

TETHYS PETROLEUM LIMITED
Suite 3, Borough House
Rue du Pre, St. Peter Port, Guernsey, Channel Islands GY1 6EL
Registration No. 41075

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an annual general meeting (the “**Meeting**”) of the holders of ordinary shares (“**Ordinary Shares**”) of Tethys Petroleum Limited (the “**Company**”) will be held at the offices of Borden Ladner Gervais LLP, 1100, 400 - 3rd Avenue S.W., Calgary, Alberta, on Thursday, April 24, 2008 at 10:30 a.m. (Mountain Daylight Time) for the following purposes:

Ordinary Business

1. To receive and consider the financial statements of the Company for the year ended December 31, 2007 and the report of the auditors thereon.
2. To propose each of the following resolutions as ordinary resolutions of the Company:
 - 2.1 to re-elect Dr. David Robson as a director of the Company;
 - 2.2 to re-elect Bernard Murphy as a director of the Company;
 - 2.3 to re-elect the Rt. Hon. Peter Lilley M.P. as a director of the Company;
 - 2.4 to re-elect Liz Landles as a director of the Company;
 - 2.5 to re-elect Russ Hammond as a director of the Company;
 - 2.6 to re-elect Paul Murphy as a director of the Company;
 - 2.7 to re-elect Colin Smith as a director of the Company; and
 - 2.8 to elect Piers Johnson as a director of the Company.
3. To propose the following as an ordinary resolution of the Company:

That PricewaterhouseCoopers LLP, Chartered Accountants, be appointed 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.

Special Business

To consider and, if thought fit, pass resolutions 4 to 6 (inclusive) as ordinary resolutions of the Company and the remainder as special resolutions of the Company:

4. That:
 - (a) the Company is hereby authorized to amend section 4.1 of the stock incentive plan of the Company (the “**Plan**”) to increase the number of Ordinary Shares which are reserved for issuance under the Plan by 3,000,000 Ordinary Shares, by deleting the number “4,511,670” in section 4.1 and replacing it with the number “7,511,670”; and

- (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.

5. That:

- (a) the grant of options to purchase an aggregate of 129,000 Ordinary Shares, as more particularly described in the management information circular of the Company dated March 20, 2008, is hereby ratified and approved;
- (b) the shareholders of the Company hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
- (c) 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.

6. That:

- (a) the adoption of the shareholder rights plan of the Company is hereby approved and the Company is authorized to issue rights pursuant thereto;
- (b) the shareholders of the Company hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and
- (c) 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.

7. That:

- (a) the existing articles of association of the Company be amended (the “**Continuance Amendment**”) by inserting the following as a new article immediately after article 146:

MIGRATION

147. Migration

The Company may by special resolution resolve to be registered by way of continuation in a jurisdiction outside Guernsey or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to remove the Company from the Register of Companies in Guernsey or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company; and

- (b) any one (or more) director or officer of the Company is hereby authorized to execute and deliver any documents, instruments or other writings and to do all other acts as may be necessary or desirable to give effect to the Continuance Amendment and the foregoing resolution.
8. Conditional upon the special resolution approving the Continuance Amendment being approved, that:
- (a) as provided for by Article 147, the Company be removed from the Register of Companies in Guernsey for the purpose of becoming registered as a body corporate under the laws of the Cayman Islands pursuant to Part II of the Migration of Companies Ordinance 1997 and the Companies Law (2007 Revision) of the Cayman Islands and the Company make application to the Registrar of Companies of the Cayman Islands and such other authority as may be appropriate to transfer by way of continuation into the Cayman Islands pursuant to the Companies Law (2007 Revision) of the Cayman Islands (the “**Continuance**”) and that any one director of the Company be authorized to perform such further acts and execute such further documents as may be required to give effect to the foregoing; and
 - (b) effective on the date of Continuance, the registered office of the Company shall be at such address in the Cayman Islands as the board of directors shall approve.
9. Conditional upon the special resolution approving the Continuance being approved and with effect from the date that the Company is registered as a body corporate under the laws of the Cayman Islands, that:
- (a) the authorized share capital of the Company be increased from US\$50,000,000 to US\$75,000,000 by the creation of 200,000,000 Ordinary Shares of US\$0.10 each, each ranking *pari passu* in all respects with the existing Ordinary Shares of US\$0.10 each in the capital of the Company and 50,000,000 preference shares of US\$0.10 each having the rights more particularly set out in the draft Memorandum and Articles of Association (the “**New Memorandum and Articles**”) attached as Appendix “B” to the management information circular of the Company dated March 20, 2008;
 - (b) the New Memorandum and Articles be adopted as the Memorandum and Articles of Association of the Company in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association; and
 - (c) any affect on, modification of, variation of or abrogation of the rights and privileges attaching to the Ordinary Shares of the Company which will or may result from the passing and carrying into effect of (a) and (b) above is hereby sanctioned and consented to.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the information circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve each of the foregoing items.

Only shareholders of record as of March 20, 2008, the record date, are entitled to receive notice of the Meeting; provided that, in accordance with the provisions of the Company’s articles of association, shareholders of record (and entered on the register) on March 13, 2008 (being the fifth business day before notice of the Meeting is sent to shareholders of record) will also be entitled to receive notice of the Meeting.

DATED at St. Peter Port, Guernsey, Channel Islands, this 20th day of March, 2008.

BY ORDER OF THE BOARD OF DIRECTORS

“Liz Landles”

Executive Vice President and Corporate Secretary

IMPORTANT

It is desirable that as many Ordinary Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Ordinary Shares represented, please complete the enclosed form of proxy and return it as soon as possible in the envelope provided for that purpose. In accordance with the articles of association of the Company, all proxies, to be valid, must be deposited at the office of the Registrar and Transfer Agent of the Company, Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1, not later than 12:30 p.m. (Eastern Daylight Time) (10:30 a.m. Mountain Daylight Time) on April 22, 2008, or at least forty-eight (48) hours preceding any adjournment of the Meeting.

The Company gives notice that only those shareholders entered on the register of shareholders (or their duly appointed proxies) at 12:30 p.m. (Eastern Daylight Time) (10:30 a.m. Mountain Daylight Time) on April 22, 2008, will be entitled to attend and vote at the Meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend and vote at the Meeting.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his place. A proxy need not be a shareholder of the Company. Completion of a form of proxy does not preclude a shareholder from subsequently attending and voting at the Meeting in person if he so wishes.

Any transferee or person acquiring Ordinary Shares after the Record Date may, on proof of ownership of Ordinary Shares, demand of the Registrar and Transfer Agent of the Company, Equity Transfer & Trust Company, not later than 12:30 p.m. (Eastern Daylight Time) (10:30 a.m. Mountain Daylight Time) on April 22, 2008, that his or her name be included in the list of persons entitled to attend and vote at the Meeting.