Media Release

24 July 2015

Zeta Petroleum plc / Index: ASX / Epic: ZTA / Sector: Oil & Gas

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

Quarterly Activities Review – Period Ended 30 June 2015

Zeta Petroleum plc, the ASX listed oil and gas company with a balanced portfolio of onshore low-cost production, appraisal and exploration assets in Romania provides its quarterly activities review for the period ended 30 June 2015.

HIGHLIGHTS:

Preparations for a London Listing

- Proposed London listing process at an advanced stage including review by UK Listing Authority
- Research coverage initiated by SP Angel as international broker

Suceava – Gas Production and Appraisal (Zeta 50%)

- Production at the Climauti and Dornesti Gas fields continued to generate net revenues to Zeta with gross combined production of approximately 11,000 m3/day (390,000 scf/d)
- Final construction permitting for tie-back of Ruda-1 well to Bilca gas processing plant received on 13 July with production expected to commence during calendar Q3 2015

Bobocu – Gas Development and Production (Zeta 100%)

- Period of exclusivity announced on 1 June with a potential farm-in partner which if executed will enable the third party to earn an interest of up to 70% and operatorship of the Bobocu concession by funding one well, providing an interest-free loan on a second well and paying a proportion of back costs relating to previous investment made by Zeta on the Bobocu concession. Further announcements will be made at the appropriate time
- Work programme for 2015 / 2016 for the drilling of a side-track well from Bobocu-310 or the drilling of a new well confirmed with NAMR in May

Jimbolia – Oil and Gas Appraisal (Zeta 39% - carried on Jimbolia-100 well)

- 2015 work programme approved by NAMR at nominal cost

Zeta Petroleum plc Chief Executive Officer Andy Morrison said, *"Zeta continued to generate production and cashflow from Climauti and Dornesti Sud-1 and they will soon be joined by a third producing well, Ruda-1. Current gas production from our gas fields totals 0.4 mmscf/d gross and is generating monthly revenues of approximately A$35,000. Production from Ruda-1 on the Suceava concession will increase cashflow.*

On the Bobocu concession we entered into a period of exclusivity with a potential farm-in partner. If the proposed arrangement completes, the partner will fund work commitments in exchange for receiving a working interest of up to 70%.

As a low operating-cost environment, onshore Romania remains attractive to the oil and gas industry at current oil prices with the result we are seeing increased interest in Romania as an E&P destination. We continue to review a number of potentially exciting development options in our portfolio."

FULL DETAILS:

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

The 1,733sq km Suceava concession is located on the Moldavian Platform, approximately 370 km north of Bucharest. The concession includes the producing Climauti Gas Field, electricity production from the Dornesti Sud-1 Gas-to-Power project and planned gas production from the Ruda-1 Gas Field which is pending pipeline construction. An additional discovery well, SE-1 at Granicesti is awaiting further testing and possible development and there are a number of other similar leads and prospects in the concession area.

Climauti Gas Field

During the quarter production at the Climauti gas field produced gas at a gross rate of approximately 5,000 m3/day (178,000 scf/d) and to deliver net cash flow to Zeta of A$18,000 per month. Production was lower during the quarter while the licence Operator completed routine maintenance on the pipeline connection to the National Grid.

Dornesti-Sud Gas to Power Project

Experimental production at the Dornesti-Sud continued during the period at 0.9MW. The phased modular design allows for build-up of electricity production to a rate of up to 2.5 MW and the partners are working to increase output to 1.2MW during 2015. Following commissioning, gross gas production at Dornesti-Sud was approximately 6,000m3/day (212,000 scf/d) delivering net cash flow to Zeta of A$17,000 per month.

Ruda-1 Gas field

The Ruda-1 exploration well was successfully drilled and tested in Q4 2014 and is expected to add to production from the concession area. Ruda-1 has been shown to be an analogue to the Climauti gas field. Test flows were undertaken for 3 days with flow rates of up to 25,000m3/day (880,000scf/d) on a 12.0mm choke. The conventional natural gas (containing over 98% methane) was discovered in a good quality Sarmatian sandstone reservoir.

Ruda-1 was completed as a production well and suspended pending connection to the Bilca gas processing plant operated by Raffles using a 750m tie back to the existing Climauti field and flow-line. It is expected that the Ruda gas discovery will commence initial production during calendar Q3 2015.

SE-1 "Granicesti" Discovery Well

It is expected that the SE-1 "Granicesti" well which was drilled in 2005 and tested at a stable gas flow rate of 25,500 m3/day (900,533 scf/d) will be re-tested and placed into production in 2016.

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

The Jimbolia concession is located in the proven and producing eastern part of the Pannonian Basin and contains two discoveries that have future development potential: Jimbolia Veche and Jimbolia Vest. In 2013, the Jimbolia-100 well was drilled and discovered oil with a gas cap with a high CO2 content.

In 2014, further testing was undertaken of intervals with gas indications in Jimbolia-100 and the completion of technical and economic studies and submitted to NAMR. Zeta was fully carried by NIS Petrol for the drilling and testing of Jimbolia-100.

Following the studies completed in 2014, the licence holders continue to evaluate the economics of the possible development of Jimbolia-100

BOBOCU (100% OWNED AND OPERATED):

The Bobocu Gas Field is located approximately 20km northeast of Buzau and 110km northeast of Bucharest. The Bobocu Concession contains the Bobocu field which ceased production in 2001 but has significant remaining development potential with independently assessed contingent resources of 22.67 Bcf. During the quarter, Zeta continued farm-out discussions with a number of parties in order to bring in a partner to fund the appraisal and development of Bobocu including the drilling of a side-track to the Bobocu-310 well. A partner was selected and a period of exclusivity was agreed. The farm-out process is now at an advanced stage.

There is no current field redevelopment plan at Bobocu but, given its material level of contingent resources, a range of conceptual development plans that are economically attractive have been evaluated. Following technical work that was completed and submitted to NAMR in 2014, the Company confirmed its intention to prove its development concept by drilling a fresh well or a side-track to the Bobocu-310 well. Further technical work is now under way with the proposed farm-in partner to optimise the co-ordinates for the fresh well or to confirm the side-track. Based on progress achieved to date and interest from potential partners, the Board is confident that a farm-out of the Bobocu concession will be achieved to provide the funding required.

A work commitment programme on Bobocu for 2015 / 16 was agreed in May 2015 with regard to the drilling of a side-track to the Bobocu-310 well or a new well.

CORPORATE

The Company's proposed London listing process continued during the quarter and is now at an advanced stage of review by the UK Listing Authority.

The Company undertook a share consolidation on a 1 for 40 basis that was completed on 15 April 2015.

The Company issued 967,970 New Ordinary Shares at $0.25 each to Directors and Management in lieu of cash for services rendered in order to preserve cash for the continuation and development of the Group's asset portfolio.

FORWARD STRATEGY

During the quarter the Company conducted an internal review of its strategy that concluded that it should remain focused on developing growth opportunities from its portfolio in Romania and by a selective approach to value-added acquisitions in Romania and neighbouring regions that play to the Company's strengths. On 2 June 2015 the Company announced that it had entered into a non-binding Memorandum of Understanding for the acquisition of onshore appraisal and exploration concessions. Whilst the particular acquisition that gave rise to that announcement has not proceeded, the Company continues to assess a number of development opportunities. A Corporate Presentation setting out the Company's strategy is available on the Company's website. With an experienced team and a compelling platform of assets, the Company believes that it is well positioned to capitalise on future opportunities.

****ENDS****

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

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The information provided in this press release that relates to Zeta Petroleum plc's hydrocarbon reserves is based on information compiled by or under the supervision of Mr Bogdan Popescu. Mr Popescu has the following qualifications: PhD (Sedimentology), MSc (Geology) and BSc (Geology). Mr Popescu has consented in writing to the inclusion of the information provided in this press release that relates to Zeta Petroleum plc's hydrocarbon reserves in the form and context in which it appears here. Mr Popescu is a director of Zeta Petroleum plc.