

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Zeta Petroleum PLC

ARBN

154 575 872

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Listed Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 33,340,560 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Listed Options with an exercise price of \$0.30 per option each convertible into CDIs at any time prior to 15 July 2015.

All Options issued in accordance with the terms included in the Loyalty Option Prospectus dated 18 September 2012. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:
<ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | No – new class of quoted securities which will rank equally with all other listed CDIs upon conversion. |

+ See chapter 19 for defined terms.

5	Issue price or consideration	1 cent per option								
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To issue the Loyalty options to shareholders initially referred to in the Company's IPO Prospectus, raise \$333,406 (before expenses) and provide additional working capital to the Company.								
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	29 October 2012								
8	<i>Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</i>	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>117,081,180</td> <td>Ordinary Shares / CDIs for Ordinary Shares</td> </tr> <tr> <td>41,742,240</td> <td>Options for CDIs exercisable at \$0.20 on or before 15 June 2013</td> </tr> <tr> <td>33,340,560</td> <td>Options for CDIs exercisable at \$0.30 on or before 15 July 2015</td> </tr> </tbody> </table>	Number	+Class	117,081,180	Ordinary Shares / CDIs for Ordinary Shares	41,742,240	Options for CDIs exercisable at \$0.20 on or before 15 June 2013	33,340,560	Options for CDIs exercisable at \$0.30 on or before 15 July 2015
Number	+Class									
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33,340,560	Options for CDIs exercisable at \$0.30 on or before 15 July 2015									
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>16,281,060</td> <td>Ordinary Shares / CDIs for Ordinary Shares</td> </tr> <tr> <td>14,000,000</td> <td>Management options exercisable at \$0.20 on or before 11 January 2019</td> </tr> <tr> <td>1,876,090</td> <td>Corporate Advisor Options exercisable at \$0.20 on or before 21 May 2017</td> </tr> </tbody> </table>	Number	+Class	16,281,060	Ordinary Shares / CDIs for Ordinary Shares	14,000,000	Management options exercisable at \$0.20 on or before 11 January 2019	1,876,090	Corporate Advisor Options exercisable at \$0.20 on or before 21 May 2017
Number	+Class									
16,281,060	Ordinary Shares / CDIs for Ordinary Shares									
14,000,000	Management options exercisable at \$0.20 on or before 11 January 2019									
1,876,090	Corporate Advisor Options exercisable at \$0.20 on or before 21 May 2017									
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A								

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non renounceable
13	Ratio in which the +securities will be offered	1 option for every 4 ordinary shares/CDIs held
14	+Class of +securities to which the offer relates	Options
15	+Record date to determine entitlements	26 September 2012
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	All fractions will be rounded up
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/a
19	Closing date for receipt of acceptances or renunciations	23 October 2012
20	Names of any underwriters	Issue not underwritten
21	Amount of any underwriting fee or commission	Nil
22	Names of any brokers to the issue	Nil
23	Fee or commission payable to the broker to the issue	N/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/a

+ See chapter 19 for defined terms.

25	If the issue is contingent on +security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	2 October 2012
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	18 September 2012
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/a
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/a
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/a
33	+Despatch date	29 October 2012

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

 If the additional securities do not rank equally, please state:
 • the date from which they do
 • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now
 Example: In the case of restricted securities, end of restriction period

 (if issued upon conversion of another security, clearly identify that other security)

Number	+Class

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
(Australian Agent)

Date: 18 September 2012

Print name: Piers Lewis

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