



Press release

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OPERATIONAL UPDATE - OMAN

Drilling and development continue as planned on Blocks 3 and 4 onshore Oman, and production volumes are at record levels. Infrastructure construction is making good progress with additional pipeline constructions and major units being put into place.

On the Farha South field on Block 3, a total of 11 wells were drilled and completed during the first quarter of 2012. Of these, five were exploration/appraisal wells drilled into the Barik reservoir of previously undrilled fault blocks resulting in the discovery of three new oil bearing blocks. Two of the blocks drilled were found to be dry. As at March 31 2012, a total of eleven fault blocks are in production with several more planned to be drilled in 2012.

Four production wells were drilled and completed in previously drilled blocks to increase production and two water injections wells were drilled and completed.

Construction of the permanent facilities continue. The first part of the pipeline connecting Farha South with Saiwan East was completed in February and has been functioning without interruption. New and larger tanks for oil storage at Saiwan have been completed as has the laying of the pipeline connecting Saiwan with the Alam station, the connection point to the national transportation system. Final installations are in progress and it is expected that the time plan will hold and that the Saiwan to Alam part will be operational before the end of the second quarter.

"Tethys is at its strongest point ever operationally. With producing assets in two countries and significant exploration potential, we now feel ready to leave First North behind and aim for a listing on the main market. It is our intention to apply for a listing on the Nasdaq OMX Nordic exchange as soon as practical, but certainly within twelve months from now," comments Tethys Managing Director Magnus Nordin.

For further information, please contact

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Tethys Oil AB (publ)

Tethys Oil is a Swedish energy company focused on identification and development for production of oil and natural gas assets. Tethys' core area is the Sultanate of Oman, where the company is the second largest onshore oil and gas concession-holder with licence interests in three onshore blocks. Tethys also has licences onshore France, Lithuania and Sweden. Tethys' strategy is to invest in projects in areas with known oil and natural gas discoveries that have not been properly appraised using modern technology. In this way, high returns can be achieved with limited risk.

The shares are listed on First North (TETY) in Stockholm. Remium AB is Certified Adviser.

Website: www.tethysoil.com