

May 22, 2026

ZENITH ENERGY LTD.

Sale of ZEN-260 drilling rig for US\$4.3 million

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**").

Further to the Company's announcement of November 25, 2025, Zenith has agreed terms for the sale of the ZEN-260 for total gross consideration of approximately US\$4.3 million to a company operating in the oil and gas sector in the Philippines, including payment of a non-refundable deposit.

The agreed consideration materially exceeds previously disclosed indicative offers and reflects both the outcome of a competitive process involving multiple interested counterparties and the strengthened oil and gas pricing environment. The final agreed gross consideration of approximately US\$4.3 million compares favourably with the approximately US\$2 million indicative offers previously announced by the Company.

The transaction has received the necessary approvals from the relevant Philippine authorities, and importation of the rig is expected to take place during July 2026.

The ZEN-260 was originally acquired by Zenith in September 2018 for approximately EUR €2.25 million. The sale will strengthen the Company's financial position and provide additional funding to accelerate the development of its Italian solar portfolio.

Andrea Cattaneo, Chief Executive Officer, commented:

"We are extremely pleased with the progress achieved in relation to the sale of the ZEN-260 and the substantial increase in value obtained through the negotiation process.

With the Company's strategic focus increasingly directed towards the development of our Italian energy and solar portfolio, we believe this transaction represents an excellent opportunity to monetise a non-core asset at an attractive valuation made possible by the strengthened oil price environment.

The transaction represents a strong outcome for Zenith and demonstrates management's focus on unlocking value from non-core assets while supporting the continued development of our Italian solar portfolio."

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 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.