

December 27, 2024

ZENITH ENERGY LTD.

("Zenith" or the "Company")

Court decision in ICSID Arbitration against the Republic of Tunisia

Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; OSE: ZENA; OTC PINK: ZENAF), the listed international energy production and development company, is pleased to announce that it has now received the latest decision of the Arbitral Tribunal of the International Centre for Settlement of Investment Disputes ("ICSID") arbitration against the Republic of Tunisia held in Washington, D.C. (the "ICSID Arbitration") initiated by the Company's fully owned subsidiaries, Zenith Energy Africa Ltd. (British), Zenith Overseas Assets Ltd. (British), Compagnie du Désert Ltd. (British) (collectively, "Claimants") against the Republic of Tunisia as Respondent (the "Respondent").

Zenith's legal counsel in the ICSID Arbitration is Clay Arbitration and Charles Russell Speechlys (Paris), the same legal team that advised the Company in connection with the successful ICC-1 Arbitration.

This language of the ICSID Arbitration is French. The ICSID, in French language, is named 'Centre Internationale pour le Règlement des Différents relatifs aux investissements ("CIRDI") and is registered under No. ARB/23/18.

ICSID (CIRDI) cases are partially public and information updates can be visualised using the following official webpage, using as reference Arb/23/18, link: <https://icsid.worldbank.org/cases/case-database/case-detail?CaseNo=ARB/23/18>.

Decision

On December 23, 2024, the ICSID Arbitral Tribunal issued a decision in connection with the Respondent's request to address objections to jurisdiction as a preliminary question ("Bifurcation").

The Respondent's request for Bifurcation was fully rejected in very severe terms by the ICSID Arbitral Tribunal.

The Arbitral Tribunal's Decision has dismissed the Respondent's application in its entirety and has reserved all other matters, including those relating to costs, for a subsequent order, decision or award.

The Decision has also ordered the Claimants and Respondent to consult and agree on a shorter procedural timetable and to communicate this to the Tribunal no later than January 20, 2025.

For background, the ICSID Arbitration was initiated by the Claimants in June 2023 following the Republic of Tunisia's failure to comply with the terms of the Investment Treaty BIT United Kingdom of Great Britain and Northern Ireland - Tunisia signed in 1989.

The amount claimed for the ICSID Arbitration, determined by a panel of international quantum experts appointed by the Company, is for a total principal amount of US\$503 million.

Andrea Cattaneo, Chief Executive of Zenith, commented:

“Progress in respect of our international legal arbitrations against the Republic of Tunisia, with claims totalling approximately US\$639.5 million, continues without pause.

We are pleased by the fact that the decisions for both the ICC-2 Arbitration, expected during the summer of 2025, and the ICSID Arbitration, expected during the first two quarters of 2026, are no longer in the distant future and are increasingly within sight.

The Company will always seek to update investors to the extent it is permitted under the rules of the ICC and ICSID, as well as in full conformity with applicable stock exchange regulations.

Following the recent favourable decision achieved in the ICC-1 Arbitration, it is apparent that there is a linear and effective pathway by which Zenith and its shareholders can be compensated for the very significant damages suffered because of the arbitrary conduct of the Tunisian authorities.

We are particularly grateful to our very capable legal team, comprised by Professor Thomas Clay (Clay Arbitration) and Mr. Simon Le Wita (Charles Russell Speechlys CRS - Paris) who have been instrumental in presenting the merit and validity of our position.”

Calendar

- *ICSID procedural timetable shall be known before 20 January 2025.*
- *The final Court hearing of the ICC-2 Arbitration is expected by the close of February 2025, with the final decision (the “**Award**”) expected during the summer of 2025.*

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 Pink Markets of the OTC (OTC PINK: 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

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.