

GRAND CAYMAN, CAYMAN ISLANDS--(Marketwired - Jun 8, 2017) - [Tethys Petroleum Ltd.](#) ("Tethys" or the "Company") (TSX:TPL) today announces a corporate update.

Electrical Submersible Pump ("ESP")

On June 2, 2017 the Company announced the successful installation of an ESP to significantly boost production from its main oil producing well, AKD-01. The Company is pleased to report that AKD-01 has stabilised and both the well and ESP are performing in line with expectations.

Relocation and Consolidation of Almaty Office to Aktobe

In December 2016, Tethys completed the transfer of the registered legal addresses of its three Kazakhstan subsidiaries, Tethys Aral Gas LLP, Kul-bas LLP and Tethys Services Kazakhstan LLP from Almaty to Aktobe and announced plans to relocate its main administrative office from Almaty to Aktobe during the first half of 2017, where it already has an office.

These changes are part of an ongoing process of corporate reorganisation and cost optimisation. Tethys' Kazakhstan field operations and exploration acreage are both in the Aktobe region in the west of Kazakhstan and Aktobe is the main regional centre.

The relocation will be completed on schedule this month and the Company expects to achieve annualized cost savings of at least USD600,000 from amalgamating the two offices.

Gas Drilling Programme

The Company previously announced that drilling company Great Wall had been selected to drill 10 shallow gas wells in Kazakhstan and that the Company would work over three existing wells and tie in to production two wells already drilled. The programme is designed to add 12 or more new wells to existing production and payment will mostly be on a deferred basis and funded from increased production.

Great Wall has mobilised and expects to be commencing drilling operations next week.

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, the expected cost savings from amalgamating offices in Kazakhstan, the number of gas wells that will be added to existing production from the shallow gas drilling programme and the repayment of the costs of the programme from increased production. 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 exploration and in discovered deposits in Central Asia and the Caspian Region, the expected cost savings from amalgamating offices in Kazakhstan, the number of gas wells that will be added to existing production from the shallow gas drilling programme and the repayment of the costs of the programme from increased production.

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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