

January 20, 2020

**ZENITH ENERGY LTD.**

("Zenith" or the "Company")

**EUR 25 million EMTN Programme**

Zenith Energy Ltd., ("Zenith" or the "Company"), (LSE: **ZEN**; TSX.V: **ZEE**; OSE: **ZENA-ME**), the international oil & gas production company, is pleased to announce the upcoming issuance of the following unsecured, multi-currency Euro Medium Term Notes at par value (the "**Notes**"):

- EURO 1,000,000 bearing an interest of 10.125 per cent per year (the "**EUR-Notes**")
- GBP 1,000,000 bearing an interest of 10.50 per cent per year (the "**GBP-Notes**")
- USD 1,000,000 bearing an interest of 10.375 per cent per year (the "**USD-Notes**")
- CHF 1,000,000 bearing an interest of 10.00 per cent per year (the "**CHF-Notes**")

The subscription period will commence on January 21, 2020. The intended issue date of the Notes is January 27, 2020.

The Notes will be issued under Zenith's EUR 25,000,000 multi-currency Euro Medium Term Notes Programme, as announced by the Company on November 6, 2019, and will be due on January 27, 2024. The Notes will be admitted to trading on the Third Market (MTF) of the Vienna Stock Exchange ("**Wiener Borse AG**").

The Notes are governed by Austrian law and, since the Notes are not convertible into equity of Zenith, the issuance of the Notes is not subject to the approval of the TSX Venture Exchange in Canada.

The issue of the Notes is aligned with the Company's strategy of diversifying its financing towards non-equity dilutive funding to support its successful development.

***Important note: This press release does not, and shall not, in any circumstances constitute a public offering by ZENITH ENERGY LTD of the Notes nor an invitation to the public in connection with any offer. No communication and no information in respect of the issuance of the Notes may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction where such steps would be required. The offering or purchase of the Notes may be subject to specific legal or regulatory restrictions in certain jurisdictions. ZENITH ENERGY LTD takes no responsibility for any violation of any such restrictions by any person.***

***This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June***

**2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "Prospectus Regulation").**

**The Notes will be offered on the basis of the base prospectus for the EUR 25,000,000 Euro Medium Term Note Program of ZENITH ENERGY LTD dated 5 November 2019 and its supplements which together constitute a base prospectus (the "Base Prospectus") and the final terms prepared by the Issuer in connection with the issuance of the respective Notes. A public offer of the Notes may take place only in countries to which the Base Prospectus has been passported. The Base Prospectus has been approved by the Austrian Financial Market Authority FMA and passported to Germany, Italy, Luxembourg, France, United Kingdom of Great Britain, Belgium, Netherlands, Spain, Sweden, Ireland and Malta. The sales restrictions as described in the Base Prospect shall apply.**

**This press release does not constitute an offer to sell or a solicitation of an offer to purchase any securities in the United States. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the laws of any state within the U.S., and may not be offered or sold in the United States or to or for the account or benefit of U.S. Persons, except in a transaction not subject to, or pursuant to an applicable exemption from, the registration requirements of the Securities Act or any state securities laws. This press release and the information contained herein may not be distributed or sent into the United States, or in any other jurisdiction in which offers or sales of the Notes would be prohibited by applicable laws and should not be distributed to United States persons or publications with a general circulation in the United States. No offering of the Notes has been made or will be made in the United States.**

**Further Information:**

<b>Zenith Energy Ltd</b>	
Andrea Cattaneo, Chief Executive Officer	Tel: +1 (587) 315 9031
	E-mail: <a href="mailto:info@zenithenergy.ca">info@zenithenergy.ca</a>
<b>Novum Securities Limited - Joint Broker</b>	Tel: + 44 (0) 20 7399 9400
Charlie Brook-Partridge	
Hugh McAlister	
<b>IFC Advisory Limited - Financial PR &amp; IR</b>	Tel: + 44 (0) 20 3934 6630
Graham Herring	
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 9, 2019 by Arc Ratings, S.A. On November 18, 2019, the Company was assigned a "B+" with Stable Outlook debt issuer credit rating by Rating-Agentur Expert RA.

The Company operates the largest onshore oilfield in Azerbaijan by cumulative acreage 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.