



Press release

2014-02-28

Tethys Oil Signs Senior Revolving Reserve-Based Lending Facility to be used in part to redeem its SEK 400,000,000 Bond

Stockholm, 27 February 2014, – Tethys Oil AB (publ) (“Tethys”) (TETY: Stockholm) signed today a four-year, up to MUSD 100, Senior Revolving Reserve-Based Lending Facility (the “Facility”) with BNP Paribas (“BNPP”). BNPP acts as Coordinating Mandated Lead Arranger, Bookrunner, Technical Bank and Facility Agent. The Facility leverages Tethys Oil’s 30 per cent interest in the Block 3&4 Production Sharing Agreement in the Sultanate of Oman.

As part of its current financial structure, Tethys has a MSEK 400 bond, with a fixed interest rate of 9.50 per cent per year listed on NASDAQ OMX Stockholm. In connection with the first drawdown of the Facility, Tethys will exercise its option for early redemption of the bonds and redeem all outstanding bonds. The early redemption price will be 104.5 per cent of the nominal amount of the bonds plus accrued unpaid interest and the redemption is expected to occur in the beginning of April 2014.

The initial commitment of the Facility is MUSD 50. The interest rate of the Facility will be floating, and be in the range of LIBOR + 3.75 per cent to LIBOR + 4.00 per cent per annum, depending on the level of utilization of the Facility.

Florent Simon, Managing Director, Structured Debt Oil & Gas at BNPP commented, “This transaction with Tethys Oil is highly valuable to us, firstly because we view it as the beginning of a long-term and fruitful relationship with Tethys Oil but also because it shows the continued performance of BNPP Oil & Gas franchise which aims at supporting Oil & Gas independent companies globally. BNPP is thus very pleased to coordinate this financing, the first of its kind in Oman.”

Magnus Nordin, Managing Director of Tethys Oil AB, commented: “We are very happy to have reached this important stepping stone in our development, and we look forward to a long and rewarding cooperation with BNPP. The bank financing will allow us to optimize and reduce our financing costs, and it will increase Tethys’ financial and operational flexibility. The revolving nature of the Facility will allow us to draw funds from the Facility, when needed, both in regards to Blocks 3&4 as well as other projects.”

For further information, please contact

Magnus Nordin, Managing Director, phone +46 70 576 6555; magnus@tethysoil.com

or

Morgan Sadarangani, CFO, phone +46 8 505 947 01. morgan@tethysoil.com

Tethys Oil AB (publ)

Tethys Oil is a Swedish energy company focused on exploration and production of oil and natural gas. Tethys Oil’s core area is Oman, where the company is one of the largest onshore oil and gas concession holders. Tethys Oil also has exploration and production assets onshore France and Lithuania. The shares are listed on NASDAQ OMX Stockholm (TETY) in Stockholm.

Website: www.tethysoil.com