

July 22, 2021

ZENITH ENERGY LTD.

("Zenith" or the "Company")

2021 Competent Person's Report

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA), the listed international oil & gas production company focused on pursuing African development opportunities, is pleased to announce that Chapman Petroleum Engineering Ltd ("Chapman"), Zenith's independent qualified reserves evaluator, has produced a new independent evaluation of reserves for the year ended March 31, 2021 (the "2021 CPR"), prepared in accordance with National Instrument 51-101: Standards of Disclosure for Oil and Gas Activities, as detailed in the Canadian Oil and Gas Evaluation Handbook.

Chapman has assessed Zenith's proved plus probable reserves ("2P") for its existing portfolio in Italy and Tunisia as approximately 6,274 MBOE.

The 2021 CPR is available for download on the Company's website: www.zenithenergy.ca and as an attachment to this news announcement.

Andrea Cattaneo, Chief Executive Officer of Zenith, commented:

"The 2021 CPR clearly displays the strong development potential made possible by Zenith's reserves across its existing portfolio, specifically the significant value generation that might be achieved as we seek to maximise our production of crude oil and natural gas by way of workover and drilling activities.

It is important to underline that the 2021 CPR has not included an assessment of the 2P reserves for our conditional 45% interest in the Sidi El Kilani oilfield in Tunisia due to completion not yet having been achieved, as well as the reserves of the potential award of the Tilapia II permit in the Republic of the Congo. A new CPR document will be published once potential completion of these acquisitions is made, resulting in an expected increase of approximately more than double our existing reserves assessed in the 2021 CPR."

All assumptions and qualifications relating to costs and other matters are included in the 2021 CPR. The recovery and reserves estimates on the Company's assets described herein are estimates only. The actual reserves in the Company's assets may be greater or smaller than those calculated.

The following is a summary of the oil and natural gas reserves and the value of future net revenue of the Company, as evaluated by Chapman as at March 31, 2021, and dated April 1, 2021.

**SUMMARY OF OIL AND GAS RESERVES
BASED ON FORECAST PRICES AND COSTS
AS AT MARCH 31, 2021**

	Company Reserves ⁽¹⁾							
ITALY	Light and Medium Oil		Heavy Oil		Conventional Natural Gas ⁽⁹⁾		Natural Gas Liquids	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Reserves Category	MSTB	MSTB	MSTB	MSTB	MMscf	MMscf	Mbbbl	Mbbbl
PROVED								
Developed Producing ⁽²⁾⁽⁶⁾	-	-	-	-	876	876	11	11
Developed Non-Producing ⁽²⁾⁽⁷⁾	-	-	-	-	115	115	-	-
Undeveloped ⁽²⁾⁽⁸⁾	-	-	-	-	-	-	-	-
TOTAL PROVED⁽²⁾	-	-	-	-	991	991	11	11
TOTAL PROBABLE⁽³⁾	-	-	-	-	14,921	14,921	241	241
TOTAL PROVED + PROBABLE⁽²⁾⁽³⁾	-	-	-	-	15,912	15,912	252	252

	Company Reserves ⁽¹⁾							
TUNISIA	Light and Medium Oil		Heavy Oil		Conventional Natural Gas ⁽⁹⁾		Natural Gas Liquids	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Reserves Category	MSTB	MSTB	MSTB	MSTB	MMscf	MMscf	Mbbl	Mbbl
PROVED								
Developed Producing ⁽²⁾⁽⁶⁾	260	242	-	-	-	-	-	-
Developed Non-Producing ⁽²⁾⁽⁷⁾	-	-	-	-	-	-	-	-
Undeveloped ⁽²⁾⁽⁸⁾	-	-	-	-	-	-	-	-
TOTAL PROVED⁽²⁾	260	242	-	-	-	-	-	-
TOTAL PROBABLE⁽³⁾	3,110	2,593	-	-	-	-	-	-
TOTAL PROVED + PROBABLE⁽²⁾⁽³⁾	3,370	2,835	-	-	-	-	-	-

The tables above are summaries of the reserves of Zenith as evaluated in the Chapman Report. As the tables summarise the data contained in the Chapman Report, they may contain slightly different numbers due to rounding. As such, the numbers in each column may not exactly add up. Please also review all of the advisories and definitions below in tandem with the above tables.

Oil and Natural Gas Reserves

The disclosure in this news release summarises certain information contained in the Chapman Report but represents only a portion of the disclosure required under NI 51-101. Full disclosure with respect to the Company's reserves as at March 31, 2021 has been filed on SEDAR (www.sedar.com). The reserves definitions used in this evaluation are the standards defined by COGEH reserve definitions and consistent with NI 51-101 and used by Chapman. The oil reserves are presented in thousands of barrels, at stock tank conditions.

Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on (i) analysis of drilling, geological, geophysical and engineering data; (ii) the use of established technology; and (iii) specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates.

Notes:

- "Gross Reserves" are the Company's working interest (operating or non-operating) share before deducting of royalties and without including any royalty interests of the Company. "Net Reserves" are the Company's working interest (operating or non-operating) share after deduction of royalty obligations, plus the Company's royalty interests in reserves.
- "Proved reserves" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Proved reserves should have at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves

3. "Probable reserves" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Probable reserves should have at least 50 per cent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.
4. "Possible reserves" are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. Possible reserves should have at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.
5. "Developed reserves" are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.
6. "Developed producing reserves" are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
7. "Developed non-producing reserves" are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.
8. "Undeveloped reserves" are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.
9. Includes associated, non-associated and solution gas where applicable.

Further Information:

Zenith Energy Ltd	
Andrea Cattaneo, Chief Executive Officer	Tel: +1 (587) 315 9031
	E-mail: info@zenithenergy.ca
Allenby Capital Limited - Financial Adviser & Broker	
Nick Harriss	Tel: + 44 (0) 203 328 5656
Nick Athanas	

The information included in this announcement is defined as inside information pursuant to MAR article 7 and is publicly disclosed in accordance with MAR article 17 and section 5 -12 of the Norwegian Securities Trading Act. The announcement is made by the contact person.

Notes to Editors:

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

Zenith's development strategy is to identify and rapidly seize value-accretive hydrocarbon production opportunities in the oil & gas sector, specifically in Africa.