



ZETA PETROLEUM PLC

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Zeta Petroleum plc ('Zeta' or 'the Company')
Targeting Increase in Gas Production on Suceava Concession, Romania

Zeta Petroleum plc, the ASX listed Romanian focused oil and gas exploration and production company, is pleased to announce a positive update on its 50% owned Suceava gas concession in Romania, covering an area of 2,403 sq km upon which the producing Climauti gas field is located. Raffles Energy S.R.L. ('Raffles') is the operator and holds the remaining 50% interest in the licence.

Overview

- Feasibility study to commence on bringing two existing gas discovery wells into production in 2013 - potential to significantly increase Zeta's current net production
- The two existing discovery wells flowed commercial rates of gas in testing:
 - SE-1, drilled in 2005 - tested at a stable rate of 25,500 cubic metres per day ('m³/day')
 - Dornesti Sud-1, drilled in 2007 - tested at 24,000m³/day
- Low cost options being considered include building a conventional pipeline from the wells to existing infrastructure and utilising gas-to-power technology
- Potential for rapid payback:
 - targeting additional net revenues of US\$75,000 per month to Zeta from the two wells
 - cost of work estimated at €2 million gross (€1 million net to Zeta) for a conventional pipeline and facilities, or substantially lower utilising gas-to-power technology
- Existing production at Climauti gas field remains stable at 15,500m³/day generating net revenues to Zeta of US\$25,000 per month

Zeta Petroleum plc Managing Director Stephen West said, "These two gas discovery wells on Suceava highlight the concession's prospectivity and represent a low cost route to materially increase our net revenues later this year. We anticipate the two wells will recover their costs within 12 months, freeing up capital and generating revenues that can be reinvested elsewhere across our portfolio of assets. This includes our previously producing 100% owned Bobocu licence and a 39% interest in

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the Jimbolia concession where NIS Gazprom Neft is currently drilling the Jimbolia-100 well into the Veche discovery, which has the potential to hold Pmean contingent resources of 1.72MMbbls. 2013 promises to be a highly active year for Zeta and I look forward to providing the market with updates on our progress in due course.”

Suceava

Zeta has a 50% interest in Suceava which is operated by Raffles. The 2,403 sq km concession is located on the Moldovian platform, approximately 370 km north of Bucharest and is contiguous to the Chevron owned Barlad concession. The Suceava concession includes the Climauti gas field which is currently producing 15,500m³/day from Sarmatian sands from a depth of approximately 460 metres.

Zeta and Raffles (Operator) have agreed to commence a feasibility study on how best to bring two existing gas discovery wells into production in 2013, and in the process, significantly increase current production from the concession. Both wells were successfully drilled by previous owners of the concession and flowed commercial rates of gas in tests: the SE-1 drilled in 2005, tested at a stable rate of 25,500 m³/day (peak rate in excess of 33,000 m³/day) and the Dornesti Sud-1, which was drilled in 2007, tested at 24,000 m³/day.

Low cost options to bring the two wells back into production will be considered by the feasibility study and will include constructing conventional facilities and a pipeline from the two wells to an existing main pipeline as well as utilising gas-to-power technology. It is estimated that the cost of the conventional facilities and pipeline option will be approximately €2 million (€1 million net to Zeta) and the gas-to-power option is likely to be significantly less. These cost estimates will be confirmed by the results of the feasibility study.

Based on the tested flow rates of both wells, the Company is targeting additional revenues net to Zeta of US\$75,000 per month from the two wells, increasing Zeta's total revenues to US\$100,000 per month. Combined with the relatively low capital outlay, the Directors believe the two wells have the potential for rapid payback of capital (recover costs).

Across the Suceava concession, the Directors believe there is the potential for up to 80Bcf (unrisked) of shallow conventional gas based on five leads and prospects identified at depths of between 400 to 1,000 metres.

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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 Chief Operating Officer of Zeta Petroleum plc.

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