

TETHYS PETROLEUM PRESS RELEASE

FOR IMMEDIATE RELEASE

Tethys Petroleum Limited: MOU Signed With HOPEC

BEIJING, CHINA, Aug 03, 2010 -- Tethys Petroleum Limited ("Tethys" or the "Company") (TSX: TPL) announced today that it has signed a Memorandum of Understanding with Holding Energy Petroleum Engineering Technology (Beijing) ("HOPEC") for HOPEC to assist in introducing Tethys to Chinese State oil companies and investors to open discussions for those entities to farm-in to Tethys' assets in Tajikistan.

Tethys is currently seeking a farm-in partner for its assets in Tajikistan and currently has a data room open in London as part of the farm-out process which has generated and continues to generate much interest from various oil and gas companies - these discussions are continuing.

In order to target Chinese state oil and gas companies and investors, who have in recent years demonstrated high interest in acquiring assets in Central Asia, HOPEC has agreed to assist Tethys in the process by introducing them to several of these entities and working with Tethys on the process which would involve establishing a farm-out data room in Beijing in the near future.

Ms. Liu Yang, Chairman of the Board and CEO of HOPEC and Dr David Robson, Chairman, President and CEO of Tethys jointly stated at a signing ceremony in Beijing, "HOPEC and TPL have had a working relationship for some time covering many areas. We wish to continue to build on this long standing relationship and to further strengthen this on the basis of mutual benefit and understanding".

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.

HOPEC has broad resources in the petroleum industry of China and experience in this area and specifically with Chinese State oil and gas companies, and has worked with Tethys on supply of equipment to certain of Tethys' projects in Central Asia.

HOPEC is a full services petroleum exploration, technology development and equipment manufacturing company with 20 years in the business. For more information on HOPEC please go to www.holdingenergy.com.

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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