

July 15, 2026

ZENITH ENERGY LTD.

(“Zenith” or the “Company”)

MoU for sale of 50 MWp for EUR 12 million

Zenith Energy Ltd (**LSE: ZEN; OSE: ZENA; XSAT: ZENA SDR**), is pleased to announce that it has signed a Memorandum of Understanding (the “**MoU**”) with a renewable energy operator for the sale of a portfolio of solar development projects located in the Piedmont region of Italy, with an aggregate expected installed capacity of approximately 50 MWp (the “**Piedmont Portfolio**”), for a total consideration of EUR 12 million (the “**Proposed Transaction**”).

The projects comprising the South Piedmont Portfolio have been assembled and advanced by Zenith over the past year through a series of acquisitions and development activities. The aggregate acquisition and development cost of the Piedmont Portfolio is expected to be approximately EUR 5 million upon completion, implying a gross profit of approximately EUR 7 million on the Proposed Transaction.

The MoU follows the Company's announcement on July 13, 2026, that it was in advanced discussions regarding the disposal of a solar development project and, if completed, would represent the first monetisation of Zenith's Italian solar portfolio.

Highlights

- Zenith Energy's wholly owned Italian subsidiary, WESOLAR S.R.L. (“**WESOLAR**”), has signed an MoU for the proposed sale of a portfolio of solar development projects in Piedmont, Italy, with an aggregate expected capacity of approximately 50 MWp, for a total consideration of EUR 12 million.
- The aggregate acquisition and development cost of the portfolio is expected to be approximately EUR 5 million (approximately EUR 100,000 per MWp), implying a gross profit of approximately EUR 7 million upon completion of the Proposed Transaction.
- The proposed purchaser is an international group evaluating the acquisition of approximately 60,000 square metres of industrial buildings in Piedmont for conversion into a data centre.
- The proposed data centre is located in close proximity to the solar development projects comprising the portfolio and is intended to be supplied with renewable electricity generated by those projects.
- The Proposed Transaction would generate an estimated gross profit of approximately EUR 7 million, based on an aggregate acquisition and development cost of approximately EUR 5 million.

- The consideration under the Proposed Transaction represents approximately 2.4 times the aggregate acquisition and development cost of the portfolio, implying a potential gross uplift of approximately 140%.
- The proposed consideration equates to approximately EUR 240,000 per MWp, compared with an aggregate acquisition and development cost of approximately EUR 100,000 per MWp.
- The Proposed Transaction provides tangible market validation of the value being created within Zenith's wider Italian solar development portfolio, which currently comprises approximately 193 MWp of development capacity.
- Zenith's solar development projects in the Piedmont region comprise approximately 97 MWp of expected installed capacity, of which approximately 50 MWp forms the subject of the Proposed Transaction.
- If completed, the Proposed Transaction would represent the first monetisation of Zenith's Italian solar development portfolio, demonstrating the Company's ability to acquire, develop and monetise renewable energy assets at a significant profit.
- The Company intends to reinvest the proceeds of the Proposed Transaction across its Italian solar portfolio, including the acquisition and construction of additional projects, providing a source of non-dilutive capital for continued growth.
- Completion of the Proposed Transaction remains subject to confirmatory due diligence, the negotiation and execution of definitive transaction documentation and the satisfaction of customary closing conditions. There can be no certainty that the Proposed Transaction will complete. Further announcements will be made as appropriate.

Andrea Cattaneo, Chief Executive Officer, commented:

“The signing of the MoU is a major milestone for Zenith and provides clear market validation of our Italian solar development strategy.

The Proposed Transaction contemplates the sale of a portfolio of solar development projects in Piedmont with an aggregate expected installed capacity of approximately 50 MWp for a consideration of EUR 12 million. Based on an aggregate acquisition and development cost of approximately EUR 5 million, the Proposed Transaction would generate an estimated gross profit of approximately EUR 7 million.

This is our build-and-sell strategy in action: acquiring attractive development projects at competitive valuations, advancing them through the development process and selectively monetising them to realise significant value for shareholders.

At the same time, construction of our three Puglia solar plants is progressing well and remains on track for completion and grid connection before the end of 2026. These milestones demonstrate our ability to create value across the entire solar development cycle, from acquisition and development through to construction and monetisation.

Subject to completion, the Proposed Transaction would represent the first monetisation of our Italian solar development portfolio and provide additional non-dilutive capital to support further investment across our renewable energy business.

Our immediate priority is to complete due diligence and execute the definitive sale and purchase agreement, while continuing to identify and acquire new development opportunities to replenish and expand our portfolio. This disciplined approach of acquiring, developing and selectively monetising solar assets creates a self-reinforcing cycle of value creation and provides a scalable platform for the continued growth of Zenith's renewable energy business."

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

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.