

Media Release

29 July 2016



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

Zeta Petroleum plc ('Zeta' or 'the Company')

Quarterly Activities Review – Period Ended 30 June 2016

Zeta Petroleum plc, the ASX listed oil and gas company provides its quarterly activities review for the period ended 30 June 2016.

OPERATIONS

Suceava – Gas Production and Appraisal (Zeta 50%)

Production at the Climauti, Ruda and Dornesti Gas fields generated net revenues to Zeta with gross combined production of approximately 12,000 m³/day (426,000 scf/d). There was no electricity production at the Dornesti Gas to Power operation in June due to increasing levels of water being produced from the well. The Operator commenced restorative drilling works in July.

The Company announced the disposal of the Suceava asset on 19 July 2016 (refer below for further details).

Bobocu – Gas Development and Production (Zeta 100%)

No developments or updates during the period.

The Company announced the disposal of the Bobocu asset on 19 July 2016 (refer below for further details).

Jimbolia – Oil and Gas Appraisal (Zeta 39%)

No developments or updates during the period.

CORPORATE

The Company's Annual General Meeting took place on 30 June 2016 with all resolutions duly passed by the required majority.

POST PERIOD END DEVELOPMENTS

Amendment and Completion of Asset Disposal

The Company announced on 19 July 2016 the completion of the sale of the Suceava and Bobocu licence interests to GM Investment & Co. Limited ("GMI") in exchange for full settlement of all outstanding debt of approximately A\$4.2 million owed to GMI. Prior to completion of the sale, the Company signed an amendment to the sale and purchase agreement with GMI on 17 June 2016 such that the Company retained its 39% non-operated in the Jimbolia licence.



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Placing

On 27 July 2016 the Company announced it had issued a total of 1,800,000 new ordinary fully paid CDIs raising A\$108,000 pursuant to the signing of a Placing Agreement (“Placing”) with Transcontinental Group (“Transcontinental”).

Transcontinental is a private investment group with over 30 years’ experience and success operating across the oil and gas, mineral resources, industrial and property sectors.

The CDI’s under the Placing were issued within the Company’s existing placement capacity under LR7.1 and LR7.1A at 6¢ per new CDI. For every two CDI’s issued, a free attaching option exercisable at 10¢ with an expiry date of 30 September 2016 will also be issued (subject to shareholder approval).

Rights Issue and Board Changes

The Company also announced on 27 July 2016 that it will undertake a Rights Issue that will comprise a pro rata entitlement issue of two new CDI’s for every one share held by Zeta shareholders on the same terms as the Placing.

The Rights Issue will be made under a prospectus which will set out the details of the offer, including the record date and eligibility to participate. Further details of the Rights Issue will be announced in due course.

Transcontinental has indicated its support of the Rights Issue and the Company will endeavour to place any shortfall.

Board Changes

In conjunction with the Placing on 28 July 2016 Simon Trevisan joined the board as a non-executive director with Bogdan Popescu stepping down.

****ENDS****

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