

Media Release
10 September 2014



ZETAPETROLEUMPLC

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

A\$2 million Convertible Loan Agreement

Zeta Petroleum plc (ASX - ZTA:AU), the ASX listed oil and gas company with production, appraisal and exploration assets in onshore Romania, is pleased to announce that it has entered into an agreement with its major shareholder, GM Investment & Co Limited ("GMI") whereby GMI will provide a A\$2,000,000 convertible loan to the Company (the "GMI Loan"). The term of the GMI Loan is six months unless converted or repayable earlier in certain circumstances.

The proceeds of the GMI Loan are necessary to ensure that the Company has adequate finances to meet certain short term commitments under its work programme in Romania, to provide working capital to the Company and to fund expenses in connection with its proposed application for admission of its ordinary shares ("Ordinary Shares") to trading on the AIM market of the London Stock Exchange ("AIM Admission").

GMI is the Company's largest shareholder, owning 86,770,278 Ordinary Shares in the Company amounting to approximately 34.5% of its issued share capital.

Under the terms of the GMI Loan, interest is payable at ten per cent per annum. Conversion of the GMI Loan and interest is conditional, *inter alia*, upon AIM Admission and shareholder approval.

The Ordinary Shares issued upon any conversion of the GMI Loan will be issued at a twenty per cent discount to the issue price at AIM Admission.

Commenting on the above matters, Andy Morrison, Chief Executive Officer of Zeta said, *"We are very pleased to have secured this vital additional support from our major shareholder. The GMI Loan forms part of an integrated plan that ensures the Company is sufficiently funded to enhance existing production and development in Romania as well as developing new opportunities for growth, whilst we work towards a listing on AIM in London. The Board would like to thank GMI for its continued support and vote of confidence as we look towards increasing our production levels in Romania in the coming months. I look forward to providing further updates in due course."*

****ENDS****

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

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