



**ZETA**PETROLEUMPLC

**ARBN 24 154 575 872**

**INTERIM REPORT**

**FOR THE HALF-YEAR ENDED 30 JUNE 2019**

## INTERIM REPORT FOR THE HALF YEAR ENDED 30 JUNE 2019

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## **CORPORATE INFORMATION**

### **DIRECTORS**

S P West  
*Non-Executive Chairman*

T W Osborne  
*Non-Executive Director*

S Trevisan  
*Non-Executive Director*

G Hancock  
*Non-Executive Director*

### **JOINT COMPANY SECRETARY**

Sean Meakin  
Ben Hodges

### **LOCAL AGENT - AUSTRALIA**

Fleur Hudson

### **REGISTERED OFFICES**

#### **United Kingdom**

Elder House St  
Georges Business  
Park  
207 Brooklands Road  
Weybridge, Surrey KT13 0TS  
United Kingdom  
Ph: +44 (0) 19 0370 6160

#### **Australia**

14<sup>th</sup> Floor (South)  
225 St George's Terrace  
Perth WA 6000  
Australia  
Ph: +61 (0)8 9321 5922

### **AUDITOR**

BDO LLP  
55 Baker Street  
London  
W1U 7EU  
United Kingdom

### **STOCK EXCHANGE LISTING**

Australian Securities Exchange  
Share code: ZTA

### **SHARE REGISTRARS**

#### **United Kingdom**

Computershare Investor Services plc  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZY  
United Kingdom  
Ph: +44 (0) 870 703 0003

#### **Australia**

Computershare Investor Services Pty Ltd  
Level 11, 172 St Georges Terrace  
Perth WA 6000  
Australia  
Ph: +61 (0) 8 9323 2000

### **PLACE OF INCORPORATION**

England

### **COMPANY NUMBER**

5560854

### **WEBSITE**

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

## REPORT OF THE DIRECTORS FOR THE HALF YEAR ENDED 30 JUNE 2019

The directors present their report together with the unaudited financial statements for the six months ended 30 June 2019.

### Directors

Director	Date Appointed	Date Resigned
S P West	12 September 2005	-
T W Osborne	31 March 2006	-
G Hancock	23 April 2015	-
S Trevisan	28 July 2016	-

### Results and Dividends

The statement of profit or loss and other comprehensive income is set out on page 4 and shows an operating loss for the interim financial report amounting to £76k (interim financial report to 30 June 2018: loss of £65k). The directors do not recommend the payment of a dividend.

### Principal Activities and Review of Operations

During the six months ended 30 June 2019 the Company's objective was to create shareholder value by investigating potential oil and gas and other resource exploration opportunities.

In May 2018 an agreement was executed with NIS Petrol (Operator) to transfer the Company's 39% interest in the Romanian Jimbolia concession to NIS Petrol. On 17 September 2018, The Romanian National Agency for Minerals and Resources approved the transfer to NIS Petrol and, as a result, the Company has no on-going interest in the concession.

The Directors of the Company continue to investigate potential oil and gas and other resource exploration opportunities for the Company.

### Key Performance Indicators

During the six months to 30 June 2019 the Company has continued to consider business opportunities for the Company while exercising effective cash management and cost control.

## REPORT OF THE DIRECTORS FOR THE HALF YEAR ENDED 30 JUNE 2019

### Financial Position

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the interim financial statements and the interim financial statements has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As at 30 June 2019 the Company had available funds totaling £20k (30 June 2018: £125k) a net current liability position of £27k (30 June 2018: net current asset position of £118k) and a shareholder's funds deficit of £27k (30 June 2018: shareholder's funds surplus of £118k). For the 6-month period to 30 June 2019, the Company made an operating loss of £76k (loss for 6 months to 30 June 2018 of £65k) and had cash outflows from operating activities of £65k (cash outflows from operating activities for 6 months to 30 June 2018 of £73k).

In July 2019 the Company received funds of \$50,000 Australian Dollars from Tribis Pty Ltd, a related party of the Company, being a total loan of \$100,000, including those funds provided prior to the end of the period. On 26th July 2019, Zeta Petroleum then settled the loan outstanding through the placement of 2,000,000 CDI's to Tribis.

The Company will need to complete a capital raising, however at the date of this report, no capital raising has been completed and accordingly there is material uncertainty over the ability of the Company to continue as a going concern and being able to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the Company will continue as a going concern due to the Company having a current cash balance of £19,060 (\$34,517 Australian Dollars), and the support of its Major Shareholders. As a result, the financial information has been prepared on a going concern basis.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

This report has been approved in accordance with a resolution of the Board of Directors.

By order of the Board



**S P West**  
Chairman and Director  
5 September 2019

Elder House  
St Georges Business Park  
207 Brooklands Road  
Weybridge, Surrey KT13 0TS  
United Kingdom

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	<b>Note</b>	<b>Unaudited 30 June 2019 £'000</b>	<b>Unaudited 30 June 2018 £'000</b>
Other income		<b>11</b>	-
Administrative expenses		<b>(87)</b>	(59)
<b>Operating loss</b>		<b>(76)</b>	(59)
Foreign Exchange loss		-	(6)
<b>Loss from continuing operations</b>		-	(65)
Income tax		-	-
<b>Loss for the year attributable to the equity holders</b>		<b>(76)</b>	(65)
Earnings per ordinary share – basic and diluted	3	<b>(0.28p)</b>	(0.24p)
Earnings per ordinary share from continuing operations – basic and diluted	3	<b>(0.28p)</b>	(0.24p)
<b>Loss for the period</b>		<b>(76)</b>	(65)
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation		<b>1</b>	-
<b>Total comprehensive loss for the period</b>		<b>(75)</b>	(65)

*The above condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	<b>Note</b>	<b>Unaudited 30 June 2019 £'000</b>	<b>Audited 31 December 2018 £'000</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables		4	8
Cash and cash equivalents		20	58
		<u>24</u>	<u>66</u>
<b>TOTAL ASSETS</b>		<u>24</u>	<u>66</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders</b>			
Issued capital	4	1,215	1,215
Share premium		9,363	9,363
Share based payments reserve	5	314	314
Capital Contribution Reserve		60	60
Foreign currency translation reserve		(140)	(141)
Retained losses		(10,839)	(10,763)
<b>TOTAL EQUITY</b>		<u>(27)</u>	<u>48</u>
<b>Current liabilities</b>			
Trade and other payables		24	18
Borrowings	8	27	-
		<u>51</u>	<u>18</u>
<b>TOTAL LIABILITIES</b>		<u>51</u>	<u>18</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>24</u>	<u>66</u>

*The above condensed statement of financial position should be read in conjunction with the accompanying notes.*

**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	Issued Capital	Share Premium	Share Based Payments Reserve	Capital Contribution Reserve	Foreign Currency Translation Reserve	Retained Losses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>As at 1 January 2019</b>	<b>1,215</b>	<b>9,363</b>	<b>314</b>	<b>60</b>	<b>(141)</b>	<b>(10,763)</b>	<b>48</b>
Loss for the period	–	–	–	–	–	(76)	(76)
Other comprehensive income	–	–	–	–	1	–	1
<b>Total comprehensive loss</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1</b>	<b>(76)</b>	<b>(75)</b>
<b>As at 30 June 2019</b>	<b>1,215</b>	<b>9,363</b>	<b>314</b>	<b>60</b>	<b>(140)</b>	<b>(10,839)</b>	<b>(27)</b>

*The above condensed statement of changes in equity should be read in conjunction with the accompanying notes.*



**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2018**

	Issued Capital	Share Premium	Share Based Payments Reserve	Capital Contribution Reserve	Foreign Currency Translation Reserve	Retained Losses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>As at 1 January 2018</b>	<b>1,215</b>	<b>9,363</b>	<b>314</b>	<b>60</b>	<b>(142)</b>	<b>(10,627)</b>	<b>183</b>
Loss for the period	–	–	–	–	–	(65)	(65)
Other comprehensive income	–	–	–	–	–	–	–
<b>Total comprehensive loss</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(65)</b>	<b>(65)</b>
<b>As at 30 June 2018</b>	<b>1,215</b>	<b>9,363</b>	<b>314</b>	<b>60</b>	<b>(142)</b>	<b>(10,692)</b>	<b>118</b>

*The above condensed statement of changes in equity should be read in conjunction with the accompanying notes.*

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

	<b>Unaudited 30 June 2019 £'000</b>	Unaudited 30 June 2018 £'000
<b>Operating Activities</b>		
Loss after tax from continuing operations	<u>(75)</u>	<u>(65)</u>
Adjustment to reconcile loss to net cash outflow from operating activities		
Effect on foreign exchange rate	-	-
Working capital adjustments:		
Decrease in receivables and prepayments	4	10
(Decrease)/increase in trade and other payables	<u>6</u>	<u>(18)</u>
<b>Net cash outflow from operating activities</b>	<u>(65)</u>	<u>(73)</u>
<b>Financing Activities</b>		
Borrowings	<u>27</u>	<u>-</u>
<b>Net cash outflow from financing activities</b>	<u>27</u>	<u>-</u>
Net (decrease) in cash and cash equivalents	(38)	(73)
Cash and cash equivalents at the beginning of period	58	198
<b>Cash and cash equivalents at the end of period</b>	<u><u>20</u></u>	<u><u>125</u></u>

*The above condensed statement of cash flows should be read in conjunction with the accompanying notes.*

## **CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2019**

### **1. Corporate Information**

This interim financial report of Zeta Petroleum plc was authorised for issue in accordance with a resolution of the Board of Directors on 4 September 2019. Zeta Petroleum Plc is a company limited by shares and incorporated and domiciled in the United Kingdom whose shares are publicly traded on the Australian Stock Exchange.

The registered office is Elder House, St Georges Business Park, 207 Brooklands Road, Weybridge, Surrey KT13 0TS. Its principal place of business is Level 14, 225 St Georges Terrace, Perth WA 6000, Australia. The principal activities of Zeta Petroleum Plc (the Company) are oil and gas exploration.

For the period, The financial statements comprise the financial statements of Zeta Petroleum plc ("Zeta", or "the Company"). The Company financial statements are presented in British pounds. The functional currency of the Company is Australian dollars.

The Directors of the Company continue to investigate potential oil and gas and other resource exploration opportunities for the Company.

### **2. Summary of Significant Accounting Policies**

#### *2.1 Basis of preparation*

The interim financial report is a general purpose financial statement, which has been prepared in accordance with the requirements of IAS 34 "Interim financial reporting".

The interim financial report has been prepared on a historical cost basis. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The interim financial report does not include all notes of the type normally included in the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report. The interim financial report set out above does not constitute statutory accounts within the meaning of the Australian Stock Exchange.

The interim financial report should be read in conjunction with the annual Financial Report of Zeta Petroleum plc as at 31 December 2018 which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The financial information presented in this interim financial report for the period ended 30 June 2019 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2018 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement ended 2018 was Unqualified, and drew attention by way of emphasis to the material uncertainty around the Company continuing as a going concern and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

## **CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2019**

The financial information for the periods ended 30 June 2019 and 30 June 2018 are unaudited but have been reviewed by the Company's auditor.

It is also recommended that the interim financial report be considered together with any public announcements made by Zeta Petroleum plc during the half year ended 30 June 2019 in accordance with the continuous disclosure obligations under the Australian Stock Exchange.

### *2.2 Going concern*

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the interim financial statements and the interim financial statements has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As at 30 June 2019 the Company had available funds totaling £20k (30 June 2018: £125k) a net current liability position of £27k (30 June 2018: net current asset position of £118k) and a shareholder's funds deficit of £27k (30 June 2018: shareholder's funds surplus of £118k). For the 6-month period to 30 June 2019, the Company made a loss of £75k (loss for 6 months to 30 June 2018 of £65k) and had cash outflows from operating activities of £65k (cash outflows from operating activities for 6 months to 30 June 2018 of £73k).

In July 2019 the Company received further funds of \$50k Australian Dollars from Tribis Pty Ltd, a related party of the Company, being a total loan of \$100k, including those funds provided prior to the end of the period. On 26th July 2019, Zeta Petroleum then settled the loan outstanding through the placement of 2,000,000 CDI's to Tribis.

The Company will need to complete a capital raising, however at the date of this report, no capital raising has been completed and accordingly there is material uncertainty over the ability of the Company to continue as a going concern and being able to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the Company will continue as a going concern due to the Company having a current cash balance of £19,060 (\$34,517 Australian Dollars), and the support of its Major Shareholders. As a result the financial information has been prepared on a going concern basis.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

## CONDENSED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2019

### 2.3 Accounting Policies

The accounting policies and methods of computation adopted in the Company's preparation of the interim financial report are consistent with those adopted and disclosed in the annual financial report for the year ended 31 December 2018, with the exception of those standards below which have become effective from 1 January 2019. The Company does not expect their adoption to have a material impact on the Company's financial statements.

New and amended standards adopted by the Company	Issued date	IASB mandatory effective date
IFRS 16 Leases	Various	01-Jan-19
Standards, amendments and interpretations, which are effective for reporting periods beginning after the date of these financial statements which have not been adopted early		
Annual Improvements to IFRSs	Various	01-Jan-19

### 3. Loss per share

	Unaudited 30 June 2019 £'000	Unaudited 30 June 2018 £'000
Loss for the year	(76)	(65)
Loss for the year attributable to the equity holders	(76)	(65)
<b>Earnings per share</b>		
Basic weighted average number of shares	27,578,097	27,578,097
Potential diluted weighted average number of shares	27,578,097	27,578,097
Net Profit (loss) per share – basic	(0.28p)	(0.24p)
Net Profit (loss) per share – diluted	(0.28p)	(0.24p)

The weighted average number of ordinary shares for the period was 27,578,097 (30 June 2018: 27,578,097).

The basic and diluted loss per share for 2019 are the same as there are no dilutive effects on earnings as the effect of the exercise of share options would be to decrease the loss per share. Details of share options that could potentially dilute earnings per share in future years are set out Note 5.

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

**4. Issued Capital**

<b>Company:</b>	<b>Unaudited 30 June 2019 Number</b>	<b>Unaudited 30 June 2019 £'000</b>	<b>Audited 31 December 2018 Number</b>	<b>Audited 31 December 2018 £'000</b>
<b>Allotted, issued and fully paid:</b>				
As at start of period	<u>27,578,097</u>	<u>1,215</u>	<u>27,578,097</u>	<u>1,215</u>
<b>As at end of period</b>	<u><b>27,578,097</b></u>	<u><b>1,215</b></u>	<u><b>27,578,097</b></u>	<u><b>1,215</b></u>

Subsequent to the end of the period, following shareholder approval, the Company issued 2,200,000 CDI's to two of its Directors for a total consideration of \$110k Australian Dollars.

**5. Share Based Payments**

There was no expense recognised for employee and non-employee services during the interim period ended 30 June 2019 (30 June 2018: £nil). The share-based payment plans are described below.

**Employee Plan**

Under the Employee Plan ("EMP") share options are granted to directors and employees at the complete discretion of the Company. The exercise price of the options is determined by the Company at the date of the grant. Fifty percent (50%) of the options granted vest after twelve months and fifty percent (50%) vest after eighteen months.

The fair value of the options is determined using the Black Scholes method. The contractual life of each option granted is seven years. There are no cash settlement alternatives.

Options are settled when the Company receives a notice of exercise and cash proceeds from the option holder equal to the aggregate exercise price of the options being exercised.

**Non-Employee Plan**

Under the Non-Employee Plan ("NEMP") share options are granted to non-employees at the complete discretion of the Company. The exercise price of the options is determined by the Company at the date of the grant. The options vest at the date of the grant.

The fair value of the options is determined using the Black Scholes method. The contractual life of each option granted ranges from two to five years. There are no cash settlement alternatives. Volatility was determined by calculating the volatility for four similar listed companies and applying the average of the four volatilities calculated.

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

Options are settled when the Company receives a notice of exercise and cash proceeds from the option holder equal to the aggregate exercise price of the options being exercised.

<b>Company:</b>	<b>Unaudited 30 June 2019 Number</b>	<b>Unaudited 30 June 2019 WAEP<sup>ii</sup> £</b>	<b>Audited 31 December 2018 Number</b>	<b>Audited 31 December 2018 WAEP<sup>ii</sup> £</b>
Outstanding at the beginning of the period	<b>10,447,781</b>	<b>0.09</b>	10,447,781	0.09
Granted during the year	-	-	-	-
Lapsed during the period	<b>25,000</b>	<b>4.43</b>	-	-
Outstanding at the end of the period	<b>10,422,781</b>	<b>0.08</b>	10,447,781	0.09
Exercisable at the end of the period	<b>10,422,781</b>	<b>0.08</b>	10,447,781	0.09

The weighted average remaining contractual life for the share options outstanding as at 30 June 2019 is 0.27 years (31 December 2018: 0.77 years). There were no options issued during the period. The exercise price for options outstanding at the end of the period was £0.06 to £1.11 (31 December 2018: £0.06 – £4.43).

10,161,531 of the Options outstanding at 30 June 2019 are exercisable at \$0.10 (£0.06), Australian Dollars per Option, with an expiry date of 30 September 2019. The remaining 261,250 have exercise prices of between \$1.60 (£0.89) and \$2.00 (£1.11) Australian dollars, with expiry dates up to 4 July 2021.

**6. Segment Information**

In relation to the current period and comparative period, the Company had no reportable operating segments; the Company's loss for the current period and the reported assets and liabilities relate to the Company's corporate operations.

**7. Financial Instruments**

The carrying values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their fair values due to short-term maturities.

**8. Related Party Transactions**

*Administration Services Agreement*

The Company has an Administration Services Agreement with Tribis Pty Ltd (Tribis) (Formerly Transcontinental Investments Pty Ltd). Tribis provides office space, office equipment, supplies, corporate management and administration services in connection with the operations of the Company. Corporate administration services include those services necessary for the proper administration of a small public Company, including the engagement of Mr Sean Meakin as joint Company Secretary.

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

The Company is contracted to pay a monthly fee to Tribis as well as the reimbursement for certain costs, expenses and liabilities incurred and/or paid by Tribis on behalf of the Company. The monthly fee payable to Tribis is A\$3,000, as at 30 June 2019 the fee for May and June 2019 had not been paid and a liability is recognised in the Company's Statement of Financial Position (31 December 2018: no monthly fee unpaid).

*Loan, and settlement through issue of CDI's*

Subsequent to the end of the period, on 17 July 2019, the Company entered into a loan agreement with Tribis for a facility of \$100,000 Australian Dollars. Tribis had advanced \$50,000 Australian Dollars (£27k) of this facility to the Company prior to the end of the period, represented as Borrowings in the condensed statement of financial position above.

On 24 July 2019 Tribis provided the Company a further \$50,000 Australian Dollars under the facility. The facility was repaid by the issue of 2,000,000 CDI's, with a total value of \$100,000 Australian Dollars on 26 July 2019.

**9. Events after that reporting date**

In addition to issue of CDI's issued to Tribis Pty Ltd, disclosed in Note 8, On 26 July 2019, the Company issued 200,000 CDI's to Cresthaven Investments Pty Ltd ATF The Bellini Trust, a related party of the Company's Chairman Mr Stephen West. The CDI's were issued for a cash payment of \$10,000 Australian Dollars.

There are no other post reporting date events as at the date of this financial report.



## DIRECTORS DECLARATION

The Directors confirm to the best of their knowledge that:

- The unaudited set of interim financial report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU;
- The interim financial statements and associated notes give a true and fair view of the Company’s financial position as at 30 June 2019 and of its performance for the half year ended on that date; and
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in blue ink, appearing to read 'Stephen West', with a stylized flourish at the end.

Stephen West  
Chairman and Director  
5 September 2019

## **INDEPENDENT REVIEW REPORT TO ZETA PETROLEUM PLC**

### **Introduction**

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2019 which comprises condensed Statement of Profit or loss and other Comprehensive Income, condensed Statement of Financial Position, condensed Statement of Changes in Equity, condensed Statement of Cash flows and notes to the financial statements.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

### **Directors' responsibilities**

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the Australian Stock Exchange for companies trading securities on ASX which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

### **Our responsibility**

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Material uncertainty related to going concern**

We draw attention to Note 2.2 to the interim financial statements which indicates that the company's ability to continue as a going concern is dependent on its ability to secure additional funding through the issue of equity. As stated in Note 2.2, these events or conditions indicate that a material uncertainty exists which may cast significant doubt over the company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the company were unable to continue as a going concern. Our conclusion is not modified in respect of this matter.

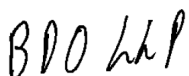
## **INDEPENDENT REVIEW REPORT TO ZETA PETROLEUM PLC**

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2019 is not prepared, in all material respects, in accordance with the rules of the Australian Stock Exchange for companies trading securities on ASX.

### **Use of our report**

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the rules of the Australian Stock Exchange for companies trading securities on ASX and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.



BDO LLP  
Chartered Accountants  
Location  
United Kingdom  
5 September 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)