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November 23, 2026

Tethys Petroleum Press Release
(TSXV: TPL)

Corporate Update on Operations and Kazakhstan Enforcement Proceedings

Grand Cayman, Cayman Islands - Tethys Petroleum Limited (TSXV: TPL) ("Tethys" or the "Company") provides an update on developments in Kazakhstan concerning the enforcement of security over assets owned by TethysAralGas LLP ("TAG"), including an auction scheduled for November 26, 2026, and the Company's efforts to recover amounts owed by Special Financial Company DSFK LLP ("DSFK").

Operational update

The second gas compressor purchased by the Company has been installed at the Kul-Bas Central Processing Facility and has completed commissioning. Average oil production prior to installation of the compressor was 455 tons per day and is expected to increase to about 575 tons per day (4,577 bopd). Start-up testing has increased daily production to 550 tons per day.

Construction of additional phases of the Central Processing Facility increasing production storage and handling capacities are expected to be completed ahead of schedule before the end of the year.

Ontario Court Ruling

On November 13, 2026, the Ontario Superior Court of Justice dismissed a motion brought by Fincraft Group LLP (“Fincraft”), and supported by Eurasia Gazexport LLP and Olisol, seeking a finding that Tethys entities had breached, and were in contempt of, an existing Ontario court order in connection with the Company’s 2026 Annual General Meeting. The Court announced its decision at the close of the hearing, and indicated that the principal issues in dispute between the parties should be litigated in the Cayman Islands rather than in Canada. Tethys has made submissions seeking an award of its costs of the motion. The existing Ontario order remains in place.

TAG’s Pledged Assets and Cassation Ruling

In 2012, TAG pledged certain gas pipelines and related infrastructure as security for borrowings by Eurasia Gas Group LLP (“EGG”) from Bank RBK. TAG was not the borrower, and the underlying loan claims were later assigned to DSFK. Under a December 2019 Settlement Deed and Release among Tethys, TAG, DSFK, EGG, Olisol Petroleum Limited (“Olisol”), Gemini IT Consultants DMCC and other parties, TAG was to be released from the pledges once DSFK received a settlement payment of approximately KZT 1.435 billion and Tethys issued 18 million ordinary shares to Olisol. TAG made the payment and Tethys issued the shares, but the mediation agreement approved by Kazakhstan’s Supreme Court in May 2020 also made the release conditional on EGG arranging a pledge of Tethys shares in favour of DSFK. That share pledge was never completed, and DSFK did not release TAG’s assets. DSFK has since continued enforcement under the mediation agreement. After the private bailiff authorized TAG to arrange an independent sale in December 2025, TAG agreed in January 2026 to sell the assets to its affiliate, Kul-Bas LLP, for approximately KZT 1.076 billion. That price was 75% of the KZT 1.435 billion value set in the mediation agreement, reflecting the maximum discount

permitted by statute for an independent sale, and was above an independent valuation of approximately KZT 1.067 billion. Kul-Bas paid the full purchase price to the private bailiff in February 2026, but the bailiff rejected the transaction, citing the valuation and sale procedure, and returned the funds. On May 28, 2026, the bailiff ordered the assets transferred for forced sale. On July 10, 2026, a Kazakhstan administrative court set aside that order, finding that the required procedures had not been followed and that TAG had not been given a proper opportunity to complete the independent sale; this decision was upheld on appeal on August 21, 2026. On November 9, 2026, however, Kazakhstan's Cassation Court for Administrative Cases reversed both decisions and dismissed TAG's claim. It held that no new valuation was needed because the sale values had already been established under the mediation agreement, and that TAG had exhausted its one-time statutory right to arrange an independent sale even though that sale was never completed and the funds were returned. As a result, the private bailiff's order directing the forced sale of the pledged assets remains in effect.

Auction Scheduled for November 26, 2026

On November 16, 2026, the private bailiff published a notice of an electronic auction of TAG's pledged assets scheduled for November 26, 2026 at 10:00 a.m. local time in Aktobe. The assets are offered as a single lot comprising two gas pipelines of approximately 45.15 km and 4.85 km, non-residential premises in Bozoy, and Booster Compressor Stations Nos. 1 and 2. The advertised starting price is KZT 1,434,692,762, the aggregate value stated in the May 2020 mediation agreement.

On November 17, 2026, TAG received a decision of the private bailiff refusing its application to terminate the enforcement proceedings. The Company continues to question the continuation of enforcement without receiving sufficient supporting documents to verify the current outstanding balance of the underlying EGG indebtedness secured by TAG's assets. The Company has instructed its Kazakhstan legal counsel to challenge the auction and seek its suspension, and is considering other available legal remedies. There can be no assurance that the auction will be suspended or postponed.

Outstanding EGG Indebtedness

Under the May 2020 mediation agreement, EGG was scheduled to repay approximately KZT 4.719 billion to DSFK by December 2022. Despite requests, DSFK has not provided sufficient supporting information to enable Tethys to verify the amount still payable, including whether any amounts have since been repaid, settled or otherwise discharged, and the November 9 cassation ruling did not determine that balance. Tethys continues to pursue available legal remedies to establish the outstanding indebtedness and to challenge the continued enforcement against TAG's pledged assets.

Potential Operational Impact

The pledged gas pipelines and related infrastructure are used in TAG's gas production and transportation operations. The assets may be sold to a third party or, following an unsuccessful auction, transferred to DSFK under applicable enforcement procedures, and either outcome could affect TAG's continued access to and use of this infrastructure. Tethys is evaluating legal and commercial measures to protect its interests and maintain continuity of operations. The auction is currently scheduled for November 26, 2026, but its timing, outcome and possible operational and financial consequences remain uncertain.

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Enforcement of Awards Against DSFK and Other Parties

As previously announced, on May 13, 2025, the International Arbitration Centre at the Astana International Financial Centre ("IAC") issued an award declaring the December 2019 Settlement Deed no longer binding between the parties to the arbitration, ordering DSFK to repay approximately KZT 1.435 billion and ordering cancellation of the share certificates representing the 18 million shares issued to Olisol. The AIFC Court subsequently dismissed challenges to the award and confirmed its enforceability.

Tethys continues to pursue enforcement of the IAC award and related AIFC Court orders against DSFK, Olisol Petroleum Limited, Eurasia Gazexport LLP, Alexander Abramov and Fedor Ossinin, as applicable under the respective decisions. In addition to repayment of approximately KZT 1.435 billion by DSFK, the awards and orders provide for interest and reimbursement of arbitration and legal costs, with liabilities varying among the parties.

While recoveries to date have been limited, the Company continues to pursue available enforcement measures to recover the outstanding amounts.

About Tethys

Tethys is focused on oil and gas exploration and production activities in Central Asia.

Disclaimer

Certain statements in this release may constitute forward-looking information, including statements regarding anticipated production improvements, facility upgrades, pending legal proceedings in Kazakhstan and Canada, any possible suspension or outcome of the scheduled auction, continued access to infrastructure and recovery of amounts awarded to the Company. These statements are based on management's current expectations and are subject to operational, financial, regulatory and legal uncertainties. Actual results may differ materially. Shareholders are cautioned not to place undue reliance on these statements. Except as required by applicable law, the Company undertakes no obligation to update forward-looking information after the date of this release.

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