

## **TETHYS PETROLEUM LIMITED**

### **MINUTES OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF TETHYS PETROLEUM LIMITED**

**May 31, 2016**

The Annual General and Special Meeting of the Shareholders of Tethys Petroleum Limited (the “Company” or “the Corporation”) had been scheduled to be held at Intercontinental Paris – Le Grand, 2 Rue Scribe, Paris, 75009, France on May 31, 2016 at 11.30 A.M. (Central European Summer Time– local time in Paris, France).

The meeting was called to order by John Bell, co-Chairman and a Shareholder of the Company.

Also present at the meeting were Alexander Abramov, Co-Chairman of Tethys Petroleum Limited and a Shareholder of the Company, Clive Oliver, Corporate Secretary of Tethys Petroleum Limited, who acted as Secretary of the meeting, Julian Hammond, Chief Executive Officer of Tethys Petroleum Limited and a Shareholder of the Company, George Mirtskhulava, Vice President of Corporate Development and Asset Management, Alexander Skripka, Deputy General Director, Kazakhstan and a Shareholder of the Company, David Henderson, Director of Tethys Petroleum Limited who was present by telephone, James Rawls Director of Tethys Petroleum Limited and a Shareholder of the Company who was present by telephone, David Roberts, Director of Tethys Petroleum Limited who was present by telephone, William P. Wells, Director of Tethys Petroleum Limited and a Shareholder of the Company who was present by telephone, Adeola Ogunsemi, Director of Tethys Petroleum Limited who was present by telephone, Rosa Vieira – of TMX Equity Transfer Services who acted as Scrutineer, Mr. F Ossinin, a Shareholder of the Company and Mr. K. May a Shareholder of the Company.

As provided for in the Company’s Articles of Association, as co-Chairman of the Board, John Bell acted as Chairman for the meeting.

The Chairman welcomed the attendees to the AGM. He informed the meeting that the agenda would include the formal business of the meeting, followed by a Q&A.

The Chairman confirmed that the Annual General and Special Meeting had been duly called by the mailing of the Notice of the Annual General Meeting of Shareholders to Shareholders of record (and entered in the register) as of close of business on April 29, 2016, the record date, and shareholders who duly demanded to be included on the list of Shareholders after that date. The Secretary presented a list of the Shareholders of the Company, certified to be the correct and complete list of those shareholders entitled to vote at the meeting.

The Chairman requested that the Secretary report on the presence of a quorum at the meeting. The Secretary reported that the articles of association of the Company required that two Shareholders present in person or by proxy and entitled to vote constituted a quorum for the transaction of business at this meeting.

The Chairman noted the presence of a quorum.

The Chairman noted that resolution 9.4 had been withdrawn from the formal business of today’s Annual General and Special Meeting as conditions required for the proposed director, Vladimir Griguletsky, to be appointed the Board prior to the meeting have not been met.

The Chairman informed the meeting that the resolutions set before the meeting would be decided upon by a poll and he informed the Shareholders present at the meeting that, if they wished to vote in person, they should complete a poll form and deposit it with the Scrutineer and, if necessary, revoke any previous proxies they may have deposited. Shareholders were informed they could vote for the proposed resolution, against the proposed resolution or withhold their vote. The Chairman noted that a vote withheld is not a vote in law and would not be counted in the calculation of the proportion of the votes for or against a resolution.

The Chairman noted that the agenda for the meeting would be that we will have address any questions shareholders may have on the formal business of the meeting. Shareholders will then be asked to vote first on the resolutions put before the meeting. There would then be a short presentation on the Company and an opportunity for shareholders to ask questions on matters unrelated to the formal business of the meeting.

The Chairman asked if there were any questions from shareholders on the resolutions being proposed as part of the formal business of the meeting. As there were no questions the Chairman continued with the votes for the resolutions put before the meeting.

**Resolution 1 – Approval to Reduce the Par Value of Ordinary Shares and Preferred Shares, Reduce Authorised Share Capital and Amend the Corporation’s Articles of Association**

The Chairman noted that the first resolution to be considered at the meeting was a special resolution that, subject to confirmation from the Grand Court of the Cayman Islands, the Corporation’s authorised share capital be reduced from US\$75,000,000 to US\$15,000,000 by (i) reducing the par value of the Corporation’s ordinary shares (the “Ordinary Shares”) and preferred shares (the “Preferred Shares”) from US\$0.10 to US\$0.01 thereby reducing the authorized share capital from US\$75,000,000 to US\$7,500,000 and (ii) increasing the number of authorized shares to 1,450,000,000 Ordinary Shares each with a par value of US\$0.01 and 50,000,000 Preferred Shares each with a par value of US\$0.01 with an increase in the authorized share capital of the Corporation from US\$7,500,000 to US\$15,000,000 and amending the Corporation's memorandum of association accordingly.

The Chairman noted that the affirmative vote of 66 2/3 % of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
169,107,844	99.01%	1,684,011	0.99%

The Secretary reported that with respect to Resolution 1 – Approval to Reduce the Par Value of Ordinary Shares and Preferred Shares, Reduce Authorised Share Capital and Amend the Corporation’s Articles of Association, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of more than 66 2/3 % of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

Subject to confirmation from the Grand Court of the Cayman Islands, the Corporation’s authorised share capital be reduced from US\$75,000,000 to US\$15,000,000 by (i) reducing the par value of the Corporation’s ordinary shares (the “Ordinary Shares”) and preferred shares (the “Preferred Shares”) from

US\$0.10 to US\$0.01 thereby reducing the authorized share capital from US\$75,000,000 to US\$7,500,000 and (ii) increasing the number of authorized shares to 1,450,000,000 Ordinary Shares each with a par value of US\$0.01 and 50,000,000 Preferred Shares each with a par value of US\$0.01 with an increase in the authorized share capital of the Corporation from US\$7,500,000 to US\$15,000,000 and amending the Corporation's memorandum of association accordingly.

**Resolution 2 – Approval to Issue Ordinary Shares to Annuity and Life Reassurance Ltd upon exercise of ALR Warrants and/or Conversion of ALR Debentures**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue: (A)(i) up to 23,333,333 Ordinary Shares to Annuity and Life Reassurance Ltd (“ALR”), an affiliate of Pope Asset Management, LLC (together with its affiliates, including ALR, “PAM”) upon the exercise of 23,333,333 warrants issued to ALR on March 10, 2015, and (ii) up to 18,402,220 Ordinary Shares to ALR upon the conversion of convertible debentures issued to ALR on June 1, 2015 (the “ALR Debentures”) (17,609,780 relating to principal and up to 792,440 relating to accrued, but unpaid interest), and (B) the final 7,288,800 Ordinary Shares issuable upon conversion of the principal of the ALR Debentures.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,450,130	98.54%	1,576,161	1.46%

The Secretary reported that with respect to Resolution 2 – Approval to Issue Ordinary Shares to Annuity and Life Reassurance Ltd upon exercise of ALR Warrants and/or Conversion of ALR Debentures, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue: (A)(i) up to 23,333,333 Ordinary Shares to Annuity and Life Reassurance Ltd (“ALR”), an affiliate of Pope Asset Management, LLC (together with its affiliates, including ALR, “PAM”) upon the exercise of 23,333,333 warrants issued to ALR on March 10, 2015, and (ii) up to 18,402,220 Ordinary Shares to ALR upon the conversion of convertible debentures issued to ALR on June 1, 2015 (the “ALR Debentures”) (17,609,780 relating to principal and up to 792,440 relating to accrued, but unpaid interest), and (B) the final 7,288,800 Ordinary Shares issuable upon conversion of the principal of the ALR Debentures.

**Resolution 3 – Approval to Issue 181,240,793 Ordinary Shares to Olisol Petroleum Limited**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue 181,240,793 Ordinary Shares to Olisol Petroleum Limited (“Olisol”) at a price per share of C\$0.054 for an aggregate amount of C\$9,787,002.82 pursuant to the terms of an amended and restated investment agreement among the Corporation, Olisol and Olisol Investments Limited dated April 28, 2016 (the “Investment Agreement”).

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,220,033	98.58%	1,527,361	1.42%

The Secretary reported that with respect to Resolution 3 – Approval to Issue 181,240,793 Ordinary Shares to Olisol Petroleum Limited, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue 181,240,793 Ordinary Shares to Olisol Petroleum Limited (“Olisol”) at a price per share of C\$0.054 for an aggregate amount of C\$9,787,002.82 pursuant to the terms of an amended and restated investment agreement among the Corporation, Olisol and Olisol Investments Limited dated April 28, 2016 (the “Investment Agreement”).

**Resolution 4 – Approval to Issue up to 24,434,008 Ordinary Shares to Olisol Upon Conversion of US\$1 Million Plus Accrued but Unpaid Interest Under the Amended Facility Agreement**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue up to 24,434,008 Ordinary Shares to Olisol at a price per share of C\$0.054 upon the conversion of the outstanding principal of US\$1,000,000 together with any accrued but unpaid interest thereunder pursuant to the facility agreement entered into with Olisol on November 19, 2015, as amended by agreement dated March 2, 2016 at a conversion price of C\$0.054.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,220,033	98.58%	1,527,361	1.42%

The Secretary reported that with respect to Resolution 4 – Approval to Issue up to 24,434,008 Ordinary Shares to Olisol Upon Conversion of US\$1 Million Plus Accrued but Unpaid Interest Under the Amended Facility Agreement, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue up to 24,434,008 Ordinary Shares to Olisol at a price per share of C\$0.054 upon the conversion of the outstanding principal of US\$1,000,000 together with any accrued but unpaid interest thereunder pursuant to the facility agreement entered into with Olisol on November 19, 2015, as amended by agreement dated March 2, 2016 at a conversion price of C\$0.054.

**Resolution 5 – Approval to Issue up to 43,962,996 Ordinary Shares to Olisol Upon Conversion of the Working Capital Indebtedness**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue up to 43,962,996 Ordinary Shares to Olisol upon the conversion of the outstanding principal and accrued but unpaid interest (assumed to equal US\$1,872,241.15) under any working capital indebtedness (outstanding as of the date hereof or that may be issued after the date hereof) issued in connection with Article 3 of the Investment Agreement at a conversion price of C\$0.054 per share.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,220,033	98.58%	1,527,361	1.42%

The Secretary reported that with respect to Resolution 5 – Approval to Issue up to 43,962,996 Ordinary Shares to Olisol Upon Conversion of the Working Capital Indebtedness, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue up to 43,962,996 Ordinary Shares to Olisol upon the conversion of the outstanding principal and accrued but unpaid interest (assumed to equal US\$1,872,241.15) under any working capital indebtedness (outstanding as of the date hereof or that may be issued after the date hereof) issued in connection with Article 3 of the Investment Agreement at a conversion price of C\$0.054 per share.

**Resolution 6 – Approval to Issue up to 50,000,000 Ordinary Shares to Olisol for Future Offering**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue up to 50,000,000 Ordinary Shares to Olisol at a price per share of C\$0.054 for an aggregate amount of up to C\$2,700,000 in the event that certain shareholders of the Corporation do not participate in a future offering pursuant to the terms of the Investment Agreement.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,168,233	98.53%	1,579,161	1.47%

The Secretary reported that with respect to Resolution 6 – Approval to Issue up to 50,000,000 Ordinary Shares to Olisol for Future Offering, holders of 99% of the votes cast at the meeting had voted in favour

of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue up to 50,000,000 Ordinary Shares to Olisol at a price per share of C\$0.054 for an aggregate amount of up to C\$2,700,000 in the event that certain shareholders of the Corporation do not participate in a future offering pursuant to the terms of the Investment Agreement.

#### **Resolution 7 – Approval to Issue Shares to Olisol to Satisfy its Pre-Emptive Rights**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution that the Corporation be authorised to issue Ordinary Shares to Olisol to permit Olisol to maintain its pro rata equity percentage in the Corporation, measured immediately prior to an applicable dilutive issuance, at the same price as the dilutive issuance.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass the resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
106,171,233	98.54%	1,576,161	1.46%

The Secretary reported that with respect to Resolution 7 – Approval to Issue Shares to Olisol to Satisfy its Pre-Emptive Rights, holders of 99% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

The Corporation be authorised to issue Ordinary Shares to Olisol to permit Olisol to maintain its pro rata equity percentage in the Corporation, measured immediately prior to an applicable dilutive issuance, at the same price as the dilutive issuance.

#### **Resolution 8 – Receipt of Financial Statements and Auditors Report**

The Chairman noted that the next resolution to be considered at the meeting was an ordinary resolution to receive and consider the financial statements of the Company for the year ended December 31, 2015 and the report of the auditors thereon. The Chairman noted that no vote by the shareholders with respect to this resolution was required or proposed to be taken.

#### **Resolutions 9.1 to 9.3 – Election of Directors**

The Chairman noted that the next three resolutions to be considered at the meeting were ordinary resolutions to elect the Directors of the Company. As mentioned at the start of the meeting, resolution 9.4 had been withdrawn from the formal business of the meeting.

The Chairman noted that the affirmative vote of a majority of the votes cast at the meeting in person or by proxy was required to pass each resolution. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>Name</b>	<b>For</b>	<b>% For</b>	<b>Against</b>	<b>% Against</b>
Alexander Abramov	165,107,862	96.67%	5,683,993	3.33%
William P. Wells	164,763,645	96.47%	6,028,210	3.53%
Adeola Ogunsemi	168,925,384	98.91 %	1,866,471	1.09%

The Secretary reported that with respect to Resolution 9.1 to 9.3 – Election of Directors, Alexander Abramov, William P. Wells and Adeola Ogunsemi had received a majority of “for” votes in favour of their election and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

Each of the nominees, Abramov, William P. Wells and Adeola Ogunsemi have been duly elected as a director of the Company to hold office until the 2017 Annual General Meeting of Shareholders, or until his or her successor is duly elected.

#### **Resolution 10 – Appointment of Auditors**

The Chairman noted that the final resolution to be considered at the meeting was an ordinary resolution PricewaterhouseCoopers LLP, be appointed as auditors of the Company to hold office in accordance with the Company’s Articles of Association, and that their compensation be fixed by the board of directors.

The Chairman noted that after the resolution has been voted on, the nominee receiving the highest number of votes in favour of their appointment shall be appointed as auditor. The Chairman asked the Secretary to report on the results of the voting. The Secretary reported the following votes:

<b>For</b>	<b>% For</b>	<b>Withheld</b>	<b>% Withheld</b>
171,005,959	98.83%	2,023,200	1.17 %

The Secretary reported that with respect to Resolution 10 – Appointment of Auditors, holders of 100% of the votes cast at the meeting had voted in favour of the resolution and the Chairman therefore declared that by an affirmative vote of a majority of the votes cast at the meeting in person or by proxy, the following resolution was adopted:

**RESOLVED**, as an ordinary resolution of the shareholders of the Company, that:

PricewaterhouseCoopers LLP, are hereby appointed as auditors of the Company to hold office in accordance with the Company’s Articles of Association and that the board of directors of the Company is authorized to fix their compensation.

The Chairman concluded the formal business of the 2016 Annual General and Special Meeting of the Shareholders of Tethys Petroleum Limited and thanked participants for their interest and attendance and declare the formal part of the meeting closed.

A short question and answer session followed.




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Chairman

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Secretary