

January 28, 2020

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, 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 11,105,882 (approximately £935,000 or CAD\$1,610,000) to subscribe for 55,529,412 common shares of no par value in the capital of the Company ("**New Common Shares**") at a price of NOK 0.20 per New Common Share.

Payment and issue of the New Common Shares to complete the Private Placement is expected on or around January 31, 2020.

The Private Placement attracted strong interest from both private and institutional investors, including significant existing shareholders in Zenith.

Zenith intends to use the net proceeds for business development activities (including the purchase of new components for its drilling equipment), operational matters related to the recent Anglo African Oil & Gas plc transaction and additional working capital.

The final completion of the Private Placement is subject to approval from the TSX Venture Exchange.

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 Common Shares issued in the Placing.

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	277,403,856	1	277,403,856

Common Shares in issue and admitted to trading on the TSXV	507,072,921	1	507,072,921
Common Shares in issue and admitted to trading on the Merkur Market of the Oslo Børs	507,072,921	1	507,072,921

No Common 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.

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. 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.

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.