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**Tethys Petroleum Press Release
(TSX: TPL)**

Republic of Kazakhstan Supreme Court Suspension of EGG Claims

GRAND CAYMAN, CAYMAN ISLANDS - Tethys Petroleum Limited ("Tethys" or the "Company") today announces an update on legal matters in Kazakhstan.

On December 29, 2017 the Republic of Kazakhstan Supreme Court ("Supreme Court") ruled to suspend the execution of claims made by Eurasia Gas Group LLP ("EGG") against the Company's Kazakhstan subsidiary, Tethys Aral Gas LLP ("TAG"), following earlier rulings by the Almaty City Specialized Inter-district Court on May 23, 2017 and the Almaty City Court Judicial Division for Civil Cases on August 2, 2017.

The suspension will be in place until the Supreme Court rules on TAG's petition made on December 22, 2017 for a review of the earlier court orders under the Supreme Court's cassational procedures.

The Supreme Court also ordered that its ruling should be forwarded to justice bodies, court bailiffs and other interested parties.

The Company believes this is an important step towards a final resolution of the long running legal actions taken by EGG against TAG which have caused damage to the Company including disruption of its oil and gas marketing efforts.

The Company is pleased to announce that, following the Supreme Court ruling, TAG has sought and obtained agreement from its oil buyer to increase the sales price it receives for oil sold at the wellhead. The price increase amounts to almost 90% and will be effective from February 1, 2018.

About Tethys

Tethys is focused on oil and gas exploration and production activities in Central Asia and the Caspian Region. This highly prolific oil and gas area is rapidly developing and Tethys believes that significant potential exists in both exploration and in discovered deposits.

Disclaimer

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Company or its officers with respect to the potential that exists in both exploration and in discovered deposits in Central Asia and the Caspian Region, whether the Supreme Court will rule in favour of TAG and this will finally resolve the legal actions taken by EGG against TAG. When used in this document, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements including risks and uncertainties with respect to the potential that exists in both



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exploration and in discovered deposits in Central Asia and the Caspian Region, whether the Supreme Court will rule in favour of TAG and this will finally resolve the legal actions taken by EGG against TAG.

No part of this announcement constitutes, or shall be taken to constitute, an invitation or inducement to invest in the Company or any other entity, and shareholders of the Company are cautioned not to place undue reliance on the forward-looking statements. Save as required by applicable law, the Company does not undertake to update or change any forward-looking statements to reflect events occurring after the date of this announcement.

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