

August 31, 2021

**ZENITH ENERGY LTD.**

("Zenith" or the "Company")

**Exclusivity Agreement for OML 141 RSC in Nigeria**

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 it has entered into an exclusivity agreement (the "Exclusivity") with Noble Hill-Network Limited ("NHNL"), a private Nigerian oil and gas company, that holds 100% of the Risk Service Contract ("RSC") for the development of the North-West Corner of OML 141 ("NW OML 141").

NW OML 141 covers an area of approximately 105 square kilometres in the swamp area of the Niger Delta region. The NW OML 141 RSC contains two discovered fields and one prospective field with an estimated 232.7 million barrels of discovered oil (Degeconek 2019 CPR) with the potential to grow to more than 500 million barrels of Contingent and Prospective Resources with several TCF of prospective natural gas and condensate.

The discovered fields include the potentially highly productive Elepa South and Barracuda oilfields, which are both categorised as discoveries under SPE-PRMS rules and are 'drill-ready' with the first well location having already been purchased and the necessary civil works having already been performed. The prospective field, Curlew Channel, is a large multi TCF natural gas and condensate prospect containing the deeper "U" and "X" reservoirs identified both on the Northern boundary of the Risk Service Contract Area ("RSCA") in NW OML 141 and the nearby Shell OML 33. NHNL plans to commence drilling activities before the close of 2021 and start production through an Early Production Facility shortly thereafter.

Under the terms of the Exclusivity, Zenith has a period of 90 days during which to conduct due diligence and to evaluate the opportunity to participate in the RSC via the potential purchase of an equity stake in NHNL, the sole holder of the RSC.

The Company wishes to underline that no terms for any possible transaction have been discussed at this point.

**Andrea Cattaneo, Chief Executive Officer of Zenith, commented:**

"We are very pleased to begin our evaluation of the opportunity to participate in NHNL's RSC for the development of the North-West Corner of OML 141 in Nigeria directly with the exclusive holder of this agreement following the signing of the Exclusivity.

The RSC for NW OML 141 would represent a very exciting opportunity for Zenith to enter the Nigerian oil and gas space and to exploit an undeveloped, potentially highly prolific selection of oil and gas fields.

This opportunity is in line with our strategy of identifying assets, which are 'drill-ready' and with significant near-term production potential, that will position the Company to achieve its goal of becoming an oil and gas company with a well-balanced portfolio producing more than 10,000 bopd."

**Further Information:**

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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.