



Press Release

07 February 2023 07:20:00 CET

Tethys Oil announces Financial Guidance for 2023

Tethys Oil is pleased to announce the company's financial guidance for 2023:

- Production: annual average in the range of 9,000 – 10,000 bopd
- Operating expenditures: USD 14.5 (+/- 1.0) per barrel
- Investments: MUSD 85-95

Production

Tethys Oil expects full year 2023 average production to be in the range of 9,000-10,000 barrels of oil per day with the outcome dependent upon the performance and timing of the wells to be drilled in the 2023 work programme and the timeliness and effectiveness of the debottlenecking of surface facility constraints. Monthly fluctuations outside of the yearly average production range is to be expected.

Any production from the upcoming extended well test on Al Jumd on Block 56 does not constitute commercial production and is thus excluded from the production guidance.

Operating expenditures

Tethys Oil expects operating expenditures to be USD 14.5 per barrel (+/- 1.0 per barrel) in 2023. The expected level of operating expenditure per barrel reflects the expected production guidance range together with cost levels on par with or slightly higher than 2022.

Investments

Tethys Oil's total investments in oil and gas properties in 2023 is expected to amount to MUSD 85-95. The range is on par with the 2022 investments in oil and gas properties of MUSD 89 spread across the Blocks. The 2023 investments in oil and gas properties are expected to be funded by the Group's cash flows as well as cash on hand.

Investments on Blocks 3&4 are expected to be MUSD 65-75 (2022: MUSD 63.4). The expenditure reflects increased spending on drilling, a total of 47 new wells compared to 36 in 2022, as well as increased facility investments for power generation and produced water handling. The range denotes uncertainty related to spending driven by exploration success and the ability to fulfil facility upgrade plans given supply chain constraints.

2023 spending on Block 49 is expected to be MUSD 1.5 (2022: MUSD 0.4) with expenditure related to the re-entry and re-testing of the Thameen-1 well.

On Block 56, Tethys Oil's 2023 investments, including carry arrangements, is expected to amount to a total of MUSD 8.0 (2022: MUSD 23.8) relating mainly to the drilling of an exploration well in the central area of the Block during the second half of 2023.

On Block 58 Tethys Oil's 2023 investments are expected to amount to MUSD 10.5 (2022: MUSD 1.4) relating primarily to the drilling of an exploration well at the beginning of Q3 2023.

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Tethys Oil is an oil exploration and production company with focus on onshore areas with known oil discoveries. The company's core area is the Sultanate of Oman, where it holds interests in Blocks 3&4, Block 49, Block 56 and Block 58. Tethys Oil has net working interest 2P reserves of 26.2 mmbbl and net working interest 2C Contingent Resources of 15.6 mmbbl and had an average oil production of 11,136 barrels per day during 2021. The company's shares are listed on Nasdaq Stockholm (TETY). Website: www.tethysoil.com

This information is information that Tethys Oil is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-02-07 07:20 CET.

Attachments

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