



TETHYS PETROLEUM PRESS RELEASE

FOR IMMEDIATE RELEASE

Drilling Commences on AKD03 (Dione) Exploration Well

BOZOI, KAZAKHSTAN, Thursday, May 20, 2010: Tethys Petroleum Limited ("Tethys" or the "Company" (TSX:TPL)) today announced that it had commenced drilling the AKD03 (Dione) exploration well in Kazakhstan.

Tethys' ZJ70 rig "Telesto" has commenced drilling on an attractive exploration prospect which is located nearby to, and south-west of, the Doris oil discovery. This well is planned to target both the Cretaceous and Jurassic intervals where oil has been flowed in the Doris oil discovery at a combined rate of in excess of over 6,800 barrels of oil per day, and also plans to target the deeper Triassic and Permo-Carboniferous intervals that were not tested in the oil discovery well and are believed to have further potential. Further exploration drilling on the Akkulka block and on large surrounding Kul-Bas block is then planned.

Luka Chachibaia, Project Manager of the Company's Kazakh Oil Exploration Development Team, commented, "*We are very pleased that we have commenced drilling on this first exploration well on the Dione exploration prospect which we are drilling with our own rig. With the nearby recent discovery this new prospect has now become considerably less risky due to the proved presence of oil in the area. I would like to thank our team for working efficiently to commence this well in a relatively short time frame.*"

Tethys is focused on oil and gas exploration and production activities in Central Asia with activities currently in the Republics of Kazakhstan, Tajikistan and Uzbekistan. This highly prolific oil and gas area is rapidly developing and Tethys believes that significant potential exists in both exploration and in discovered deposits.

This press release contains "forward-looking information" which may include, but is not limited to, statements with respect to our operations. Such forward-looking statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions, including the risks relating to regulatory approvals and of sufficiency of the proceeds for the purposes contemplated. See the description of risks and uncertainties and underlying factors and assumptions relevant to the offering and "forward looking information" contained herein and to the Company's business, including its exploration and development activities, contained in the Annual Information Form dated March 31, 2010 (which are incorporated herein by reference). The "forward looking statements" contained herein speak only as of the date of this press release and, unless required by applicable law, the Company undertakes no obligation to publicly update or revise such information, whether as a result of new information, future events or otherwise.

Correspondence Address:

P.O. Box 524,
St. Peter Port,
Guernsey, GY1 6EL,
British Isles



Tel: +44 1481 725911

Fax: +44 1481 725922

Email: tethys@tethyspetroleum.com

Website: www.tethyspetroleum.com

The information presented in this press release on the testing of the AKD01 well is based on initial data and observations and measurements and preliminary analysis. In addition the length of flow periods were restricted due to physical limitations with respect to oil storage at the site.

For more information please contact:

Sabin Rossi
Vice President Investor Relations
Tethys Petroleum Limited
TD Canada Trust Tower
161 Bay Street, 27th Floor
Toronto N5J 2S1, Canada

Office: +1 416 572 2065
Fax: +1 416 572 2201
Email: info@tethyspetroleum.com
Website: www.tethyspetroleum.com

In Kazakhstan

Ardak Akanov
Managing Director
PG Communications
Samal 2 Business Center Satty, Almaty, Kazakhstan
Office phone/fax: +7 (727) 272 8867, +7 (727) 272 8237, +7 (727) 272 7745
Email: development@pressclub.kz

In Asia-Pacific

Anita Wan
Associate Director
Quam IR
3/F Fung House, 19-20 Connaught Road Central, Hong Kong SAR, PRC
Office phone/fax: + (852) 2217-2999
Email: anita.wan@quamgroup.com