



Press release

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Sales and result update fourth quarter and full year 2014

The growth in sales from Tethys' production in the Sultanate of Oman continued in the fourth quarter 2014, and the company reports record net sales of MSEK 1,046 for the full year 2014. The increasingly stronger USD to the SEK during the fourth quarter has positively affected the company's liquidity. The book value of the producing assets in Lithuania is written off completely following the sharp drop in oil prices.

Tethys Oil's net sales amounted during the fourth quarter 2014 to MSEK 310 and to MSEK 1,046 during the full year 2014. The average selling price during the quarter was USD 97.1 per barrel and 434,035 barrels were sold. The average selling price during 2014 was USD 103.9 per barrel and 1,464,228 barrels were sold. As per 31 December 2014, the overlift position amounted to 12,828 barrels (underlift of 27,188 barrels as per 30 September 2014). All oil sales relate to Blocks 3&4 in Oman, where Tethys Oil holds 30 per cent of the licence.

Tethys Oil's share Blocks 3&4	Net sales of oil and gas (MSEK)	Average selling price (USD/bbl)	Net sales (bbl)*	Production (bbl)**	Over- /underlift (bbl)***
Q4 2014	310	97.1	434,035	757,730	12,828
Q3 2014	296	107.6	399,352	762,375	-27,188
Q2 2014	245	105.9	350,059	647,569	-30,105
Q1 2014	195	106.6	280,782	597,979	-43,428
Q4 2013	193	108.5	271,175	488,522	-13,261
Full year 2014	1,046	103.9	1,464,228	2,765,654	12,828
Full year 2013	592	106.6	850,926	1,663,069	-13,261

* After government take

** Before government take

*** Volumes sold do not always correspond to Tethys Oil's share of production after government take during a period. The difference is called over-/underlift. The over-/underlift position is stated as per the end of each quarter. Underlift is stated as a negative number.

The majority of cash and cash equivalents are kept in USD, which has appreciated against the SEK during the fourth quarter from 7.17 to 7.77 SEK per USD. The currency exchange effect on cash and cash equivalents amounted during the fourth quarter 2014 to MSEK 40. Net cash as per 31 December 2014 amounted to MSEK 347 compared to MSEK 161 as per 30 September 2014.

Tethys Oil will in the fourth quarter of 2014 report a complete write down of the producing assets at the Gargzdai licence in Lithuania amounting to MSEK 127, which will negatively impact the net result. The non-cash write down is a consequence of the significantly lower oil prices. The

result from the marginal Lithuanian production is reported in the Group's income statement as net profit/loss from associates.

Year-end report 2014 (January – December 2014) will be published on 10 February 2015.

For further information, please contact

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

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

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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 Stockholm (TETY).

Website: www.tethysoil.com