

June 11, 2020

ZENITH ENERGY LTD.

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

Payment to KUFPEC for Sidi El Kilani

Zenith Energy Ltd. (**"Zenith"** or the **"Company"**) (**LSE: ZEN; OSE: ZENA-ME**), the listed international oil & gas production company focused on pursuing African development opportunities, is pleased to announce that it has made payment for a total of US\$250,000 to Kuwait Foreign Petroleum Exploration Company K.S.C.C (**"KUFPEC"**), a subsidiary of the State of Kuwait's national oil company, in relation to the acquisition of a 22.5% working interest in the North Kairouan permit and the Sidi El Kilani Concession (the **"Tunisian Acquisition"**), which contains the Sidi El Kilani oilfield (**"SLK"**).

As publicly announced on April 20, 2020, the total consideration payable by Zenith in relation to the Tunisian Acquisition is US\$500,000 (**"Consideration"**).

Under the terms of the conditional sale and purchase agreement (**"SPA"**), first announced to the market on April 20, 2020, signed between Zenith Energy Netherlands B.V. (**"Zenith Netherlands"**), a recently incorporated fully owned subsidiary of the Company, and KUFPEC (Tunisia) Limited (**"Seller"**), a 100% subsidiary of KUFPEC, KUFPEC's entitlement of oil produced from SLK since the date of signing of the SPA will belong to Zenith Netherlands.

It is expected that the production revenue generated since the date of signing of the SPA will be sufficient to fully satisfy the second and final Consideration payment to be made by the Company to the Seller for the Tunisian Acquisition by October 2020. Zenith does not therefore expect to raise additional capital to fund the Tunisian Acquisition.

Completion of the Tunisian Acquisition remains conditional on approval being granted by the *Comité Consultatif des Hydrocarbures* of the Republic of Tunisia in respect of the transfer of the Seller's right, title and interest in and under the Tunisian Acquisition to Zenith Netherlands.

Zenith can confirm that it has initiated the necessary formalities in relation to the aforementioned approval process, and that a decision is expected in due course.

New corporate website and publication of 2020 Investor Presentation

Zenith is pleased to announce the release of a newly designed corporate website in reflection of its new geographic identity and strategic direction.

A 2020 Investor Presentation is available for download at: www.zenithenergy.ca

Andrea Cattaneo, Chief Executive Officer, commented:

"We are delighted with the favourable terms Zenith has secured in relation to the Tunisian Acquisition and we look forward with enthusiasm to beginning activities at SLK in partnership with CNPC and the Tunisian state oil company, Entreprise Tunisienne d'Activités Pétrolières (ETAP).

The Company is also actively exploring additional onshore oil production opportunities in the Republic of Tunisia: a safe, democratic jurisdiction with a long-established history of successful oil and gas production activities for independent companies such as Zenith.

As is clear, we are systematically executing our development strategy in Africa across a number of opportunities by diligently deploying our financial resources to maximise the enrichment of our portfolio at a time of great opportunity."

Further Information:

Zenith Energy Ltd.	
Andrea Cattaneo, Chief Executive Officer	Tel: +1 (587) 315 9031
	E-mail: info@zenithenergy.ca

Notes to Editors:

Zenith Energy Ltd. is an international oil and gas production company, listed on the London Stock Exchange (LSE:ZEN) and the Merkur Market of the Oslo Stock Exchange (ZENA:ME).

Zenith's development strategy is to identify and rapidly seize value-accretive hydrocarbon production opportunities in the onshore oil & gas sector, specifically in Africa. The Company's board of directors and senior management team have the experience and technical expertise to develop the Company successfully.