

October 2, 2024

**ZENITH ENERGY LTD.**

("Zenith" or the "Company")

**Update on Arbitrations against Republic of Tunisia**

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA; OTCQB: ZENAF), the listed international energy production and development company, is pleased to provide an update regarding the international arbitration proceedings it has initiated against the Republic of Tunisia and ETAP, the national company of the Republic of Tunisia.

**International Centre for Settlement of Investment Disputes ("ICSID") arbitration against the Republic of Tunisia held in Washington, D.C. (the "ICSID Arbitration").**

Zenith Energy Africa Ltd. ("ZEAL"), Zenith Overseas Assets Ltd. ("ZOAL") and Compagnie du Désert Ltd. ("CDD"), all fully owned subsidiaries of Zenith (collectively, the "Investors"), submitted claims in June 2023 against the Republic of Tunisia, brought under the United Kingdom - Tunisia bilateral investment treaty under the auspices of the ICSID.

The ICSID Arbitration was launched following a series of actions undertaken by the Republic of Tunisia to the material detriment of Zenith's subsidiaries including, *inter alia*, unreasonable and arbitrary obstructions in relation, primarily, to the development of the Sidi El Kilani and Ezzaouia concessions.

The language of the ICSID Arbitration is French. As a result, many of the legal advisors and expert consultants appointed by Zenith are based in Paris, France.

In consideration of the additional breaches committed by the Republic of Tunisia to the material detriment of the Investors since the commencement of the ICSID Arbitration, the Investors have appointed:

- **Organisation Conseil Audit ("OCA")**, an internationally recognised accountancy firm specialised in the provision of quantum analysis expertise in connection with arbitrations, to calculate a revised claim amount to be submitted as part of the ICSID Arbitration.
- **Chapman Hydrogen and Petroleum Engineering Ltd. ("Chapman")** a professional engineering and reserves evaluating firm based in Calgary, the epicenter of the energy industry in Canada, with more than 50 years of comprehensive experience in the oil and gas industry.

OCA and Chapman have determined a revised amount of **US\$503 million** as the total claimed amount of the ICSID Arbitration, reflecting the damages sustained by the Investors (the "**Claimed Amount**").

The hearings for the ICSID Arbitration are expected to take place during December 2025.

The Investors are represented by Simon Le Wita, a Paris-based Partner of Charles Russell Speechlys, an internationally recognised law firm, and Clay Arbitration, an independent boutique law firm specialised in arbitrations founded by Professor Thomas Clay, a renowned academic and lawyer who is currently Professor at Sorbonne Law School, where he teaches Arbitration Law and Alternative Dispute Resolution, as an additional co-counsel to further strengthen Zenith's legal team.

The Investors were informed on March 18, 2024 that Anima Dispute Resolution, an international law firm specialised in international arbitrations appointed by the Republic of Tunisia as specialist counsel for the ICSID Arbitration, had resigned from their mandate with immediate effect.

### **ICC Arbitration proceedings against ETAP (the "ICC 1 Arbitration")**

The Company can confirm that the final hearings of the ICC 1 Arbitration initiated against Entreprise Tunisienne d'Activités Pétrolières ("ETAP"), the national oil company of the Republic of Tunisia, were held in Paris on April 26 and 27, 2024.

The decision of the ICC 1 Arbitration is expected to be published by December 2024.

### **ICC Arbitration for SLK against the Republic of Tunisia - ("ICC 2 Arbitration")**

The Company has recently filed additional pleadings and supporting documents in connection with the ongoing ICC 2 Arbitration against the Republic of Tunisia.

Zenith's fully owned subsidiary, Canadian North Africa Oil and Gas Limited ("CNAOG") initiated ICC (International Chamber of Commerce) arbitration proceedings against the Republic of Tunisia, as announced in December 2023.

The originally claimed amount, US\$85.8 million, has been increased to US\$130 million following calculations performed by the Company's advisers, specifically Chapman, regarding the quantifiable damages sustained by CNAOG.

A decision, resulting in a possible award favourable to CNAOG, is expected to be made during the first quarter of 2025.

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

*"We are making steady progress on all fronts in the arbitrations commenced against the Republic of Tunisia. The total cumulative amount claimed across the three pending arbitrations now stands at **US\$639.7 million**, evidencing the scale of the damages inflicted upon Zenith and its shareholders by the Tunisian authorities.*

*We are hopeful that the outcome of the ICC 1 arbitration, due by the close of the year, will provide concrete confirmation of the validity of our position as we direct our efforts towards the much larger ICC 2 and ICSID arbitrations, due to be concluded in 2025 and 2026 respectively."*

#### **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 the Venture Market of the OTCQB (OTCQB: 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.