



ZETAPETROLEUMPLC

Media Release

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Zeta Acquires Producing Gas Field with Significant Exploration Upside

Romanian focused oil and gas explorer and developer; Zeta Petroleum plc ("Zeta" or the "Company") is pleased to announce that it has signed a sale and purchase agreement to acquire 100% of the issued capital of Regal Petroleum Romania SRL ("Regal Romania"), a wholly owned subsidiary of AIM listed Regal Petroleum plc, for a cash consideration of US\$650,000.

The sole asset of Regal Romania is a 50% working interest in the Suceava concession in Romania. The Suceava concession includes the Climauti gas field which is currently producing 17,000m³/day from Sarmatian reservoirs at around 460 metres depth, with the production being sold to Wintershall, the largest crude oil and natural gas producer in Germany. This modest existing production is expected to generate approximately \$25,000 per month net revenue to Zeta and should yield approximately 2Bcf gross of recoverable gas reserves.

In addition to the existing production, the Suceava concession also provides:

- a) significant shallow conventional gas potential, with leads and prospects identified by the Company of up to 80Bcf (unrisked) from 6 leads and prospects at depths of 400 to 1,000 metres; and
- b) the potential for unconventional gas identified by the Company from deeper Silurian shales.

The Suceava concession is located on the Moldovan platform, approximately 370km north, of Bucharest and covers an area of 2,403km². The concession is located 275km NNW of the Company's Bobocu gas field and is contiguous with the Chevron owned Barlad concession where Chevron is intending to carry out shale gas exploration activities.



Schematic map showing location of the Suceava concession



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The Operator and holder of the other 50% interest in the Suceava concession is Raffles Energy SRL, a wholly owned subsidiary of Singapore based Raffles Energy Pte Ltd, the upstream subsidiary of Raphael Group Plc.

Upon completion of the acquisition, Zeta's commitments under the Suceava concession agreement will be to fund 50% of the costs of a 50km 2D seismic acquisition campaign, which was recently completed, and the drilling of one shallow exploration well. It is estimated that the total cost to the Company for its 50% share of these costs will be Euro 1.0 million.

Completion of the acquisition is subject to a number of conditions precedent that are standard for a transaction of this nature. The consideration payable is subject to certain adjustments to be made on completion of the acquisition, which principally relate to the apportionment between Regal Petroleum plc and Zeta of joint venture balances relating to the Suceava concession.

Zeta Petroleum's Managing Director Stephen West said the Company was very excited with the acquisition which brings forward Zeta's transformation into a production company.

"By securing the acquisition of a 50% interest in the Suceava concession we have acquired cash-flow from production, added significant shallow conventional exploration to our portfolio and have the potential for unconventional shale gas in the future.

"We have now joined a very short and exclusive list of independent gas producers in Romania which will fast-track the attainment of a gas selling licence for the Company," he said.

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About Zeta Petroleum

Founded in 2005, Zeta is focussed on the exploration and development of oil and gas projects in Romania and Eastern Europe. The Company has drill ready assets: the Bobocu Gas Field (100% interest) with existing Pmean contingent gas resource of 44.36Bcf and Pmean prospective resources of 14.09Bcf and the Jimbolia Oil Field (100% beneficial interest) Pmean prospective oil resources of 1.72MMbbls. Zeta also has a 12.5% fully carried interest in the Padureni Gas Field.

In addition, the Company holds a 100% interest in three prospecting permits covering an area of over 6,000km² in known hydrocarbon prone areas in Romania, and has an aggressive growth strategy to expand into neighbouring Eastern Europe countries.

The information provided in this press release that relates to Zeta Petroleum plc's hydrocarbon reserves is based on information compiled by Mr Philip Crookall who is a competent person as defined in ASX Listing Rule 5.11. Mr Philip Crookall 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 Philip Crookall is Chief Operating Officer of Zeta Petroleum plc.