

November 25, 2025

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Update on sale of ZEN-260 drilling rig

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA; XSAT: ZENA SDR), the listed international energy production and development company, is pleased to provide an update regarding the sale of its fully owned ZEN-260 onshore drilling rig ("ZEN-260").

Background

The Company acquired the ZEN-260 in September 2018 for use in its drilling operations in the Republic of Azerbaijan. The ZEN-260 is a 1,200 hp mechanical IDECO rig equipped with a TDS-350 BOWEN top drive system. Following the termination of activities in Azerbaijan, the Company had planned to deploy the ZEN-260 for drilling operations in Africa, specifically in the Republic of Tunisia, after the various acquisitions announced during 2020 and 2021.

For reasons that were not explained by the Tunisian authorities, the importation application for the ZEN-260 into Tunisia, made by one of the Company's fully owned subsidiaries, was denied.

Offers

The Company is currently finalising negotiations for the sale of the ZEN-260, having received two separate offers from prospective buyers valued at approximately US\$2 million.

Zenith expects to complete the sale and receive payment by the end of 2025.

Andrea Cattaneo, Chief Executive Officer, commented:

"Following our exit from Azerbaijan, our plan was to deploy the ZEN-260 in Tunisia, where the newly acquired oil production licences offered significant development and exploration potential and were ready for drilling.

As our investors are aware, history took a different course, and the importation of the ZEN-260 into Tunisia was rejected by the Tunisian authorities.

As a result, and as previously announced, this now-legacy equipment was put up for sale and is currently being divested to provide additional working capital for the Company. The sale will further strengthen our cash position, as well as provide additional capital for our ongoing business development activities in Italy."

Further Information:

Zenith Energy Ltd Andrea Cattaneo, Chief Executive Officer	Tel: +1 (587) 315 1279 E: info@zenithenergy.ca
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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 on the Spotlight Stock Market in Sweden (XSAT: ZENA SDR).

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

Twitter: @zenithenergyltd

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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.