

July 16, 2025

## **ZENITH ENERGY LTD.**

("Zenith" or the "Company")

### **Outcome of ICC-2 & Application for Annulment**

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA; OTC PINK: ZENAF), the listed international energy production and development company, announces that its wholly owned subsidiary, Canadian North Africa Oil and Gas Limited ("CNAOG"), has received the decision of the Arbitral Tribunal in respect of the ICC-2 Arbitration regarding the Sidi El Kilani concession ("SLK Concession") against the Republic of Tunisia ("ICC-2 ").

#### **Decision**

The Arbitral Tribunal has issued a decision rejecting the entirety of the claims presented by CNAOG.

#### **Application for Annulment**

Under the rules of the ICC, a party may apply for annulment of an arbitral award for, *inter alia*, cases of procedural irregularities.

The Company confirms that its legal counsel identified and documented several serious procedural irregularities during ICC-2.

Following legal advice, the Company will now proceed with an application for annulment of the ICC-2 award before the Swiss Federal Supreme Court in Lausanne, Switzerland.

The Swiss Federal Supreme Court usually renders decisions on annulment applications within 6 to 9 months from submission.

#### **Background**

CNAOG initiated the ICC-2 against the Republic of Tunisia, as announced in December 2023, following a series of arbitrary actions and obstructions undertaken by the Republic of Tunisia, leading to the arbitrary termination of the SLK concession.

Inter alia, these included:

- CNAOG's lost production revenue and associated profitability, during a period of high energy prices, from the SLK Concession until its initial expiry in December 2022.
- The volume of crude oil produced from the SLK Concession and allocated to and received by CNAOG upon the completion of the acquisition.
- The value of the 45% interest in the renewal of the SLK Concession, representing a breach of CNAOG's right to renew its previously existing 22.5% interest in SLK, as well as the 22.5% interest held by Kuwait Foreign Petroleum Exploration Company, which relinquished its interest in the SLK Concession before its initial expiry.

CNAOG filed claims in the amount of approximately US\$130 million following calculations made by third-party experts.

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

*"We are outraged by the decision rendered by the Arbitral Tribunal in ICC-2.*

*Our position has always been – and remains – that CNAOG is entitled to substantial compensation with respect to the SLK concession. The failure to recognize the illegitimate conduct of the Tunisian authorities, following the favourable precedent set in ICC-1, is nothing short of a travesty.*

*Acting on the advice of Professor Thomas Clay, a globally recognized authority in international arbitration, CNAOG had already expressed serious concerns regarding the management of ICC-2. We identified and promptly documented serious and repeated procedural irregularities during ICC-2. However, due to the confidentiality provisions governing ICC-2, we were unable to disclose these irregularities publicly until now.*

*The Company is now considering all legal avenues. CNAOG will, without delay, file an application for annulment of the ICC-2 award before the Swiss Federal Supreme Court. Should the annulment succeed, a new arbitration will be initiated under a properly constituted and impartial tribunal.*

*CNAOG remains fully confident in the strength of its case and will continue to fight vigorously to achieve justice. Our immediate focus now shifts to the ICSID arbitration, where we are pursuing a US\$503 million claim. The final submission is scheduled for September 2025, ahead of the final hearing in Q2 2026. At the same time, we are taking all necessary measures to enforce the ICC-1 award of approximately US\$10 million.*

*This injustice only serves to strengthen our resolve. The Company will not hesitate to explore every legal and procedural mechanism available to ensure accountability and to vindicate its rights."*

**Clay Arbitration and Charles Russell Speechlys Paris, Zenith's legal counsel, commented:**

*"After 32-months of proceedings, marked by numerous incidents that the Arbitral Tribunal proved unable to resolve and equally unable to maintain proper control over the proceedings, the Tribunal has issued a 70-page arbitral award, with only 6 pages of reasoning, dismissing all claims totalling US\$130 million. This was done while refusing to apply the applicable legal rules and contradicting a prior arbitral award.*

*The countless cases of procedural irregularities were systematically recorded as formal objections, which will be invoked in the annulment proceedings to be filed imminently."*

**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.