

Tethys Petroleum Limited

Condensed Consolidated Interim Financial Statements
(Unaudited)
September 30, 2025

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4.3 (3) (a), if an auditor has not performed a review of the financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed consolidated interim financial statements of Tethys Petroleum Limited have been prepared by and are the responsibility of the Group's management and approved by the Board of Directors of the Company. The Group's independent auditor has not performed a review of these condensed consolidated interim financial statements.

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Responsibility Statement of the Directors in Respect of the Condensed Consolidated Interim Financial Statements

We confirm on behalf of the Board that, to the best of our knowledge, these condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

For and on behalf of the Board

W. Wells
Chairman
November 14, 2025

A. Ogunsemi
Director
November 14, 2025

Tethys Petroleum Limited

Condensed Consolidated Interim Statements of Financial Position (unaudited)

(in thousands of US dollars except per share information)

		As at	
	Note	September 30, 2025	December 31, 2024
<i>Non-current assets:</i>			
Property and equipment		41,542	45,508
Exploration and evaluation assets		2,414	428
Trade and other receivables		314	328
Restricted cash		620	526
Total non-current assets		44,890	46,790
<i>Current assets:</i>			
Cash and cash equivalents		7,114	5,959
Prepaid income tax		828	1,523
Trade and other receivables		2,136	1,356
Inventories		501	603
Total current assets		10,579	9,441
Total assets		55,469	56,231
<i>Non-current liabilities:</i>			
Deferred tax liabilities		22,319	22,112
Provisions		3,158	3,254
Trade and other payables		1,640	1,751
Total non-current liabilities		27,117	27,117
<i>Current liabilities:</i>			
Current income tax payable		4	586
Contract liabilities - deferred revenue		942	865
Trade and other payables		3,775	4,516
Total current liabilities		4,721	5,967
Total liabilities		31,838	33,084
<i>Equity:</i>			
Share capital		11,486	11,486
Share premium		367,589	368,738
Accumulated deficit		(391,714)	(394,642)
Foreign currency translation reserve		(7,992)	(6,695)
Other reserves		44,262	44,260
Total equity		23,631	23,147
Total equity and liabilities		55,469	56,231
Going concern	1		
Subsequent events	5		

The notes on pages 5 to 7 form part of these condensed consolidated interim financial statements. The condensed consolidated interim financial statements were approved by the Board on November 14, 2025 and were signed on its behalf.

W. Wells

Chairman

November 14, 2025

A. Ogunsemi

Director

November 14, 2025

Tethys Petroleum Limited

Condensed Consolidated Interim Statements of Profit/(Loss) and Comprehensive Income/(Loss) (unaudited)

(in thousands of US dollars except per share information)

		Three months ended September 30		Nine months ended September 30	
	Note	2025	2024	2025	2024
Sales and other revenues	3	7,101	5,357	17,204	12,086
Production expenses		(1,812)	(1,389)	(5,183)	(4,710)
Depreciation, depletion and amortisation		(1,547)	(552)	(3,531)	(1,596)
Administrative expenses		(1,377)	(881)	(3,758)	(3,111)
Share-based payments		-	(9)	(2)	(31)
Other gains and losses	2	(474)	(17)	(518)	
Foreign exchange gains and losses		(205)	77	(156)	4
Finance income/(costs), net		154	(51)	339	14
Total expenses		(4,785)	(3,279)	(12,308)	(9,948)
Profit before tax		2,316	2,078	4,896	2,138
Tax expense		(954)	(2,691)	(1,968)	(2,707)
Profit/(loss) for the year		1,362	(613)	2,928	(569)
Other comprehensive income					
Exchange differences from translating foreign operations		(1,513)	(3,178)	(1,297)	(3,178)
Total comprehensive (loss)/income		(151)	(3,791)	1,631	(3,747)
Earnings/(loss) per share:					
Basic (\$)	4	0.01	(0.01)	0.03	(0.01)
Diluted (\$)	4	0.01	(0.01)	0.03	(0.01)

On February 20, 2025, a dividend of \$0.01 per share was paid to shareholders of record on February 10, 2025 totalling \$1,149 thousand (2024: \$nil).

The notes on pages 5 to 7 form part of these condensed consolidated interim financial statements.

Tethys Petroleum Limited

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)

(in thousands of US dollars)

	Share capital	Share premium	Accumulated deficit	Foreign currency translation reserve	Other reserves	Treasury shares	Total equity
At January 1, 2024	11,507	368,825	(382,256)	-	44,224	(108)	42,192
Comprehensive loss for the period	-	-	(569)	(3,178)	-	-	(3,747)
Shares cancelled	(21)	(87)	-	-	-	108	-
Share-based payments	-	-	-	-	31	-	31
At September 30, 2024	11,486	368,738	(382,825)	(3,178)	44,255	-	38,476
At January 1, 2025	11,486	368,738	(394,642)	(6,695)	44,260	-	23,147
Comprehensive income/(loss) for the period	-	-	2,928	(1,297)	-	-	1,631
Dividends paid	-	(1,149)	-	-	-	-	(1,149)
Share-based payments	-	-	-	-	2	-	2
At September 30, 2025	11,486	367,589	(391,714)	(7,992)	44,262	-	23,631

Other reserves include reserves arising on the issuance of options and warrants and are denoted together as “other reserves” on the consolidated statement of financial position. These reserves are non-distributable.

The notes on pages 5 to 7 form part of these condensed consolidated interim financial statements.

Tethys Petroleum Limited

Condensed Consolidated Interim Statements of Cash Flows (unaudited)

(in thousands of US dollars)

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Cash flow from operating activities				
Profit before tax	2,316	2,078	4,896	2,138
Adjustments for:				
Depreciation, depletion and amortisation	1,547	552	3,531	1,596
Share-based payments	-	9	2	31
Other gains and losses	(2)	474	17	518
Finance (income)/costs, net	(154)	51	(339)	(14)
Net change in working capital	(1,784)	(1,501)	214	(2,328)
Corporate income tax paid	(301)	(129)	(936)	(1,435)
Net cash from operating activities	1,622	1,534	7,385	506
Cash flow from investing activities:				
Interest received	231	52	581	223
Acquisition of exploration and evaluation assets	(312)	(20)	(2,141)	(79)
Acquisition of property and equipment	(253)	(868)	(3,006)	(5,012)
Historical costs payments	(87)	(158)	(227)	(237)
Movement in restricted cash	26	3	(95)	20
Net cash used in investing activities	(395)	(991)	(4,888)	(5,085)
Cash flow from financing activities:				
Dividends paid	-	-	(1,149)	-
Net cash used in financing activities	-	-	(1,149)	-
Net increase/(decrease) in cash and cash equivalents	1,227	543	1,348	(4,579)
Effects of exchange rate changes on cash and cash equivalents	(155)	-	(193)	-
Cash and cash equivalents at beginning of the period	6,042	2,094	5,959	7,216
Cash and cash equivalents at end of the period	7,114	2,637	7,114	2,637

The notes on pages 5 to 7 form part of these condensed consolidated interim financial statements.

Tethys Petroleum Limited

Notes to Condensed Consolidated Interim Financial Statements (unaudited)

(in thousands of US dollars)

1 General information and going concern

Tethys Petroleum Limited (hereinafter “Tethys” or the “Company”, together with its subsidiaries “the Group”) is incorporated in the Cayman Islands and the address of the Company’s registered office is Grand Pavilion Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1–1205, Cayman Islands. Tethys is an oil and gas company operating within the Republic of Kazakhstan. Tethys’ principal activity is the acquisition of and exploration and development of crude oil and natural gas fields.

The Company has its primary listing on the TSX Venture Exchange. The Company is also listed on the Kazakhstan Stock Exchange (“KASE”).

Going concern

In assessing its going concern status, the Group has taken account of its principal risks and uncertainties, financial position, sources of cash generation, anticipated future trading performance, its borrowings, and its capital expenditure commitments and plans.

Risks and uncertainties facing the Group include the risk that oil and gas prices may be significantly lower than assumed in the Group’s forecasts.

To assess the resilience of the Group’s going concern assessment management performed the following downside scenario that is considered reasonably possible over the next 12 months from September 30, 2025. As such, this does not represent the Group’s ‘best estimate’ forecast, but was considered in the Group’s assessment of going concern, reflecting the current evolving circumstances and the most significant and reasonably possible risk identified at the date of approving the consolidated financial statements.

Scenario: The Group’s income and profits are materially reduced due to a 15% reduction in expected oil prices.

The Group’s forecast net cashflows under the downside scenario above is considered to be adequate to meet the Group’s financial obligations as they fall due over the next 12 months.

The Board of Directors is therefore satisfied that the Group’s forecasts and projections, including the downside scenario above, show that the Group has adequate resources to continue in operational existence for at least the next 12 months from September 30, 2025 and that it is appropriate to adopt the going concern basis in preparing the condensed consolidated interim financial statements for the period ended September 30, 2025.

2 Basis of preparation and accounting policies

The condensed consolidated interim financial statements of the Group are prepared on a going concern basis under the historical cost convention except as modified by the revaluation of financial assets and financial liabilities at fair value through profit and loss and are in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and effective or issued and early adopted as at the time of preparing these condensed consolidated interim financial statements.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as

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Notes to Condensed Consolidated Interim Financial Statements (unaudited)

(in thousands of US dollars)

applicable to interim financial reporting and do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements reported for the year ended December 31, 2024.

The condensed consolidated interim financial statements are presented in thousands of United States Dollars ("\$\$"), except where indicated.

New and amended standards adopted by the Group

There were no new and revised IFRS Accounting Standards adopted by the Group during the nine months ended September 30, 2025 that had an impact on the condensed consolidated interim financial statements.

New and amended standards and interpretations issued but not yet adopted

There are no significant new or amended standards that have been early adopted by the Group.

3 Segmental Reporting

Geographical segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers have been identified as the Board of Directors.

The following is an analysis of the Group's revenue, results and assets by reportable segment for the nine months ended September 30, 2025:

	Kazakhstan	Corporate	Total ¹
Gas sales	3,501	-	3,501
Oil sales	13,659	-	13,659
Other income	44	-	44
Segment revenue and other income	17,204	-	17,204
Profit/(loss) before taxation	5,835	(939)	4,896
Taxation	(1,326)	(642)	(1,968)
Profit/(loss) for the period	4,509	(1,581)	2,928
Total assets	54,631	96,840	55,469
Total liabilities	119,972	7,868	31,838
Expenditure on exploration & evaluation assets, property, plant and equipment	5,147	-	5,147
Depreciation, depletion & amortization	3,531	-	3,531

Note 1 – Total is after elimination of inter-segment items of \$96,002 thousand.

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(in thousands of US dollars)

The following is an analysis of the Group's revenue, results and assets by reportable segment for the nine months ended September 30, 2024:

	Kazakhstan	Corporate	Total ¹
Gas sales	3,815	-	3,815
Oil sales	8,243	-	8,243
Other income	28	-	28
Segment revenue and other income	12,086	-	12,086
Profit/(loss) before tax	3,442	(1,304)	2,138
Tax expense	(1,479)	(1,228)	(2,707)
Profit/(loss) for the period	1,963	(2,532)	(569)
Total assets	81,930	95,167	82,148
Total liabilities	135,168	3,453	43,672
Expenditure on exploration & evaluation assets, property and equipment	5,091	-	5,091
Depreciation, depletion & amortization	1,596	-	1,596

Note 1 – Total is after elimination of inter-segment items of \$94,949.

4 Earnings per share

Continuing operations	Units	Three months ended September 30		Nine months ended September 30	
		2025	2024	2025	2024
Profit for the purpose of basic and diluted earnings per share attributable to ordinary shareholders	\$'000	1,362	(613)	2,928	(569)
Weighted average shares - basic	000s	96,857	114,857	105,560	114,897
Weighted average shares - diluted	000s	97,382	114,857	106,075	114,897
Earnings per share - basic	\$	0.01	(0.01)	0.03	(0.01)
Earnings per share - diluted	\$	0.01	(0.01)	0.03	(0.01)

Earnings per share is calculated by dividing the profit attributable to shareholders of the Group by the weighted average number of ordinary shares in issue during the year. Diluted per share information is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

On May 13, 2025 the sole Arbitrator of the International Arbitration Centre ruled and declared, amongst other things, that Olisol Petroleum Limited is ordered to cancel share certificates GS 44 and GS 43 (totalling 18 million shares). Tethys subsequently sought and received a ruling from the arbitrator amending the language to clarify that Tethys has the authority to cancel the 18 million shares. The Olisol Petroleum Limited shares have been excluded from the share totals in the table above from the date of the arbitration ruling.

5 Subsequent events

There were no events after the end of the reporting period to report.