

May 3, 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 it has completed a placing of new common shares of no par value in the capital of the Company (**"Common Shares"**) in the United Kingdom (the **"Financing"**).

Zenith has issued a total of 14,334,602 Common Shares at a price of £0.028 (approximately CAD\$0.049) (the **"Financing Issue Price"**) in connection with the Financing (the **"Financing Common Shares"**) to raise gross proceeds of £401,369 (approximately CAD\$702,500 or NOK 4,528,000).

Application has been made for the 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 May 7, 2019.

The Company intends to use the proceeds of the Financing to purchase a Top Drive system and additional equipment for the mud system of the BD-260 drilling rig to ensure increased performance during well C-37 drilling operations. Delivery of the Top Drive system and additional mud system components is expected by the end of May 2019.

Total Voting Rights

The Company wishes to announce, in accordance with the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, the following information following Admission of the Financing Common Shares:

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	258,404,153	1	258,404,153
Common shares in issue and admitted to trading on the TSXV	312,408,725	1	312,408,725
Common shares in issue and admitted to trading on the Merkur Market of the Oslo Børs	312,408,725	1	312,408,725

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.

Conclusion of Tender Process for Well C-37 Deepening Operations

The Company is pleased to confirm that the tender process for well C-37 deepening operations has been successfully concluded in full consultation with its partner, SOCAR.

Zenith has now begun the process of awarding contracts to successful bidders. As part of this, the Company is pleased to announce that its oilfield service company subsidiary, Zena Drilling Limited, has been awarded the contract for drilling contractor services.

Appointment of Joint Broker

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

Andrea Cattaneo, Chief Executive Officer of Zenith, commented:

"Our drilling engineers have recommended the purchase of a Top Drive system to optimise the performance of the BD-260 drilling rig. They have also recommended an increased capacity for our mud system on the basis of technical evaluations made in preparation for the beginning of drilling activities.

One of the primary benefits guaranteed by the Top Drive will be to enable us to drill into the new, highly prospective untested structure of the Upper Cretaceous formation we have identified with enhanced performance, safety and operational flexibility over what is offered by the traditional rotary system.

We expect to have the Top Drive system ready for transportation to Azerbaijan within the next 14 days. Drilling operations will commence as soon as this has arrived and has been installed.

I am confident that a positive result in C-37 drilling operations will be transformational for Zenith shareholders. I look forward to announcing the start of drilling activities, together with providing further updates as we progress."

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:

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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 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.

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.