

TETHYS PETROLEUM LIMITED

**THIS PROXY IS TO BE USED IN CONNECTION WITH THE
ANNUAL GENERAL AND EXTRAORDINARY MEETING OF SHAREHOLDERS TO BE HELD
ON MAY 7, 2009**

This proxy is solicited by and on behalf of management of Tethys Petroleum Limited (the "Company") and should be read in conjunction with the accompanying management information circular of the Company dated April 7, 2009 (the "Information Circular"). The undersigned holder of ordinary shares in the capital of the Company ("Ordinary Shares") hereby appoints Dr. David Robson, the Chairman, President and Chief Executive Officer of the Company, or failing that person, Liz Landles, the Executive Vice-President and Corporate Secretary of the Company, or instead of either of them _____, as proxy, with power of substitution, to attend, vote all such shares held by the undersigned and otherwise act for and on behalf of the undersigned at the annual general and extraordinary meeting of shareholders of the Company (the "Meeting") to be held at the Company's registered office, being Queensgate House, third floor, South Church Street, Grand Cayman, Cayman Islands on May 7, 2009, commencing at 10:30 a.m. (Eastern Standard Time – local time in the Cayman Islands) and at any adjournment thereof, to the same extent and with the same power as if the undersigned were personally present at the Meeting or such adjournment or adjournments thereof and, without limiting the generality of the power hereby conferred, the person(s) named above is specifically directed as indicated below with respect to those shares registered in the name of the undersigned.

Without limiting the general powers hereby conferred, the undersigned hereby directs the said proxyholder to vote the Ordinary Shares represented by this instrument of proxy in the following manner (check (✓) the appropriate box):

1. Election of Directors

1.1 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Dr. David Robson as a director of the Company.	1.2 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Bernard Murphy as a director of the Company.
1.3 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Rt. Hon. Peter Lilley as a director of the Company.	1.4 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Liz Landles as a director of the Company.
1.5 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Russ Hammond as a director of the Company.	1.6 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Paul Murphy as a director of the Company.
1.7 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Colin Smith as a director of the Company.	1.8 FOR <input type="checkbox"/> or AGAINST <input type="checkbox"/> The ordinary resolution to re-elect Piers Johnson as a director of the Company.

2. **FOR or AGAINST**

The ordinary resolution to approve the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company for the next ensuing year, to hold office until the close of the next annual general meeting of shareholders, and authorizing the board of directors of the Company to fix their compensation, as more particularly described in the Information Circular.

3. **FOR or AGAINST**

The following ordinary resolution to approve an amendment to the Company's 2007 Long Term Stock Incentive Plan (as amended) as more particularly described in the Information Circular:

BE IT RESOLVED as an ordinary resolution of the Company that:

- (a) the Company is hereby authorized to amend the Company's 2007 Long Term Stock Incentive Plan (as amended) (the "Stock Incentive Plan") to provide that the aggregate number of Ordinary Shares which are reserved for issuance under the Stock Incentive Plan equal twelve per cent (12%) of the number of Ordinary Shares outstanding at the time of grant of Options (as defined in the Stock Incentive Plan) by amending section 4.1 of the Stock Incentive Plan by deleting the number "7,511,670" and replacing it with "the number of Shares equal to twelve per cent (12%) of the Outstanding Issue";
- (b) any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.

This Proxy is solicited on behalf of the Management of the Company. The shares represented by this Proxy will be voted and, where the shareholder has specified a choice with respect to the above matters, will be voted as directed above or, if no direction is given, will be voted FOR each of the above matters.

Every shareholder has the right to appoint some other person or company of their choice, who need not be a shareholder, to attend and act on their behalf at the Meeting. If you wish to appoint a person or company other than the persons whose names are printed herein, please insert the name of your chosen proxyholder in the space provided above. Completion of the form of proxy does not preclude a shareholder from subsequently attending and voting at the Meeting in person if he so wishes.

If any amendments or variations in the matters above referred to or to any other matters identified in the Notice of Meeting are proposed at the Meeting or any adjournment thereof or if any other matters which are not now known to Management should properly come before the Meeting or any adjournment thereof, this Proxy confers discretionary authority on the person voting the Proxy to vote on such amendments or variations or such other matters in accordance with the best judgment of such person.

To be effective, a Proxy must be received by the Registrar and Transfer Agent of the Company, Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 (facsimile: 416 595-9593), not later than 11:30 P.M. (Eastern Daylight Time) on May 5, 2009, or at least forty-eight (48) hours preceding any adjournment of the Meeting.

This Proxy supersedes and revokes any proxy previously given in respect of the Meeting.

DATED this _____ day of _____, 2009.

Signature of Shareholder or officer of Shareholder

Name of Shareholder (please print)

NOTES

1. This Proxy must be signed by the shareholder or the shareholder's attorney authorized in writing. If the shareholder is a corporation, this Proxy must be signed by the duly authorized officer, attorney or other authorized signatory of the shareholder. A person signing on behalf of a shareholder must provide, with this Proxy, satisfactory proof of such person's authority and must indicate the capacity in which such person is signing.
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this Proxy.
3. This Proxy should be signed in the exact manner in which the shares are registered.
4. If this Proxy is not dated, it will be deemed to bear the date on which it is mailed by management of the Company to the shareholder.
5. A shareholder may appoint more than one proxy to attend the Meeting. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the Meeting and in respect of the same matter, the instrument of proxy which is lastly delivered (regardless of its date or date of execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which instrument of proxy was lastly delivered, none of them shall be treated as valid in respect of that share.
6. In accordance with the requirements of the Toronto Stock Exchange, the directors and officers of the Company (and other persons eligible to participate under the Stock Incentive Plan who may be considered "insiders" under applicable Canadian securities laws) will not be eligible to vote on the resolution approving the proposed amendment to the Stock Incentive Plan.