

# Zeta Petroleum PLC

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## Zeta Petroleum acquiring producing oil and gas assets in Russia

Zeta Petroleum (ASX: ZTA) has signed a non-binding term sheet to acquire private company Stikito Ltd. which has a 100% owned interest in four oil and gas production and exploration licences in the prolific Volga Urals basin, Russia.

The licences making up the 280 square kilometre VES Project currently produce about 220 barrels of oil per day and estimated proved and probable reserves of 12.8 million barrels of oil equivalent as of 2012.

Zeta will pay US\$2 million in cash within 15 days of signing a binding legal agreement and issue 155 million shares priced at \$0.05 each.

Should the assets maintain average oil production in excess of 220bopd for 90 days, the company will also pay the vendor an addition US\$1 million.

VES is located close to the supergiant Orenburg field, and the world class Karachaganak field.

It offers development potential including low cost workovers of existing wellbores and high impact drilling to new horizons.

In order to fund the initial upfront acquisition cost, Zeta has signed a heads of terms with an existing shareholder for a US\$2 million convertible loan, with 50% of the loan convertible at \$0.01 per share and 50% of the loan convertible at the lower of \$0.03 and the average 30 day share price prior to conversion.

In addition, the lender will be granted 10 million share options with an exercise price of \$0.05 for a period of 3 years.

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### Share Information

**Code:** ZTA

**Listing:** ASX

**Sector:** Energy

**Website:** [www.zetapetroleum.com](http://www.zetapetroleum.com)

### Company Synopsis:

*Zeta Petroleum PLC (ASX:ZTA) is an independent oil and gas exploration and development company with a regional focus on Eastern Europe.*

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