

March 26, 2019

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Issue of Notes

Zenith Energy Ltd. ("**Zenith**" or the "**Company**") (LSE: **ZEN**; TSX.V: **ZEE**; OSE: **ZENA-ME**) the listed international oil & gas production company operating the largest onshore oilfield in Azerbaijan, is pleased to announce that it has issued unsecured notes (the "**Notes**") for a total amount of £90,000 (approximately CAD\$158,000 or NOK 1,002,000) with 900,000 share purchase warrants attached (the "**Warrants**").

Each Warrant will entitle the holder to acquire one common share of no-par value ("**Common Share**") in the capital of Zenith, at a strike price of CAD\$0.10 (approximately £0.056 or 0.64 NOK) per Common Share, for a period of 12 months following the closing date.

Unless permitted under applicable Canadian securities legislation, holders must not trade the Notes, or the Warrants underlying the Notes, in Canada before the date that is four months and a day after the issue date of February 15, 2019. The formalisation of the process was subject to approval by the TSX Venture Exchange.

The maturity date of the Notes is July 31, 2019 and carry an interest of 15 percent per annum, payable upon the maturity of July 31, 2019 computed on the basis of a 360-day year composed of twelve 30-day months.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of TSXV) accepts responsibility for the adequacy of this release.

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Notes to Editors:

Zenith Energy Ltd. is an international oil and gas production company, listed on the TSX Venture Exchange (TSX.V:ZEE) and London Stock Exchange (LSE:ZEN). In addition, the Company's common share capital was admitted to trading on the Merkur Market of the Oslo Børs (ZENA:ME) on November 8, 2018. The Merkur Market is a multilateral trading facility owned and operated by the Oslo Børs.

The Company was assigned a medium to long-term issuer credit rating of "B+ with Positive Outlook" on October 8, 2018 by Arc Ratings, S.A.

The Company operates the largest onshore oilfield in Azerbaijan following the signing of a 25-year REDPSA, (Rehabilitation, Exploration, Development and Production Sharing Agreement), with SOCAR, State Oil Company of the Azerbaijan Republic, in 2016.

The Company's primary focus is the development of its Azerbaijan operations by leveraging its technical expertise and financial resources to maximise low-cost oil production via a systematic field rehabilitation programme intended to achieve significantly increased revenue. Zenith also operates, or has working interests in, a number of natural gas production concessions in Italy. The Company's Italian operations produce natural gas, condensate and electricity.

Zenith's development strategy is to identify and rapidly seize value-accretive hydrocarbon production opportunities in the onshore oil & gas sector. The Company's Board of Directors and senior management team have the experience and technical expertise to develop the Company successfully.