

November 2, 2021

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Successful completion of subscription for new shares

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA), a company focused on building a production and development portfolio in Africa, is pleased to announce that it has successfully completed a subscription (the "**Subscription**") for new common shares in the share capital of Zenith (the "**Subscription Shares**") by a selection of existing shareholders, including institutional investors from the United Kingdom and Norway.

As a result of the Subscription, the Company has issued a total of 272,727,273 Subscription Shares at a price of £0.011 (equivalent to approximately NOK 0.13), a discount of approximately 7% to Zenith's London Stock Exchange closing share price on November 1, 2021, to raise gross proceeds of approximately £3 million (equivalent to approximately 34,500,000 NOK).

Use of Proceeds

The Company intends to use the proceeds of the Subscription as follows:

- **£1,300,000** – funding of Zenith's share of work programme costs in respect of the Ezzaouia concession onshore Tunisia. This will include the drilling of two sidetracks in non-producing wells with the objective of achieving a gross production of 1,000 bopd from the Ezzaouia concession.
- **£600,000** – expected cost of drilling a new well in the Robbana concession, also onshore Tunisia, where Zenith holds a 100% working interest. Long-lead items required for drilling of two wells already acquired and on location.
- **£300,000** – transportation expenses for Zenith's 1,200hp drilling rig to Africa.
- **£250,000** – Tilapia II licence, (located onshore Republic of the Congo), development costs, including finalisation of licence award process and employment of operational personnel to optimise the planned beginning of drilling operations in well TLP-103C.
- **£150,000** – expenses associated with the preparation and publication of a UK Prospectus. See below for more details.
- **£400,000** – general working capital.

Share Capital structure following the Subscription & Total Voting Rights

The Company wishes to announce, in accordance with the UK Financial Conduct Authority's Disclosure Guidance and Transparency Rules, as well as section 3.10 of the Euronext Growth Oslo Rule Book Part II, the following revised information resulting from the issuance of the Subscription Shares.

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.	313,400,824	1	313,400,824
Common Shares in issue and admitted to trading on the Euronext Growth Market of the Oslo Børs, representing the newly enlarged outstanding share capital of the Company.	1,684,392,631	1	1,684,392,631

An application for the Subscription Shares to be listed on the standard segment of the FCA Official List and to be admitted for trading on the London Stock Exchange Main Market for listed securities is currently in process as part of the submission of a UK prospectus (the “**Prospectus**”) for approval by the UK Financial Conduct Authority. This application will include all outstanding common shares not currently listed in the United Kingdom.

Andrea Cattaneo, Chief Executive Officer of Zenith, commented:

"We are pleased to have completed this Subscription which ensures we are fully funded to carry out our value accretive work programme in Tunisia and places the Company in a strong financial position as it enters a potentially prolific period of development in Africa.

The Board is also very pleased to have secured the participation of its largest existing UK institutional investor, as well as that of an existing Norwegian institutional investor, both of whom have been very supportive of the Company's strategy and direction.

The funding obtained from the market will be almost entirely deployed towards developing Zenith's production and development portfolio in Africa. We look forward with enthusiasm to creating shareholder value by systematically increasing our daily production of hydrocarbons, building on the recent success of our workover in the Robbana concession."

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.

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 Euronext Growth Market of the Oslo Stock Exchange (OSE:ZENA).

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

Note regarding forward-looking statements

This announcement contains certain forward-looking statements relating to the Company's future prospects, developments and business strategies. Forward-looking statements are identified by their use of terms and phrases such as "targets" "estimates", "envisages", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative of those, variations or comparable expressions, including references to assumptions.

The forward-looking statements in this announcement are based on current expectations and are subject to risks and uncertainties which could cause actual results to differ materially from those expressed or implied by those statements. These forward-looking statements relate only to the position as at the date of this announcement. Neither the Directors nor the Company undertake any obligation to update forward looking statements, other than as required by the Listing Rules for Companies or by the rules of any other applicable securities regulatory authority, whether as a result of the information, future events or otherwise. You are advised to read this announcement and the information incorporated by reference herein, in its entirety. The events described in the forward-looking statements made in this announcement may not occur.

Any person receiving this announcement is advised to exercise caution in relation to its content. If in any doubt about any content of this announcement, independent professional advice should be obtained.