

August 20, 2024

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Payment of Outstanding Notes of 2024 Bond

Zenith Energy Ltd. (LSE: ZEN; OSE: ZENA; OTCQB: ZENAF), the international energy production and development company, is pleased to provide an update following the regulatory news announcement dated July 23, 2024, regarding the successful conclusion of the last Bond Exchange Offer announced on April 22, 2024 (the "Bond Exchange"), preceded by the first Bond Exchange Offer announced on January 25, 2024, both attracting significant support and investor participation (collectively, the "Exchanges").

By way of background, the Exchanges were directed to Noteholders (the "Noteholders") of the following unsecured debt instruments that matured on January 27, 2024 (the "Outstanding Notes"):

- Euro 10.125% Notes due on 27 January 2024 (XS2108546735)
- USD 10.300% Notes due on 27 January 2024 (XS2108546651)
- GBP 10.375% Notes due on 27 January 2024 (XS2108546578)

Payment in cash to Noteholders who did not participate in the Exchanges

Those Noteholders, holding approximately 11.76% of the Outstanding Notes, who did not participate in the Exchanges will receive settlement of the Outstanding Notes and accrued interest by way of cash (the "Remaining Outstanding Notes").

The Company gives notice that the Remaining Outstanding Notes will be paid as follows:

- September 25, 2024, in the amount of 20% (twenty percent) of the Remaining Outstanding Notes, and
- October 25, 2024, payment of the balance of the Remaining Outstanding Notes and accrued interest.

Andrea Cattaneo, Chief Executive Officer, commented:

"We are very pleased to have now brought this matter to a successful conclusion with the planned settlement in cash of the Remaining Outstanding Notes to those investors who did not participate in the Exchanges.

The Exchanges have been a resounding success, attracting participation from the vast majority of Noteholders, and providing clear evidence of investor confidence in the Company's future, made possible by its established history as a fully compliant debt issuer. This is especially important as we approach potentially very significant progress with the expected publication of the decision in respect of the first ICC arbitration later this year."

Further Information:

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Notes to Editors:

Zenith Energy Ltd. is a revenue generating, independent energy company with energy production, exploration and development assets in North Africa, the US and Europe. The Company is listed on the London Stock Exchange Main Market (LSE: ZEN), the Euronext Growth of the Oslo Stock Exchange (OSE: ZENA) and the Venture Market of the OTCQB (OTCQB: ZENAF).

Zenith's strategic focus is on pursuing development opportunities through the development of proven revenue generating energy production assets, as well as low-risk exploration activities in assets with existing production.

For more information, please visit: www.zenithenergy.ca

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