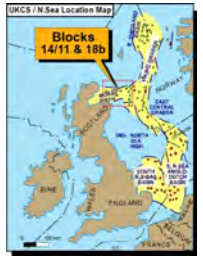


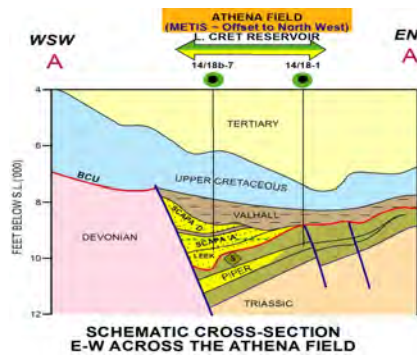
# ZEUS Petroleum Ltd

## Project Update: 12 Month Extension to drill very large Metis Prospect in Block 14/11 & Athena Field Development Planned for first oil mid 2011 in Block 14/18b (Outer Moray Firth ~ Witch Ground Graben)



**Update Summary:** Block 14/11 in the UK Central North Sea, which contains the potentially very large Metis prospect and is 100% owned and operated by Zeus, has been granted a 12 month extension to the end of 2010 in which time to complete its exploration well obligation. Zeus also owns a 10% interest in the Athena field in Block 14/18b operated by Ithaca, which lies on strike with the Metis analogue and is to be progressed towards development, with planned submission of the FDP by April 2010 and first production in mid 2011. Zeus Petroleum, whose ownership has been clarified and is now 100% owned and controlled by Rheochem, is continuing its search for a new partner to earn an interest in Block 14/11 by funding the Metis exploration well and earn an 'option' to acquire half its 10% interest in Athena.

**Analogue / Trendology Potential:** Block 14/11 contains the large *Metis Prospect*, which lies along the same structural trend and is a near identical seismic analogue to the *Athena Field* in Block 14/18b. Metis is predicted to have the same structural-stratigraphic trap potential within Lower Cretaceous Scapa and Leek sands and ties in with Zeus's new interpretation and ideas about the regional depositional model for the Lower Cretaceous play, which now satisfies many of the unanswered questions posed by the unexpected Athena and Scapa discoveries.



Their new model also highlights the large untested potential of the Metis prospect which has an estimated Pmean of 109 million bbl recoverable resource. There is considerable stratigraphic upside in excess of 200+ MMbbl with still further potential if a second reservoir (as at Scapa and Athena) is also found to be hydrocarbon-bearing. Evidence of the potential can be drawn from the 14/12-2 well which lies adjacent to the Metis

closure and encountered both reservoir equivalent and shows (see example seismic below).

Interestingly, the Scapa field discovered in 1975 was the first field in the area to find oil in the Lower Cretaceous Scapa sands (unexpectedly as it was drilled as step out to Jurassic Claymore field) and has since produced nearly twice as much oil (120 mmbbl) as initially predicted when it came on stream in 1984. The Athena field has independently been estimated by Sproule to contain a gross Proven + Producing (2P) potential of around 30 million bbl recoverable resource with an upside (3P) in excess of 44 million bbls recoverable, although the mapping clearly suggests the potential for much larger stratigraphic potential (like Scapa). Production of around 22,000 bopd is anticipated from 2011.

**The Opportunity & Timing:** Zeus wish to find a company or companies willing to earn up to a 50% interest in Block 14/11 by funding the cost of at least the Metis well at an estimated total cost of around US\$ 15 million dry hole based on current prices. Zeus is willing to offer a package deal based on participation in 14/11 with up to half of their interest in Block 14/18b and the Athena development (i.e. a net 5% interest) being made available for purchase as part of the opportunity. With the extension until end 2011, there is now time to carry out a review and commit to join Zeus in their endeavours before the Summer and preparations for drilling by the year end.

**Further Information:** The following link should open Envoi's traditional Synopsis on this opportunity

[P169Zeus\(UKNorthSea-Blk14-11\)Syn.pdf](#)

The CA, a presentation and data room review in London can be arranged through:



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