



Press release

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Tethys Oil signs new exploration block onshore Oman

Tethys Oil is pleased to announce that the Government of the Sultanate of Oman and Tethys Oil has entered into an Exploration and Production Sharing Agreement (EPSA) for Block 58 onshore Oman. The block is located in the southern part of the Sultanate adjacent to Tethys Oil's operated exploration licence Block 49. Tethys Oil will through its wholly owned subsidiary Tethys Oil Qatbeet Limited be the operator of the block and hold a 100% license interest.

The EPSA is being signed today 5 July 2020 by HE Dr Mohammed bin Hamad Al Rumhi, Minister of Oil and Gas on behalf of the Government of the Sultanate of Oman and Hussain bin Ahmed Al Lawati, Executive Director of External and Corporate Affairs for Tethys Oil.

Block 58 is located in the Dhofar Governorate in the southern part of Oman and covers an area of 4,557 km². Block 58 straddles the western flank of the South Oman Salt Basin and the Western Deformation Front. A total of 7,600 km of 2D seismic and 1,100 km² of 3D seismic data acquired by previous operators has been made available to Tethys Oil as well as raw logs and well reports from two wells drilled within the block boundaries. Both wells encountered hydrocarbon shows. Multiple play concepts are believed to exist within the block boundaries, including plays familiar to Tethys, with several leads identified.

The EPSA for Block 58 covers an initial exploration period of three years with an optional extension period of another three years. In case of a commercial oil or gas discovery, the EPSA will be transformed in to a 15 year production license which can be extended for another five years. In case of a commercial discovery, an Oman Government Company has a right to acquire up to a 30% interest in Block 58 against refunding of past expenditure. The initial work commitments during the first period include a 3D seismic campaign and drilling of two exploration wells.

“We are very happy to have been given the opportunity to explore for hydrocarbons on Block 58. The signing of this EPSA represents another step in Tethys Oil's strategy in Sultanate of Oman. I would like to take this opportunity to express our sincere thanks to the Government of the Sultanate of Oman for this exciting opportunity,” says Tethys Managing Director Magnus Nordin.

For further information, please contact

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Tethys Oil AB (publ)

Tethys Oil is a Swedish oil company with focus on onshore areas with known oil discoveries. The company's core area is the Sultanate of Oman, where it holds interests in Blocks 3&4, Block 49 and Block 56. Tethys Oil has net working interest 2P reserves of 26.1 mmbbl and net working interest 2C Contingent Resources of 13.5 mmbbl and had an average oil production of 12,832 barrels per day from Blocks 3&4 during 2019. The company's shares are listed on Nasdaq Stockholm (TETY). Website: www.tethysoil.com