

October 21, 2019

**ZENITH ENERGY LTD.**

("Zenith" or the "Company")

**Private Placement in Norway**

Zenith Energy Ltd., ("**Zenith**" or the "**Company**"), (LSE: **ZEN**; TSX.V: **ZEE**; OSE: **ZENA-ME**), the international oil & gas production company operating the largest onshore oilfield in Azerbaijan, is pleased to announce a Private Placement ("**Private Placement**") on the Merkur Market of the Oslo Stock Exchange.

The Company has successfully raised gross proceeds of NOK 6,133,000 (approximately £518,000 or CAD\$880,000) to subscribe for 17,522,857 common shares of no par value in the capital of the Company ("**New Common Shares**") at a price of NOK 0.35 per New Common Share (approximately £0.03 or CAD\$0.05).

Payment and issue of the New Common Shares to complete the Private Placement is expected on or around October 23, 2019, and an update will be made upon completion.

The Private Placement attracted strong interest and support from Norwegian investors.

Zenith intends to use the net proceeds of the Private Placement to finance the purchase of long lead items and the beginning of civil works required in preparation for planned drilling operations at well M-247 of the Muradkhanli oilfield, as well as for additional general working capital.

The Private Placement is subject to approval from the TSX Venture Exchange and the Oslo Stock Exchange.

**Andrea Cattaneo, Chief Executive Officer of Zenith, commented:**

"The Board of Directors is pleased that we have successfully completed our first Private Placement in Norway following Zenith's listing on the Merkur Market last year.

The Norwegian market has proven extremely favourable for the Company in recent months as we have delivered the first results of our drilling activities, and I am delighted that many existing and new Norwegian investors participated in the Private Placement.

We look forward to the commencement of drilling operations at well C-30 in due course."

**Further Information:**

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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 9, 2019 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.