

Media Release

22 July 2013



Zeta Petroleum plc / Index: ASX / Epic: ZTA / Sector: Oil & Gas

Zeta Petroleum plc ('Zeta')
Acquisition of 100% Interest in Proven Oil Concession, Romania

Zeta Petroleum plc, the ASX listed Romanian focused oil and gas exploration and production company, is pleased to announce that it has secured a 100% interest in the previously producing Grivita Nord oil concession ('Grivita') in Eastern Romania following the signing of a sale and purchase agreement to acquire 100% of the issued capital of Celtique Energie SRL ('Celtique Romania'), a wholly owned subsidiary of Celtique Energie Petroleum Limited ('Celtique').

Highlights

- Grivita has previously produced 763,457 barrels of oil from two separate structures on the concession - the Northern and the Southern structures
- Additional development upside – new mapping indicates majority of the reserves in the Southern structure are still to be recovered
- P50 reserves (unaudited) for Southern structure estimated at 448,000 barrels of oil with an unrisks NPV₁₀ of US\$25.55 million
- Forward plan to bring the field back into production by drilling a development well into a crestal location on the Southern structure
- Cost of acquisition back ended - based on future commercial success with only a minimal upfront payment required
- Acquisition is in line with the Company's strategy to build a leading oil and gas company focused on Eastern Europe with a multi-stage portfolio of assets

Zeta Petroleum plc Managing Director Stephen West said, "Grivita is Zeta's fourth concession in Romania and, being located in a working hydrocarbon system, fits well with our investment criteria. As with our three existing concessions, hydrocarbons have previously been produced from the concession and new technical data indicates material reserves remain in place on the Southern structure. We therefore view Grivita as a development rather than an exploration play and subject to finance we intend to drill a well to bring the concession back into production. This is an exciting time for the Company, as we focus on increasing our existing production and reserves and in the process generate value for shareholders."



Further Information

Under the terms of the sale and purchase agreement Zeta is to pay Celtique minimal upfront consideration and deferred consideration based on cumulative oil production targets. The maximum deferred consideration payable by Zeta is US\$2.8 million in the event that cumulative oil production from the field reaches 240,000 barrels of oil, representing a maximum acquisition cost to Zeta of US\$11.67 per barrel of oil.

The sole asset of Celtique Romania is a 100% interest in the Grivita Nord concession in Romania. The Grivita Nord concession is located onshore in eastern Romania and covers an area of 3.45km².

The Grivita Nord concession previously produced 37° API oil from 1979 to 2005, producing a total of 763,457 barrels of oil from two separate structures: the Northern Structure and the Southern Structure. A total of 14 wells were drilled in the concession area, seven wells in the Northern Structure and seven wells in the Southern Structure.

New mapping of the Southern Structure suggests only the south-west portion of the structure has been developed leaving a large unswept area with the potential for a new well to be optimally placed in a crestal location to produce the remaining reserves. P50 reserves (unaudited) for the Southern Structure are estimated to be 448,000 barrels of oil with an unrisksed NPV₁₀ of US\$25.55 million, and initial production rates of 761 barrels of oil per day from the one well development.

Zeta intends, subject to finance, to drill a development well (with a 150 metre horizontal section) to a depth of 2,000 metres into a crestal location on the Southern Structure and bring the field back into production.

Grivita Nord Concession NPV₁₀ (unrisksed)			
	P90	P50	P10
Recoverable Reserves (unaudited)	209,000 bbls	447,620 bbls	899,430 bbls
Net Present Value (10% discount rate)	US\$8.93 million	US\$25.55 million	US\$53.69 million



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Figure 1 - Location of Grivita Nord and Existing Zeta Concessions

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The information provided in this press release that relates to Zeta Petroleum plc's hydrocarbon reserves is based on information compiled by Mr Philip Crookall who is a competent person as defined in ASX Listing Rule 5.11. Mr Philip Crookall has consented in writing to the inclusion of the information provided in this press release that relates to Zeta Petroleum plc's hydrocarbon reserves in the form and context in which it appears here. Mr Philip Crookall is a director of Zeta Petroleum plc.