

January 13, 2025

## ZENITH ENERGY LTD.

("Zenith" or the "Company")

### Private Placement in UK and Norway

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA; PINK MARKET: ZENAF), the listed international energy production and development company, is pleased to announce that it has completed a private placement with an institution in the United Kingdom (the "UK Financing"), a private placement in Norway with institutional investors (the "Norwegian Financing"). The Company has also issued broker shares (the "Broker Shares") (collectively, the "Financings").

The Financings have included the participation of new and existing investors, as well three Directors, Mr. Andrea Cattaneo, Mr. Luca Benedetto and Mr. Sergey Borovskiy, respectively the Chief Executive Officer, Chief Financial Officer and a Non-Executive Director of the Company, to raise an aggregate total amount of approximately £2,310,800 (equivalent to approx. NOK 32,611,560 ), resulting in the issuance of a total of 48,538,042 new common shares ("New Common Shares").

#### Norwegian Financing

Zenith has issued a total of 31,063,339 common shares of no-par value in the capital of the Company in connection with the Norwegian Financing (the "Norwegian Financing Common Shares") to raise gross proceeds of NOK 21,322,000 (approximately £1,511,000).

An application for the Norwegian Financing Common Shares to be listed on the Equity Shares (Transition) category of the Official List and to trading on the London Stock Exchange's main market for listed securities (the "Norwegian Financing Admission") will be made within 12 months of the issue of the Norwegian Financing Common Shares.

#### Issue of Common Shares in respect of Director Loans

As detailed in the interim Financial Statements for the six months ended 30 September 2024, Mr. Andrea Cattaneo and Mr. Luca Benedetto, both Executive Directors of the Company, each made loans to Zenith in the amount of £400,000 during the month of April 2024 (the "Loan Amounts").

Luca Benedetto has assigned his Loan Amount to Andrea Cattaneo pursuant to a novation agreement dated 12 January 2025.

The Loan Amounts have been satisfied in full by way of an allotment of 16,326,531 new common shares to Mr. Andrea Cattaneo in the capital of the Company ("Debt Settlement Shares").

Application will be made for the Debt Settlement Shares to be listed on the Equity Shares (Transition) category of the Official List the standard segment of the FCA Official List and to be admitted for trading on the London Stock Exchange Main Market for listed securities which is anticipated to occur on or around 28 January 2025 pursuant to the relevant exemption under the Financial Conduct Authority's Prospectus Regulation Rules.

## **UK Financing**

A UK institution has agreed to acquire 16,326,531 common shares of no-par value in the capital of the Company at a price of £0.049 for gross proceeds of £800,000 (approximately 11,289,680 NOK) (the "**UK Financing Common Shares**").

It is expected that the UK Financing Admission will become effective and that unconditional dealings in the UK Financing Common Shares will commence on or around 8.00 a.m. (GMT) on or around January 28, 2025.

As the Company does not presently have sufficient headroom to enable the admission of such shares which are required to be issued without the production of a FCA approved prospectus, the Company is proposing that Mr. Andrea Cattaneo loan the relevant number of Common Shares to the Company by way of a share loan agreement to facilitate the UK Financing by the Company ("**Share Loan Agreement**").

The Share Loan Agreement, which is conditional on the Debt Settlement Shares being admitted, involves no consideration being paid or security granted to Mr. Andrea Cattaneo or any similar chargeable fee.

This UK Financing is subject to (i) the issue of the Debt Settlement Shares to the directors and (ii) the admission of the Debt Settlement Shares to the Equity Shares (Transition) category of the Official List to be admitted for trading on the London Stock Exchange Main Market for listed securities.

## **Related Party Transaction**

As Mr. Andrea Cattaneo is the Chief Executive Officer of the Company, the Share Loan Agreement is a material related party transaction under the Disclosure Transparency & Guidance Rules. The independent Directors of the Company, for the purpose of this arrangement, have approved the arrangement as being fair and reasonable from the perspective of the Company and its shareholders.

## **Issue Price**

The Norwegian Financing was completed at a price of NOK 0.6864 per New Norwegian Financing Common Share, representing a 23% discount in respect of the closing price of the Company's equity securities on the Euronext Growth Oslo on January 10, 2025.

The UK Financing was completed at a price of £0.049 per UK Financing Common Share, representing a 20% discount in respect of the closing price of the Company's equity securities admitted to trading on the London Stock Exchange on January 10, 2025.

## **Use of Proceeds**

The proceeds of the Placements will be used to fund the Company's publicly announced international arbitrations against the Republic of Tunisia and ETAP, with specific attention being deployed towards enforcement of the recent ICC-1 Arbitration award, as well as for general working capital purposes.

## **Broker Shares**

The Company has allotted 1,148,172 new common shares ("**Broker Shares**") to OAK Securities in London ([www.oak-securities.com](http://www.oak-securities.com)) in lieu of cash settlement for services provided to Zenith in connection with the Financings for a total value of 788,105 NOK (equivalent to approx. £55,850).

The Broker Shares will rank pari passu in all respects with the existing common shares of the Company.

An application for the Broker 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 will be made within 12 months of the issue of the Broker Shares.

## **Director Dealing/ PDMR Shareholding**

Mr. Andrea Cattaneo, Chief Executive Officer & President of Zenith, has participated in the Norwegian Financing by subscribing for 1,713,299 Norwegian Financing Common Shares of no-par value in the capital of the Company.

Upon Admission, Mr. Cattaneo will be directly beneficially interested in a total of 44,262,047 common shares in the capital of the Company, representing **10.66%** percent of the total issued and outstanding common share capital of the Company admitted to trading on the Euronext Growth Oslo.

Mr. Luca Benedetto, Chief Financial Officer of Zenith, participated in the Norwegian Financing by subscribing for 856,649 Norwegian Financing Common Shares of no-par value in the capital of the Company.

Upon Admission, Mr. Benedetto will be directly beneficially interested in a total of 11,913,355 common shares in the capital of the Company, representing **2.87%** percent of the total issued and outstanding common share capital of the Company.

Mr. Sergey Borovskiy, a Non-Executive Director of Zenith, has participated in the Norwegian Financing by subscribing for 2,188,691 Norwegian Financing Common Shares of no-par value in the capital of the Company.

Upon Admission, Mr. Borovskiy will be directly beneficially interested in a total of 5,404,778 common shares in the capital of the Company, representing **1.30%** percent of the total issued and outstanding common share capital of the Company.

## Total Voting Rights

The Company wishes to announce, in accordance with the Financial Conduct Authority's Disclosure Guidance and Transparency Rules and section 3.10 and 3.11.5 (3) of the Euronext Growth Oslo Rule Book Part II, the following information resulting from Admission of the Debt Settlement Shares, the Norwegian Financing Common Shares, and the Broker 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 admitted to trading on the Main Market of the London Stock Exchange on Admission.	249,187,217	1	249,187,217
Common Shares in issue and admitted to trading on the Euronext Growth Market of the Oslo Børs, representing the newly enlarged total outstanding share capital of the Company.	415,083,443	1	415,083,443

### Andrea Cattaneo, Chief Executive Officer, commented:

*"We are delighted to have secured institutional investment in Zenith at a very significant juncture in our development as we work towards enforcing the ICC-1 arbitration award and preparing for the ICC-2 arbitration, with the final court hearing scheduled to take place next month.*

*We are conscious of the importance to avoid unnecessary dilution and deliver the greatest possible value to shareholders at a potentially favourable time for the Company in its efforts to obtain compensation for damages caused by the Tunisian authorities.*

*The participation in the placement by three Directors, including myself, is evidence of our unwavering confidence in the Company and its objectives."*

### Further Information:

Zenith Energy Ltd Andrea Cattaneo, Chief Executive Officer	Tel: +1 (587) 315 1279 E: <a href="mailto:info@zenithenergy.ca">info@zenithenergy.ca</a>
OAK Securities Jerry Keen/Henry Clarke	+44 203 973 3678 <a href="mailto:info@oak-securities.com">info@oak-securities.com</a>

**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 Pink Markets of the OTC (OTC PINK: 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](http://www.zenithenergy.ca)

Twitter: @zenithenergyltd

LinkedIn: <https://bit.ly/3A5PRJb>

**Market Abuse Regulation (MAR) Disclosure**

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.

**NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM**

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>		
a)	Name	Andrea Cattaneo	
<b>2</b>	<b>Reason for the notification</b>		
a)	Position/status	Chief Executive Officer & President	
b)	Initial notification/Amendment	Initial Notification	
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>		
a)	Name	Zenith Energy Ltd.	
b)	LEI	213800AYTYOYD61S4569	
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>		
a)	Description of the financial instrument, type of instrument	Common Shares of No Par Value	
	Identification code	CA98936C8584	
b)	Nature of the transaction	Subscription for Common Shares	
c)	Price(s) and volumes(s)	Price(s)	Volume(s)
		NOK 0.6864	1,713,299
d)	Date of the transaction(s)	January 13, 2025	
e)	Place of the transaction	Off Market	

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>		
a)	Name	Luca Benedetto	
<b>2</b>	<b>Reason for the notification</b>		
a)	Position/status	Chief Financial Officer	
b)	Initial notification/Amendment	Initial Notification	
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>		
a)	Name	Zenith Energy Ltd.	
b)	LEI	213800AYTYOYD61S4569	
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>		
a)	Description of the financial instrument, type of instrument	Common Shares of No Par Value	
	Identification code	CA98936C8584	
b)	Nature of the transaction	Subscription for Common Shares	
c)	Price(s) and volumes(s)	Price(s)	Volume(s)
		NOK 0.6864	856,649
d)	Date of the transaction(s)	January 13, 2025	
e)	Place of the transaction	Off Market	

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Andrea Cattaneo
2	Reason for the notification	
a)	Position/status	Chief Executive Officer & President
b)	Initial notification/Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Zenith Energy Ltd.
b)	LEI	213800AYTYOYD61S4569
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Common Shares of No Par Value
	Identification code	CA98936C8584
b)	Nature of the transaction	Receipt of Debt Settlement Shares
c)	Price(s) and volumes(s)	Price(s)
		Volume(s)
		£0.049
		16,326,531
d)	Date of the transaction(s)	January 13, 2025
e)	Place of the transaction	Off Market

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Andrea Cattaneo
2	Reason for the notification	
a)	Position/status	Chief Executive Officer & President
b)	Initial notification/Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Zenith Energy Ltd.
b)	LEI	213800AYTYOYD61S4569
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Common Shares of No Par Value
	Identification code	CA98936C8584
b)	Nature of the transaction	Loan to Company of Debt Settlement Shares.
c)	Price(s) and volumes(s)	Price(s)
		Volume(s)
		£0.049
		16,326,531
d)	Date of the transaction(s)	January 13, 2025
e)	Place of the transaction	Off Market

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	Sergey Borovskiy Alexandrovich
2	Reason for the notification	
a)	Position/status	Non-Executive Director
b)	Initial notification/Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Zenith Energy Ltd.
b)	LEI	213800AYTYOYD61S4569
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	Common Shares of No Par Value
	Identification code	CA98936C8584
b)	Nature of the transaction	Subscription for New Common Shares
c)	Price(s) and volumes(s)	Price(s)
		Volume(s)
		NOK
		0.6864
d)	Date of the transaction(s)	January 13, 2025
e)	Place of the transaction	Off Market