



Press release

2018-12-23

Tethys Oil agrees to acquire minority interest in producing oil field onshore Oman

Tethys Oil has entered into an agreement to acquire a two percent participating interest in Block 53 onshore Oman from Total E&P Oman, a wholly-owned subsidiary of Total S.A. (“Total”). Block 53 holds the Mukhaizna oil field, the single largest producing oil field in Oman with a gross production in excess of 100,000 bopd. The acquisition is subject to government approval and the waiver of partner pre-emption rights.

“We welcome this opportunity which, if completed, will be a valuable complement to our existing asset base and underscores our long-term commitment to the Sultanate of Oman,” comments Tethys Oil's managing director Magnus Nordin.

The Mukhaizna field is a giant heavy-oil development in Block 53 onshore Oman operated by Occidental Petroleum. The field's average gross daily production is in excess of 100,000 bopd. Block 53 is located in central Oman covering an area of 694 km², south of Tethys Oil's operations in Blocks 3&4 and east of Block 49. The block is covered by a 30-year production-sharing agreement signed in 2005.

The Transaction

Tethys Oil will, through a wholly-owned subsidiary, acquire a two percent direct interest in Blocks 53 from Total for a cash consideration of MUSD 32 with an effective date of 1 January 2018 with customary cash adjustment to be made at closing.

The acquisition is subject to government approval and the waiver of partner pre-emption rights. Closing of the acquisition is expected during the first six months of 2019. Tethys Oil will finance the acquisition with cash on hand, which at the end of the third quarter 2018, amounted to MUSD 63.7.

For further information, please contact

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This information is information that Tethys Oil AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 11:10 CET on 23 December 2018.

Tethys Oil AB (publ)

Tethys Oil is a Swedish oil company with focus on onshore areas with known oil discoveries. Tethys Oil's core area is Oman, where the company holds 2P reserves of 22 mmbbl and 2C Contingent Resources of 17 mmbbl and had an average oil production of 12,162 barrels per day from Blocks 3&4 during 2017. Tethys Oil also has onshore exploration licences in Lithuania and France and some production in Lithuania. The shares are listed on Nasdaq Stockholm (TETY). Website: www.tethysoil.com