

April 2021 Newsletter to Zenith Fixed Income Investors



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Dear Investor,

The recent resurgence in oil prices has been extremely positive for Zenith Energy, especially as we have been actively executing a strategy of acquiring revenue generating oil production and development assets in Africa, specifically in Tunisia and Congo.

The Company has signed four different highly prospective acquisitions in the space of approximately 12 months. An impressive achievement when considered in the context of a period marked by a number of unprecedented challenges including global travel restrictions, a highly depressed and volatile economic climate, as well as significant risks posed to the safety of our management and employees, all as a result of the COVID-19 pandemic.

Our endurance and determination as a management team has been such that Zenith Energy successfully emerges from the COVID-19 pandemic a significantly stronger and more commercially attractive oil company than at any stage before since its incorporation. We now have a well-balanced portfolio across a number of jurisdictions, comprised of a complementary selection of production, development and relatively low-risk exploration assets. We look forward to further delivering on this strategy by potentially acquiring additional new assets, with a special focus on assets being divested by some of the world's largest oil and gas companies, as well as proactively commencing the development of the assets acquired.

Having recently further expanded our presence in Tunisia with the acquisition of an interest in the Ezzaouia Concession, our near-term gross production potential is approximately 500 BOE (barrels of oil equivalent) making us a profitable, cash generating oil and gas company.

I look forward to providing further updates in due course on our progress and I thank investors for their commitment.

Sincerely,



Andrea Cattaneo,
Chief Executive Officer

Development strategy defined by:

- Acquiring and developing assets with untapped reserves and existing production
- Maximising revenue by implementing low-cost oil production models
- Ownership of key operational equipment with the objective of reducing costs, third-party delays, and decreasing reliance on third party oilfield service companies
- Highly incentivised Board of Directors and Senior Management, holding significant interests in the share capital of Zenith.

Recent Highlights

Zenith is seeking to build a highly prospective oil and gas production and development portfolio in Africa



1

Official confirmation regarding the successful completion of the Enquiry of Public Utility (Enquête d'Utilité Publique) following an in-depth technical and financial review, performed by the Ministry of Hydrocarbons of the Republic of the Congo during the month of January 2021. As announced on December 23, 2020, the Company will now proceed with the potential finalisation and ratification of the Production Sharing Contract ("PSC") for Tilapia II.



2

Conditional acquisition from KUFPEC, a subsidiary of the State of Kuwait's national oil company, of a 22.5% interest in Sidi El Kilani, an onshore oil production asset in Tunisia. Conditional acquisition from China National Petroleum Corporation (CNPC) of a 22.5% interest in Sidi El Kilani, an onshore oil production asset in Tunisia. Completion of both acquisitions is subject to approval being granted by the Comité Consultatif des Hydrocarbures ("CCH") of the Republic of Tunisia. Upon completion, the Company's working interest in SLK will equate to a daily production of approximately 250-300 barrels of oil per day.



3

Completion of working interest acquisition in the highly prospective Ezzaouia Concession, onshore Tunisia. Ezzaouia currently produces at a rate of approximately 465 barrels of oil per day (approximately 210 barrels of oil per day net to Zenith). Planned field production optimisation and workover activities are expected to increase Ezzaouia gross production to 1,000 barrels of oil per day.