



October 13, 2015

TETHYS PETROLEUM LIMITED PRESS RELEASE

Nostrum Loan Update

GRAND CAYMAN, CAYMAN ISLANDS - Tethys Petroleum Limited ("Tethys" or the "Company") (TSX:TPL) (LSE:TPL) announces that it has today received a Notice of Events of Default from Nostrum Oil & Gas PLC ("Nostrum") in connection with the US\$5 million facility agreement between Tethys and Nostrum, dated August 10, 2015 (the "Facility Agreement"). Tethys does not agree with Nostrum's interpretation of the Facility Agreement that an event of default has occurred, has submitted a rebuttal of the notification received and has reserved all its rights.

Nostrum has indicated that its interpretation is due to the announcement on October 12, 2015 that Tethys had received a notice from CNPC Central Asia B.V. and Total E&P Tajikistan B.V. requiring that Tethys' subsidiary, Kulob Petroleum Limited withdraw from the Joint Operating Agreement in Tajikistan and the underlying PSC.

Tethys continues to work with interested parties to conclude a financing transaction as soon as possible and anticipates providing an update on this shortly.

About Tethys

Tethys is focused on oil and gas exploration and production activities in Central Asia and the Caspian Region. This highly prolific oil and gas area is rapidly developing and Tethys believes that significant potential exists in both exploration and in discovered deposits.

Disclaimer

Some of the statements in this document are forward-looking. Forward-looking statements include statements regarding the intent, belief and current expectations of the Company or its officers with respect to alternative proposals. When used in this document, the words "expects," "believes," "anticipates," "plans," "may," "will," "should" and similar expressions, and the negatives thereof, are intended to identify forward-looking statements. Such statements are not promises or guarantees, and are subject to risks and uncertainties that could cause actual outcomes to differ materially from those suggested by any such statements, including with regard to the interpretation of the Facility Agreement and the fact that there is significant uncertainty whether any definitive financing transaction will be successfully negotiated.

No part of this announcement constitutes, or shall be taken to constitute, an invitation or inducement to invest in the Company or any other entity, and shareholders of the Company are cautioned not to place undue reliance on the forward-looking statements.

Save as required by the Listing Rules and applicable law, the Company does not undertake to update or change any forward-looking statements to reflect events occurring after the date of this announcement.

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