

April 2, 2019

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Issue of Equity

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 as result of market demand it has completed one offering in the United Kingdom (the "**UK Financing**"), and plans to complete another financing in Canada, which remains subject to TSX-V approval (the "**Canadian Financing**" and together, the "**Financings**"). The Financings have been negotiated with a consortium of private and institutional investors and have raised an aggregate total amount of approximately £1,020,000 (approximately CAD\$1,790,000 or NOK 11,515,000).

The Company intends to use the aggregate proceeds of the Financings to provide additional funding for its existing well deepening programme in Azerbaijan and for general working capital.

Canadian Financing

Zenith plans to issue a total of 20,000,000 common shares of no par value in the capital of the Company ("**Common Shares**") at a price of CAD\$0.05 in connection with the Canadian Financing to raise gross proceeds of CAD\$1,000,000 (approximately £570,000 or NOK 6,435,000) (the "**Canadian Financing Common Shares**").

The Canadian Financing Common Shares are subject to a four-month hold period under the rules and regulations of the TSX Venture Exchange and applicable Canadian securities laws. An application for the Canadian Financing Common Shares to be listed on the standard segment of the FCA Official List and to be admitted to trading on the London Stock Exchange Main Market for listed securities will be made within 12 months of the issue of the Canadian Financing Common Shares.

The Canadian Financing remains subject to TSX-V approval.

UK Financing

Zenith has issued a total of 17,647,059 Common Shares of no par value in the capital of the Company at a price of £0.0255 (approximately CAD\$0.045)(the "**UK Financing Issue Price**") in connection with the UK Financing (the "**UK Financing Common Shares**") to raise gross proceeds of £450,000 (approximately CAD\$790,000 or NOK 5,080,000).

The UK Financing Issue Price is at a discount of 12 percent to the closing market price of £0.029 per common share admitted to trading on the standard segment of the FCA Official List of the London Stock Exchange Main Market for listed securities on April 1, 2019.

Application has been made for the UK Financing Common Shares to be admitted to the standard segment of the FCA Official List and to trading on the London Stock Exchange Main Market for listed securities ("**Admission**").

It is expected that Admission will become effective and that unconditional dealings in the UK Financing Common Shares will commence on or around 8.00 a.m. (BST) on April 4, 2019.

Total Voting Rights

Following the aforementioned UK Financing, and following the approval and the completion of the Canadian Financing, the Company wishes to announce, in accordance with the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, the following information following Admission:

Class of share	Total number of shares	Number of voting rights per share	Total number of voting rights per class of share
Common shares in issue and admitted to trading on the Main Market of the London Stock Exchange	244,069,911	1	244,069,911
Common shares in issue and admitted to trading on the TSXV	298,074,123	1	298,074,123
Common shares in issue and admitted to trading on the Merkur Market of the Oslo Børs	298,074,123	1	298,074,123

No shares are held in treasury. The above figure for total number of common shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Appointment of Joint Broker

The Company is pleased to announce the appointment of Peterhouse Capital Limited as joint corporate broker to the Company on the London Stock Exchange with immediate effect.

Andrea Cattaneo, Chief Executive Officer, commented:

"We are pleased to have received significant interest from new institutional and private investors, as well as existing shareholders. As has been communicated to the market, we are about to begin drilling activities in the Jafarli Field which have the potential to transform the Company. The capital raised will be invested directly into our drilling operations in order ensure the best execution possible. We are confident that a positive result will provide exceptional value for shareholders and set Zenith on course for a highly successful development during 2019."

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Further Information:

Zenith Energy Ltd	Tel: +1 (587) 315 9031
Andrea Cattaneo, Chief Executive Officer	E-mail: info@zenithenergy.ca
Optiva Securities – Joint Broker	Tel: + 44 (0) 203 981 4179
Christian Dennis	
Jonathan Brown	
Peterhouse Capital – Joint Broker	Tel: + 44 (0) 207 469 0930
Lucy Williams	
Charles Goodfellow	
Allenby Capital Limited - Financial Adviser	Tel: + 44 (0) 203 328 5656
Nick Harriss	
Nick Athanas	
IFC Advisory – Financial PR & IR	Tel: + 44 (0) 203 934 6630
Graham Herring	
Miles Nolan	
Zach Cohen	

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 Republic of Azerbaijan, 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.

Forward-looking statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward-looking statements and information concerning the admission of Zenith common shares to the Main Market for listed securities of the London Stock Exchange, as well as the potential of its drilling operations in certain of the Company's wells. The forward-looking statements and information are based on certain key expectations and assumptions made by Zenith, including the ability to execute its strategy and realise its growth opportunities including its ability to finance and execute its plans. Although Zenith believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. All timing given in this announcement, unless stated otherwise is indicative and while the Company endeavours to provide accurate timing to the market, it cautions that due to the nature of its operations and reliance on third parties this is subject to change often at little or no notice. By its nature, such forward-looking information is subject to certain risks and uncertainties

(both general and specific) that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, Zenith being unable to finance or realise growth opportunities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof, and to not use such forward-looking information for anything other than its intended purpose. Zenith undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking information contained herein is expressly qualified by this cautionary statement.