

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser. The whole text of this document should be read.

If you have sold or transferred all of your Shares in Zeta Petroleum plc (the “Company”), please send this document, together with the accompanying form of proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

ZETA PETROLEUM PLC

*(Incorporated in England and Wales under the Companies Act 1985
with registered number 05560854 and registered as a foreign company
in Australia with Australian registered business number 154 575 872)*

Notice of Annual General Meeting

Notice of the Annual General Meeting of the Company to be held at the offices of Wiggin Osborne Fullerlove, 52 Jermyn Street, London, SW1Y 6LX, United Kingdom at 9.00 a.m. (UK time) on 30 June 2016 is set out in this document. Shareholders will find enclosed a Form of Proxy for use at the Annual General Meeting.

Whether or not you propose to be present at the Annual General Meeting, Shareholders are requested to complete and return the enclosed Form of Proxy to the Company’s registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 9.00 a.m. (UK time) on 28 June 2016 or, in the event that the meeting is adjourned, not less than 48 hours (excluding any part of a day which is not a working day) before the time fixed for the holding of the adjourned meeting.

ZETA PETROLEUM PLC
(the “Company”)
*(Incorporated in England and Wales under the Companies Act 1985
with registered number 05560854 and registered as a foreign company
in Australia with Australian registered business number 154 575 872)*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2016 Annual General Meeting of the Company will be held at the offices of Wiggin Osborne Fullerlove, 52 Jermyn Street, London, SW1Y 6LX, United Kingdom at 9.00 a.m. (UK time) on 30 June 2016 to consider and, if thought fit, pass the following resolutions.

The attached explanatory notes are provided to supply Shareholders with information to enable them to make an informed decision regarding the resolutions in this notice.

Ordinary Business

Ordinary Resolution 1 — Annual report and accounts

To receive and consider the audited accounts of the Company for the financial year ended 31 December 2015 and the reports of the directors of the Company (“Directors” and each a “Director”) and auditors therein.

Ordinary Resolution 2 — Re-election of Director retiring by rotation

For the purposes of ASX Listing Rule 14.4 and for all other purposes, to re-elect Mr Stephen West as a Director of the Company, who retires by rotation in accordance with the Company’s Articles of Association.

Ordinary Resolution 3 — Re-election of Director retiring by rotation

For the purposes of ASX Listing Rule 14.4 and for all other purposes, to re-elect Mr Bogdan Popescu as a Director of the Company, who retires by rotation in accordance with the Company’s Articles of Association.

Ordinary Resolution 4 – Auditor reappointment

To re-appoint BDO LLP as the Company auditor until the next Annual General Meeting of the Company.

Ordinary Resolution 5 – Auditor remuneration

To authorise the Directors to fix the remuneration of the Company auditor.

Special Business

Special Resolution 6 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass, the following resolution as a special resolution:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of the issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated 6 June 2016

Registered Office
1 Berkeley Street, London W1J 8DJ, United Kingdom

By Order of the Board
ZETA PETROLEUM PLC

B. Hodges
Secretary

Action to be Taken

Each Shareholder is entitled to appoint one or more proxies to attend, speak and vote instead of that Shareholder. A proxy need not be a Shareholder.

Shareholders should kindly complete and return the enclosed Form of Proxy as soon as possible, whether or not they expect to be able to attend the Annual General Meeting. Return of a Form of Proxy will not prevent a Shareholder from attending, speaking and voting in person at the meeting if that Shareholder so wishes.

Holders of CHESSE Depository Interests ("CDI") are invited to attend but are not entitled to vote personally at the Annual General Meeting. Chess Depository Nominees Pty Ltd ("CDN") holds legal title in the Company's Shares for and on behalf of CDI holders. As the holders of beneficial interest in the Company's Shares that are held by CDN, CDI holders should direct CDN on how to vote with respect to the Resolutions described in the Notice of Annual General Meeting using the enclosed CDI Voting Instruction Form. CDN must exercise its rights to vote by proxy at the Annual General Meeting in accordance with the directions of CDI holders.

Recommendation

The Board is of the opinion that these proposals are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend all Shareholders to vote in favour of the resolutions, as they intended to do in respect of their own beneficial holdings (subject to any relevant voting exclusions).

NOTES

- 1.! A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, speak and vote in that member's place. A member may appoint more than one proxy in relation to this meeting provided that each proxy is appointed to exercise rights attached to a different Share or Shares held by that member. To appoint more than one proxy you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of Shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of Shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms should be signed and returned together in the same envelope. A proxy need not also be a member. Completion and return of a Form of Proxy will not preclude a member from attending the meeting and voting in person, if they so wish and are so entitled.
- 2.! To be valid, the enclosed Form(s) of Proxy and any power(s) of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be completed and returned so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 9.00 a.m. (UK time) on 28 June 2016 or, in the event that the meeting is adjourned, not less than 48 hours (excluding any part of a day which is not a working day) before the time fixed for the holding of the adjourned meeting.
- 3.! Members will be entitled to attend and vote at this meeting if they are registered on the register of members of the Company by 6.00 p.m. (UK time) on 28 June 2016 or, in the event of any adjournment of the meeting, at 6.00 p.m. (UK time) on the date which is 2 days before the start of the adjourned meeting (excluding any part of a day which is not a working day).
- 4.! In the case of joint holders, the vote of the senior who tenders a vote will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names are stated in the register of members of the Company in respect of the joint holding.
- 5.! Any corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all of the powers as a member provided that they do not do so in relation to the same Shares. A resolution of the directors, or other governing body, of the corporation will be required in order to evidence the valid appointment of the corporate representative, in accordance with section 323 of the UK Companies Act 2006.
- 6.! You may not use any electronic address (within the meaning of section 333(4) of the UK Companies Act 2006) provided in this notice or in any related documents (including the form of proxy and the annual report and accounts) to communicate with the Company for any purposes other than those expressly stated.
- 7.! Your personal data includes all data provided by you, or on your behalf, which relates to you as a Shareholder, including your name and contact details, the votes you cast and your reference number (as attributed to you by the Company or its registrars). The Company determines the purposes for which, and the manner in which, your personal data is to be processed. The Company and any third party to which it discloses the data (including the Company's registrars) may process your personal data for the purposes of compiling and updating the Company's records, fulfilling its legal obligations and processing the shareholder rights you exercise.

APPENDIX A – EXPLANATORY STATEMENT TO THE NOTICE OF ANNUAL GENERAL MEETING

The 2016 Annual General Meeting of Zeta Petroleum plc will be held at the offices of Wiggin Osborne Fullerlove, 52 Jermyn Street, London, SW1Y 6LX, United Kingdom at 9.00 a.m. (UK time) on 30 June 2016 to consider the following matters:

RESOLUTION 1

The Board is required to present to the meeting the audited accounts, and the reports of the Directors and the auditors, for the financial year ended 31 December 2015, which may be found on pages 4 to 13 of the annual report and accounts for the Company dated 30 March 2016 (the “Annual Report and Accounts”).

RESOLUTIONS 2 TO 3 (INCLUSIVE)

Resolutions 2 to 3 relate to the re-election of Directors pursuant to the requirements of the Company’s Articles of Association. Details of the relevant Directors are shown on pages 1 and 3 of the Annual Report and Accounts.

Article 25.2 of the Company’s Articles of Association requires one third of the Directors (excluding any Directors who have been appointed by the Board since the last Annual General Meeting) to retire by rotation at every Annual General Meeting. ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third Annual General Meeting following the director’s appointment or 3 years, whichever is the longer. Accordingly Mr Stephen West and Mr Bogdan Popescu are retiring by rotation and offering themselves for re-election.

The Directors, other than Mr West, support the election of Mr West and recommend that Shareholders vote in favour of Resolution 2. Mr West has served as a Director since 12 September 2005.

The Directors, other than Mr Popescu, support the election of Mr Popescu and recommend that Shareholders vote in favour of Resolution 3. Mr Popescu has served as a Director since 26 September 2013.

RESOLUTIONS 4 TO 5 (INCLUSIVE)

These two resolutions request Shareholders to vote on the re-appointment of BDO LLP as Company auditor (Resolution 4) and to authorise the Directors to fix the remuneration of the Company auditor (Resolution 5).

RESOLUTION 6

General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

The effect of Resolution 6 will be to allow the Company to issue Equity Securities up to 10% of the Company’s fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company’s 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 6 is a special resolution. Accordingly at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting (in person or by proxy) must be in favour of Resolution 6 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity’s 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a)! is not included in the S&P/ASX 300 Index; and
- (b)! has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$435,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares/CDIs (ASX Code: ZTA).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (1) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- (2) plus the number of partly paid shares that became fully paid in the previous 12 months;
- (3) plus the number of Shares issued in the previous 12 months with Shareholder approval under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval; and
- (4) less the number of Shares cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Technical Information Required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

provided that, in respect of Shares, these are not issued at less than their nominal value (being the lowest issue price permitted under the UK Companies Act 2006).

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of the Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

("10% Placement Capacity Period").

(c) Risk of Voting Dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable "A" in ASX Listing Rule 7.1A.2)	Issue Price (per Share)	Dilution		
		\$0.03 50% decrease in Issue Price	\$0.06 Issue Price	\$0.12 100% Increase in Issue Price
7,255,037 Shares Current Variable A	Shares issued - 10% voting dilution	725,504 Shares	725,504 Shares	725,504 Shares
	Funds raised	\$ 21,765	\$ 43,530	\$ 87,060
10,882,555 Shares 50% increase in current Variable A	Shares issued - 10% voting dilution	1,088,255 Shares	1,088,255 Shares	1,088,255 Shares
	Funds raised	\$ 32,648	\$ 65,295	\$ 130,590
14,510,074 Shares 100% increase in current Variable A	Shares issued - 10% voting dilution	1,451,007 Shares	1,451,007 Shares	1,451,007 Shares
	Funds raised	\$ 43,530	\$ 87,060	\$ 174,120

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table has been prepared on the following assumptions:

- 1.! As at the date of this Notice there are currently 7,255,037 Shares on issue.
- 2.! The issue price set out above is the closing price of the Shares on the ASX on 30 May 2016.
- 3.! The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- 4.! As at the date of this Notice the Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- 5.! The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
- 6.! The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- 7.! This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- 8.! The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- 9.! The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting

Shareholders should note that there is a risk that:

- (i)! the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii)! the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as non-cash consideration for the acquisition of new oil and gas assets, investments and payment for the provision of other professional services. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; and, if relevant, the UK Companies Act 2006;
- (ii) as cash consideration in which case the Company intends to use the funds raised towards the acquisition of new assets or investments (including expenses associated with such acquisition) and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placements.

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been

determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be the vendors of the new resources assets or investments.

(f) Previous approval under ASX Listing Rule 7.1A

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its annual general meeting held on 26 June 2015 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 26 June 2015, the Company issued no new shares. The number of Ordinary Shares on issue in the Company on 30 June 2015, which was 7,255,037.

(g) Compliance with ASX Listing Rule 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

(h) Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

APPENDIX B – GLOSSARY

\$ means Australian dollars.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

CDI has the meaning given on page 3 of this notice.

Corporations Act means the Australian Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Equity Securities has the meaning defined in the ASX Listing Rules.

Option means an option to acquire a Share / CDI.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share or CDI.