

May 22, 2009

VIA SEDAR

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
The Manitoba Securities Commission
Ontario Securities Commission
New Brunswick Securities Commission
Nova Scotia Securities Commission
Prince Edward Island Securities Office
Securities Commission of Newfoundland & Labrador

Dear Sirs/Mesdames:

Re: Tethys Petroleum Limited (the "Company") – Interim Consolidated Financial Statements (the "Financial Statements") and interim Management's Discussion & Analysis (the "MD&A") in respect of the Quarter Ended March 31, 2009 - SEDAR Project No 01423105, 01423107 and 01423109

Please be advised that following the completion of our auditors' review of the Company's Q1 2009 Interim Consolidated Financial Statements that have been prepared under IFRS these Financial Statements are being re-filed for the following reasons:

1. To remove the notation of the absence of an auditor review.
2. To correct the interim consolidated financial statements
3. To correct Notes 3 to 11, 15, 18, 19, 21 and 22
4. To correct the relevant sections of the MD&A.

The changes reflected in the financial statements and related MD&A are described below. The amounts are in thousands of US Dollars, unless noted otherwise in the financial statements and related MD&A.

Consolidated Statement of Financial Position

- “Intangible assets” for March 31, 2009 the figure 17,941 has been replaced by 17,553 and for December 31, 2008 the figure of 12,076 has been replaced by 11,688.
- The sub-total of “Non-current assets” for March 31, 2009 has been changed from 97,925 to 96,907 and for December 31, 2008 the figure 88,859 has been replaced by 88,471.
- The “Total assets” for March 31, 2009 has been changed from 108,859 to 108,201 and for December 31, 2008 the figure of 113,936 has been replaced by 113,548.
- The “Other Reserves” for March 31, 2009 has been changed from 25,764 to 25,851 and for December 31, 2008 the figure of 25,060 has been replaced by 25,147.
- The “Accumulated deficit” for March 31, 2009 has been changed from (72,969) to (72,670) and for December 31, 2008 from (67,009) to (66,654).
- The sub-total for “Equity attributable to shareholders” for March 31, 2009 has been changed from 98,873 to 99,259 and for December 31, 2008 from 103,228 to 103,730.
- The “Financial liabilities – borrowings” for March 31, 2009 has been changed from 5,680 to 4,800 and for December 31, 2008 from 6,072 to 5,096.
- “Non-current liabilities” sub-total has changed from 6,475 to 5,595 at March 31, 2009 and from 7,060 to 6,084 at December 31, 2008.
- A new row headed "Financial liabilities – warrants" has been introduced with a figure of 106 for March 31, 2009 and 146 for December 31, 2008 and has been put into “Current liabilities”
- “Current liabilities” sub-total has changed from 3,241 to 3,347 at March 31, 2009 and from 3,588 to 3,734 at December 31, 2008.
- “Total shareholders’ equity and liabilities” has been changed for March 31, 2009 from 108,589 to 108,201 and for December 31, 2008 from 113,936 to 113,548.

Consolidated Statement of Comprehensive Loss

- A new row headed “Fair value gains and (losses) on derivative financial instruments” 40 for March 31, 2009 and 29 for March 31, 2008.
- The “Administrative expenses” for March 31, 2009 has been changed from (5,377) to (5,473).
- The “Operating loss” for the period to March 31, 2009 has changed from (5,667) to (5,723) and for the period to March 31, 2008 has changed from (3,766) to (3,737).
- The “Loss before tax” and “Total comprehensive loss for the period attributable to shareholders” for March 31, 2009 have been changed from (5,960) to (6,016) and for the period to March 31, 2009 have been changed from (4,640) to (4,611).
- The reference to “Note 6” has been removed from “Operating loss” and put to “Administrative expenses”.
- The comment that “No dividends were paid or are proposed for the quarter (2008 – \$Nil)” was replaced by “No dividends were paid or are declared for the quarter (2008 – \$Nil)”.

Consolidated Statement of Changes to Equity

- The “Loss for the year” in the column “Accumulated deficit” and the column headed “Total equity” has changed from (22,539) to (22,184).
- For “Share-based payments” in the columns “Option reserves” and “Total Equity” the figure has changed from 4,332 to 4,419.
- The total “At December 31, 2008” in the column headed “Accumulated deficit” has changed from (67,009) to (66,654), in the “Option reserve column” from 8,505 to 8,592 and in the column headed “Total equity” from 103,288 to 103,730.
- The total “At January 1, 2009 in the column headed “Accumulated deficit” has changed from (67,009) to (66,654), in the “Option reserve column” from 8,505 to 8,592 and in the column headed “Total equity” from 103,288 to 103,730.
- The “Loss for the period” in the column “Accumulated deficit” and the column headed “Total equity” has changed from (5,960) to (6,016).
- The total “At March 31, 2009 in the column headed “Accumulated deficit” has changed from (72,969) to (72,670), in the “Option reserve column” from 9,209 to 9,296 and in the column headed “Total equity” from 98,873 to 99,259.

Consolidated Statement of Cash Flows

- The figure for “Loss before income tax for the period” in the 2009 column changed from (5,960) to (6,016) and in the 2008 column has changed from (4,640) to (4,611).
- A new row headed "Fair value adjustment to warrant liability" has been introduced with a figure of (40) for 2009 and (29) for 2008.
- The “Net unrealised foreign exchange loss” figure for 2009 was changed from 1,154 to 1,250.
- The row titled “Decrease in inventories” has been changed to “Increase in inventories”.

Notes

Note 3 “Summary of significant accounting policies.”

- In the section “Oil and gas properties” in the first sentence of the third paragraph the phrase “decommissioning obligations” has been replaced by “asset retirement”.
- Page 7 The paragraph entitled “Decommissioning liability” is now entitled “Asset retirement obligation” ARO. In the final sentence of the first paragraph in this section the word “decommissioning” with “ARO” and “abandonment provision” with “ARO”. In the final paragraph the word “decommissioning” was replaced by “ARO” and “decommissioning cost” with “capitalized ARO cost”.
- Page 8 In the section headed “Investments” the phrase “decommissioning liabilities” has been replaced by “ARO”.
- Page 8 In the section headed “Financial Instruments” the final sentence “The company does not currently utilise derivative financial instrument” has been deleted.

- Page 8 In the section headed “Trade receivables, loans and other receivables” The sentence “Interest is recognised by applying the effective interest rate method except for short term receivables where the recognition of interest would be immaterial” has been deleted.
- Page 9 In the penultimate sentence of the first paragraph the phrase “within selling and marketing costs” has been deleted.
- Page 9 A new section headed “Derivative financial instruments” has been added.
- Page 11 The section previously titled “Share based incentives” is now “Share based payments”.

Note 4 “Critical judgements and accounting estimates”

- Page 11 In the final sentence the phrase “within the next financial year is” has been replaced by the word “are”.
- Page 12 In the final paragraph the figure “10.3” has been replaced by “33.7” and the figure “11.7” by “23.5”.
- Page 13 In the first paragraph the figure “700,000” has been replaced by “2 million”. In the second paragraph the figure “1.1 million” has been replaced by “2.6 million”..

Note 5 “Segmental Reporting”

- Page 14 In the section headed “Geographical segments” the words “as a potential growth region and is expected to contribute materially to Company revenue in future” has been deleted.
- Page 15 In first table in the row “Segment assets” in the Kazakhstan column the figure has been changed from “68,369” to “68,063”, in the “Other and Corporate “ column “31,498” has been changed to “31,416” and in the “Consolidated” column from “108,589” to “108,201”.
- Page 15 “For the period ended March 31, 2008” in the row “Segment result” in the column “Other and Corporate” the figure of “(3,067) has been changed to “(3,038)”. In the same column in the row “Loss before and after tax attributable to equity shareholders” the figure of “(3,880)” has been changed to “(3,851)”. In the respective rows in the column “Consolidated” the figures were changed from “(3,766)” to “(3,737)” and from “(4,640)” to “(4,611)” respectively.
- Page 15 In the sentence below the tables referred to in the point above the word “March” has been replaced by “December” and the date of “March 31, 2008” has been entered towards the end.
- Page 15 In the final table on this page the “Segment assets” row the figure has been changed from “68,546” to “68,240” in the column headed “Kazakhstan”, from “42,589” to “42,507” in the “Other and Corporate” column and from “113,936” to “113,548” in the “Consolidated” column.

Note 6 “Operating loss” has been renamed “Administrative expenses” and the wording “Operating loss is stated after charging the following expenses for the three months ended:” has been deleted. The “Foreign exchange loss (gain)” for March 31, 2009 has been changed from “1,698” to “1,794”.

Page 16 In Note 7 “Share-based payments” the wording “The purpose of the plan is to secure for the Company and its shareholders the benefits of incentives inherent in share ownership by Service providers who, in the judgement of the Board of Directors, will be largely responsible for its future growth and success” has been deleted.

Page 19 In Note 8 “Taxation” the wording “Under the Bokhtar PSC in Tajikistan, the State’s production share includes all Tajik taxes, levies and duties” has been deleted.

Page 20 In Note 9 “Loss per share” the “Loss for the period” to March 31, 2008 has been changed from “(4,640)” to “(4,611)”. The wording “Due to the loss making position of the Company in 2008 and 2009 there was no difference between the basic and diluted earnings per share for either of the period ended March 31, 2008 or 2009” was deleted.

Page 21 Note 10 “Intangible assets” The figure at “January 1, 2009” has been changed from “12,076” to “11,688”, the figure at March 31, 2009 from “17,941” to “17,553” the “Net book value” from “12,076” to “11,688”, “Amounts written off to exploration and evaluation costs” from “(1,464) to (1,852), at “December 31, 2008” from “12,076” to “11,688”.

Page 22 In Note 11 “Property, plant and equipment” the wording “Decommissioning asset” has been replaced by “Asset retirement obligation”.

Page 24 Note 15 “Financial liabilities has been split into two sections namely “15.1 Borrowings” and “15.2 Warrant Liability”.

In Note 15.1 Borrowings the “Long-term loan figure at March 31, 2009 has been changed from “5,680” to “4,800” and at December 31, 2008 from “6,072” to “5,096”. The total at March 31, 2009 was changed from “6,658” to “5,778” and at December 31, 2008 from “6,925” to “5,949”. The wording in the final sentence on this page of “and the related financial liability related to share warrants denominated in a currency that is not the Group’s functional currency” has been deleted.

Page 25 A new section “15.2 Warrant liability” has been introduced.

Page 27 In the section headed “Asset retirement obligation” in the penultimate sentence the wording “decommissioning liabilities” has been replaced with “ARO” and in the final sentence the wording “costs of decommissioning” has been replaced by “estimated cash outflows”.

Page 28 Note 18 “Called up share capital” has been re-named “Share capital”. The section showing the movement to March 31, 2009 has been moved above the section to December 31, 2008.

Page 28 Note 18 Share Capital In the first sentence below the table the word “acquisition” has been replaced by the word “purchase”. The wording “and expected dividends were not incorporated into this determination” previously at the end of the first paragraph have been deleted. Also the last sentence previously included in this note stating “On April 24, 2009 the Company issued 81,447 ordinary shares to Kraken Financial Group in full settlement of \$234,000 due as commission relating to the fundraising related to the Telesto rig described in Note 15” has been deleted.

Page 29 Note 19 “Post balance sheet events” has been re-named “Events occurring after the reporting period”.

Note 21 “Commitments and contingencies”

- Page 32 In the final sentence of the section headed “Kul-Bas Exploration and Production Contract” the word “installments” has been replaced with word “instalments”.
- Page 34 Note 21 In the section headed “Drilling Rig Telesto” the wording “after resolution of the technical problem and” has been replaced by “on”.

Note 22 “Explanation of transition to IFRS” has been amended to change a subheading from “IFRS1 Asset retirement obligations” to “IFRIC1 Change in Exiting Decommissioning, Restoration and Similar Liabilities”

Note 22.1 “Explanation of the effect of the transition to IFRS:

Page 38 in point paragraph in (b) headed “Increase in the carrying value of oil and gas assets due to restatement of the asset retirement obligation” the wording “decommissioning liabilities” has been replaced by “asset retirement obligation”.

Page 38 point (d) “Increase in asset retirement provision” the wording “The increase is partially offset by lower accretion due the lower discount rate” has been removed.

Page 39 “Reconciliation of equity as at March 31, 2008”

- In the column headed “Effect of transition to IFRS” the following changes were made: “Accumulated deficit” from “7,216” to “7,245”, sub-total of “Equity attributed to share holders” from “7,151” to “7,193”, “Financial liabilities – borrowings” from “980” to “-”, “Financial liabilities – warrants” from “-” to “938”, sub-total “Non-current liabilities” from “1,346” to “366”, and the “Total liabilities from “1,346” to “1,304”.
- In the column headed “IFRS” the following changes were made: “Accumulated deficit” from “(49,110)” to “(49,081)”, sub-total of “Equity attributed to share holders” from “71,942” to “71,984”, “Financial liabilities – borrowings” from “5,500” to “4,520”, “Financial liabilities – warrants” from “-” to “938”, sub-total “Non-current liabilities” from “7,306” to “6,326”, and the “Total liabilities from “10,101” to “10,059”.

Page 40 Note 22.2 “Explanation of the effects of the transition to IFRS” In the second sentence the wording “long term” has been changed to “current”. In point (c) the figure of “980” has been replaced by “(967)”, in point (e) the figure of “980” has been replaced by “938” and in point (f) the figure “7,216” has been replaced by “7,245”.

Page 41 “Reconciliation of equity as at December 31, 2008”

- In the column headed “Effect of transition to IFRS” the following changes were made: “Intangible assets” from “12,076” to “11,688”, sub-total of “Non-current assets” from “8,122” to “7,734”, “Total assets” from “8,122” to “7,734”, “Accumulated deficit” from “7,243” to “7,598”, sub-total “Equity attributable to shareholders” from “7,114” to “7,556”, “Financial liabilities – borrowings” from “976” to “-”, “Financial liabilities – warrants” from “-” to “146” and the “Total shareholders’ equity and liabilities” from “8,122” to “7,734”.
- In the column headed “IFRS” the following changes were made: “Intangible assets” from “12,076” to “11,688”, sub-total of “Non-current assets” from “88,859” to “88,471”, “Total

assets” from “113,936” to “113,548”, “Accumulated deficit” from “(67,009)” to “(66,654)”, sub-total “Equity attributable to shareholders” from “103,288” to “103,730”, “Financial liabilities – borrowings” from “6,072” to “5,096”, “Financial liabilities – warrants” from “-” to “146” and the “Total shareholders’ equity and liabilities” from “113,936” to “113,548”.

Page 42 Note 22.3 “Explanation of the effect of the transition to IFRS” In Point (a) “Expense pre-licence expenditure” the figure of (327) was changed to (715). The “Net effect – increase in intangible assets” then was changed from “12,076” to “11,688”. In point (c) “the adoption of IAS 32” changed from (1,163) to (1,076), in Point (e) from 976 to 146 and in Point (f) the figure was changed from “7,243” to “7,598”.

Page 43 Note 22.3 A new row was introduced to the reconciliation headed “Fair value gains (losses) on derivative financial instruments” with a figure of 29 in both the “Effect of transition to IFRS” and the “IFRS” columns. The corresponding figures in the “Operating loss” row changed from “122” to “151” and from “(3,766)” to “(3,737)”. The “Loss before tax” and “Comprehensive loss for the period attributable to shareholders” in the “IFRS” column changed from 56 to 90 in the “Effect of transition to IFRS” column and from “(4,640)” to “(4,611)” in the IFRS column.

Page 43 Note 22.3 There is a new point (b) and so the previous points (b) and (c) are now points (c) and (d) respectively.

Page 44 Note 22.3 The “Exploration expenditure” in the column “Effect of transition to IFRS” and in the “IFRS” column changed from “(1,904)” to “(2,292)”. A new row was introduced to the reconciliation headed “Fair value gains (losses) on derivative financial instruments” with a figure of 929 in both the “Effect of transition to IFRS” and the “IFRS” columns. The “Administrative expenses” figure in the “Transition to IFRS” column changed from (202) to (388) and from (20,789) to (20,975) in the “IFRS” column. The corresponding figures in the “Operating loss” row changed from “10” to 365 and from “(23,000)” to “(22,645)”. The “Loss before tax” and “Comprehensive loss for the period attributable to shareholders” in the “IFRS” column changed from “(22,539)” to “(22,184)”.

Page 44 Note 22.3 There is a new row in point (b) “Expense pre-licence expenditure incurred during the year explained in note 22.1 (a)” with a figure of (388). The figure for “Net effect – increase in exploration expenditure” changed from “(1,904)” to “(2,292)”.

Page 45 Note 22.3 There is a new point (c) and so the previous points (c) and (d) are now points (d) and (e) respectively.

MD&A

In the table on page two the “Net Loss” figures have changed as follows:

- March 31, 2008 from (4,640) to (4,611),
- June 30, 2008 from (4,848) to (5,023),
- Sept 30, 2008 from (5,354) to (4,905)
- Dec 31, 2008 from (7,696) to (7,645)
- Mar 31, 2009 from (6,056) to ((6,016)

In the table on page two the “Total Assets” figures have changed as follows:

- June 30, 2008 from 125,260 to 124,968
- Sept 30, 2008 from 119,667 to 119,326
- Dec 31, 2008 from 114,309 to 113,548
- Mar 31, 2009 from 108,723 to 108,201

In the table on page two the “Cash and working capital surplus” figures have changed as follows:

- March 31, 2008 from 23,762 to 22,824
- June 30, 2008 from 57,558 to 56,719
- Sept 30, 2008 from 36,921 to 36,598
- Dec 31, 2008 from 21,490, to 21,343
- Mar 31, 2009 from 8,169 to 7,947

Page 2 in the “Three months ended March 31, 2009” the “net loss” changed from “(6,056)” to “(6,016)”, the “Total Assets” fro “108,723” to “108,201” and the “Cash and working capital surplus” from “8,169” to “7,947”.

Page 2 in the “Three months ended March 31, 2008” the “net loss” changed from “(4,640)” to “(4,611)” and the “Cash and working capital surplus” from “23,762” to “22,824”.

Page 2 the “% Change” for “Net Loss” changed from “31” to “30”, for “Capital Expenditure “ from “188” to “189”, “Total Assets” changed from “33” to “32” and “Cash and working capital surplus” from (152) to (65).

Page 2 “Highlights” change “net loss” from “\$6,056,000” to “\$6,016,000”.

Page 3 “Net Loss”

- Change “net loss” from “\$6,056,000” to “\$6,016,000”.
- Change “exchange loss” from “\$1,698,000” to “\$1,794,000”.

Page 4 “Exchange loss” changed from “\$1,698,000” to “\$1,794,000”.

Page 5 “Financial position”

- “Intangible assets” at March 31, 2009 changed from “17,941” to “17,553” and at Dec 31, 2008 changed from “12,076” to “11,688”
- “Property, plant and equipment” at March 31, 2009 changed from “74,360” to “74,227” and at Dec 31, 2008 changed from “70,211” to “69,839” “Movement “ from “4,149” to “4,388”.
- “Share capital” at March 31, 2009 changed from “145,839” to “146,078” and “Movement “changed from “602” to “841”
- “Other Reserves” at March 31, 2009 changed from “26,927” to “25,851” and at Dec 31, 2008 changed from “26,223” to “25,147”.

- “Accumulated deficit” at March 31, 2009 changed from “(72,879)” to “(72,670)” and at Dec 31, 2008 changed from “(66,823)” to “(66,654)” and “Movement “from “(6,056)” to “(6,016)””.
- “Non-current financial liabilities” at March 31, 2009 changed from “(4,916)” to “(4,800)” and “Movement” changed from “180” to “296”.

Page 6 “Liquidity and capital resources” in the first sentence the figure of “8,169,000” was changed to “7,947,000”.

Page 8 “Contractual obligations and liabilities” In the contractual obligations table the operating leases changed from “Total” “847,956”, “Less than 1 Year” “645,852” and “1 – 3 Years” “202,104” to “647,3000”, “479,900” and “167,400” respectively.

Page 11 “Cash and cash equivalents” the wording has changed.

Page 11 Another point has been introduced in “Derivative financial instruments”.

Page 12 “Share-based incentives” has been replaced with “Share-based payment”

Page 16 “Investments”, the wording has been updated appropriately.

Page 16 “IFRS 1 Asset retirement obligations” has been replaced with “IFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities”.

Page 17 in point paragraph in (b) headed “Increase in the carrying value of oil and gas assets due to restatement of the asset retirement obligation” the wording “decommissioning liabilities” has been replaced by “asset retirement obligation”.

Page 17 point (d) “Increase in asset retirement provision” the wording “The increase is partially offset by lower accretion due the lower discount rate” has been removed.

Page 17 “Explanation of the effects of the transition to IFRS” In the second sentence the wording “long term” has been changed to “non-current”.

Page 18 “Explanation of the effects of the transition to IFRS” In the second sentence the wording “long term” has been changed to “current”. In point (c) the figure of “980” has been replaced by “967”, in point (e) the figure of “980” has been replaced by “938” and in point (f) the figure “7,216” has been replaced by “7,245”.

Page 19 “Explanation of the effect of the transition to IFRS” In Point (a) “Expense pre-license expenditure” the figure of (327) was changed to (715). The “Net effect – increase in intangible assets” then was changed from “12,076” to “11,688”. In point (c) “the adoption of IAS 32” changed from (1,163) to (1,076), in Point (e) from 976 to 146 and in Point (f) the figure was changed from “7,243” to “7,598”.

Page 19 point (c) “Adoption of IFRS 2” the figure “1,034” has been replaced by “1,121”.



In accordance with section 6.2 of National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, the Company has filed interim certificates in Form 52-109F2R in connection with the re-filing of the Financial Statements and MD&A.

We trust that you will find the foregoing satisfactory, however, should you have any questions or concerns, please do not hesitate to contact the undersigned.

Yours truly,

TETHYS PETROLEUM LIMITED

"B MURPHY"

Bernard Murphy

Chief Financial Officer

cc. Philippe Tardif – *Borden Ladner Gervais LLP*
Robert Hawley - *PricewaterhouseCoopers LLP*
Khurram Asghar - *PricewaterhouseCoopers LLP*
Leanne Hassell - *PricewaterhouseCoopers LLP*