

# ZETA PETROLEUM PLC

(Incorporated in England and Wales with company number 05560854)

## NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

For a General Meeting to be held  
on Monday 17 September 2012 at 9.00 am at  
the offices of Watson Farley & Williams LLP  
15 Appold Street, London EC2A 2HB, United Kingdom

***THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.***

***If you are in any doubt about the contents of this document or about the action you should take you should consult immediately your stockbroker, solicitor, accountant or other duly authorised independent financial adviser (if in the United Kingdom, under the Financial Services and Markets Act 2000).***

***If you have sold or transferred all of your ordinary shares or CDIs in Zeta Petroleum Plc (the "Company"), please send this document together with the accompanying form of proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.***

***Holder of ordinary shares in the Company are requested to complete and return the enclosed form of proxy (in accordance with the instructions set out on that form) whether or not they propose to be present at the Meeting (the completion and return of a form of proxy will not prevent you from attending the Meeting and voting in person should you subsequently wish to do so).***

## TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE

### Venue

A General Meeting of the Company will be held at:

the offices of Watson, Farley & Williams LLP  
15 Appold Street  
London EC2A 2HB  
United Kingdom

Commencing  
at 9am  
on Monday 17 September 2012

### How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Holders of CDIs are invited to attend and speak at the Meeting but are not entitled to vote personally at the Meeting. Chess Depositary Nominees Pty Limited (“**CDN**”) holds legal title in the Shares for and on behalf of CDI holders. As the holders of the beneficial interest in the Shares that are held by CDN, CDI holders should direct CDN on how to vote at the Meeting with respect to the Resolutions described in this Notice by completing, signing and returning the CDI Notice of Direction (as enclosed with this Notice) so that CDN can vote the underlying Shares on your behalf. CDN must exercise its rights to vote by proxy at the Meeting in accordance with the directions of CDI holders.

### Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 9.00 am.

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, members will be entitled to attend and vote at the Meeting if they are registered on the Company’s register of members 48 hours before the time appointed for the Meeting (in calculating the 48 hours, no account shall be taken of any part of a day that is not a working day) or any adjournment thereof. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

### Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice as soon as possible and either send the proxy form by hand or by post to the Company's registrars:

Computershare Investor Services Plc  
The Pavilions  
Bridgewater Road  
Bristol  
BS99 6ZY  
United Kingdom

so that it is received not later than 9.00 am on 13 September 2012.

Your proxy form is enclosed.

# ZETA PETROLEUM PLC

## NOTICE OF GENERAL MEETING

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Notice is hereby given that a General Meeting of the Shareholders of Zeta will be held at the offices of Watson, Farley & Williams LLP, 15 Appold Street, London EC2A 2HB, United Kingdom on Monday 17 September 2012 at 9.00 am for the purpose of transacting the following business and considering and, if thought fit, passing Resolution 1 as an ordinary resolution and Resolution 2 as a special resolution.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

The Directors consider that the proposed Resolutions are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions, as they intend to do or procure to be done in respect of their own and their connected persons' beneficial holding (except where they are subject to a voting exclusion).

Certain capitalised terms used in this Notice are as defined in the enclosed Glossary (unless otherwise stated).

### **RESOLUTION 1: DIRECTORS' AUTHORITY TO ALLOT**

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution**:

*"THAT, the Directors be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the "**Companies Act**"), to exercise any power of the Company to allot shares (within the meaning of Section 540 of the Companies Act) in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") to such persons at such time and on such terms as the Directors think proper up to an aggregate nominal amount of £500,000. The authority referred to in this Resolution shall be in substitution for any existing authority, and shall expire, unless previously revoked, renewed or varied by the Company in general meeting, upon the earlier of 5 years from the passing of this Resolution or the date of cessation of the Company's listing on ASX. The Company may, at any time prior to the expiry of the authority, make an offer or enter into an agreement which would or might require shares to be allotted or Rights to be granted after the expiry of the authority and the Directors are hereby authorised to allot shares and to grant Rights in pursuance of such offer or agreement as if the authority had not expired."*

### **Short Explanation:**

This Resolution seeks authority pursuant to Section 551 of the Companies Act for the Directors to allot shares (within the meaning of Section 540 of the Companies Act) or to grant rights to subscribe for or convert any security into shares up to an aggregate nominal value of £500,000, to provide the Company with sufficient capacity to allot further shares and to grant further rights to subscribe for, or to convert any security into, shares over the coming years in order to, inter alia, raise further finances for the Company (if the Directors consider this appropriate and in the best interests of the Company) subject always to the ASX Listing Rules. This authority will expire, unless previously revoked, renewed or varied by the Company in general meeting, upon the earlier of 5 years from the passing of this Resolution or the date of cessation of the Company's listing on ASX.

**The level of authority has been set deliberately high for so long as the Company's ASX listing is maintained, as Shareholders will still have protection in the form of Chapter 7 of the ASX Listing Rules. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. There are, however, a number of exceptions to ASX Listing Rule 7.1 including, inter alia, an issue of securities made under a pro-rata issue to**

holders of equity securities (i.e. a rights issue). Further, ASX Listing Rule 7.1a provides that entities with a market capitalisation of A\$300 million or less and not included in the ASX 300 Index may seek shareholder approval at its annual general meeting to issue additional equity securities during the 12 month period from the date of such annual general meeting of an amount which represents a further 10% of the number of fully paid ordinary securities on issue.

If granted this authority will replace the existing authority granted at the annual general meeting of the Company held on 29 June 2012.

## **RESOLUTION 2: NO PRE-EMPTION RIGHTS ON ALLOTMENT OF SECURITIES**

To consider and, if thought fit, pass the following Resolution as a **special resolution**:

*“THAT, the Directors be and they are hereby empowered pursuant to Section 570 of the Companies Act 2006 (the “Companies Act”) to allot equity securities (as defined in Section 560 of the Companies Act) for cash pursuant to the authority conferred by Resolution 1 above, as if Section 561(1) of the Companies Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £500,000 and provided that this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire on the earlier of 5 years from the passing of this Resolution or the date of cessation of the Company’s listing on ASX. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.”*

### **Short Explanation:**

This Resolution seeks authority pursuant to Section 570 of the Companies Act for the Directors to allot equity securities (as defined in Section 560 of the Companies Act) for cash pursuant to the general authority conferred by Resolution 1 as if the statutory pre-emption rights contained in Section 561(1) of the Companies Act did not apply to any such allotment up to an aggregate nominal amount of £500,000, to provide the Company with sufficient capacity to allot further shares and to grant further rights to subscribe for, or to convert any security into, shares over the coming years in order to, inter alia, raise further finances for the Company (if the Directors consider this appropriate and in the best interests of the Company) subject always to the ASX Listing Rules. This authority will expire, unless previously revoked, renewed or varied by the Company in general meeting, upon the earlier of 5 years from the passing of this Resolution or the date of cessation of the Company’s listing on ASX.

**As above, the level of authority has been set deliberately high for so long as the Company’s ASX listing is maintained, as Shareholders will still have protection in the form of Chapter 7 of the ASX Listing Rules. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. There are, however, a number of exceptions to ASX Listing Rule 7.1 including, inter alia, an issue of securities made under a pro-rata issue to holders of equity securities (i.e. a rights issue). Further, ASX Listing Rule 7.1a provides that entities with a market capitalisation of A\$300 million or less and not included in the ASX 300 Index may seek shareholder approval at its annual general meeting to issue additional equity securities during the 12 month period from the date of such annual general meeting of an amount which represents a further 10% of the number of fully paid ordinary securities on issue.**

If granted this authority will replace the existing authority granted at the annual general meeting of the Company held on 29 June 2012.

## VOTING AND PROXIES

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the Meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that Shareholder (you may not appoint more than one proxy to exercise rights attached to any one Share). To appoint more than one proxy you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrars, **Computershare Investor Services Plc, The Pavilions, Bridgewater Road, Bristol, BS99 6ZY, United Kingdom** by hand, or sent by post, so as to be received not less than 48 hours before the time fixed for the holding of the Meeting (in calculating the 48 hour period, no account must be taken of any part of a day that is not a working day).
2. To direct your proxy how to vote on the Resolutions mark the appropriate box with an 'X'. To abstain from voting on a Resolution, select the relevant 'withheld' box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation. Any corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all of the powers as a member provided that they do not do so in relation to the same Shares. A resolution of the directors, or other governing body, of the corporation will be required in order to evidence the valid appointment of the corporate representative, in accordance with Section 323 of the Companies Act.
5. The completion and return of a form of proxy will not preclude a member from attending in person at the Meeting and voting should he wish to do so.
6. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, members will be entitled to attend and vote at the Meeting if they are registered on the Company's register of members 48 hours before the time appointed for the Meeting (in calculating the 48 hours, no account shall be taken of any part of a day that is not a working day) or any adjournment thereof. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
7. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act) provided in this Notice or in related documents (including the form of proxy) to communicate with the Company for any purpose other than those expressly stated.

8. Your personal data includes all data about you, or on your behalf, which relates to you as a Shareholder, including your name and contact details, the votes you cast and your reference number (as attributed to you by the Company or its registrars). The Company determines the purposes for which, and the manner in which, your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

**By order of the Board**

Mr Ben Hodges  
Company Secretary  
Dated: 28th August 2012

# ZETA PETROLEUM PLC

## EXPLANATORY STATEMENT

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This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you are in any doubt about the contents of this Explanatory Statement or the preceding Notice, please contact your stockbroker, solicitor, accountant or other independent financial adviser duly authorised to advise (if in the United Kingdom, under the Financial Services and Markets Act 2000).

This Explanatory Statement has been prepared for the Shareholders of the Company in connection with the General Meeting of the Company to be held on Monday 17 September 2012.

Certain capitalised terms in this Explanatory Statement are defined in the Glossary (unless otherwise stated).

### **RESOLUTIONS 1 and 2: DIRECTORS' AUTHORITY TO ALLOT SHARE CAPITAL AND DISAPPLICATION OF PRE-EMPTION RIGHTS**

Resolutions 1 and 2 relate to the grant to the Board of authority to allot equity securities (within the meaning of Section 560 of the Companies Act):

- (a) up to an aggregate nominal amount of £500,000 (approx. A\$780,750 at the date of this Notice); and
- (b) as if statutory pre-emption rights did not apply to such allotment,

to provide the Company with sufficient capacity to allot further shares over the coming years subject always to the ASX Listing Rules. This authority will expire, unless previously revoked, renewed or varied by the Company in general meeting, upon the earlier of 5 years from the passing of these Resolutions or the date of cessation of the Company's listing on ASX. The level of authority has been set deliberately high for so long as the Company's ASX listing is maintained, as Shareholders will still have protection in the form of Chapter 7 of the ASX Listing Rules. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. There are, however, a number of exceptions to ASX Listing Rule 7.1 including, inter alia, an issue of securities made under a pro-rata issue to holders of equity securities (i.e. a rights issue). Further, ASX Listing Rule 7.1a provides that entities with a market capitalisation of A\$300 million or less and not included in the ASX 300 Index may seek shareholder approval at its annual general meeting to issue additional equity securities during the 12 month period from the date of such annual general meeting of an amount which represents a further 10% of the number of fully paid ordinary securities on issue.

If granted these authorities will replace the existing authorities granted at the annual general meeting of the Company held on 29 June 2012.

## ZETA PETROLEUM PLC

### GLOSSARY

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In the Notice and this Explanatory Statement the following expressions have the following meanings (unless otherwise stated):

"**ASX**" means the ASX Limited (ABN 98 008 624 691) or the financial market operated by ASX Limited, as the context requires.

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the board of Directors of the Company.

"**CDIs**" means CHESS Depository Interests representing units of beneficial ownership in Shares registered in the name of CDN.

"**CDN**" means CHESS Depository Nominees Pty Limited.

"**CHESS**" means Clearing House Electronic Subregister System.

"**Companies Act**" means the Companies Act 2006 (UK).

"**Company**" or "**Zeta**" means Zeta Petroleum Plc, a company incorporated in England and Wales with registered number 05560854.

"**Directors**" mean the directors of the Company from time to time (each being a "**Director**").

"**Explanatory Statement**" means this explanatory statement.

"**General Meeting**" or "**Meeting**" means the general meeting the subject of this Notice and Explanatory Statement to take place on Monday 17 September 2012.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Resolutions**" means the resolutions referred to in the Notice (each being a "**Resolution**").

"**Shares**" means the fully paid ordinary shares of £0.001 each in the capital of the Company (each being a "**Share**").

"**Shareholders**" means the registered holders of Shares in the Company (each being a "**Shareholder**").

"**United Kingdom**" or "**UK**" means the United Kingdom of Great Britain and Northern Ireland.

"**\$**" or "**A\$**" means Australian dollars.

"**£**" means pounds sterling.





ZETAPETROLEUMPLC

**Computershare**

All Correspondence to:  
Computershare Investor Services PLC  
The Pavilions, Bridgwater Road,  
Bristol, BS99 6ZY

## Form of Proxy - General Meeting to be held on 17 September 2012



View the Annual Report and Accounts online at

[www.zetapetroleum.com](http://www.zetapetroleum.com)

To be effective, all proxy appointments must be lodged with the Company's Registrars at:  
Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 13 September 2012 at 9.00 am.

### Explanatory Notes:

1. Every holder has the right to appoint some other person(s) of their choice, who need not be a shareholder, as his proxy to exercise all or any of his rights, to attend, speak and vote on their behalf at the meeting. If you wish to appoint a person other than the Chairman, please insert the name of your chosen proxy holder in the space provided (see reverse). If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name (see reverse) the number of shares in relation to which they are authorised to act as your proxy. If returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes (or if this proxy form has been issued in respect of a designated account for a shareholder, the proxy will exercise his discretion as to whether, and if so how, he votes).
2. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Registrar's helpline on 08714952030 or you may photocopy this form. Please indicate in the box next to the proxy holder's name (see reverse) the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
3. The 'Vote Withheld' option overleaf is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.
4. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. The above is how your address appears on the Register of Members. If this information is incorrect please ring the Registrar's helpline on 08714952030 to request a change of address form or go to [www.investorcentre.co.uk](http://www.investorcentre.co.uk) to use the online Investor Centre service.
6. Any alterations made to this form should be initialled.
7. The completion and return of this form will not preclude a member from attending the meeting and voting in person.

**Kindly Note:** This form is issued only to the addressee(s) and is specific to the unique designated account printed hereon. This personalised form is not transferable between different: (i) account holders; or (ii) uniquely designated accounts. The Company and Computershare Investor Services PLC accept no liability for any instruction that does not comply with these conditions.

#### All Named Holders

# Form of Proxy

Please complete this box only if you wish to appoint a third party proxy other than the Chairman.  
Please leave this box blank if you want to select the Chairman. Do not insert your own name(s).



I/We hereby appoint the Chairman of the Meeting OR the person indicated in the box above as my/our proxy to attend, speak and vote in respect of my/our full voting entitlement\* on my/our behalf at the General Meeting of Zeta Petroleum Plc to be held at **the offices of Watson Farley & Williams LLP, 15 Appold Street, London EC2A 2HB, United Kingdom** on 17 September 2012 at **9.00 am**, and at any adjourned meeting.

\* For the appointment of more than one proxy, please refer to Explanatory Note 2 (see front).

Please mark here to indicate that this proxy appointment is one of multiple appointments being made.

Please use a **black** pen. Mark with an **X** inside the box as shown in this example.



## Ordinary Resolution

1 That the Directors are authorised to allot securities

	For	Against	Vote Withheld
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Special Resolution

2 No pre-emption rights on allotment of securities

	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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## Intention To Attend

Please indicate if you intend to attend the General Meeting

I/We instruct my/our proxy as indicated on this form. Unless otherwise instructed the proxy may vote as he or she sees fit or abstain in relation to any business of the meeting.

## Signature

## Date

DD / MM / YY

In the case of a corporation, this proxy must be given under its common seal or be signed on its behalf by an attorney or officer duly authorised, stating their capacity (e.g. director, secretary).

