

TETHYS PETROLEUM PRESS RELEASE

FOR IMMEDIATE RELEASE

Uzbekistan / Tajikistan Oil Production Update

St Peter Port, Guernsey, Wednesday, March 17, 2010: Tethys Petroleum Limited ("Tethys" or the "Company" (TSX:TPL)) today updated on its oil production activities at the North Urtabulak field in Uzbekistan and the Beshtentak field in Tajikistan.

In Uzbekistan Tethys announced that it has now tested and put on production the newly drilled NUR116 well at the North Urtabulak Field in Uzbekistan with a test rate of some 610 barrels of oil per day (bopd) after acidisation. The well was drilled to a total depth of 2,484 metres (8,150 feet) into the Jurassic reef carbonate reservoir. With production from this well current gross production from the North Urtabulak attributable to Tethys' Production Enhancement Contract would be over 2,000 bopd. One of the issues on the field at present is reduced gas lift pressure which is resulting in lower production rates than should be obtained. This issue is currently being addressed. A full field reservoir simulation model is currently being finalised which should give a better understanding of how to extract the remaining reserves from this field. Obtaining the pressure data for this reservoir model has resulted in several producing wells on the field being shut-in to gather these data but this will result in a more effective development of the field in the future.

Graham Wall, Chief Operating Officer of Tethys Petroleum commented: "We are pleased that we have completed this well and successfully tested it at a solid rate. Over the past few days it has tested at rates varying between 403 and 610 barrels of oil per day, in part due to fluctuating gas lift supply pressure. We will conduct further tests over the next week but this initial rate is encouraging and we have already begun to accumulate commercial production from the well for this month. We are about to commence our radial drilling programme on other selected wells on the field, which is expected to further increase production in the near future."

In Tajikistan Tethys Petroleum announced that an oil sales contract has been signed to purchase crude oil from its Beshtentak oilfield in the Baljuvon region. The Beshtentak field is a light oil field which has been developed in the past but which is thought to contain additional oil, which could be extracted through the application of more modern technologies. A workover was carried out on well BST20 recently and this well is now producing approximately 50 bopd using a simple unmodified beam pump. Tethys' specialists believe that a significant increase in production can be achieved by the installation of better and more efficient pumping equipment, and Tethys is in the process of ordering such equipment. There are a number of other wells which could be worked over on the Beshtentak field and work is now commencing on the BST85 well. In addition there could be possibilities for infill drilling on the field. Beshtentak also has a gas cap, which could be exploited and also has untested reservoir zones.

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

Mamuka Murjikneli, Tethys' Regional Manager responsible for Tajikistan commented: "Although this is currently a small volume of production this marks an important step forward for our Tajik operations with our first oil sales contract. The price realised under this contract is over 60% of international prices for Brent crude with the untreated crude being collected by the buyer at the field. It is expected that margins would increase with an increase in the scale of production. We have a programme of further work on Beshtentak which should significantly increase our production rate and with the extremely good terms under our PSC we currently take some 91% of the production after the State take. This will encourage us to increase our investment in this small but potentially profitable short term cash flow project, and gives us further confidence to explore for and develop more oil prospects in Tajikistan where we currently identify over 130 fields and prospects in our very large (35,000 km²) Bokhtar PSC area."

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, 2009 (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.

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

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

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