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October 23, 2019

**ZENITH ENERGY LTD.**

**("Zenith" or the "Company")**

**Issuance of shares in the VPS System of 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 that has successfully issued shares in favour of certain domestic investors in Norway

The Private Placement with Norwegian investors (the "Private Placement") has successfully raised gross proceeds NOK 6,133,000 (approximately £518,000 or CAD\$880,000) through the issuance of 17,522,857 common shares of no par value (at a subscription price of NOK 0.35 per share (approximately £0.03 or CAD\$0.05 per Placement Share).

The Placement Shares have been issued in the form of depositary interests in the VPS, the Norwegian Central Securities Depository

**Further Information:**

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This announcement and the information contained herein is issued for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, including the Placement Shares.

**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-accractive 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.