

January 24, 2022

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Operational update – Tunisia

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA), the listed international energy production and development company, is pleased to provide an update on its planned near-term drilling activities across its oil and gas production portfolio in Tunisia.

Ezzaouia Concession

The Ezzaouia concession is producing approximately 500 barrels of oil per day ("BOPD") and 18 MSCF of natural gas at a stable rate.

The Company is currently consulting with its partner, Entreprise Tunisienne d'Activités Pétrolières ("ETAP"), having decided to perform sidetracks in two non-producing wells on a 'back-to-back' basis to maximise cost control.

The first side-track will be performed in well EZZ-18. The drilling programme for the well intervention is currently being finalised with ETAP. A casing log to determine casing integrity has been agreed and is expected to be performed in March 2022.

The selection of the second side-track well has still not been finalised and will be determined upon completion of a reservoir study to optimise the selection of the most productive and technically favourable well.

Zenith is expecting to achieve a gross production rate of 1,000 BOPD from the Ezzaouia concession upon completion of the two sidetracks.

Robbana Concession

The Company has finalised plans to drill Robbana-3 ("ROB-3") in the Robbana concession, a new well that will reach a total target depth of approximately 2,500 metres, having designated a different location to that previously considered following an in-depth geological and reservoir review.

ROB-3 will target three proven hydrocarbon-bearing reservoirs in the Cretaceous Upper Meloussi sandstone formation, from which successful production has been achieved from the Robbana-1 well ("ROB-1") for many years.

In the event of a successful outcome, ROB-3 is expected to produce approximately 150-200 BOPD.

Funding for ROB-3 is expected to be obtained by way of debt financing and from the Company's existing cash reserves.

The necessary long-lead items have previously been acquired and are already on location. The Company is currently in the process of completing negotiations with a drilling contractor.

Drilling activities are scheduled to commence in June 2022, following the completion of civil work activities and the mobilisation of a drilling rig to the well location.

Update on ROB-1

The Company has suspended production activities from ROB-1 because of increasing water influx caused by a possible lack of casing integrity.

A casing integrity test by to be run by wireline will shortly take place to determine the cause of the water ingress in the wellbore. The necessary action to restore production will be taken accordingly.

Remedial action to restore production from ROB-1 will be planned accordingly based on the results of the investigations performed.

El Bibane concession

El Bibane is producing a stable rate of approximately 90 BOPD net to Zenith.

Technical and reservoir investigations are ongoing.

Andrea Cattaneo, Chief Executive Officer of Zenith, commented:

"We look forward to commencing our drilling activities both in the Ezzaouia and Robbana concessions with the objective of achieving material production increases from our Tunisian portfolio by exploiting its significant untapped potential.

The Company is currently generating record revenue generation and profitability across its portfolio, and it is our intention to further increase our revenue generation by successfully maximising our production levels in the very favourable current oil price environment.

At the same time, Zenith is at advanced stage in reviewing several opportunities to enrich our portfolio in Tunisia and Italy, as well as in the Congo, and we look forward to providing further updates in this regard in due course."

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.

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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.