

Second quarter and half year report - 30 June 2018

Second quarter 2018 (first quarter 2018)

- Production from Oman, Blocks 3&4 amounted to 11,733 bopd (11,574 bopd)
- Revenue and other income of MUSD 36.4 (MUSD 34.2)
- EBITDA of MUSD 24.3 (MUSD 21.5)
- Net result of MUSD 15.0 (MUSD 9.0)
- Earnings per share amounted to USD 0.44 (USD 0.27)
- Three successful appraisal wells drilled on the discoveries made in 2017, coming in as, or slightly better than, expected
- 750 km² increase of 3D seismic programme now totalling 2,750 km²

MUSD (unless specifically stated)	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Net daily production from Oman, Blocks 3&4 before government take (bbl)	11,733	11,574	12,373	11,654	12,379	12,162
Net barrels produced, after government take (bbl)	555,201	541,686	585,506	1,096,887	1,165,148	2,308,342
Net barrels sold, after government take (bbl)	529,194	511,998	565,331	1,041,192	1,130,031	2,316,404
Average selling price per barrel, USD	65.6	63.7	53.7	64.6	52.2	51.8
Revenue and other income	36.4	34.2	31.4	70.6	60.7	119.3
EBITDA	24.3	21.5	21.0	45.7	40.3	78.2
Operating result	12.9	10.3	11.0	23.1	20.3	38.4
Result for the period	15.0	9.0	10.6	24.0	17.3	33.1
Earnings per share (after dilution), USD	0.44	0.27	0.31	0.71	0.51	0.97
Net cash	35.8	52.4	32.3	35.8	32.3	42.0
Investments in oil and gas properties	13.2	13.8	15.1	26.9	28.1	40.4

Letter to shareholders

Dear Friends and Investors,

- Appraisal drilling results on last year's discoveries in line with or slightly better than expected
- Several thousand square kilometres of new 3D seismic around the producing fields being acquired and interpreted
- Production in line with expectations and sold at a healthy price

Quite a good quarter for our core asset, Blocks 3&4 onshore Oman!

The appraisal programme is important to progress contingent resources into reserves and increase production. The 3D seismic is important to define new potential oilfields to guide the exploration programme on Blocks 3&4. Production and sale of oil is of course of utmost importance to generate the cash required for the continued expansion of Tethys Oil and to enable us to maintain the distributions of cash to our shareholders.

Work at the Ulfa early production facility ("EPF") is ongoing with a few items having taken longer than expected, and we would now expect the EPF to be up and running during the fourth quarter of 2018, some four to six weeks later than originally planned. Once up and running, the EPF will enable several more appraisal wells on the Ulfa and Samah discoveries to be put on stream. It will also allow capacity in the Farha production facility, currently being used to handle some long-term production testing from Ulfa, to be returned to the Farha producers.

Oil production

Our oil production in Oman increased slightly in the second quarter 2018 and amounted to 11,733 bopd, compared to 11,574 bopd in the first quarter 2018. It is at the lower end of our guidance of a monthly average production of between 11,000-13,000 bopd. As the year progresses, however, we are anticipating the monthly average production to increase towards the higher end of our production guidance. This anticipated increase will follow once the Ulfa EPF is up and running.

Second quarter 2018 in focus

Following the increase in oil price and production, we are happy to report revenue and other income of MUSD 36.4, an increase of 6 percent compared with the first quarter 2018. Our EBITDA was up 13 percent and amounted to MUSD 24.3. Our investments in oil and gas operations amounted to MUSD 13.2, in line with MUSD 13.8 in the first quarter 2018. During the second quarter 2018 a total of SEK 5.00 per share, in total MUSD 19, was distributed to shareholders while still leaving us with a net cash balance of MUSD 35.8 at the end of June.

We have experienced higher operating expenses per barrel this quarter than we originally expected. This is partly associated with remedial work being carried out on our older fields. As we can judge today we would expect operating expenses per barrel to come down once the Ulfa EPF is commissioned and the full effect of the remedial work areas is reflected in the production numbers. However, as previously guided, we would expect operating expenses per barrel in 2018 to be somewhat higher than the previous year.

Block 49

While Blocks 3&4 remain our core asset, work is gearing up on our operated exploration block, Block 49, in the southern part of Oman next to the border with Saudi Arabia. We have a 100 percent interest in this large (15,439 km²) block and it is a pleasure to again be operator in Oman. We are well underway to establishing Tethys Oil's presence with the local communities and organisational bodies.

The first part of the work programme, the reprocessing and reinterpreting of existing seismic data, is ongoing. In the first phase, we are processing some 40 lines of 2D seismic amounting to over 1,000 km of various vintages. This is giving us seismic images of a better resolution which will enable us to search the block for targets not visible to previous operators. It is still early days but so far we have not been disappointed with what we have seen. Once the reprocessing has been completed the next step will be to assess if and where new seismic is needed to further enhance our understanding of where in the block the highest chances of finding commercial oil exist.

So please stay with us – as the older fields in Blocks 3&4 mature, new fields are brought on stream and new seismic opens up for further discoveries in coming months and years. And with exploration work on Block 49 picking up with Tethys Oil as operator, Tethys Oil is firmly on its way to increasing its footprint in the Sultanate of Oman.

Stockholm in August 2018

Magnus Nordin
Managing Director

OPERATIONAL AND FINANCIAL REVIEW¹

Tethys Oil's core area is onshore the Sultanate of Oman ("Oman"), where the company holds a 30 percent non-operated interest in the exploration and production licence for Blocks 3&4 ("Blocks 3&4") and a 100 percent operated interest in the exploration licence for Block 49 ("Block 49"). Tethys Oil also has non-operated interests in three licenses onshore Lithuania via associated companies and in one license onshore France.

Production**Blocks 3&4**

Tethys Oil's share of production, before government take during the second quarter 2018 was 1,067,695 barrels of oil, corresponding to 11,733 bopd. The second quarter 2018 average daily production was marginally higher than the first quarter 2018 average daily production of 11,574 bopd.

Tethys Oil's share of quarterly volumes, before government take (bbls)	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Oman, Blocks 3&4					
Production	1,067,695	1,041,704	1,070,633	1,127,816	1,125,973
Average daily production	11,733	11,574	11,637	12,259	12,373

The existing production areas Farha South, Shahd and Saiwan East are either at peak production or in decline. New production from the discoveries made in 2017, the Erfan, Ulfa and Samah areas, is expected to contribute an increasing share of overall production.

Revenue and other income

Revenue and other income from Blocks 3&4 is generated from Tethys Oil's share of oil production. Tethys Oil receives its 30 percent interest of the joint operation's share (currently 52 percent) of oil production, with the remaining share being government take. The joint operation's share of total production can vary depending upon the balance of unrecovered cost pools.

Revenue and other income	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Oil sold, bbl	529,194	511,998	617,577	568,796	565,331
Underlift/overlift movement, bbl	26,007	29,688	-60,848	17,668	20,175
Net barrels produced, after government take, bbl	555,201	541,686	556,729	586,464	585,506
Oil price, USD/bbl	65.6	63.7	53.9	48.6	53.7
Revenue, MUSD	34.7	32.6	33.3	27.7	30.3
Underlift/overlift adjustments, MUSD	1.7	1.6	-3.2	0.8	1.1
Revenue and other income, MUSD	36.4	34.2	30.1	28.5	31.4

During the second quarter 2018, Tethys Oil sold 529,194 barrels of oil from Blocks 3&4, which is higher than the first quarter of 2018 when 511,998 barrels of oil were sold. The sales volumes in the second quarter 2018 have resulted in a shift to an underlift position.

Tethys Oil sells all of its oil from Blocks 3&4 on a monthly basis to Mitsui Energy Trading Singapore, which is part of Mitsui & Co Ltd. Tethys Oil's average selling price is based on the monthly average price of the two month future contract of Oman blend as traded on the Dubai Mercantile Exchange, including trading and quality adjustments.

The average selling price during the second quarter 2018 amounted to USD 65.6 per barrel, compared to USD 63.7 during the first quarter 2018. The average price for Dated Brent oil for the second quarter 2018 amounted to USD 74.5 per barrel. The higher price will be reflected in the revenues for the third quarter 2018.

Revenue during the second quarter 2018 was MUSD 34.7 compared to MUSD 32.6 during the first quarter 2018. The adjustment for the shift to an underlift position during the second quarter 2018 amounted to MUSD 1.7 and together with revenue of MUSD 34.7 add up to revenue and other income of MUSD 36.4. The second quarter

¹ The consolidated financial statements of the Tethys Oil Group (hereafter referred to as "Tethys Oil", "Tethys" or the "Group"), in which group Tethys Oil AB (publ) (the "Company") with organisational number 556615-8266 is the parent company, are hereby presented for the second quarter and half year 2018. Segments of the Group are geographical markets.

2018 revenue and other income is up 6 percent compared to the MUSD 34.2 during the first quarter 2018 due to the increase in oil prices and production.

Underlift/overlift, bbls	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Underlift/overlift, movement during period	26,007	29,688	-60,848	17,668	20,175
Underlift/overlift, closing position	19,603	-6,404	-36,092	24,756	7,088

Oil sale volumes are nominated two months in advance and are not based upon the actual production in a month; as a result, oil sale volumes can be above or below production volumes. Where the sales volume exceeds the volume of barrels produced an overlift position occurs and where it is less, an underlift position occurs. Tethys Oil moved to an underlift position during the second quarter 2018, which as at 30 June 2018 amounted to 19,603 barrels.

Operating expenses

Operating expenses, Blocks 3&4	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Production costs, MUSD	10.3	10.6	8.0	8.5	8.0
Well workovers, MUSD	0.8	1.0	1.0	0.7	0.2
Total operating expenses, MUSD	11.1	11.6	9.0	9.2	8.2
Operating expenses per barrel, USD	10.4	11.1	8.4	8.1	7.3

Operating expenses are related to oil production on Blocks 3&4, and comprise expenses for throughput fees, energy, consumables, field staff, maintenance, well workovers and interventions as well as administration, including operator overhead.

Operating expenses during the second quarter 2018 amounted to MUSD 11.1 compared to MUSD 11.6 during the first quarter 2018. The increase in operating expenses during the first half of 2018 compared to prior periods includes costs incurred in 2017 impacting the first quarter 2018 with some first quarter 2018 costs impacting the second quarter 2018.

Production costs during the second quarter 2018 remain at a higher level than during 2017 due to amongst other things higher per unit diesel costs relating primarily to field power generation, consumables and testing equipment rentals. In addition, the phasing of the well workover programme has resulted in continued high workover costs during the second quarter 2018. Well workovers and interventions primarily relate to replacing electric submersible pumps enabling shut-in wells to restart production. The majority of production comes from mature fields where part of the wells have higher production costs due to requirements of more maintenance and consumables to maintain production.

Depletion, depreciation and amortisation

DD&A, Blocks 3&4	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
DD&A, MUSD	11.4	11.2	9.5	10.0	10.0
DD&A per barrel, USD	10.7	10.7	8.9	8.9	8.9

Depletion, depreciation and amortisation (“DD&A”) during the second quarter 2018 amounted to MUSD 11.4, which is higher than MUSD 11.2 in the first quarter 2018 due to higher production. DD&A per barrel has increased compared to 2017 due to an increase in additional future investments for the production of current reserves. These additional future investments will however benefit all potential future production, including potential production from resources not included in the current oil reserves.

Netback

Netback Blocks 3&4, USD/bbl	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Oil price achieved (sales barrels)	65.6	63.7	53.9	48.6	53.7
Revenue (after government take)	34.2	33.1	28.0	25.3	27.9
Operating expenses	10.4	11.1	8.4	8.1	7.3
Netback	23.7	22.0	19.6	17.2	20.6

Netback during the second quarter 2018 is higher than the first quarter 2018 due to the increase in oil prices and slightly lower operating expenses per barrel.

Administrative expenses

Administrative expenses for the second quarter 2018 amounted to MUSD 1.9 compared to MUSD 1.1 during the first quarter 2018, with the increase primarily explained by the cost for the long term incentive programme being accounted for during the second quarter 2018. Administrative expenses mainly relate to staff, rents, listing costs and external services.

Net financial result

The net financial result during the second quarter 2018 amounted to MUSD 2.1 compared to MUSD -1.3 during the first quarter 2018. The net financial result for the second quarter 2018 is primarily related to currency exchange effects. Currency exchange differences recorded on loans between the parent company and subsidiaries are non-cash related items. Other financial costs during the second quarter 2018 amounted to MUSD -0.1 compared to -0.1 during the first quarter 2018.

Tax

Tethys Oil's oil and gas operations in Oman are governed by an Exploration and Production Sharing Agreement for each license ("EPSA") whereby Tethys Oil receives its share of oil after government take. Under the terms of the EPSA, Tethys Oil is subject to Omani income taxes and royalties which are paid in full, on behalf of Tethys Oil, from the government share of oil. The effect of these taxes are netted against revenue and other income in the income statement.

Result

Tethys Oil reports a net result after tax for the second quarter 2018 of MUSD 15.0, representing earnings per share (after dilution) of USD 0.44. The result for the second quarter 2018 is up compared to the first quarter 2018 where the net result amounted to MUSD 9.0.

Investments and work programme

During the second quarter 2018, total investments amounted to MUSD 13.2 of which the majority relate to Blocks 3&4.

Blocks 3&4, Oman

Investments on Blocks 3&4 during the second quarter 2018 were in line with the first quarter 2018.

Investments Blocks 3&4, MUSD	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Drilling	6.3	6.7	5.5	2.6	10.6
G&G	3.4	3.4	0.8	0.4	1.4
Facilities	3.2	3.5	1.5	1.1	3.1
Total investments Blocks 3&4	12.9	13.6	7.8	4.1	15.1

Three rigs and one workover unit have been operating and a total of 14 wells were completed on Blocks 3&4 during the second quarter 2018.

Wells completed Q2 2018 (primary purpose)	Farha South Field	Shahd and Saiwan East Fields	Near and far field	Total
Appraisal/Production	6	1	3	10
Water injection	4	-	-	4
Water source	-	-	-	-
Exploration	-	-	-	-
Total	10	1	3	14

Discoveries made in 2017

The appraisal of the Ulfa discovery was initiated in the first quarter 2018, and the two wells Ulfa-2 and Ulfa-3 were completed in the second quarter 2018. In addition, the Samah-2 well was spudded in the second quarter 2018. The objective of the appraisal programme on the Ulfa and Samah discoveries is to mature contingent resources into reserves and to optimize plans for future production from the discoveries with more data being gathered on

volumes, reservoir quality and continuity, fluid levels and productivity. Both the Buah and the Khufai reservoirs are being appraised and cores are taken for analysis and advanced logs are being conducted.

Both wells encountered oil and the information gathered from the wells were as, or slightly better than, expected. Ulfa-2 was drilled in the western part of Ulfa discovery and Ulfa-3 was drilled even farther west to appraise the western flank in order to define the reservoir's extent/boundary and oil/water contact. Both Ulfa-2 and Ulfa-3 were completed as producers from the Khufai layer. Ulfa-2 has been connected to the production system at the Farha South facilities. The appraisal well Ulfa-4 will be spudded in the third quarter 2018.

Construction of an Early Production Facility (EPF) continues for the Ulfa and Samah discoveries. The EPF includes separators, heater treaters and pipelines. The construction is experiencing some four to six weeks delay and is expected to be finished in the fourth quarter 2018. A new pipeline will connect the Ulfa and Samah discoveries with the Saiwan East facilities. At present, the production from these discoveries is being transported through a flow line to the Farha South production facilities. The EPF is needed in order to handle expected larger production volumes from Ulfa and Samah, and also to release capacity at the Farha South facilities.

The Erfan discovery was appraised by two wells in addition to the discovery well already in 2017. A further appraisal well, Erfan-4, was drilled during the second quarter 2018. Erfan-4 was drilled centrally on the structure in order to drain and evaluate an area between Erfan-2 and Erfan-3. The well encountered oil and will in the third quarter be connected to the Saiwan East facilities.

Block 3: Farha South Field

Three appraisal/production wells were drilled in previously undrilled fault blocks R, W and Maha SW on the Farha South field during the second quarter 2018. These fault blocks are all located in the southern part the field. The wells on fault blocks R and Maha SW were drilled vertically down to the target, the Barik sandstone. The wells encountered oil and flowlines will be built to connect them to Farha South facilities in the third quarter 2018. On fault block W oil was encountered, but only residual oil, and the well has been abandoned as a dry hole. Analysis of the hole suggests that the fault block has leaking side seals, which is only possible to discover following drilling and is not visible on seismic. Three production wells were also drilled on Farha South, one on fault block AO and two on fault block C.

In addition, four water injection wells were drilled, one on each of fault blocks AS, AZ, B and K.

Block 4: Shahd and Saiwan East oil fields

One production well was drilled on Shahd structure I. The well encountered oil and has been connected to the production system. In addition, one side track was drilled in an old well on the Shahd field.

Seismic acquisition

The seismic programme that was launched in the fourth quarter 2017 has been further increased and will cover an additional area of 750 km² south of the Shahd field, in addition to the 2,000 km² acquired during fourth quarter 2017 and first quarter 2018. The new area is being acquired with the objective of maturing a possible extension of the Buah and Khufai plays. The 3D seismic acquisitions on the 1,200 km² area east of the Ulfa discovery and on the 800 km² area north west of the Farha South field have been completed and are now being processed. Interpretation of the processed data is expected to be matured in the third and fourth quarters 2018. The area east of Ulfa covered by 3D seismic includes more than ten leads identified on older 2D seismic and should the interpretation of the 3D seismic give support for these leads, one exploration well is planned to be drilled in the area later in 2018.

Exploration on Blocks 3&4

The exploration well Luja-1 was spudded late in the fourth quarter 2017 in the southern part of Block 4. Luja-1 is located about 110 km southwest of the Shahd field and drilling finished in the first quarter 2018. A legacy well drilled in the area encountered oil shows, and as expected, oil shows were also recorded in the Luja-1 well during drilling. Since the well is located far from the infrastructure facilities on the producing fields, a supporting field camp is required in order to perform further work and all equipment needs to be transported to site. The process of establishing the field camp and transportation of equipment has been delayed and is expected to be completed during the latter part of the third quarter 2018 when extensive evaluation of the well is expected to commence.

The exploration well Tibyan-1 that was drilled in the first quarter 2018 has been connected to the production system during the second quarter 2018.

Block 49, Oman

The geological studies and studies of legacy seismic data continued in the second quarter 2018. Reprocessing of legacy seismic data started in the quarter and is expected to be finished in the third quarter. Some 40 lines of 2D seismic over a total length of over 1,000 km are being reprocessed. The reprocessed seismic provides a better resolution which will enable Tethys Oil to search the block for targets not visible to previous operators. The interpretation of the reprocessed lines will be used to evaluate if and where to acquire new seismic.

New ventures

A number of new ventures projects have been reviewed and several continue to be evaluated.

Associated companies

The interest in the three Lithuanian licences are indirectly held through a shareholding in two Danish private companies, which in turn hold shares in Lithuanian companies holding 100 percent of the licences. The two companies are not consolidated in Tethys Oils financial statements and are therefore only presented in the balance sheet under “Investments in associates” and in the income statement as “Share of net profit/loss from associates”.

As at 30 June 2018, the value of the shareholding in the two associated Danish companies holding the interest in Lithuanian licenses, amounted to MUSD 0.0 compared to MUSD 0.0 in the first quarter 2018. The result from Tethys Oil’s share in these associated companies during the second quarter 2018 amounted to MUSD 0.9, following receipt of dividends, compared to MUSD 0.0 during the first quarter 2018. For further information regarding the ownership structure, please refer to the Annual report 2017.

Production on the Gargzdai licence during the second quarter 2018 was lower than production during the first quarter 2018. During the second quarter 2018, an average of 15 wells were in production on the license. A 100 km 2D seismic acquisition is planned on Gargzdai licence in the third quarter 2018 in order to further delineate the Kintai structure.

Tethys Oil’s share of quarterly volumes, before government take (bbls)	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017
Lithuania, Gargzdai					
Production	7,550	8,049	8,173	8,743	9,397
Average daily production	83	90	89	95	104

Liquidity and financing

Cash and bank and net cash as at 30 June 2018 amounted to MUSD 35.8 compared to MUSD 52.4 as at 31 March 2018.

In May 2018 a dividend of SEK 1.00 per share was paid to shareholders, which in total amounted to MUSD 3.8 and in June 2018 an extraordinary distribution, by way of share redemption, of SEK 4.00 per share was paid to shareholders, which in total amounted to MUSD 15.2.

During the second quarter 2018, cash flow from operations amounted to MUSD 14.4 and investments in oil and gas amounted to MUSD 13.2. Further, Tethys Oil received a dividend from associated companies of MUSD 0.9. Tethys Oil paid the Blocks 3&4 operator cash call for July 2018 during the second quarter 2018, which affected the cash position negatively by MUSD 7.3. As a consequence, it is expected that only two monthly cash calls will be paid during the third quarter 2018 compared to the ordinary three monthly cash calls.

Tethys Oil’s operations on Blocks 3&4 and Block 49, including the investment programme, are expected to be funded from cash flow from operations and from available funds. Tethys Oil’s operations in Lithuania are expected to be funded from cash flows from operations and available cash in the associated Lithuanian companies.

Export Reporting Error

Of the Export Reporting Error (see Note 7) amount of MUS\$ 5.9, MUS\$ 0.3 was repaid during the second quarter 2018 resulting in “Current provisions” amounting to MUS\$ 0.9 and “Non-current provisions” to MUS\$ 2.6, hence a total amount remaining to be settled of MUS\$ 3.5, to be repaid in equal monthly instalments until 2022.

Parent company

The Parent company reports a net result after tax for the second quarter 2018 amounting to MSEK 18.6 compared to MSEK -10.7 for the first quarter 2018. Administrative expenses during the second quarter 2018 amounted to MSEK 11.6 compared to MSEK 6.6 for the first quarter 2018. The “Net financial result” amounted to MSEK 19.4 during the second quarter 2018 compared to MSEK -5.6 for the first quarter 2018. Currency exchange gains related to loans to subsidiaries during the second quarter 2018 is the main reason for the improved result during the quarter.

Share data

As at 30 June 2018, the number of outstanding shares in Tethys Oil amount to 35,543,750, with a quota value of SEK 0.17. All shares represent one vote each. The Company has the same amount of shares outstanding as at 31 March 2018. Tethys Oil has a warrant based incentive programme for employees, for further information please see Note 9. As the average subscription price for two tranches of the incentive programme is below the average share price during the second quarter 2018, the dilution effects of the warrants of these tranches are included in the weighted average number of shares after dilution which amount to 34,029,021 during the second quarter 2018.

As at 30 June 2018, Tethys Oil held 1,644,163 of its own shares which have been purchased since commencement of the programme during the fourth quarter 2014. The purpose of the repurchasing programme is to optimize the capital structure and to enable any repurchased shares to be used as payment in connection with, or financing of, acquisitions of companies or businesses. No shares were purchased during the second quarter 2018. The repurchased shares are still included in the total number of shares but are not included in the weighted average number of shares. The weighted average number of shares during the second quarter 2018 before dilution is 33,899,587 and after dilution 34,029,021.

After 30 June 2018 and up to the date of publication of this report, Tethys Oil has not acquired any further shares.

Seasonal effects

Tethys Oil has no significant seasonal variations.

Risks and uncertainties

A statement of risk and uncertainties are presented in Note 1.

Transactions with related parties

See Note 12.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

MUSD	Note	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Revenue		34.7	32.6	30.3	67.3	58.9	119.9
Underlift/overlift adjustments		1.7	1.6	1.1	3.3	1.8	-0.6
Revenue and other income	3	36.4	34.2	31.4	70.6	60.7	119.3
Operating expenses		-11.1	-11.6	-8.2	-22.7	-16.7	-34.9
Gross profit		25.3	22.6	23.2	47.9	44.0	84.4
Depletion, depreciation and amortisation		-11.4	-11.2	-10.0	-22.6	-19.9	-39.5
Exploration costs		-	-	-0.0	-0.0	-0.0	-0.3
Share of net profit/loss from associates		0.9	-	-0.1	0.9	-0.3	-0.3
Administrative expenses	9	-1.9	-1.1	-2.1	-3.1	-3.5	-5.9
Operating result		12.9	10.3	11.0	23.1	20.3	38.4
Net financial result	4	2.1	-1.3	-0.4	0.9	-3.0	-5.3
Result before tax		15.0	9.0	10.6	24.0	17.3	33.1
Income tax		-	-	-	-	-	-
Result for the period		15.0	9.0	10.6	24.0	17.3	33.1
Other comprehensive result							
Items that may be subsequently reclassified to profit or loss:							
Exchange differences		-4.0	0.9	0.1	-2.9	2.5	4.5
Other comprehensive result for the period		-4.0	0.9	0.1	-2.9	2.5	4.5
Total comprehensive result for the period		11.0	9.9	10.7	21.1	19.8	37.6
Attributable to:							
Shareholders in the parent company		11.0	9.9	10.7	21.1	19.8	37.6
Non controlling interest		-	-	-	-	-	-
Number of shares at period end		35,543,750	35,543,750	35,543,750	35,543,750	35,543,750	35,543,750
Weighted average number of shares (before dilution)		33,899,587	33,899,587	34,214,526	33,899,587	34,214,526	34,170,474
Weighted average number of shares (after dilution)		34,029,021	33,915,860	34,239,609	33,958,588	34,251,857	34,182,733
Earnings per share (before dilution), USD		0.44	0.27	0.31	0.71	0.51	0.97
Earnings per share (after dilution), USD		0.44	0.27	0.31	0.71	0.51	0.97

CONSOLIDATED BALANCE SHEET IN SUMMARY

MUSD	Note	30 Jun 2018	31 Dec 2017
ASSETS			
Non current assets			
Oil and gas properties	5	194.1	189.7
Investment in associates		0.0	0.0
		194.1	189.7
Current assets			
Other receivables	6	14.0	12.7
Prepaid expenses		0.2	0.3
Cash and cash equivalents		35.8	42.0
		50.0	55.0
TOTAL ASSETS		244.1	244.7
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		0.8	0.8
Additional paid in capital		71.0	71.0
Reserves		0.5	3.4
Retained earnings		158.5	153.3
Total shareholders' equity		230.8	228.5
Non current liabilities			
Non current provisions	7	8.8	9.1
		8.8	9.1
Current liabilities			
Current provisions	7	0.9	1.0
Accounts payable and other current liabilities	8	3.6	6.1
		4.5	7.1
Total liabilities		13.3	16.2
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		244.1	244.7

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Attributable to shareholders of the parent company					
MUSD	Share capital	Paid in capital	Reserves	Retained earnings	Total equity
Opening balance 1 January 2017	0.8	71.0	-1.1	126.2	196.9
Comprehensive income					
Result for twelve months 2017	-	-	-	33.1	33.1
Currency exchange differences twelve months 2017	-	-	4.5	-	4.5
Total comprehensive income	-	-	4.5	33.1	37.6
Transactions with owners					
Purchase of own shares	-	-	-	-2.3	-2.3
Dividends paid	-	-	-	-3.9	-3.9
Incentive programme	-	-	-	0.3	0.3
Total transactions with owners	-	-	-	-5.9	-5.9
Closing balance 31 December 2017	0.8	71.0	3.4	153.3	228.5
Opening balance 1 January 2018	0.8	71.0	3.4	153.3	228.5
Comprehensive income					
Result for six months 2018	-	-	-	24.0	24.0
Currency exchange differences six months 2018	-	-	-2.9	-	-2.9
Total comprehensive income	-	-	-2.9	24.0	21.1
Transactions with owners					
Purchase of own shares	-	-	-	-	-
Dividends paid	-	-	-	-3.8	-3.8
Share redemption	-	-	-	-15.2	-15.2
Incentive programme	-	-	-	0.2	0.2
Total transactions with owners	-	-	-	-	-
Closing balance 30 June 2018	0.8	71.0	0.5	158.5	230.8

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

MUSD	Note	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Cash flow from operations							
Operating result		12.9	10.3	11.0	23.1	20.3	38.4
Interest received		-	-	-	-	-	-
Interest paid	4	-	-	-	-	-0.2	-0.2
Adjustment for exploration costs		-	-	-	-	-	0.3
Adjustment for depletion, depreciation and other non-cash related items		8.6	10.5	12.8	19.1	21.7	38.2
Total cash flow from operations before change in working capital		21.5	20.8	23.8	42.2	41.8	76.7
Change in receivables		-1.3	0.1	6.5	-1.2	4.6	-5.4
Change in liabilities		-5.8	3.2	-19.2	-2.6	-20.8	-21.2
Cash flow from operations		14.4	24.1	11.1	38.4	25.6	50.1
Investment activity							
Investment in oil and gas properties	5	-13.2	-13.8	-15.1	-26.9	-28.1	-40.4
Cash from associated companies, net		0.9	0.0	0.0	0.9	-	-
Cash flow from investment activity		-12.3	-13.8	-15.1	-26.0	-28.1	-40.4
Financing activity							
Purchase of own shares		-	-	-	-	-	-2.3
Share redemption		-15.2	-	-	-15.2	-	-
Dividend		-3.8	-	-3.9	-3.8	-3.9	-3.9
Cash flow from financing activity		-19.0	-	-3.9	-19.0	-3.9	-6.2
Period cash flow		-16.9	10.3	-7.8	-6.6	-6.4	3.5
Cash and cash equivalents at the beginning of the period		52.4	42.0	40.1	42.0	39.0	39.0
Exchange gains/losses on cash and cash equivalents		0.3	0.1	-0.0	0.4	-0.3	-0.5
Cash and cash equivalents at the end of the period		35.8	52.4	32.3	35.8	32.3	42.0

KEY RATIOS

Group	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Operational items						
Production before government take, Oman Blocks 3&4, bbl	1,067,695	1,041,704	1,125,973	2,109,399	2,240,669	4,439,118
Production per day, Oman Blocks 3&4, bbl	11,733	11,574	12,373	11,654	12,379	12,162
Net sales after government take, bbl	529,194	511,998	565,331	1,041,192	1,130,031	2,316,404
Achieved oil price, USD/bbl	65.6	63.7	53.7	64.6	52.2	51.8
Income statement and balance sheet						
Revenue and other income, MUSD	36.4	34.2	31.4	70.6	60.7	119.3
EBITDA, MUSD	24.3	21.5	21.0	45.7	40.3	78.2
EBITDA-margin	67%	63%	67%	65%	66%	66%
Operating result, MUSD	12.9	10.3	11.0	23.1	20.3	38.4
Operating margin	35%	30%	35%	33%	33%	32%
Net result, MUSD	15.0	9.0	10.6	24.0	17.3	33.1
Net margin	41%	26%	34%	34%	29%	28%
Cash and cash equivalents, MUSD	35.8	52.4	32.3	35.8	32.3	42.0
Shareholders' equity, MUSD	230.8	238.4	213.1	230.8	213.1	228.5
Balance sheet total, MUSD	244.1	257.7	237.6	244.1	237.6	244.7
Capital structure						
Solvency	95%	93%	90%	95%	90%	93%
Leverage ratio	neg.	neg.	neg.	neg.	neg.	neg.
Investments, MUSD	13.2	13.8	15.1	26.9	28.1	40.4
Net cash, MUSD	35.8	52.4	32.3	35.8	32.3	42.0
Profitability						
Return on shareholders' equity	6.55%	3.86%	5.19%	10.47%	8.44%	15.56%
Return on capital employed	6.40%	4.77%	5.70%	11.25%	10.18%	18.97%
Other						
Average number of full time employees	20	19	19	19	20	19
Distribution per share, SEK	5.00	-	1.00	5.00	1.00	1.00
Cash flow from operations per share, USD	0.42	0.71	0.32	1.13	0.75	1.46
Number of shares at period end, '000	35,544	35,544	35,544	35,544	35,544	35,544
Shareholders' equity per share, USD	6.49	6.71	6.00	6.49	6.00	6.43
Weighted average number of shares (before dilution), '000	33,900	33,900	34,215	34,900	34,215	34,170
Weighted average number of shares (after dilution), '000	34,029	33,916	34,240	33,959	34,252	34,183
Earnings per share before dilution, USD	0.44	0.27	0.31	0.71	0.51	0.97
Earnings per share after dilution, USD	0.44	0.27	0.31	0.71	0.51	0.97

Key quarterly data

	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
Net daily production before government take, Blocks 3&4, bbl	11,733	11,574	11,637	12,259	12,373	12,386	12,155	12,182
Barrels sold, bbl	529,194	511,998	617,577	568,796	565,331	564,700	583,772	501,167
Revenue and other income, MUSD	36.4	34.2	30.1	28.5	31.4	29.3	20.7	26.1
EBITDA, MUSD	24.3	21.5	19.7	18.2	21.0	19.3	9.6	15.7
Return on shareholders' equity	6.55%	3.86%	5.18%	2.28%	5.19%	3.32%	0.74%	2.97%
Cash flow from operations, MUSD	14.4	24.1	4.5	19.9	11.1	14.4	16.2	15.5
Earnings per share after dilution, USD	0.44	0.27	0.32	0.14	0.31	0.19	0.04	0.19
Share price, end of period, SEK	101.40	67.20	65.75	62.25	58.50	63.50	78.75	60.50

For definitions of key ratios please refer to the Annual Report for 2017.

Relevant reconciliations of alternative performance measures

Alternative performance measures are used to describe the development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by executive management and the Board of Directors to measure Tethys Oil's financial performance. Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. Besides the definitions below, definitions of alternative performance measures can be found in the Annual Report for 2017.

MUSD (unless specifically stated)	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Operating result	12.9	10.3	11.0	23.1	20.3	38.4
Depreciation, depletion and amortization	11.4	11.2	10.0	22.6	19.9	39.5
Exploration costs	0.0	0.0	0.0	0.0	0.0	0.3
EBITDA	24.3	21.5	21.0	45.7	40.3	78.2
Cash and bank	35.8	52.4	32.3	35.8	32.3	42.0
Interest bearing debt	-	-	-	-	-	-
Net cash	35.8	52.4	32.3	35.8	32.3	42.0
Cash flow from operations	14.4	24.1	11.1	38.4	25.6	50.1
Investment in oil and gas properties	-13.2	-13.8	-15.1	-26.9	-28.1	-40.4
Cash flow from operations after investments	1.2	10.3	-4.0	11.5	-2.5	9.7

PARENT COMPANY INCOME STATEMENT IN SUMMARY

MSEK	Note	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Other income		2.8	1.5	3.4	4.3	5.4	10.9
Share of net profit/loss from associates		8.0	-0.0	-1.3	8.0	-2.6	-2.8
Administrative expenses	9	-11.6	-6.6	-12.5	-18.2	-20.4	-31.2
Operating result		-0.8	-5.1	-10.4	-5.9	-17.6	-23.1
Net financial result		19.4	-5.6	3.7	13.8	-11.2	108.1
Result before tax		18.6	-10.7	-6.7	7.9	-28.8	85.0
Income tax		-	-	-	-	-	-
Result for the period*		18.6	-10.7	-6.7	7.9	-28.8	85.0

* As there are no items in the parent company's other comprehensive income, no separate report on total comprehensive income is presented.

PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	Note	30 Jun 2018	31 Dec 2017
ASSETS			
Total non current assets		213.4	356.6
Total current assets		46.1	64.4
TOTAL ASSETS		259.5	421.0
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted shareholders' equity		77.0	77.0
Unrestricted shareholders' equity		143.6	303.1
Total current liabilities		38.9	40.9
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		259.5	421.0

NOTES

General information

Tethys Oil AB (publ) (“the Company”), corporate identity number 556615-8266, and its subsidiaries (together “the Group” or “Tethys Oil”) are focused on exploration for and production of oil and natural gas. The Group has interests in exploration and production licences in Oman, France and Lithuania. The Company is a limited liability company incorporated and domiciled in Stockholm, Sweden. The Company is listed on Nasdaq Stockholm.

Accounting principles

The second quarter and half year report 2018 of the Tethys Oil Group has been prepared in accordance with IAS 34 and the Annual Accounts Act. The second quarter and half year report 2018 of the Parent company has been prepared in accordance with the Annual Accounts Act and the Recommendation RFR 2 “Accounting for legal entities”, issued by the Swedish Financial Accounting Standards Council.

The accounting principles as described in the Annual report 2017 have been used in the preparation of this report.

Tethys Oil has applies the ESMA’s (European Securities and Markets Authority) guidelines for alternative performance measures. Definitions of performance measures are provided in the Annual Report 2017 and the relevant reconciliations can be found on page 15 of this report.

Exchange rates

For the preparation of the financial statements for the reporting period, the following exchange rates have been used.

Currency	30 June 2018		31 December 2017	
	Average	Period end	Average	Period end
SEK/USD	8.47	8.98	8.67	8.44
SEK/EUR	10.21	10.40	9.73	10.00

The Group is exposed to fluctuations in the foreign exchange markets as fluctuations in exchange rates can negatively affect the result, cash flow and equity. The major proportion of the Group’s assets relate to international oil and gas discoveries valued in USD and which generate revenues in USD. During the second quarter 2018, all of Tethys Oil’s oil sales and operative expenditures were denominated in USD.

Fair value

The nominal value of accounts payables, cash and bank and accounts receivables is a fair approximation of those line items as they are short term in nature.

IAS 39 valuation categories and related balance sheet items

MUSD	30 June 2018			MUSD	31 December 2017		
	Financial assets and liabilities at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost		Financial assets and liabilities at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost
Other receivables	-	14.0	-	Other receivables	-	12.7	-
Cash and bank	-	35.8	-	Cash and bank	-	42.0	-
Accounts payables and other current liabilities	-	-	3.6	Accounts payables and other current liabilities	-	-	6.1

Note 1) Risks and uncertainties

The Group’s activities expose it to a number of risks and uncertainties which are continuously monitored and reviewed. The main risks and uncertainties are operational and financial risks described below.

Operational risk

At its current stage of development Tethys Oil is commercially producing oil and is furthermore exploring for and appraising undeveloped known oil and/or natural gas accumulations. The operational risk is different in these parts of Tethys Oil’s operations. The main operational risk in exploration and appraisal activities is that the activities and investments made by Tethys Oil will not evolve into commercial reserves of oil and gas. The oil price is of significant importance to Tethys Oil in all parts of operations as income and profitability is and will be dependent

on prices prevailing from time to time. Significantly lower oil prices will reduce current and expected cash flows and profitability in projects and can make projects sub economic. Lower oil prices could also decrease the industry interest in Tethys Oil's projects regarding farm-out or sale of assets. There are no oil price hedges in place as at 30 June 2018. Further, Oman has, following an agreement with OPEC (Declaration of Cooperation OPEC and non-OPEC), imposed a production recommendation relating to Blocks 3&4. The Declaration of Cooperation OPEC and non-OPEC has been extended to cover all of 2018. The production recommendation may affect the Company's oil production and sales.

Another operational risk factor is access to equipment in Tethys Oil's projects. In the drilling/development phase of a project the group is dependent on advanced equipment such as rigs, casing, pipes etc. A shortage of these supplies can present difficulties for Tethys Oil to fulfil projects. Through its operations Tethys Oil is furthermore subject to political risk, environmental risk and the risk of not being able to retain key personnel.

Financial risk

The Group's activities expose it to a variety of financial risks, mainly categorized as exchange rate risk and liquidity risk. The Group's risks are continuously monitored and analysed by the board of directors and management. The aim is to minimise potential adverse effects on the Group's financial performance.

A more detailed analysis of the Group's risks and uncertainties, and how the Group addresses these risks, are given in the Annual Report for 2017.

Note 2) Segment reporting

The Group's accounting principle for segments describes that operating segments are based on geographic perspective. The operating result for each segment is presented below.

Group income statement Jan-Jun 2018					
MUSD	Oman	Lithuania	Sweden	Other	Total
Revenue and other income	70.6	-	-	-	70.6
Operating expenses	-22.7	-	-	-	-22.7
Depreciation, depletion and amortisation	-22.6	-	-	-	-22.6
Exploration costs	-	-	-	-	-
Share of net profit/loss from associates	-	0.9	-	-	0.9
Administrative expenses	-0.8	-	-2.2	-0.1	-3.1
Operating result	24.5	0.9	-2.2	-0.1	23.1
Total financial items					0.9
Result before tax					24.0
Income tax					-
Result for the period					24.0

Group income statement Jan-Dec 2017					
MUSD	Oman	Lithuania	Sweden	Other	Total
Revenue and other income	119.3	-	-	-	119.3
Operating expenses	-34.9	-	-	-	-34.9
Depreciation, depletion and amortisation	-39.5	-	-	-	-39.5
Exploration costs	-	-	-	-0.3	-0.3
Share of net profit/loss from associates	-	-0.3	-	-	-0.3
Administrative expenses	-2.0	-	-3.5	-0.4	-5.9
Operating result	42.9	-0.3	-3.5	-0.7	38.4
Total financial items					-5.3
Result before tax					33.1
Income tax					-
Result for the period					33.1

Note 3) Revenue and other income

MUSD	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Revenue	34.7	32.6	30.3	67.3	58.9	119.9
Underlift/overlift adjustments	1.7	1.6	1.1	3.3	1.8	-0.6
Revenue and other income	36.4	34.2	31.4	70.6	60.7	119.3

Tethys Oil sells all of its oil to Mitsui Energy Trading Singapore, which is part of Mitsui & Co Ltd. All oil sales come from Blocks 3&4 Oman and are made on a monthly basis. Tethys Oil's average selling price is based on the monthly average price of the two month future contract of Oman blend as traded on the Dubai Mercantile Exchange, including trading and quality adjustments.

Note 4) Net financial result

MUSD	Second quarter 2018	First quarter 2018	Second quarter 2017	First half 2018	First half 2017	Full year 2017
Financial income:						
Interest income	-	-	-	-	-	-
Gain on currency exchange rates	2.3	1.1	1.0	3.4	1.1	3.0
Other financial income	-	-	-	-	-	-
Financial costs:						
Interest costs	-0.0	-0.0	-0.0	-0.0	-0.2	-0.2
Currency exchange losses	-0.1	-2.3	-1.1	-2.3	-3.4	-6.9
Other financial costs	-0.1	-0.1	-0.3	-0.2	-0.5	-1.2
Net financial result	2.1	-1.3	-0.4	0.9	-3.0	-5.3

Note 5) Oil and gas properties

Country	Licence	Phase	Tethys Oil's share	Book value 31 Dec 2017	Additions Jan-Jun 2018	DD&A Jan-Jun 2018	Book value 30 Jun 2018
Oman	Blocks 3&4	Prod.	30%	189.1	26.4	-22.6	193.0
Oman	Block 49	Expl.	100%	0.4	0.4	-	0.8
France	Attila	Expl.	40%	-	-	-	-
New ventures				0.2	0.1	-	0.3
Total				189.7	26.9	-22.6	194.1

Note 6) Other receivables

MUSD	30 Jun 2018	31 Dec 2017
VAT	0.2	0.6
Receivables Oil sales	12.4	12.1
Underlift position	1.4	-
Other	-	-
Total	14.0	12.7

Note 7) Provisions

Tethys Oil estimates that its share of site restoration regarding Blocks 3&4 amounts to MUSD 6.3 (MUSD 6.2). As a consequence of this provision, oil and gas properties have increased with an equal amount.

Tethys Oil accounted during the fourth quarter 2016 for the effects of a fiscal metering calibration error resulting in over-reporting of exported oil from Blocks 3&4, affecting fourth quarter 2016 and full year 2016 revenue and result negatively by MUSD 5.9. The error amount will be repaid in cash according to a repayment schedule over a five year period and Tethys Oil estimates that the negative undiscounted net cash effect for Tethys Oil will be less than MUSD 1.4. The mechanism for the full settlement details are being discussed, but Tethys Oil expects that the final settlement will reflect the relevant agreements.

Tethys Oil has a non-current provision of MUSD 2.6 and a current provision of MUSD 0.9 related to the Export Reporting Error that had an estimated total error amount of MUSD 5.9. The Export Reporting Error amount repayment during the second quarter 2018 amounted to MUSD 0.3 resulting in a total amount remaining to be settled of MUSD 3.5 as at 30 June 2018.

Note 8) Accounts payable and other current liabilities

MUSD	30 Jun 2018	31 Dec 2017
Accounts payable	0.1	0.1
Overlift position	-	2.0
Operator balance, Oman Blocks 3&4	2.9	3.2
Other current liabilities	0.6	0.8
Total	3.6	6.1

Note 9) Incentive programme

Tethys Oil has an incentive programme as part of the remuneration package to employees. Warrants were issued in 2015, 2016, 2017 and 2018 respectively, following a decision by the respective AGM.

The number of issued warrants during the second quarter 2018 was 350,000 (350,000) and the number of warrants allocated during the second quarter 2018 was 329,000 (335,000). Issued but not allocated warrants are held by the company. No warrants were exercised during the second quarter 2018.

Warrant incentive programme	Exercise period	Subscription price, SEK	Number of warrants				30 Jun 2018
			1 Jan 2018	Issued 2018	Expired 2018	Exercised 2018	
2015 incentive programme	23 May - 5 Oct, 2018	76.8	356,000	0	0	0	356,000
2016 incentive programme	28 May - 4 Oct, 2019	62.6	350,000	0	0	0	350,000
2017 incentive programme	30 May - 2 Oct, 2020	85.5	350,000	0	0	0	350,000
2018 incentive programme	1 Jun - 2 Oct, 2021	89.0	0	350,000	0	0	350,000
Total			1,056,000	350,000	0	0	1,406,000

As the subscription price for two tranches of the incentive programme is below the average share price during the second quarter 2018, the dilution effects of the warrants of these tranches are included in the weighted average number of shares after dilution which amount to 34,029,021 during the second quarter 2018.

Note 10) Pledged assets

Pledged assets in the parent company amounts to MSEK 0.5 (0.5) and relate to a pledge in relation to office rental.

Note 11) Contingent liabilities

There are no outstanding contingent liabilities as at 30 June 2018, nor for the comparative period.

Note 12) Related party transactions

In the Tethys Oil Group, Tethys Oil AB (publ) with organisational number 556615-8266 is the parent company. Material subsidiaries include Tethys Oil Oman Limited, Tethys Oil Block 3&4 Limited, Tethys Oil Montasar Limited, Tethys Oil France AB and Tethys Oil Exploration AB.

During the first half year 2018, the Company has not had any material transactions with related parties.

FINANCIAL CALENDAR:

Report for third quarter 2018 (January – September 2018) on 6 November 2018

Report for fourth quarter 2018 (January – December 2018) on 12 February 2019

Report for first quarter 2019 (January – March 2019) on 7 May 2019

Report for second quarter 2019 (January – June 2019) on 13 August 2019

Stockholm, 14 August 2018

Tethys Oil AB (publ)

Org. No. 556615-8266

The Board of Directors

Board assurance

The Board of Directors and the managing director certify that the half year report gives a fair review of the performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the company and the companies in the Group face.

Geoffrey Turbott

Chairman

Robert Anderson

Director

Alexandra Herger

Director

Per Seime

Director

Magnus Nordin

Managing Director

This report has not been subject to review by the auditors of the Company.

For further information, please contact:

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This information is information that Tethys Oil AB (publ) is required to make public pursuant to the Securities Markets Act. The information was submitted for publication, through the contact persons set out above, at 07.30 CEST on 14 August 2018.

CONFERENCE CALL

Date: 14 August 2018

Time: 10.00 CET

To participate in the conference call you may choose one of the following options:

Link to webcast: <https://edge.media-server.com/m6/p/sfgja37m>

To participate via phone, please call:

Sweden: +46 8 505 564 74

Switzerland: +41 225 675 541

UK: +44 203 364 5374

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