



TETHYS PETROLEUM PRESS RELEASE

FOR IMMEDIATE RELEASE

INITIAL RESULTS FROM AKD02 WELL

BOZOI, KAZAKHSTAN – June 23, 2010 - Tethys Petroleum Limited ("Tethys" or the "Company")(TSX:TPL) today announced the initial results from the AKD02 (Doris) appraisal well on the Akkulka Block in Kazakhstan.

Based on the interpretation of wireline logs and core data, oil has been encountered in the Jurassic carbonate sequence that proved productive in the AKD01 (Doris) discovery well drilled approximately 4 km to the south-east. The lower Cretaceous sand interval in this well appears however to be water bearing probably due to faulting between the two wells. Work is now underway on preparing for a flow test on the carbonate interval following which it is planned to sidetrack the AKD02 well to the south-east with the aim of encountering the upper reservoir potentially within the oil bearing zone.

Graham Wall, Tethys' Chief Operating Officer commented: *"The initial results of the AKD02 appear to show an oil bearing interval in the same carbonate sequence as flowed oil in the AKD01 discovery well. The cores through this interval show zones of vuggy and cavernous porosity as well as extensive fracturing and oil shows. However the upper reservoir unit in this well, which is of good quality, appears to be water bearing and close examination of the existing seismic data utilising the well results indicates some possible faulting between the two locations. We will now move ahead and test the carbonate zone, and then sidetrack the well towards AKD01 in order to encounter the upper reservoir the other side of the possible fault. We have already mobilised a seismic crew to the area to acquire a full 3D over this structure to increase our understanding. A preliminary swathe of these data will be used to assist in locating the sidetrack. Based on the data obtained thus far this well has effectively appraised the north-west margin of the Doris discovery and shown the presence of oil in this area. We await the results of the flow test and sidetrack to confirm our understanding but we are hopeful that the results of this will be to confirm the extent of the oil accumulation discovered by AKD01 in this direction. The similarity of the carbonate section to the G6 well drilled some 14 km to the south-west is also encouraging – this section was not tested when this well was drilled some years ago. The Company's reassessment of this well based on the AKD02 well is that G6 may also contain hydrocarbons which would significantly extend the potential oil bearing area. Based on this the Company plans to re-enter the G6 well in the near future and carry out a flow test. To summarise; more work is required, but right now we are optimistic of success."*

The Company stresses that these are initial results and that they may be subject to change and modification of the interpretation once the final results of the well have been obtained. The indications of oil in the carbonate sequence do not definitively prove that the well will flow oil on test, nor that any flow would be in commercial

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quantities. Based on current plans it is likely that the initial well test results will be available within the next month.

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 and other corporate filings (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.

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