to these reserves will vary from such estimates, and such variances could be material.

Estimates with respect to reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves rather than actual production history. Estimates based on these methods are generally less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history will result in variations, which may be substantial, in the estimated reserves.

Consistent with the securities disclosure legislation and policies of Canada, the Company has used forecast prices and costs in calculating reserve quantities included herein. Actual future net cash flows will also be affected by other factors such as actual production levels, supply and demand for oil and gas, curtailments or increases in consumption by oil and gas purchasers, changes in governmental regulation or taxation, currency exchange rates and the impact of inflation on costs.

Future Development Costs

The following table sets forth the estimated future development capital expenditure costs based upon the McDaniel Reserves Report. Future development costs are expected to be funded by internally generated cash flow from production and/or through equity financing or debt issuance. Future development costs are associated with reserves as disclosed in the McDaniel Reserves Report and do not necessarily represent the Company's full exploration and development budget.

Year	Total Proved Estimated Using Forecast Prices and Costs	Total Proved Plus Probable Estimated Using Forecast Prices and Costs	Total Proved Plus Probable Plus Possible Estimated Using Forecast Prices and Costs
	\$'000	\$'000	\$'000
KAZAKHSTAN			
2024	45,084	45,084	45,084
2025	46,790	49,590	49,590
2026	35,100	40,100	45,100
2027	35,100	40,100	45,100
2028	30,100	40,100	45,100
Thereafter	1,750	53,550	91,850
Total	193,924	268,524	321,824

Other Oil and Gas Information

Oil and Gas Properties

Kazakhstan

There are certain relinquishment requirements under the Akkulka, Kyzylloi and Kul-Bas exploration and production contracts.

Oil and Gas Wells

The number of producing and non-producing wells in which the Company had an interest as of December 31, 2023 is presented in the table below. The number of net wells corresponds to the number of gross wells as the Company has a 100% working interest in each well, subject to revenue sharing and royalties under the relevant contracts.

Kazakhstan		Producing		Non-Producing ⁽¹⁾	
		Gross	Net	Gross	Net
Natural Gas	Kyzylloi Gas Field	-	-	14	14
Natural Gas	Akkulka Gas Field	-	-	12	12
Light and Medium Crude Oil	Kul-Bas (Klymene) Field	-	-	8	8
Total		-	-	34	34

Notes:

(1) "Non-Producing" wells means wells which are not producing but which are considered capable of production.

Properties with No Attributed Reserves

On August 22, 2022, the Company announced that it participated in a subsoil use rights auction for a license that lies adjacent on the east side of the Company's existing Kul-Bas license. The Company has successfully obtained the rights to this Aralsky 4 block that consists of approximately 3,350 square kilometers. The area has had very little exploration work done to date and has no current production or proven reserves.

On December 23, 2002 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 5,500 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.

The plan is to shoot seismic and have the work interpreted to identify prospects to potentially drill.

Forward Contracts

Kazakhstan

As of 31 December, 2023, there were no forward contracts.

Abandonment and Reclamation Costs

The Company estimates well abandonment and reclamation costs area-by-area by taking into consideration the costs associated with remediation, decommissioning, abandonment and reclamation, as well as salvage values of existing equipment. These costs are adjusted to reflect working interests held and are time discounted in accordance with NI 51-101.

Kazakhstan

The Company is responsible at the present time for costs associated with abandoning and reclaiming wells, processing facilities and pipelines which it may use for production of hydrocarbons. Abandonment and reclamation of such facilities and the costs associated therewith is often referred

to as “decommissioning”. The Company pays 1% of its total annual investments into an abandonment fund and the costs of decommissioning are expected to be paid from these proceeds. Abandonment and reclamation costs were estimated for all legal obligations associated with the retirement of long lived tangible assets such as wells, facilities and plants based on market prices or on the best information available where no market price was available. The asset retirement obligation is recorded at fair value and accretion expense, recognised over the life of the property, increases the liability to its expected settlement value. If the fair value of the estimated asset retirement obligation changes, an adjustment is recorded for both the asset retirement obligation and the asset retirement cost. The Company’s asset retirement obligations consist of costs related to the plugging of wells, the removal of facilities and equipment and site restoration on oil and gas properties. The Company has estimated these costs to be an average of \$37,000 per well. An accretion cost is added each year in respect of asset retirement obligations. Accretion expense is calculated by multiplying the balance of the recorded liability by the Company’s credit-adjusted discount rate each year, and is simply the amortization of the present value discount associated with the asset retirement obligation’s initial recording.

The Company has recorded a provision for abandonment and reclamation costs, net of estimated salvage value, for surface leases, wells, facilities and pipelines, discounted at 9.7%, of \$2.4 million. This assumes that all wells will be remediated at the end of the current contract periods, i.e. by the end of 2038.

Tax Horizon

Kazakhstan

The tax system applied to the Company’s operations in subsoil activity in Kazakhstan is mainly based on a combination of corporate income tax, excess profit tax, Mineral Extraction Tax (“MET”) and property tax.

Capital equipment and wells are depreciated at various rates, and corporate income tax is applied at the rate of 20% on the taxable income.

Excess profit tax is applicable to income after corporate income tax, calculated using tax rates on a sliding scale ranging from 0% to 60% on income exceeding a tax allowable base.

MET ranges from 0.5% to 1.5% of the value of produced volumes of natural gas being sold to domestic market and at a rate of 10% of the value of produced gas volumes being sold for export. Currently, both Kyzylai and Akkulka gas is sold on the domestic market and so is subject to the domestic sales rate of 0.5%.

MET for crude oil is differentiated not only by production volumes but also by whether sales are on the domestic or export markets. For domestic sales MET is calculated on operating costs, including depreciation, plus 20% at rates ranging from 2.5% for annual volumes of less than 250,000 tons up to 9% for annual volumes above 10,000 tons. For export sales MET is calculated on sales at double the rates for domestic sales.

Property tax is levied on certain immovable assets at a rate of 1.5%.

Costs Incurred

Capital expenditures related to the Company’s oil & gas properties for the year ended December 31, 2023 totalled \$11,505,000 (2022: \$12,043,000).

Exploration and Development Activities

The Company is working towards obtaining a commercial production licence in 2024. Total capital expenditure in 2024 is forecast at \$45.1 million and \$49.6 million in 2025 which mainly comprises the cost of equipment for oil handling, gas utilization, cost of drilling new wells, as well as the cost of construction of a new railway terminal at Sagyr railway station that the Company plans to use to support transportation of oil production that is expected to rise above 2,000 metric tons a day upon commercial production

Production Estimates

The following discloses the estimated production of the Company in 2024 by product type associated with the future net revenue estimates reported in the McDaniel Reserves Report.

	Natural Gas (MMcf)	Crude Oil (Mbbbl)
KAZAKHSTAN		
Gross Proved	3,565	1,840
Gross Proved plus Probable	3,602	1,977

The following table sets forth the volume of production estimated in the McDaniel Reserves Report for the Kyzylloi and Akkulka gas fields and the Kul-bas (Klymene) oil field in Kazakhstan being fields that account for 100% of the estimated production disclosed under the above table, for the year ending December 31, 2024:

Reserves Category	Natural Gas (MMcf)	Light and Medium Crude Oil (Mbbbl)
KAZAKHSTAN		
Kyzylloi		
- Gross Proved	2,321	-
- Gross Proved plus Probable	2,338	-
Akkulka		
- Gross Proved	1,244	-
- Gross Proved plus Probable	1,264	-
Kul-bas (Klymene) Oil		
- Gross Proved	-	1,840
- Gross Proved plus Probable	-	1,977

Production History

The following tables show the Company's average daily production volume (based on 365 day year), before deduction of royalties, by major producing region for each of the last four fiscal quarters and the year ended December 31, 2023.

	Natural Gas (Mcmpd)	Light and Medium Crude Oil (bopd)
KAZAKHSTAN		
Daily Production Volume (Gross Mcmpd for natural gas and gross bopd for oil)		
Year Ended December 31, 2023	1	3,180
Quarter ended March 31, 2023	3	2,939
Quarter ended June 30, 2023	-	3,465
Quarter ended September 30, 2023	-	4,896
Quarter ended December 31, 2023	-	1,419

	Natural Gas \$/Mcm	Light and Medium \$/bbl
KAZAKHSTAN		
Prices Received ⁽¹⁾	N/A	29.45
Royalties Paid	-	-
Production Costs ⁽¹⁾	N/A	9.82
Resulting Netback ⁽¹⁾	N/A	19.63

Notes:

(1) With respect to oil and gas, net of VAT. In accordance with local practice production costs include Mineral Extraction Tax (MET).

Production Volume by Field

The following table indicates the Company's total sales production for the year ended December 31, 2023 from each important field (before taxes, royalties and State take unless otherwise noted):

	Natural Gas (Mcm)	Light and Medium Crude Oil (bbl)	Barrels of Oil Equivalent (boe)	Boepd
KAZAKHSTAN				
Kyzyloi Gas Field	177	-	1,041	3
Akkulka Gas Field	108	-	635	2
Klymene Oil Field ⁽¹⁾	-	1,160,764	1,160,764	3,180
Total	285	1,160,764	1,162,440	3,185

Notes:

(1) Boepd is calculated on total days in year including non-production days, and also discounts the smaller volumes of gas used for power generation and a small volume of flared gas from the Kul-bad (Klymene) oil field