

August 7, 2020

**ZENITH ENERGY LTD.**

("Zenith" or the "Company")

**Extension of LOI**

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 extended the duration of the non-binding Letter of Intent ("LOI") signed with an Arab consortium of strategic institutional investors focused on African development opportunities, to provide an investment of US\$2 million in Zenith's share capital for a period of 90 days (the "Strategic Investment"). For reference, the LOI was first announced to the market on March 31, 2020.

The terms of the LOI remain unchanged. Under the terms of the LOI, the Strategic Investment is priced at 2.5 pence per Zenith common share (equivalent to approximately NOK 0.30).

The Strategic Investment is conditional and subject to a number of conditions, including the successful completion of the publicly announced Tunisian Acquisition (currently awaiting final regulatory approval as publicly announced), as well as the successful acquisition of two oil production licenses currently being negotiated with a national oil authority in West Africa (as announced to the market on March 12, 2020).

In addition, the Strategic Investment is also conditional on the appointment of a director proposed by the investors to Zenith's Board.

Upon completion of the aforementioned acquisitions, it is anticipated that Zenith will have an expected cumulative daily production in excess of 1,500 barrels of oil per day across its asset portfolio.

**Further Information:**

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**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.