

February 17, 2020

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Private Placement, Director/PDMR Shareholdings

Zenith Energy Ltd., ("Zenith" or the "Company"), (LSE: ZEN; TSX.V: ZEE; OSE: ZENA-ME), the international oil & gas production company, announces that in addition to the issue of equity announced on February 14, 2020, which attracted the participation of a significant, existing UK institutional shareholder ("UK Financing"), and resulted in the issue of 9,000,000 new common shares at an issue price of £0.015 ("UK Financing Shares"), Zenith has today issued an additional 11,000,000 new common shares in Norway following participation from certain Directors of the Company at a price of NOK 0.18 ("Norway Financing").

Aggregate proceeds from the UK Financing and the Norway Financing amount to a total of approximately £300,000.00 (approximately CAD\$516,000 or NOK 3,590,000.00) (collectively the "Financing").

The proceeds of the Financing will be used to provide additional funding for the development of Zenith's existing production portfolio, the identification and acquisition of new oil & gas production assets, as well as for general working capital purposes.

UK Financing

As announced on February 14, 2020, a significant existing UK institutional shareholder, as well as a selection of UK high net-worth private investors, subscribed for a total of 9,000,000 UK Financing Shares at a price of **£0.015** to raise gross proceeds of £135,000 (approximately CAD\$232,000).

Norway Financing

The Company has issued a total of 11,000,000 new common shares of no par value in the capital of the Company ("Norwegian Financing Shares") at a price of **NOK 0.18** in connection with the Norwegian Financing to raise gross proceeds of NOK 1,980,000 (approximately £165,000 or CAD \$284,000).

Director Dealing/ PDMR Shareholding

Mr. Sergey Borovskiy, a Non-Executive Director of Zenith subscribed for a total of 3,849,289 Norwegian Financing Shares.

Following the aforementioned dealing, Mr. Borovskiy is directly beneficially interested in a total of 3,849,289 Common Shares in the capital of the Company, representing 0.67 per cent of the total issued and outstanding common share capital of the Company admitted to trading on the TSX Venture Exchange and Merkur Market of the Oslo Stock Exchange.

Mr. Luigi Regis Milano, Executive Director of the Company, subscribed for a total of 1,150,711 Norwegian Financing Shares.

Following the aforementioned dealing, Mr. Luigi Regis Milano, is directly beneficially interested in a total of 2,150,711 Common Shares in the capital of the Company, representing 0.41 per cent of the total issued and outstanding common share capital of the Company admitted to trading on the TSX Venture Exchange and Merkur Market of the Oslo Stock Exchange.

Mr. Regis Milano is also indirectly interested in a total of 8,662,963 Common Shares, representing 1.64 per cent of the Company's enlarged common share capital admitted to trading on the TSX Venture Exchange and Merkur Market of the Oslo Stock 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 the aforementioned transactions.

| 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 | 286,403,856 | 1 | 286,403,856 |
| Common Shares in issue and admitted to trading on the TSXV | 577,072,921 | 1 | 577,072,921 |
| Common Shares in issue and admitted to trading on the Merkur Market of the Oslo Børs | 577,072,921 | 1 | 577,072,921 |

Zenith holds 4,395,828 Common Shares 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:

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

| | |
|--|----------------------------|
| Novum Securities Limited - Broker | Tel: + 44 (0) 207 399 9400 |
| Charlie Brook-Partridge | |
| Hugh McAlister | |

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. 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.