

Media Release

30 April 2014



ZETAPETROLEUMPLC

Zeta Petroleum plc / Index: ASX / Epic: ZTA / Sector: Oil & Gas
Zeta Petroleum plc ('Zeta' or 'the Company')
Quarterly Activities Review – Period Ended 31 March 2014

Zeta Petroleum plc, the ASX listed oil and gas exploration and production company provides its quarterly activities review for the period ended 31 March 2014.

Highlights:

**Suceava – Gas production, development and exploration
(50% Zeta, 50% Raffles Energy - Operator)**

Climauti gas field

- Production at Climauti gas field continued to generate net revenues to Zeta during the quarter. Production experienced a brief decline for approximately two weeks during the quarter as freezing weather conditions reduced flow rates. This was the only notable exception from a stable production rate of approximately 12,200m³/day for the period.

Dornesti Sud-1 gas to power project

- Off-take agreement for electricity production signed and method for connectivity to the national electricity grid agreed
- Steps required to obtain construction authorisation at the well site almost complete
- Good progress made in securing all regulatory and environmental authorisations
- First electricity production from Dornesti Sud-1 expected in late H2 2014

**Jimbolia – Oil appraisal, development and exploration
(39% Zeta, 51% NIS Petrol SRL - Operator, 10% Armax)**

- No activity took place pending approval of the 2014 work programme with Romanian authorities



Bobocu – Gas development and production

(100% owned and operated by Zeta)

- The Company continued to assess potential options available to finance the drilling of a sidetrack of the Bobocu 310 well to bring previously producing gas field back into production

Grivita Nord – Oil development

(agreement to acquire 100% of concession)

- Awaiting title transfer approval on the concession from NAMR

Other activities

- Continually assessing other onshore oil and gas opportunities that may complement and enhance Zeta's current portfolio

Zeta Petroleum plc Managing Director Bogdan Popescu said, *“Our strategy is to acquire and develop concessions where either previous discoveries await appraisal and development or where there has been previous production.*

With this in mind, we are delighted to have reported post period end the signing of a non-binding heads of terms to acquire four production and exploration licences in the Orenberg Oblast region of the Russian Federation. Due diligence has commenced and we look forward to providing further updates as the transaction progresses (please see announcement of 8 April for further detail).

In the meantime, production from the Climauti Gas Field on the Suceava concession continues to generate revenues for the Company. We are on course to materially increase production at Suceava in 2014 by bringing Dornesti Sud-1, the first of two stranded gas discoveries into production. During the quarter an off-take agreement for electricity production was signed and the project continued to advance towards completion. We anticipate first electricity production at Dornesti Sud-1 in late H2 2014.

With new production coming on stream, the potential acquisition of producing oil assets in Russia and a number of work programmes for the year ahead being finalised across our portfolio of Romanian concessions - 2014 is set to be an exciting year for Zeta.”



FULL DETAILS:

SUCEAVA (50% ZETA, 50% RAFFLES ENERGY (OPERATOR)):

The 2,403sq km Suceava concession is located on the Moldavian Platform, approximately 370 km north of Bucharest and is contiguous to the Chevron owned Barlad concession. The Suceava concession includes the producing Climauti Gas Field.

Existing Gas Discovery Wells

Existing discovery wells 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. The Dornesti Sud-1 well was re-entered and production tests carried out by the current consortium in June 2013. During production testing, the Dornesti Sud-1 well tested at 26,000m³/day, a rate which confirms that it can be commercially developed. The well has now been suspended ready for production. It is expected that first electricity production will commence late in H2 2014.

The second existing and suspended discovery well, the SE-1 well, will also be examined after production has been established at the Dornesti Sud-1 well.

Climauti Gas Field

During the quarter the Climauti gas field continued to generate net revenue to Zeta in line with forecast. Production was temporarily reduced due to severe temperatures and then stabilised at approximately 12,200m³/day

JIMBOLIA (39% ZETA, 51% NIS PETROL SRL (OPERATOR), 10% ARMAX):

The Jimbolia Concession is located in the proven and producing eastern part of the Pannonian Basin and consists of two discoveries, Jimbolia Veche and Jimbolia Vest.

Jimbolia Veche Discovery

In 2013 the Jimbolia-100 appraisal well was drilled to its target depth of 2,590 metres with four targets in the well identified to be perforated and tested. The third (2,533-2,536m) and fourth (2,522-2,526m) intervals naturally flowed condensate and gas during testing with maximum co-mingled flow rates of 21 barrels per day of



condensate and 67,435m³ per day of gas (with a high CO₂ content). The well has been suspended pending approval from the Romanian authorities to test additional gas bearing sands in 2014.

The Jimbolia-100 well targeted the Jimbolia Veche discovery, which has a current Pmean contingent oil resource of 1.72MMbbls. Previous drilling by Petrom in 1983 identified the Pliocene VIII as an oil reservoir with a gas cap. This was penetrated by two wells, the Jimbolia-1, which flowed at rates up to 120 bbls/day and tested at a sustained rate of 50 bbls/day for 6 days and Jimbolia-6, in which tests indicate an oil leg with an oil density of 780kg/m³ (50° API).

Jimbolia Vest Discovery

On a wider basis, the Board believes there is additional potential in the Jimbolia Vest discovery which was tested, but not produced, over two intervals of the Lower Pliocene V reservoir, with the lower interval (16m) flowing 33% CO₂, 61% CH₄ and condensate at rates of 196Mscf/d, and the upper interval (8m) testing gas (no flow rate details available). Our partner NIS is currently producing from the Serbian extension of this field, Srpska Crna Field.

BOBOCU (100% OWNED AND OPERATED):

The Bobocu Gas Field previously produced from 1977 until it was abandoned in 1995. Bobocu is located approximately 20km northeast of Buzau and 110km northeast of Bucharest.

Bobocu-310 Well

During the drilling of the Bobocu 310 well in 2012 multiple gas shows were encountered and the wireline logs indicated a gas bearing reservoir. Initial testing of the well did not yield commercial gas and it was decided to suspend the well in September 2012, pending further analysis.

The downhole well logs and pressure data from the Bobocu 310 well have been analysed and evaluated, and the results have been incorporated into the field's existing geological model, which includes 75 sq km of 3-D seismic.

In addition to the evaluation work on the Bobocu 310 well data, the 3-D seismic acquired over the field by the Company in 2010 was reprocessed using seismic inversion to improve its resolution by utilising the shear sonic log acquired in the



Bobocu 310 well. This has further improved the accuracy of the Bobocu field geological model.

Sidetrack Well

Further to the extensive evaluation of the Bobocu 310 well results and the acquired logs, it is the Company's intention, subject to finance, to sidetrack a well from the existing Bobocu 310 well location targeting an up-dip area approximately 500 metres south of the existing well location.

Although the initial testing of the Bobocu 310 well did not yield commercial gas, the intention remains to bring this field back into production by initially drilling a sidetrack well followed by new development wells. The Company believes that the Bobocu field is prospective and will pursue suitable avenues from which to advance its exploitation. With 100% control of the Bobocu field, there are various development options available.

GRIVITA NORD (AGREEMENT TO ACQUIRE 100% OF CONCESSION):

In July 2013 the Company announced that it had acquired 100% of the issued capital of Celtique Energie SRL ("Celtique"), a Romanian company that currently has a 50% interest in the previously producing Grivita Nord oil concession. The acquisition involved a minimal upfront payment with deferred consideration payable by Zeta based on cumulative oil production. A condition precedent to the acquisition is for the remaining 50% interest in Grivita Nord to be transferred to Celtique. Zeta is currently awaiting NAMR to approve title transfer to record Celtique as 100% owner of the concession.

The Grivita Nord concession is located onshore in eastern Romania, covers an area of 3.45km² and has previously produced, from 1979 to 2005, a cumulative total of 763,457 barrels of 37° API oil from two separate structures: the Northern Structure and the Southern Structure. A total of 14 wells were drilled in the concession area, seven wells in the Northern Structure and seven wells in the Southern Structure.

New mapping of the Southern Structure suggests only the south-west portion of the structure has been developed leaving a large unswept area with the potential for a new well to be optimally placed in a crestal location to recover the remaining reserves. P50 reserves (unaudited) for the Southern Structure are estimated to be 448,000



barrels of oil with an unrisks NPV₁₀ of US\$25.55 million, and initial production rates of 760 barrels of oil per day from one development well.

Zeta intends, subject to finance, to drill a development well to a depth of 2,000 metres into a crestal location on the Southern Structure and bring the field back into production.

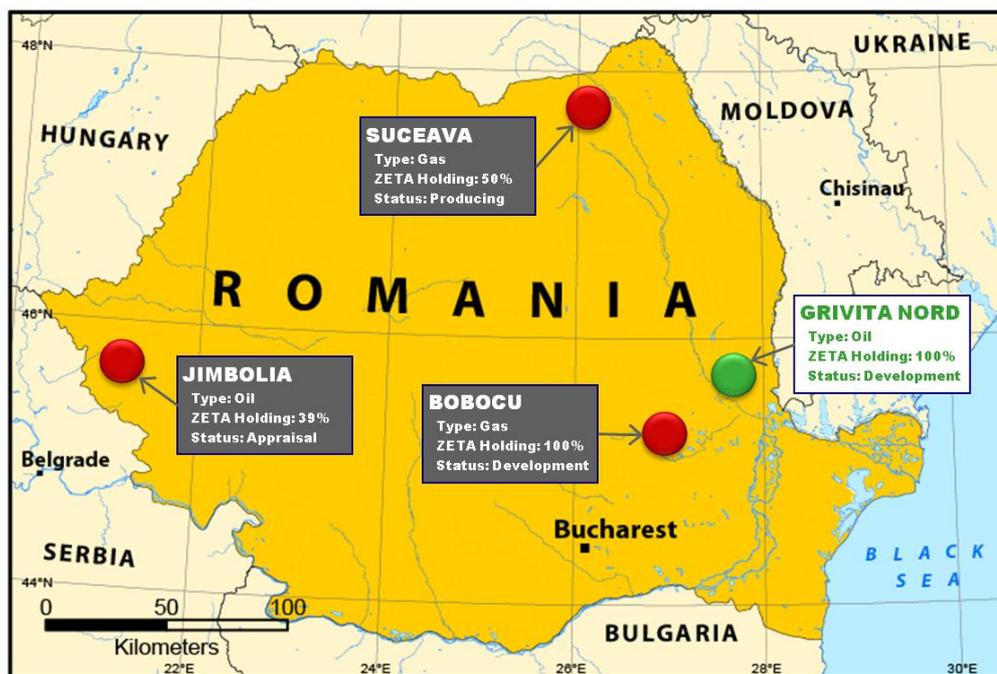


Figure 2 - Location of Grivita Nord and Existing Zeta Concessions

Other Opportunities

In line with its strategy, the Company continues to assess other oil and gas opportunities that may complement and enhance the current portfolio. With an experienced team and an exciting platform of assets, the Company believes that it is ideally positioned to capitalise on a number of regional opportunities. This is particularly relevant with the increasing issues of energy security translating into countries being keen to develop their own energy sources.

****ENDS****



ZETAPETROLEUMPLC

For further information please visit www.zetapetroleum.com or contact:

Bogdan Popescu	Zeta Petroleum plc	Tel: +40 (0)21 3192550
Ben Hodges	Zeta Petroleum plc	Tel: +44 (0)20 7016 8806
Lottie Brocklehurst	St Brides Media & Finance Ltd	Tel: +44 (0)20 7236 1177
Frank Buhagiar	St Brides Media & Finance Ltd	Tel: +44 (0)20 7236 1177