

Zeta Petroleum Plc

ARBN 154 575 872

Rights Issue Prospectus

For a renounceable pro rata offer of two (2) New CDIs for every one (1) CDI or Share held as at 5.00pm (WST) on the Record Date at an issue price of A\$0.06 per New CDI, with one (1) Free Attaching Option to be issued for every two (2) New CDIs subscribed for, exercisable at A\$0.10 each on or before 30 September 2019 to raise approximately \$1.09 million before costs (**Rights Offer**), and for the offer of the shortfall to the Rights Offer (**Shortfall Offer**).

The Offer opens on Friday, 23 September 2016 and closes at 5.00pm (Perth time) on Wednesday, 5 October 2016 (unless extended).

This document contains important information about the Offers. You should read the entire document. Please read the instructions in this document and the accompanying Entitlement and Acceptance Form regarding your Entitlement. If you have any questions about the Offers or this Prospectus, you should speak to your professional adviser.

The securities offered by this Prospectus should be considered speculative.

Important information

Prospectus

This Prospectus is dated 14 September 2016 and was lodged with ASIC on that date. Neither ASIC, ASX nor their officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for the offer of continuously quoted securities (as defined in the Corporations Act) and options to acquire continuously quoted securities and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application for quotation of the New Securities will be made to ASX within 7 days after the date of this Prospectus.

Electronic prospectus

This Prospectus may be viewed in electronic form at www.zetapetroleum.com by Australian investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the Offer Period by contacting the Company. The information on www.zetapetroleum.com does not form part of this Prospectus.

Risk factors

Investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors are set out in Section 1.4 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of the Securities in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

Overseas Shareholders

This Prospectus is not, and is not intended to constitute, an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. By applying for New Securities, including by submitting the Entitlement and Acceptance Form or making a payment using BPAY® you represent and warrant that there has been no breach of such laws.

The distribution of this Prospectus and accompanying Entitlement and Acceptance Form (including electronic copies) outside Australia and New Zealand may be restricted by laws and persons who come into possession of it should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. The Company disclaims all liability to such persons.

No action has been taken to register or qualify this Prospectus, the New Securities or the Offers, or otherwise to permit a public offering of the New Securities, in any jurisdiction outside Australia and New Zealand.

Please refer to Sections 2.3 and 3.11 for further details of requirements applicable to certain countries in which Shareholders may reside.

Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in New Securities of the Company.

No person is authorised to give any information or make any representation in connection with the Offers that is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company in connection with this Prospectus.

Forward-looking statements

This Prospectus may contain forward-looking statements that have been based on current expectations about future acts, events and circumstances. Any forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

Accepting the Offers

Applications for New Securities may only be made on an original application form as sent with this Prospectus. The Entitlement and Acceptance Form sets out the Entitlement of an Eligible Shareholder to participate in the Rights Offer. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement. Applications for Securities under the Shortfall Offer must be made on the Entitlement and Acceptance Form if you are an Eligible Security Holder, or on a Shortfall Application Form if you are a new investor in the Company.

By returning an acceptance form or lodging an acceptance form with your stockbroker or otherwise arranging for payment for your New Securities in accordance with the instructions on the form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the Offers detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

Defined terms

Certain capitalised terms and other terms used in this Prospectus are defined in the Glossary of defined terms in Section 10.

Currency

All references in this Prospectus to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Reference to time

All references in this document to time relate to Western Standard Time in Perth, Western Australia.

Contents

Important information.....	i
Contents	ii
Timetable for the Offers	iii
Corporate Directory	iv
1. Investment overview	1
2. Details of the Rights Offer.....	4
3. Accepting the Rights Offer	7
4. Effect of the Offers.....	13
5. Rights and liabilities attaching to Securities	20
6. Risk factors	25
7. Continuous disclosure documents.....	30
8. Additional information.....	32
9. Directors' responsibility statement and consent.....	37
10. Glossary of Terms	38

Timetable for the Offers

The indicative Timetable for the Offers is as follows:

Event	Date
Announcement of Offers	14 September 2016
Prospectus lodged with ASIC and ASX (Appendix 3B lodged with ASX)	14 September 2016
Notice of Offers sent to Shareholders	15 September 2016
Ex-date (date from which Shares begin trading without the Right to participate in the Offers)	19 September 2016
Rights trading commences	19 September 2016
Record Date (to identify Shareholders entitled to participate in the Offers)	20 September 2016
Prospectus and Entitlement and Acceptance Forms sent to Eligible Security Holders	23 September 2016
Offers open (Opening Date)	23 September 2016
Rights trading ends	27 September 2016
New CDIs quoted on a deferred settlement basis	28 September 2016
Last day to extend the Closing Date	29 September 2016
Offers close (Closing Date)	5 October 2016
Notice to ASX of Shortfall	7 October 2016
New Securities issued	10 October 2016
Quotation of New Securities on ASX commences	11 October 2016

The above dates are indicative only and may be subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date by giving at least three Business Days notice to ASX before the Closing Date.

Corporate Directory

Directors

Stephen West
Non-Executive Chairman

Timothy Osborne
Non-Executive Director

Oliver Cairns
Non-Executive Director and Local Agent in
Australia

Greg Hancock
Non-Executive Director

Simon Trevisan
Non-Executive Director

Company Secretary

Ben Hodges

Registered Offices

Australia
25 Franklin Street
Leederville WA 6007

T: +61 8 6102 0312
F: +61 8 6102 2312

Email: info@zetapetroleum.com.au
Web: www.zetapetroleum.com

United Kingdom
1 Berkeley Street
London W1J 8DJ
United Kingdom

T: +44 (0)20 3755 5063
F: +44 (0)20 7106 7762

Romania
5TH floor
4-6 Ion Bogdan Street
010539 Bucharest
Romania

T: +40 (0)20 319 2550
F: +40 (0)20 310 9077

ASX Code: ZTA

Solicitors to the Offers

Australia
Jackson McDonald
Level 17
225 St Georges Terrace
PERTH WA 6000

T: +61 8 9426 6611
F: +61 8 9321 2002

United Kingdom
Bishop & Sewell
59-60 Russell Square
London
WC1B 4HP

Share Registry

Australia
Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street,
ABBOTSFORD VIC 3067

T: 1300 850 505
Email: web.queries@computershare.com.au

United Kingdom
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZY
United Kingdom

T: +44 (0)870 702 0000
F: +44 (0)870 703 6101

1. Investment overview

1.1 Introduction

The main focus of Zeta Petroleum plc (**Zeta** or **Company**) is the exploration of oil & gas. The Company currently holds a 39% non-operated interest in an onshore oil & gas field in Romania.

1.2 Purpose of the Offers

The purpose of the Offers is to raise funds up to \$1,086,604 (based on the number of Shares on issue at the date of this Prospectus). The funds raised from the Offers are planned to be used as follows:

Use of funds	Amount at full subscription
Repayment of existing trade creditors	\$350,000
Jimbolia exploration activities	\$200,000
Costs of the Offers	\$41,350
Working capital	\$495,254
Total	\$1,086,604

Notes:

1. If funds raised are less than full subscription, the Company will allocate those funds first towards the costs of the Offers, then to the repayment of existing trade creditors, then to exploration, drilling and evaluation, and then to working capital.
2. Existing trade creditors as at 31 August 2016.
3. Working capital includes corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs.

The information in this table is a statement of present intention as at the date of this Prospectus. The exact amount of funds spent by the Company will depend on many factors that cannot be ascertained at this time.

On completion of the Offers the Board believes the Company will have sufficient funds to achieve these objectives.

1.3 Company's projects

The Jimbolia Oil & Gas Field in which the Company has a 39 per cent beneficial ownership interest, contains a previous oil and gas discovery which was drilled in 2013. Flow testing of additional gas-prone zones conducted in 2014 resulted in the Operator of the licence, NIS Petrol SRL (51% interest), conducting an exclusive operation development project that Zeta elected not to participate in due to terms evaluated to be uneconomic to the Company. Zeta retains all of its rights to participate in future exploration projects on the concession.

1.4 Key risks

In addition to risks specific to the Company as described in detail in Section 6, the risks set out below have been identified as being key risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its securities.

(a) Rights Offer subscription risk

The Rights Offer is not being underwritten and as such in the event of undersubscription the intended use of funds as set out in Section 1.2 will be affected.

(b) Future capital requirements

The continued operations of the Company are dependent on its ability to obtain equity financing or generate sufficient cash flows from future operations. There is a risk that the Company will not be able to access capital from equity markets (or via any other forms of available financing) for its existing or future projects or developments, which could have a material adverse effect on the Company's business and financial condition.

(c) Key personnel

Recruiting and retaining qualified personnel is important to the Company's success. The number of persons skilled in the exploration and development of oil and gas reserves is limited and the Company may experience competition for such persons.

There can be no assurance that there will be no detrimental impact on the Company if such persons employed, cease their employment with the Company.

(d) Industry inherent risks

The Company is exposed to risks inherent to the oil and gas industry which include but are not exclusive of fluctuation in the price of oil and gas, exploration risk, resource estimates, environmental risk and licence renewal.

1.5 The Board

Stephen West **Non-Executive Chairman**

Mr West is a founder of Zeta Petroleum plc and a Chartered Accountant with over 22 years of financial and corporate experience ranging from public practice, investment banking, oil and gas and mining. Mr West holds a Bachelor of Commerce from Curtin University of Technology. Previous appointments include senior positions at Duesburys Chartered Accountants, PriceWaterhouseCoopers and Barclays Capital (UK). Mr West is currently Chief Financial Officer and executive director of Oslo listed African Petroleum Corporation Limited and a non-executive director of ASX listed Apollo Consolidated Limited.

Timothy Osborne **Non-Executive Director**

Mr Osborne gained an LLB in 1972 at University College, London and Articled at Lovell White and King from 1974, qualifying as a solicitor in 1976 and practicing with the same firm until 1978. In 1978 Mr Osborne joined Wiggin and Co where he was promoted to Senior Partner in 2001. Mr Osborne has been Senior Partner of Wiggin Osborne Fullerlove since 2003.

Oliver Cairns
Non-Executive Director

Mr Cairns has over 16 years' experience in the small to mid cap corporate and capital markets space. A corporate financier, he was a Nominated Advisor for AIM companies in London for over eight years where he was responsible for floating and advising several resources and industrial companies before relocating to Perth in 2007. In 2009 he established Pursuit Capital, a corporate and strategic advisory firm. His wide experience covers domestic and international capital raisings, M&A, IPOs, regulatory advice, investor relations and corporate governance. He is also a Non-Executive Director of ASX and AIM listed Vmoto Limited, a global electric scooter company.

Greg Hancock
Non-Executive Director

Mr Hancock has over 25 years' experience in capital markets practicing in the area of Corporate Finance. He has extensive experience in both Australia and the United Kingdom through his close links to the stockbroking and investment banking community. In this time he has specialised in mining and natural resources and has a background in the finance and management of small companies. He was a founding shareholder and first Chairman of Cooper Energy Ltd (ASX:COE), an exploration and production oil and gas company and was Non-Executive Director of Ausquest Ltd (ASX:AQD), an Australian mining exploration company with projects in Peru, Burkina Faso and Western Australia. He is currently Chairman of Ausquest Ltd. Mr Hancock continues his close association with the capital markets in Australia and the United Kingdom through his private company Hancock Corporate Investments Pty Ltd.

Simon Trevisan
Non-Executive Director

Mr Trevisan is the managing director of the Transcontinental Group including TRG Properties Pty Ltd. He has 20 years' experience in public and private investments, corporate finance and management of large public and private businesses. He has been responsible for the funding and management of a number of public companies and TRG Properties' substantial property investments. His experience includes the establishment and listing of Mediterranean Oil & Gas plc, an AIM listed oil and gas company with production and a substantial oil discovery in Italy. Mr Trevisan was Executive Chairman of ASX listed gold explorer Aurex Consolidated Ltd and a founding executive director of ASX-listed Ausgold Limited and Regalpoint Resources Ltd. He was also responsible for arranging debt funding for the development of in excess of \$500 million of property and significantly involved in arranging and drawing down one of the first foreign bank project facilities for a resources development in Indonesia.

He has a Bachelor of Economics and a Bachelor of Laws from the University of Western Australia and a Masters Degree in Business and Technology from the University of New South Wales. Before becoming managing director of the Transcontinental Group, Mr Trevisan practiced as a solicitor with Allens Arthur Robinson Legal Group firm and Parker and Parker, in the corporate and natural resources divisions.

Mr Trevisan is also currently a director of Australian public company Neurotech International Ltd, ASX-listed Regalpoint Resources Ltd and BMG Resources Ltd. He is a board member of the not for profit St George's College Foundation and St George's College Inc.

2. Details of the Rights Offer

2.1 The Rights Offer

The Company is making a pro rata offer of New CDIs (**New CDIs**) to Eligible Security Holders (**Rights Offer**).

Eligible Security Holders will be entitled to apply for two (2) New CDIs for every one (1) CDI or Share held as at 5.00pm (WST) on the Record Date at an issue price of A\$0.06 per New CDI, with one (1) Free Attaching Option to be issued for every two (2) New CDIs subscribed for, exercisable at A\$0.10 each on or before 30 September 2019. The issue price is payable in full on Application.

The Company presently has an aggregate of 9,055,037 Shares and CDIs, and 1,283,152 Options on issue.

Based on the number of Shares expected to be on issue on the Record Date, a total of 18,110,074 New CDIs and 9,055,037 Free Attaching Options will be offered under the Rights Offer, raising \$1,086,604.40 before costs of the Rights Offer.

The purpose of the Rights Offer and the intended use of the funds raised is set out in Section 1.2.

Information about how to accept your Rights and apply for the New CDIs is set out in Section 3.

2.2 Renounceable offer

The Rights Offer is renounceable. This means that Eligible Security Holders may sell their Rights under this Rights Offer. Please refer to Section 3.7.

2.3 Entitlement and eligibility

The Offers are made to Eligible Security Holders only.

An Eligible Security Holder is a Shareholder or CDI Holder who on the Record Date:

- (a) is a registered holder of Shares;
- (b) has a registered address in Australia, the United Kingdom or New Zealand as shown in the Share Registry, or in any other jurisdiction outside Australia that the Company determines as being a jurisdiction in which its securities can be offered without requiring the filing or lodgement of a prospectus in that jurisdiction;
- (c) is not in the United States or a U.S. Person or acting for the account of or benefit of a U.S. Person; and
- (d) is eligible under all applicable securities laws to receive an offer under the Rights Offer, without the use of a prospectus, disclosure document or other lodgement, filing, registration or qualification.

The Offers are not extended to Shareholders who do not meet this criteria.

Eligible Security Holders resident in the United Kingdom or New Zealand, should take into account the following matters before deciding whether to participate in the Offers.

Country	Investment restriction
United Kingdom	<p>If you have received this Prospectus and you are a resident in the United Kingdom, the content of this Prospectus has not been approved by an authorised person within the meaning of the Prospectus Directive (Directive 2003/71/EC) or as a financial promotion for the purposes of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom. This Prospectus is not a prospectus for the purposes of the Prospectus Directive.</p> <p>If you are considering engaging in any investment activity, you should seek appropriate independent financial advice and make your own assessment. It is emphasised that this Prospectus is being provided to you in reliance upon your acknowledgement and acceptance that this Prospectus is being made to and directed solely at persons in the UK who are reasonably believed to be of a kind described in Article 19(5) (persons having professional experience in matters relating to investment) or Article 49(2)(a)-(d) (high net worth companies, unincorporated associations, etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), and persons who are otherwise permitted by law to receive it (all such persons together being referred to as Relevant Persons). This Prospectus must not be acted upon or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Prospectus relates is available only to Relevant Persons and will only be engaged in with such persons. Any recipient of this Prospectus who is not a Relevant Person should return it to the Company immediately and not take any other action.</p>
New Zealand	The New CDIs offered to Eligible Security Holders in New Zealand under this Prospectus are offered in reliance on the <i>Securities Act (Overseas Companies) Exemption Notice 2013</i> (New Zealand). This Prospectus is not an investment statement or Prospectus under New Zealand law and may not contain all the information that an investment statement or Prospectus under New Zealand law is required to contain.

The number of New CDIs to which you are entitled is shown on your Entitlement and Acceptance Form accompanying this Prospectus.

To apply for New CDIs under the Rights Offer, you must complete your Entitlement and Acceptance Form and lodge it with payment for the New CDIs, or make a payment by the BPay® facility, by no later than 5.00pm (WST) on the Closing Date. Please see Section 3 for further information about accepting the Rights Offer.

Your rights to participate in the Rights Offer will lapse if you do not accept your Entitlement by the Closing Date. Any New CDIs not applied for will form part of the Shortfall.

The Company reserves the right (in its sole discretion) to reject any application that it believes comes from a person who is not an Eligible Security Holder.

The Directors reserve the right not to proceed with the whole or any part of the Rights Offer at any time prior to the allotment of New CDIs. In that event, relevant Application Monies will be refunded without interest.

2.4 Opening Date and Closing Date

The Offers will open for receipt of Applications on Friday, 23 September 2016 (**Opening Date**) and will close at 5.00pm (WST) on Wednesday, 5 October 2016 (**Closing Date**). Subject to compliance with the ASX Listing Rules (as relevant), the Company reserves the right to close the Offers early or to extend the Closing Date.

2.5 No minimum subscription

There is no minimum subscription to the Offers.

2.6 Underwriting

The Rights Offer is not underwritten.

2.7 Rights and liabilities attaching to New CDIs and Free Attaching Options

The New CDIs issued under this Prospectus and on the exercise of Free Attaching Options will be fully paid and will rank equally in all respects with Existing Shares. Each Free Attaching Option will be exercisable at A\$0.10 on or before 30 September 2019. A summary of the rights and liabilities attaching to the New CDIs and Free Attaching Options is set out in Section 5.

2.8 Shortfall Offer

Any New CDIs and Free Attaching Options not subscribed for under the Rights Offer will form the Shortfall and will be offered under the Shortfall Offer.

The Shortfall Offer is a separate offer under this Prospectus. The issue price of the New CDIs under the Shortfall Offer is A\$0.06 (equal to the issue price under the Rights Offer).

An individual, including an Eligible Security Holder, may apply for additional New CDIs and Free Attaching Options under the Shortfall Offer provided they are eligible under all applicable securities laws to receive an offer under the Shortfall Offer.

The Shortfall Offer will open on Friday, 23 September 2016 and (unless extended) close on Wednesday, 5 October 2016, being the same dates as the Rights Offer.

If after the close of the Offers, any Shortfall has not been subscribed for under the Rights Offer or Shortfall Offer, the Directors reserve the right to place some or all of that Shortfall within 3 months of the Closing Date. The Directors will have discretion as to how to allocate the Shortfall.

In the event that applications for Shortfall Securities exceed the total amount of the Shortfall, then applications will be scaled back. The Directors intend to prioritise Applications for Shortfall Securities that are made by Eligible Security Holders.

The Company cannot guarantee that you will receive the number of Shortfall Securities you apply for. If you do not receive any or all of the Shortfall Securities you applied for, the excess Application Monies will be returned to you without interest as soon as practicable.

3. Accepting the Rights Offer

3.1 Action you may take

The number of New Securities to which you are entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you are an Eligible Security Holder you may:

- (a) accept your Rights in full;
- (b) accept your Rights in full and apply for additional New Securities under the Shortfall;
- (c) accept part of your Rights and allow the balance to lapse;
- (d) allow all of your Rights to lapse;
- (e) sell or deal with your Rights; or
- (f) accept part of your Rights and sell or deal with the balance.

3.2 Accepting your Rights in full or in part

If you wish to accept your Rights in full or in part, either:

- (a) complete the Entitlement and Acceptance Form for the number of New Securities you wish to apply for in accordance with the instructions on the form. Return your completed form together with a cheque for the Application Monies to the Company's Share Registry (see Section 3.5); or
- (b) make a payment through the BPay® facility for the number of New Securities you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form – see Section 3.6.

Your Entitlement and Acceptance Form or BPay® payment must be received by no later than 5.00pm (WST) on the Closing Date.

If you do not accept all of your Rights then the balance of your Rights will lapse and the New Securities that are not subscribed for will form part of the Shortfall.

If you do not take up all of your Rights then your percentage shareholding in the Company will reduce.

3.3 Accepting your Entitlement in full and applying for additional New Securities under the Shortfall Offer

If you wish to accept your Rights in full and apply for New Securities under the Shortfall Offer either:

- (a) complete the Entitlement and Acceptance Form for all of your Rights and specify the number of additional New Securities you wish to apply for in accordance with the instructions on the form. Return your completed form together with a cheque for the Application Monies to the Company's Share Registry (see Section 3.5); or
- (b) make a payment through the BPay® facility for all of your Rights and the number of additional New Securities you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form.

Your Entitlement and Acceptance Form or BPay® payment must be received by no later than 5.00pm (WST) on the Closing Date.

The allocation and issue of New Securities under the Shortfall Offer will be determined by the Directors in their discretion. The allocation policy in relation to the Shortfall Offer is set out in Section 2.8.

3.4 Allowing your Rights to lapse

If you do not wish to accept any of your Rights you are not required to take any action. If you do nothing then your Rights will lapse. The New Securities not subscribed for will form part of the Shortfall.

If you do not take up all of your Rights then your percentage shareholding in the Company will reduce.

3.5 Lodging your Entitlement and Acceptance Form

Unless you are making payment by BPay®, completed Entitlement and Acceptance Forms and accompanying cheques for Application Monies must be mailed to:

Zeta Petroleum plc
c/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001 Australia

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “**Zeta Petroleum Plc**” and crossed “Not Negotiable”.

Your completed Entitlement and Acceptance Form and cheque must reach the Share Registry no later than 5.00pm (WST) on the Closing Date.

The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Securities. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Company’s decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

3.6 Payment by BPay®

Payment by BPay® should be made according to the instructions set out on the Entitlement and Acceptance Form using the BPay® Biller Code and Customer Reference Number shown on the form. You can only make a payment via BPay® if you are a holder of an account with an Australian financial institution that supports BPay® transactions.

The reference number shown on each Entitlement and Acceptance Form (**Reference Number**) is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number to pay for each holding separately. Failure to do so may result in an underpayment. If you pay by BPay® and do not pay for your full Entitlement, the remaining Entitlement will form part of the Shortfall.

If you pay by BPay®:

- (a) you do not need to return the Entitlement and Acceptance Form but are taken to have made the declarations on that form; and

- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Securities which is covered by your Application Monies.

You must ensure that your completed Entitlement and Acceptance Form or payment by BPay® is received by 5.00pm (WST) on the Closing Date. Your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company is not responsible for any postal or delivery delays or delay in the receipt of BPay® payment.

3.7 Selling or dealing with your Rights

The Rights Offer is renounceable. You may sell your Rights on ASX or transfer them to another person.

- (a) Selling your Rights on ASX

Rights trading on ASX commences on 19 September 2016 and is expected to cease on 27 September 2016.

To sell all of your Rights on ASX, please contact your stockbroker. If you wish to sell all of your Rights on ASX, do **not** return your Entitlement and Acceptance Form to the Share Registry.

To take up part of your Entitlement and sell part of the balance of your Rights on ASX, complete the Entitlement and Acceptance Form for the number of New Securities you wish to apply for and lodge the completed Entitlement and Acceptance Form together with a cheque for the Application Monies (in respect of that part of your Entitlement you intend to take up) with the Share Registry. Please contact your stockbroker if you wish to sell the balance of your Rights on ASX.

The Company accepts no responsibility for any failure by your stockbroker to carry out your instructions. There is no guarantee that you will be able to sell all or part of your Rights on ASX or that any particular price at which the Rights can be sold will be available.

- (b) Dealing with your Rights other than on ASX

You may elect to transfer all or part of your Rights to another person other than on ASX provided that the purchaser is not an Excluded Shareholder or would not be an Excluded Shareholder if the purchaser was the registered holder of the Shares.

If you wish to transfer some or all of your Rights to another person other than on the ASX, complete a standard renunciation and acceptance form (which can be obtained from the Share Registry). This form must be completed by you (as seller) and by the purchaser in accordance with the instructions on the form. The completed form must be lodged with the Share Registry (see Section 3.5) by 5.00pm (WST) on the Closing Date together with the completed Entitlement and Acceptance Form and a cheque for the Application Monies (from the purchaser).

3.8 ASX quotation of New Securities

Securities under the Offers are expected to be issued and holding statements despatched as soon as practicable after the Closing Date, in accordance with the

ASX Listing Rules and the timetable set out on page iii. Securities issued under the Shortfall will be issued on a progressive basis. No issue of Securities will be made until ASX grants permission for quotation of the New CDIs.

Application for official quotation on ASX of the Securities issued pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. The fact that ASX may agree to grant official quotation of the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities. If permission for quotation is not granted by ASX within 3 months after the date of this Prospectus, the Securities will not be allotted and Application Monies will be refunded (without interest) as soon as practicable.

It is your responsibility to determine your holdings before trading in Securities. Any person who sells Securities before receiving confirmation of their holding will do so at their own risk.

The Directors reserve the right not to proceed with the whole or any part of the Offers at any time before the allotment of New Securities. In that event, relevant Application Monies will be refunded without interest.

3.9 No brokerage

No investor will pay brokerage as a subscriber for New Securities under the Offers.

3.10 Holding of Application Monies

Application Monies will be held in a trust account until the New Securities are issued.

The trust account established by the Company for this purpose will be solely used for handling Application Monies.

Any interest earned on Application Monies will be for the benefit of, and will remain the sole property of, the Company, and will be retained by the Company whether or not the allotment and issue of New Securities takes place.

Applications and Application Monies may not be withdrawn once they have been received by the Company.

3.11 Excluded Shareholders

Shareholders who do not meet the criteria to participate in the Offers are Excluded Shareholders. Excluded Shareholders are not entitled to participate in the Offers to subscribe for New CDIs.

The Company has made this decision taking into account the number of Shareholders located outside of Australia, New Zealand and the United Kingdom, the number and value of New CDIs to which those Shareholders would otherwise be entitled and the potential cost of complying with the legal requirements and regulatory requirements in those overseas jurisdictions.

The Company is not required to determine whether or not any registered Eligible Security Holder is holding Shares on behalf of an Excluded Shareholder. Any Eligible Security Holders holding Shares on behalf of an Excluded Shareholder are responsible for ensuring that any dealing with New CDIs issued under the Rights Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Rights or the distribution of this Prospectus or the Entitlement and Acceptance Form.

3.12 Nominee for Excluded Shareholders' Rights

For the purposes of ASX Listing Rule 7.7, the Company has appointed Patersons Securities Limited as nominee to arrange for the sale of the Rights which would have been offered to the Excluded Shareholders had they been entitled to participate in the Rights Offer and to account to the Excluded Shareholders for their proportion of the sale proceeds net of expenses.

The nominee has the absolute and sole discretion to determine the timing and the price at which the Rights may be sold and the manner of any such sale. Neither the Company nor the nominee will be subject to any liability for failure to sell the Rights or to sell them at a particular price.

If, in the reasonable opinion of the nominee, there is not a viable market for the Rights or a surplus over the expenses of sale cannot be obtained for the Rights that would have been offered to the Excluded Shareholders, then the Rights will be allowed to lapse and they will form part of the Shortfall Offer.

3.13 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities (**CHESS Statement** or **Holding Statement**).

If you are broker sponsored, ASX Settlement will send you a CHESS Statement.

The CHESS Statement will set out the number of New Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Company's Share Register and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

A CHESS Statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

3.14 Chess Depository Interests

Chess Depository Interests (**CDIs**) will be used by the Company to hold and transfer title to the Shares issued upon the acceptance of the Rights Offer and/or the Shortfall Offer, and to the Shares issued upon the exercise of the Free Attaching Options to be issued pursuant to this Prospectus.

CDIs are electronic depository receipts issued and are units of beneficial ownership in securities registered in the name of CHESS Depository Nominees Pty Ltd (**CDN**). CDN is a wholly-owned subsidiary of ASX. The main difference between holding CDIs and Shares is that the holder of CDIs has beneficial ownership of the underlying Shares instead of legal title. Legal title is held by CDN. The CDIs to be issued upon the acceptance of the Rights Offer and/or the Shortfall Offer, and to the Shares issued upon the exercise of the Free Attaching Options to be issued pursuant to this Prospectus, will be registered in the name of CDN for the benefit of CDI holders.

CDI Holders have the same economic benefits of holding the underlying Shares and are able to transfer and settle transactions electronically on ASX.

CDI Holders are entitled to all dividends, rights and other entitlements as if they were legal owners of Shares, and are entitled to receive notices of general meetings of Shareholders. As CDI Holders are not the legal owners of the underlying Shares, CDN, which holds legal title to the Shares underlying the CDIs, is entitled to vote at shareholder meetings of the Company on the instruction of the CDI Holders. Alternatively, if a CDI Holder wishes to attend and vote at shareholder meetings, the CDI Holder may instruct CDN to appoint the CDI Holder (or a person nominated by the CDI Holder) as CDN's proxy in respect of the underlying Shares beneficially owned by such holder for the purposes of attending and voting at a shareholder meetings of the Company. CDI Holders are entitled to one vote for every underlying Share held by CDN.

Investors should also note that the provisions of the Corporations Act dealing with the notification of substantial holdings and takeovers do not apply to the Company.

3.15 Privacy

If you apply for New Securities you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request, carry out appropriate administration and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act (as amended), the Corporations Act and certain rules of ASX. If you do not provide the information required on the Entitlement and Acceptance Form or Shortfall Application Form (as applicable), the Company may not be able to accept or process your Application.

Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. You can request access to your personal information by writing to the Company through the Share Registry at:

Computershare Investor Services Pty Limited
11/172 St Georges Terrace
PERTH WA 6000

Telephone: 1300 850 505

3.16 Taxation implications

The Directors do not consider that it is appropriate to give potential Applicants advice regarding the taxation consequences of applying for New Securities under this Prospectus as it is not possible to provide a comprehensive summary of the possible taxation positions of potential Applicants. The Company, its advisers and officers do not accept any responsibility or liability for any taxation consequences to potential Applicants in relation to the Offers. Potential Applicants should, therefore, consult their own tax adviser in connection with the taxation implications of the Offers.

4. Effect of the Offers

4.1 Principal effect of the Offers on the Company

The principal effects of the Offers, assuming the Offers are fully subscribed, will be to:

- (a) increase the aggregate number of Shares and CDIs on issue from 9,055,037 as at the date of this Prospectus to 27,165,111;
- (b) increase the number of Options on issue from 1,283,152 as at the date of this Prospectus to 10,338,189 Options; and
- (c) increase cash reserves by up to approximately \$0.495 million immediately after completion of the Offers and payment of the estimated expenses of the Offers, assuming the Offers are fully subscribed.

4.2 Effect on capital structure

The capital structure of the Company following completion of the Offers (assuming the Offers are fully subscribed) is set out below:

Shares	Full subscription
Shares and CDIs on issue at the date of this Prospectus	9,055,037
New CDIs issued under the Offers	18,110,074
Options on issue at the date of this Prospectus	1,283,152
Options issued under the Offers	9,055,037
Total Shares and CDIs on issue at completion of the Offers	27,165,111
Total Options on issue at completion of the Offers	10,338,189

Note:

Of the 1,283,152 Options on issue at the date of this Prospectus:

1. 900,000 are exercisable at \$0.10 each on or before 30 September 2019 ;
2. 25,000 are exercisable at \$8.00 each on or before 11 January 2019;
3. 75,000 are exercisable at \$1.60 each on or before 6 February 2021;
4. 111,250 are exercisable at \$1.60 each on or before 4 July 2021;
5. 46,902 are exercisable at \$8.00 each on or before 21 May 2017; and
6. 125,000 are exercisable at \$2.00 on or before 14 May 2020

4.3 Pro forma statement of financial position

Set out below is:

- (a) the unaudited consolidated statement of financial position of the Company as at 30 June 2016; and
- (b) the unaudited pro forma consolidated statement of financial position of the Company as at 30 June 2016 incorporating the effect of the Offers at full subscription.

The unaudited pro forma consolidated statement of financial position has been derived from the financial statements of the Company and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Offers had occurred by 30 June 2016. The historical and pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements

The pro forma statement of financial position has been prepared on the basis that there are no material movements in the assets and liabilities of the Company between 30 June 2016 and the completion of the Offers except for:

- at maximum subscription, the issue of 18,110,074 New CDIs at \$0.06 each, thereby raising up to \$1,086,604.40 of capital pursuant to the Prospectus;
- costs of the Offers will be approximately \$41,350.

The unaudited consolidated pro forma statement of financial position has been prepared on the basis that there are no material movements in the assets and liabilities of the Consolidated Entity between 30 June 2016 and the completion of the Offers except for those noted above.

No allowance has been made for expenditure incurred in the normal course of business from 30 June 2016 to the Closing Date.

Unaudited Consolidated Pro Forma Statement of Financial Position

	30 June 2016		PROFORMA 30 June 2016
	GBP£	AU\$	AU\$
ASSETS			
Non-current assets			
Intangible assets	282,000	507,651	507,651
Assets held for sale	1,243,000	2,237,624	2,237,624
Current assets			
Trade and other receivables	27,000	48,605	48,605
Cash and cash equivalents	90,000	162,016	746,425
Total current assets	117,000	210,621	795,030
TOTAL ASSETS	1,642,000	2,955,896	3,540,304
EQUITY AND LIABILITIES			
Equity attributable to equity holders			
Issued capital	290,000	522,052	1,608,657
Share premium	9,363,000	16,855,086	16,805,697
Share based payments reserve	482,000	867,687	867,687
Share options reserve	-	-	49,389
Capital contribution reserve	427,000	768,677	768,677
Foreign currency translation reserve	490,000	882,088	882,088
Retained losses	(11,874,000)	(21,375,338)	(21,416,687)
TOTAL EQUITY	(822,000)	(1,479,748)	(434,493)
Liabilities directly associated with assets classified as held for sale	2,208,000	3,974,797	3,974,797
Current liabilities			
Trade and other payables	256,000	460,846	-
TOTAL LIABILITIES	2,464,000	4,435,644	3,974,797
TOTAL EQUITY AND LIABILITIES	1,642,000	2,955,896	3,540,304

Notes

1. The unaudited consolidated statement of financial position and proforma consolidated statement of financial position have been converted from British Pounds into Australian dollars using an exchange rate of 0.5555.
2. Assets held for sale and liabilities directly associated with assets classified as held for sale have both reduced to nil post completion of the sale of oil & gas assets on 19 July 2016.
3. Cash and cash equivalents as at 31 August 2016 was approximately AU\$60,400 following the completion of the sale of oil & gas assets.
4. Trade and other payables have reduced to approximately AU\$350,000 as at 31 August 2016.

4.4 Details of substantial Shareholders and CDI Holders

The current relevant interests of the substantial Shareholders and CDI Holders (persons who have relevant interests in 5% or more of the Company), are as follows:

Substantial Shareholder or CDI Holder (includes associated entities)	Number of CDIs held	% of total Shares and CDIs on issue
GM Investment & Co Limited	2,169,256	23.96%
Transcontinental Investments Pty Ltd	1,800,000	19.88%
Hot Chilli Investments Pty Ltd	701,323	7.75%
A.J.G. Morrison / Spinnaker Management Resources Ltd	542,658	5.99%
Mr Bogdan Popescu	504,629	5.57%
Total	6,513,089	71.93%

If all of the Rights are accepted there will be no change to the percentage shareholding interests of the substantial Shareholders or CDI Holders on completion of the Offer. If only part of the Rights are accepted then there may be a change to the percentage shareholding interest of the substantial Shareholders or CDI Holders on completion of the Offer.

In addition to taking up all of its Rights, as approved by Shareholders at the Company's general meeting held on 14 September 2016, Transcontinental Investments Pty Ltd (**Transcontinental**) intends to apply for a maximum of 1,000,000 New CDIs and 500,000 Free Attaching Options under the Shortfall Offer. Mr Simon Trevisan, a Director of the Company, has a relevant interest in Securities held by Transcontinental, as he is a director, joint controller and substantial shareholder in Transcontinental.

The Company's largest Shareholder, GM Investment & Co Limited has advised the Company that it will accept up to that number of Rights required to maintain its current voting power, being 23.96%.

The potential change to the voting power of each of the substantial Shareholders, assuming different scenarios under the Offers are shown in the table below. This table assumes that no Options are exercised.

Voting power				
Name	At date of Prospectus	At close of the Offers		
		100% take up	50% take up	0% take up
GM Investment & Co Limited	23.96%	23.96%	23.96%	23.96%
Transcontinental Investments Pty Ltd	19.88%	19.88%	31.36%	46.87%
Hot Chilli Investments Pty Ltd	7.75%	7.75%	11.18%	20.12%
A.J.G. Morrison / Spinnaker Management Resources Ltd	5.99%	5.99%	8.73%	16.05%
Mr Bogdan Popescu	5.57%	5.57%	8.13%	15.04%

Descriptions of the different levels of take up are as follows:

- (a) “100% take up” assumes that the relevant substantial Shareholder accepts all of its Rights and all other Shareholders accept all of their Rights;
- (b) “50% take up” assumes that the relevant substantial Shareholder accepts all of its Rights (other than GM Investment & Co Limited, which accepts only 50% of its Rights), that Transcontinental is issued an additional 1,000,000 New CDIs from the Shortfall, all other Shareholders accept 50% of their Rights; and
- (c) “0% take up” assumes that the relevant substantial Shareholder accepts all of its Rights (other than GM Investment & Co Limited, which does not accept any of its Rights), that Transcontinental is issued an additional 1,000,000 New CDIs from the Shortfall, and that other Shareholders do not accept any of their Rights.

4.5 Effect of Offers on control of the Company

As at the date of this Prospectus, the Company has 9,055,037 Shares and 1,283,152 Options on issue.

If all of the Eligible Security Holders under the Rights Offer accept their Rights in full, then the Rights Offer will have no effect on the control of the Company. In this case, Eligible Security Holders will maintain their percentage shareholding interest in the Company.

However, if Shareholders accept fewer than 57.64% of their Rights, and Transcontinental accepts all of its Rights and is issued an additional 1,000,000 New CDIs from the Shortfall, Transcontinental will acquire voting power of 30% in the Company.

The Company’s largest Shareholder, GM Investment & Co Limited has advised the Company that it will accept up to the number of Rights required to maintain its current voting power, being 23.96%. Consequently, GM Investment & Co Limited will not acquire an interest of greater than 23.96% in the Company.

Other than Transcontinental, no Shareholder or CDI Holder is expected to obtain voting power of 30% or more in the Company.

The potential change to the voting power of Transcontinental assuming different scenarios under the Offers are shown in the table below. This table assumes that no Options are exercised.

Voting power						
Name	At date of Prospectus	At close of the Offers				
		100% take up	75% take up	50% take up	25% take up	0% take up
Transcontinental Investments Pty Ltd	19.88%	19.88%	26.90%	31.36%	37.58%	46.87%

Descriptions of the different levels of take up are as follows:

- (a) “100% take up” assumes that Transcontinental accepts all of its Rights and all other Shareholders accept all of their Rights;
- (b) “50% take up” assumes that the Transcontinental accepts all of its Rights, that Transcontinental is issued an additional 1,000,000 New CDIs from the Shortfall, and all other Shareholders accept 50% of their Rights; and
- (c) “0% take up” assumes that Transcontinental accepts all of its Rights, that Transcontinental is issued an additional 1,000,000 New CDIs from the Shortfall, and that other Shareholders do not accept any of their Rights.

4.6 Effects of the Offers on activities of the Company

The issue of New Securities under the Offers will provide funds for the purposes set out in Section 1.2.

Following the Offers, the Company intends to:

- | | | |
|-----|---|-----------|
| (a) | repay existing trade creditors* | \$350,000 |
| (b) | provide for future exploration activities on the Jimbolia licence | \$200,000 |
| (c) | pay for the costs of the offer | \$41,350 |
| (d) | provide for working capital | \$495,254 |

* trade creditors as at 31 August 2016

5. Rights and liabilities attaching to Securities

5.1 Rights and liabilities attaching to CDIs

Full details of the rights and liabilities attaching to Shares are set out in the Company's Articles of Association, a copy of which is available for inspection at the Company's registered offices during normal business hours.

The following is a summary of the key provisions of the Articles of Association and the principal rights and restrictions of Shareholders. This summary is not exhaustive, nor does it constitute a definitive statement of the rights and restrictions of Shareholders.

Investors should note that they will be issued with CDIs (and options for CDIs) upon acceptance of the Offer under this Prospectus. With the exception of voting arrangements, CDI Holders have the same rights as holders of Shares, which are legally registered in their own name.

(a) Application of Listing Rules

For so long as the Company is admitted to the official list of the ASX, to the extent of any inconsistency between the Company's Articles of Association and the ASX Listing Rules, the ASX Listing Rules prevail.

(b) General meetings

The Board may, whenever it thinks fit, and in accordance with the *Companies Act 2006* (UK) (**UK Companies Act**) convene a general meeting. Notice of every general meeting shall be given to every member of the Company who is, under the Articles of Association, entitled to receive such notices from the Company.

(c) Voting rights

Subject to any special terms as to voting upon which Shares may be issued or may for the time being be held, on a show of hands every member present in person or by proxy shall have one vote. On a poll every member who is present in person or by proxy shall have one vote for every Share they hold.

Where there are two or more joint holders of a Share and more than one of them is present at a general meeting in person or by proxy and tenders a vote in respect of the Share, the Company will count only the vote cast by, or on behalf of, the member whose name appears first in the Company's register of members.

(d) Dividends

The Company may by ordinary resolution in a general meeting declare dividends to be paid out of the profits of the Company available for distribution (in accordance with the UK Companies Act). No dividend shall be declared in excess of the amount recommended by the Board.

Subject to the UK Companies Act, the Board may, provided that in its opinion the profits of the Company justify such payment, pay interim dividends from time to time of such amounts and on such dates and in respect of such periods as it thinks fit.

Except as otherwise provided by the rights attached to the Shares, all dividends shall be declared and paid pro rata according to the amounts paid up on the Shares in respect of which the dividend is declared and paid (divided) during any portion or portions of the period in respect of which the dividend is declared. Any dividend unclaimed for a period of 12 years from the date on which the dividend becomes payable may be forfeited and may revert to the Company.

(e) **Winding up**

The Company presently has only issued one class of Shares, which all rank equally in the event of winding up.

A liquidator may, with the authority of a special resolution of Shareholders (and any other sanction required pursuant to law), divide among the Shareholders in proportion to their shareholdings in specie the whole or any part of the assets of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders. The liquidator may, with like authority, vest the whole or any part of the assets in trust for the benefit of Shareholders as the liquidator thinks fit, but no Shareholder of the Company can be compelled to accept any assets in respect of which there is a liability (or potential liability).

(f) **Purchase of own Shares**

Subject to the UK Companies Act and to any rights conferred on the holders of any other Shares, the Company may with the authority of any ordinary or special resolution as may be required by the Companies Act, purchase its own Shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own Shares on such terms and in such manner as may be approved by such resolution and permitted by the UK Companies Act.

(g) **Transfer of Shares**

In relation to a transfer of Shares which are in certificated form:

- (i) such transfers may be effected by transfer in writing in any usual form or in such other form as the Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee;
- (ii) the Board may refuse to register any transfer of partly paid Shares or Shares on which the Company has a lien or any instrument of transfer in favour of an entity which is not a natural or legal person, a minor, a person in respect of whom a receiving order or adjudication order in bankruptcy remains undischarged, a person with mental disorder or where the Share is to be held jointly by more than 4 persons; and
- (iii) the Board may not decline to register any instrument of transfer if the instrument of transfer is duly stamped (if required), is in respect of only one class of share and is in favour of not more than four joint transferees, provided that to do so is not contrary to the ASX Listing Rules.

(h) **Alteration of capital**

The Company may by ordinary resolution, consolidate or sub-divide all or any of its Shares or cancel any Shares which have not been taken or agreed to be taken by any person.

Subject to the UK Companies Act and any other consent required by law, the Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner.

(i) **Takeover protection**

As a company incorporated in England and Wales, the rights of Shareholders are governed by English law. The rights of shareholders under English law differ in some respects from the rights of shareholders of companies incorporated in Australia. As the Company is incorporated in England and Wales, the takeover provisions in the Corporations Act do not apply to the Company. In the United Kingdom, the City Code on Takeovers and Mergers (**City Code**) regulates takeovers and substantial shareholders and the Company is subject to the City Code.

Pursuant to the Articles of Association, the Board may disenfranchise a Shareholder who does not make a takeover offer in circumstances where this would be required under the Takeover Code so that the protection is triggered upon acquiring 20% rather than 30% ownership in the Company (in line with standard provisions applying to Australian incorporated public companies listed on ASX).

5.2 Rights of CDI Holders

With the exception of voting arrangements, CDI holders have the same rights as Holders whose securities are legally registered in their own name. The ASX Settlement Operating Rules require that all economic benefits, such as dividends, bonus issues, rights issues or similar corporate actions flow through to CDI holders as if they were the legal owners of the underlying securities.

The ASX Settlement Operating Rules require the Company to give notices to CDI holders of general meetings of Shareholders. The notice of meeting must include a form permitting the CDI holder to direct CDN to cast proxy votes in accordance with the CDI Holder's written directions. CDI Holders cannot vote personally at Shareholder meetings. The CDI Holder must convert their CDIs into certificated Shares prior to the relevant meeting in order to vote at the meeting in person.

5.3 Converting from a CDI to a Share

CDI holders may at any time convert their holding of CDIs (tradeable on ASX) to certificated Shares as set out below.

- (a) for CDIs held through the issuer sponsored sub-register, contacting Computershare Investor Services Pty Limited in Australia directly to obtain the applicable request form. The removed holding would then be registered into the same address that appeared on the Australian CDI register; or
- (b) for CDIs held on the CHESSE sub-register, contacting their controlling participant (generally a stockbroker), who will liaise with Computershare Investor Services Pty Limited in Australia to obtain and complete the request form.

Upon receipt of a request form, the relevant number of CDIs will be cancelled and Shares will be transferred from CDN into the name of the CDI holder and a registered share certificate be issued. This will cause your Shares to be registered on the certificated UK register of Shares and trading will no longer be possible on the ASX.

A holder of Shares may also convert their Shares to CDIs, by contacting the Company Secretary in the United Kingdom (at +44 203 755 5063 or bhodges@zetapetroleum.com), Computershare Investor Services Pty Limited in Australia, or their stockbroker (or applicable controlling participant). In this case, the Shares will be certificated if held in uncertified form, transferred from the Shareholder's name into the name of CDN and a holding statement will be issued for the CDIs. The CDIs will be tradeable on ASX.

5.4 Terms and conditions of Free Attaching Options

The Free Attaching Options entitle the holder to subscribe for CDIs on the following terms and conditions:

- (a) Each Free Attaching Option has an issue price of A\$nil.
 - (b) Each Free Attaching Option gives the Option Holder the right to subscribe for one CDI.
 - (c) The Free Attaching Options will expire at 5.00pm (WST) 30 September 2019 (**Expiry Date**). Any Free Attaching Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (d) The amount payable upon exercise of each Free Attaching Option will be A\$0.10 (**Exercise Price**).
 - (e) The Free Attaching Options held by each Option Holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (f) An Option Holder may exercise their Free Attaching Options by lodging with the Company, before the Expiry Date:
 - (i) A written notice of exercise of Free Attaching Options specifying the number of Free Attaching Options being exercised; and
 - (ii) A cheque or electronic funds transfer for the Exercise Price for the number of Free Attaching Options being exercised;
- (Exercise Notice).**
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (h) Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of CDIs required under these terms and conditions in respect of the number of Free Attaching Options specified in the Exercise Notice.
 - (i) On receipt of an Exercise Notice accompanied by the Exercise Price, the Company will either:
 - (i) within 5 Business Days after the issue of CDIs issued upon exercise of the Options, issue a "cleansing notice" that complies with section

708A(6) of the Corporations Act to meet certain requirements in respect of the “secondary trading” provisions contained in sections 707 and 708A of the Corporations Act; or

- (ii) within 15 Business Days of receipt of the Exercise Notice, issue the CDIs issued upon exercise of the Options pursuant to a prospectus which the Company will prepare and lodge with ASIC.
- (j) The Free Attaching Options are not transferable.
- (k) All CDIs issued upon the exercise of Free Attaching Options will upon issue rank pari passu in all respects with the Company’s existing class of CDIs.
- (l) The Company will not apply for quotation of the Free Attaching Options on ASX. The Company will apply for quotation of all CDIs issued pursuant to the exercise of Free Attaching Options on ASX within 10 Business Days after the date of issue of those CDIs.
- (m) If at any time the issued capital of the Company is reconstructed, all rights of an Option Holder are to be changed in a manner consistent with the Corporations Act (as appropriate), the ASX Listing Rules, the UK Companies Act and otherwise at the time of the reconstruction.
- (n) There are no participating rights or entitlements inherent in the Free Attaching Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Free Attaching Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option Holders the opportunity to exercise their Free Attaching Options prior to the date for determining entitlements to participate in any such issue.
- (o) A Free Attaching Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Free Attaching Option can be exercised.

6. Risk factors

6.1 Introduction

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance. There can be no guarantee that the Company will achieve its stated objectives.

Prior to deciding whether to take up their Entitlement, Shareholders should read the entire Prospectus and review announcements made by the Company to ASX (at www.asx.com.au under the code ZTA) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

An investment in New CDIs should be considered speculative. New CDIs carry no guarantee with respect to the payment of any dividends, returns of capital or the market value of those New CDIs.

Shareholders should consider the risk factors set out in Section 1.4 above and in Sections 6.2 to 6.4 below which the Directors believe represent some of the key, specific and general risks that Shareholders should be aware of when evaluating the Company and deciding whether to increase their shareholding in the Company. These risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

6.2 Specific risks applicable to the Company

In addition to the key risks out in Section 1.4 above, the following risks have been identified as being risks specific to an investment in the Company. These risks may adversely affect the Company's financial position, prospects and price of its listed Securities.

- (a) **The Company is conducting its activities in Romania.** The Directors believe that the Government of Romania supports the development of natural resources by foreign investors. However, there is no assurance that future political and economic conditions in Romania will not result in the Government of Romania adopting different policies regarding foreign development and ownership of mineral resources. Any changes in policy may result in legislative changes affecting ownership of assets, taxation, rates of exchange, environmental protection, labour relations, repatriation of income and return on capital, all of which may affect the Company's ability to develop its projects.
- (b) **Future capital requirements:** The Company may require substantial further financing in the future for its business activities, in addition to amounts raised pursuant to the Offers. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or the price under the Offers) or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

- (c) **No Takeover Protection under Corporations Act:** As a company incorporated in England and Wales, the rights of Shareholders are governed by English law. The rights of shareholders under English law differ in some respects from the rights of shareholders of companies incorporated in Australia. As the Company is incorporated in England and Wales, the takeover provisions in the Corporations Act do not apply to the Company. In the United Kingdom, the City Code on Takeovers and Mergers (**City Code**) regulates takeovers and substantial shareholders and the Company is subject to the City Code.
- (d) **Key personnel:** Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of oil and gas reserves is limited and competition for such persons is strong. There can be no assurance given that there will be no detrimental impact on the Company if such persons employed, cease their employment with the Company.

6.3 Industry specific risks applicable to the Company

- (a) **Exploration:** The success of the Company depends in part on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's oil and gas interests and obtaining all consents and approvals necessary for the conduct of its exploration activities.

The actual costs of exploration may materially differ from those estimated by the Company. No assurance can be given that the cost estimates and the underlying assumptions used as a basis for those estimates will be realised in practice, which may materially and adversely affect the Company's viability.

- (b) **Ability to exploit successful discoveries:** It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Oil and gas extraction development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events.

- (c) **Resource estimates:** Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available.

There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value.

- (d) **Licence renewal:** The Company cannot guarantee that renewals of oil and gas exploration and development licences will be granted on a timely basis, or at all.

Renewal and transfer conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the exploration licences comprising the Company's projects.

Interests in Romanian licences are governed by the relevant domestic legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a licence if conditions are not met or if insufficient funds are available to meet expenditure commitments.

The imposition of new conditions or the inability to meet conditions may adversely affect the operations, financial position and/ or performance of the Company.

- (e) **Environmental risks:** The operations and activities of the Company are subject to its environmental laws and regulations. As with most oil and gas exploration projects and extraction operations, the Company's operations and activities are expected to have an effect on the environment. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws.

- (f) **Realising value from projects:** The operations of the Company may be affected by various factors, including failure to locate or identify oil and gas reserves; failure to achieve predicted grades in oil and gas; operational and technical difficulties encountered in oil and gas extraction; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or extraction of oil and gas. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

- (g) **Oil and gas price and exchange rate fluctuations:** The revenue derived through the sale of oil and gas exposes the potential income of the Company to oil and gas price and exchange rate risks. Oil and gas prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for oil and gas, forward selling by producers and the level of production costs in major oil and gas producing regions. Moreover, oil and gas prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, oil and gas.

Any revenue received by the Company would likely be in Romanian New Lei (**RON**) derived from the sale of oil and gas and a large proportion of the Company's operating expenses would be incurred principally in British Pounds Sterling (**GBP**), Australian Dollars (**AUD**) and Euros (**EUR**). Furthermore the income and expenditure accounts will be initially prepared in GBP. Therefore, Australian dollar reported revenue will be directly impacted

by movements in the RON oil and gas price and the RON/AUD, RON/GBP, RON/EUR and GBP/AUD exchange rates. Movements in the RON/AUD or GBP/AUD exchange rates and/or the RON oil and gas price may adversely or beneficially affect the Company's results or operations and cash flows

6.4 General risks applicable to the Company

- (a) **Insurance risk:** In certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

- (b) **Potential acquisitions:** As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

- (c) **Stock market conditions:** As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the issue price for the New CDIs.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia and changes in exchange rates.

- (d) **Liquidity risk:** There can be no guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Offers.

- (e) **Securities investment risk:** Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of oil and gas companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

- (f) **Taxation:** There may be taxation implications arising from the Application for Shares, the receipt of dividends (both franked and unfranked) from the Company, participation in any on-market Share buy-back and on the disposal of Shares.

- (g) **Other risks:** Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk, and other matters that may interfere with the business or trade of the Company.

7. Continuous disclosure documents

7.1 Continuous disclosure obligations

This is a prospectus for the offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is a “disclosing entity” for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the ASX Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the ASX Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The New CDIs to be issued under this Prospectus are in a class of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

7.2 Documents available for inspection

The Company has lodged the following announcements with ASX since the lodgement of the Company’s 2015 annual financial report on 31 March 2016:

Date	Description of ASX Announcements
9 September 2016	Interim Financial Report
29 August 2016	Proxy Form
29 August 2016	Notice of General Meeting/Proxy Form
18 August 2016	Change in substantial holding
5 August 2016	Change in substantial holding
4 August 2016	Change in substantial holding
2 August 2016	Cleansing Statement - Share Placement
2 August 2016	Change in substantial holding
29 September 2016	Quarterly Activities Report
29 September 2016	Appendix 5B
28 September 2016	Final Director's Interest Notice
28 September 2016	Initial Director's Interest Notice
28 September 2016	Becoming a substantial holder
27 September 2016	Appendix 3B
27 September 2016	Capital Raising and Board Changes
19 September 2016	Amendment and Completion of Asset Disposal

Date	Description of ASX Announcements
01 September 2016	Results of AGM
9 June 2016	Proxy Form
9 June 2016	Notice of Annual General Meeting
3 May 2016	Statement of Reserves
9 April 2016	Quarterly Cashflow Report
9 April 2016	Quarterly Activities Report

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Copies of documents lodged with ASX, in relation to the Company, including the Company's corporate governance policies, may be obtained from the Company's website at www.zetapetroleum.com or at ASX's website at www.asx.com.au.

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the date of this Prospectus until the Closing Date:

- (a) the annual financial report of the Company for the financial year ended 31 December 2015, being the annual financial report of the Company most recently lodged with ASIC before the issue of this Prospectus; and
- (b) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (a) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

8. Additional information

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

8.2 Administration services agreement with Transcontinental

By agreement between Transcontinental Investments Pty Ltd (**Transcontinental**) and Zeta dated 14 September 2016, Zeta agreed to retain Transcontinental to provide to Zeta, on the terms and conditions set out in the agreement, comprehensive administration services including:

- (a) administrative, management, corporate, advisory and other similar services;
- (b) management of third party professional and expert services including legal and audit and investment banking, independent technical expert and other services;
- (c) head office support services including provision of office space for Zeta's Chief Executive Officer and one other Company appointee, shared access to Transcontinental's office IT and telecommunications equipment and access to third party-provided communications systems and support;
- (d) company secretarial, administrative support, accounting, payroll business analysis and recruitment and employee administration services; and
- (e) other administration services as may be requested from time to time by the Board and as agreed by Transcontinental.

Zeta must pay a monthly fee of \$3,000 to Transcontinental plus reimbursement each month for certain costs, expenses and liabilities incurred and/or paid by Transcontinental on behalf of Zeta during the month.

Transcontinental is a related party of the Company as Simon Trevisan is both a director of the Company and a director and controlling shareholder of Transcontinental.

8.3 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director nor any entity in which a Director is a partner or director, has or has had in the two (2) years before the date of this Prospectus, any interest in:

- (a) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (b) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or proposed director or to any entity in which such a Director or proposed director is a partner or director, either to induce him to become, or to qualify as, a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offers.

8.4 Security holding interests of Directors

At the date of this Prospectus the relevant interest of each of the Directors in the Securities of the Company are as follows:

Director	CDIs		Options	
	Direct	Indirect	Direct	Indirect
Stephen West ¹	Nil	331,525	Nil	50,000
Timothy Osborne	Nil	Nil	Nil	Nil
Oliver Cairns ²	Nil	101,043	Nil	71,902
Greg Hancock ³	Nil	10,000	Nil	Nil
Simon Trevisan ⁴	Nil	1,800,000	Nil	900,000

Notes:

1. Mr West has a relevant interest in these Securities as they are held by Cresthaven Investments Pty Ltd (**Cresthaven**) as trustee for the Daiquiri Trust, in which Mr West has an indirect beneficial interest. The 50,000 Options in which Mr West has a relevant interest are exercisable at \$1.60 each on or before 4 July 2021.
2. Mr Cairns has a relevant interest in these Securities as they are held by Silverlight Holdings Pty Ltd as trustee for The Cairns Investment A/C (100,293 CDIs), and Oliver William Cairns & Mrs Carolyn Helen Cairns as trustee for the OCCM Fund (750 CDIs), in which Mr Cairns has an indirect beneficial interest. 46,902 Options in which Mr Cairns has a relevant interest are exercisable at \$8.00 each on or before 21 May 2017, and 25,000 Options in which Mr Cairns has a relevant interest are exercisable at \$1.60 each on or before 4 July 2021.
3. Mr Hancock has a relevant interest in these Securities as they are held by GG Hancock Pty Ltd as trustee for The Greg Hancock S/F A/C, in which Mr Hancock has an indirect beneficial interest.
4. Mr Trevisan has a relevant interest in these Securities as they are held by Transcontinental Investments Pty Ltd, a company of which Mr Trevisan is a director, joint controller and substantial shareholder. The 900,000 Options in which Mr Trevisan has a relevant interest are exercisable at \$0.10 each on or before 30 September 2019.

In addition to taking up their Entitlement, as approved by Shareholders at the Company's general meeting held on 14 September 2016, the following Directors intend to apply for following number of New CDIs and Free Attaching Options under the Shortfall Offer:

- (a) Mr Simon Trevisan, through Transcontinental Investments Pty Ltd, intends to apply for a maximum of 1,000,000 of New CDIs and 500,000 Free Attaching Options;
- (b) Mr Greg Hancock intends to apply for a maximum of 370,000 of New CDIs and 185,000 Free Attaching Options; and
- (c) Mr Oliver Cairns intends to apply for a maximum of 100,000 of New CDIs and 50,000 Free Attaching Options.

8.5 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum set by the Company in a general meeting. The aggregate maximum is presently set at \$240,000 per annum. The Executive Director may receive such remuneration as the directors determine.

A Director may be reimbursed for out of pocket expenses incurred as a result of their directorship.

Details of remuneration provided to Directors during the past two financial years is as follows:

Director	Financial year up to 31 December 2015 Total (£117,000)	Financial year up to 31 December 2014 Total (£215,000)
Stephen West ²	£32,000	£12,000
Tim Osborne	£12,000	£12,000
Oliver Cairns ³	£13,000	£16,000
Greg Hancock ⁴	£8,000	Nil
Simon Trevisan ⁵	Nil	Nil
Bogdan Popescu ⁶	£32,000	£101,000
James Hayward ⁷	£20,000	£70,000
Phillip Crookall ⁸	Nil	£4,000

Notes:

1. All amounts referred to above are basic salary and fees. No Directors received any Securities as payment or any termination benefits in either the financial year ended 31 December 2015 or 31 December 2014.
2. Basic salary and fees paid to Mr West in includes consultancy fees paid through a service company
3. Basic salary and fees paid to Mr Cairns were paid through a service company.
4. Mr Hancock was appointed as a Director on 24 April 2014.
5. Mr Trevisan was appointed as a Director on 28 July 2016.
6. Mr Popescu resigned as a Director on 28 July 2016.
7. Mr Hayward and resigned as a Director on 14 March 2014. Basic salary and fees paid to Mr Hayward were all paid through a service company.
8. Mr Crookall resigned as a Director on 12 May 2014.

8.6 Director indemnity deeds

The Company has entered into or will enter into a deed of indemnity with each of the Directors.

Under the deeds the Company undertakes, subject to the restrictions in the Corporations Act, to indemnify all Directors against all losses or liabilities incurred by each Director in their capacities as Directors.

8.7 Expenses of the Offers

The estimated expenses payable in cash by the Company in respect of costs associated with this Prospectus and the Offers, including offer management, broking fees, legal, accounting, corporate advisory, printing, ASIC and ASX fees and other costs will be approximately \$41,350.

8.8 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the two (2) years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;

- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offers.

Jackson McDonald has acted as solicitors to the Company in relation to the Offers and legal due diligence enquiries in respect of the Company and is entitled to be paid approximately \$15,000 (excluding GST) in respect of these services. In addition, Jackson McDonald has provided other legal services to the Company in the period two (2) years prior to the date of this Prospectus and has been paid, or is entitled to be paid, fees totalling approximately \$6,269 (excluding GST) for those other services.

Bishop & Sewell LLP has acted as the solicitors in the United Kingdom to the Company in relation to the Offers and is entitled to be paid approximately £5,000 (excluding VAT and disbursements) for these services. In addition, Bishop & Sewell LLP has provided other legal services to the Company in the period two (2) months prior to the date of this Prospectus and has been paid, or is entitled to be paid, fees totalling approximately £1,800 (excluding VAT) for legal services provided to the Company.

Patersons Securities Limited has been appointed as the Company's nominee under Listing Rule 7.7. Patersons Securities Limited will be paid the greater of 1.5% of the gross value of all securities sold or \$500 for this service. During the period two (2) years prior to the date of this Prospectus, Patersons Securities Limited has not been paid and is not entitled to be paid any fee by the Company.

8.9 Consents and liability statements

Jackson McDonald has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as solicitors to the Company in the form and context in which it is named.

Bishop & Sewell LLP has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as solicitors to the Company in the United Kingdom, in the form and context in which it is named.

Patersons Securities Limited has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as the Company's nominee under ASX Listing Rule 7.7, in the form and context in which it is named.

Computershare Investor Services Pty Limited and Computershare Investor Services PLC have given and have not, before lodgement of this Prospectus with ASIC, withdrawn their consent to be named in this Prospectus as the Share Registries in the form and context in which they are named.

Each of Jackson McDonald, Bishop & Sewell LLP, Patersons Securities Limited, Computershare Investor Services Pty Limited and Computershare Investor Services PLC:

- (a) did not authorise or cause the issue of this Prospectus;

- (b) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section.

8.10 Market prices of Shares on ASX

Information about the closing market price of Shares quoted on ASX during the 3 months period before the date of this Prospectus is set out in the table below.

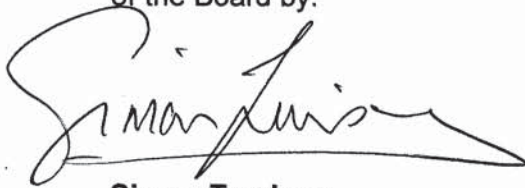
	Price	Date
Highest	\$0.08	5 August 2016, 31 August 2016 and 12 September 2016
Lowest	\$0.055	29 June 2016
Latest	\$0.08	13 September 2016

9. Directors' responsibility statement and consent

The Directors state that they have made all reasonable enquiries and that on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect of any other statements made in the Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making the statement or statements were competent to make such statements; those persons have given their consent before lodgement of this Prospectus with ASIC or, to the Directors' knowledge, before any issue of New Securities pursuant to this Prospectus.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

A handwritten signature in black ink, appearing to read 'Simon Trevisan', with a long horizontal flourish extending to the right.

Simon Trevisan
Non-Executive Director

for and on behalf of the Company

Dated: 14 September 2016

10. Glossary of Terms

Applicant	A person who applies for New Securities in accordance with this Prospectus.
Application	A valid application for New Securities offered under this Prospectus.
Application Monies	The monies payable by Applicants to the Offers.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning set out in the Listing Rules.
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.
ASX Listing Rules	The listing rules of ASX.
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Rules	The settlement rules of ASX Settlement.
Board	The board of Directors.
Business Day	A day: (a) that is a business day as defined in the ASX Listing Rules; and (b) which is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.
CDI	Chess Depository Interests.
CDI Holder	The holder of a CDI.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
CHESS Statement or Holding Statement	A statement of shares registered in a CHESS account.
Closing Date	The closing date of the Offers as set out in Section 2.4.
Company or Zeta	Zeta Petroleum Plc, being a company registered in England and Wales with registered number 5560854 and registered as a foreign company in Australia with ABN 24 154 575 872.
Consolidated Entity	The Company and its subsidiaries.
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company as at the date of this Prospectus.
Eligible Jurisdictions	Australia, New Zealand, and the United Kingdom, and any other jurisdiction outside Australia that the Company determines as being a jurisdiction in which its securities can be offered without requiring the filing or lodgement of a prospectus in that jurisdiction.
Eligible Security Holder	A Shareholder or CDI Holder who meets the criteria set out in Section 2.3.

Entitlement	The number of New CDIs and Free Attaching Options that a Shareholder is entitled to apply for under the Rights Offer, as determined by the number of Shares held by that Shareholder at the Record Date.
Entitlement and Acceptance Form	The entitlement and acceptance form accompanying this Prospectus.
Excluded Shareholder	A Shareholder as at the Record Date whose registered address is not situated in an Eligible Jurisdiction.
Existing Share	A share issued before the date of this Prospectus.
Free Attaching Option	The Options that may be issued under this Prospectus on the terms set out herein.
GST	Goods and services tax.
Lodgement Date	The date of lodgement of the Prospectus with ASIC as set out on page iii.
New Securities	New CDIs and Free Attaching Options.
New CDIs	The Shares that may be issued under this Prospectus on the terms set out herein.
Offer Period	The period commencing on the Opening Date and ending on the Closing Date.
Offers	The Rights Offer and the Shortfall Offer, or either one of those offers as the case may be.
Official List	The official list of ASX.
Official Quotation	Official quotation by ASX.
Opening Date	The opening date of the Offers as set out in Section 2.4.
Option	An option to subscribe for a CDI.
Option Holder	The holder of an Option.
Privacy Act	<i>Privacy Act 1988 (Cth)</i> .
Prospectus	This prospectus dated 14 September 2016, including any electronic or online version of this prospectus.
Record Date	5.00pm (WST) on Tuesday, 20 September 2016 or such other date as may be determined by the Directors.
Right	The right to subscribe for New CDIs and Free Attaching Options under an Offer.
Rights Offer	The offer of New CDIs and Free Attaching Options under this Prospectus.
Section	A section of this Prospectus.
Securities	Shares and/or Options.
Share	A fully paid ordinary share in the capital of the Company.
Share Registry	The Company's share registry, in Australia being Computershare Investor Services Pty Limited and in the United Kingdom being Computershare Investor Services PLC.
Shareholder	The holder of a Share.

Shortfall	The number of New CDIs and Free Attaching Options offered under this Prospectus for which valid Applications have not been received from Eligible Security Holders before the Closing Date.
Shortfall Application Form	An application form for New Securities under the Shortfall Offer.
Shortfall Offer	The offer of Shortfall CDIs and Free Attaching Options under this Prospectus.
Shortfall Securities	Shortfall CDIs and Free Attaching Options issued to the Shareholders in accordance with this Prospectus as set out in Section 2.8.
Shortfall CDIs	Shortfall CDIs issued to CDI Holders and Shareholders in accordance with this Prospectus as set out in Section 2.8.
U.S. Person	Any person in the United States or any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the United States Securities Act of 1933, as amended).
WST	Western Standard Time, being the time in Perth, Western Australia.