24 November 2026

ZENITH ENERGY LTD.

("**Zenith**" or the "**Company**")

ICSID Arbitration against the Republic of Tunisia – Proceedings Suspended Due to Tunisia's Non-Payment of Arbitration Costs, Opening Window for Settlement Discussions

Zenith Energy Ltd. **(LSE: ZEN; OSE: ZENA; XSAT: ZENA SDR),** the listed international energy production and development company, provides a further update in relation to the approximately US$573 million international arbitration being pursued by Zenith's UK subsidiaries (the "**Claimants**") against the Republic of Tunisia before the International Centre for Settlement of Investment Disputes ("**ICSID**") under the 1989 bilateral investment treaty between the United Kingdom and Tunisia (ICSID Case No. ARB/23/18) (the "**ICSID Arbitration**").

Suspension of Proceedings

Further to the Company's announcement of 9 November 2026, and despite ICSID's renewed request, the Republic of Tunisia has again failed to pay its outstanding share of the advance on costs requested by ICSID within the period prescribed under the ICSID Administrative and Financial Regulations.

The Claimants have therefore decided, on this occasion, not to advance Tunisia's outstanding share of the costs at this stage.

As a direct consequence of Tunisia's default, the ICSID Arbitration has been suspended with effect from today pending payment of the outstanding amount (the "**Suspension**").

While the suspension will inevitably delay the conclusion of the ICSID Arbitration, the Claimants remain willing to engage in good-faith settlement discussions, without prejudice to any of their rights or claims, with the assistance of CNQ Global Advisors in facilitating a potential negotiated settlement.

The Claimants' Position

On all previous occasions, the Claimants have paid Tunisia's share of the advance on costs to prevent any interruption to the proceedings.

The Claimants made these payments in good faith and in the interests of ensuring the integrity and timely progress of the arbitration. However, this good faith has been met with continued non-payment by the Republic of Tunisia.

The Republic of Tunisia, by contrast, has not contributed towards its share of the procedural costs at any stage of the proceedings, notwithstanding that, under the ICSID Administrative and Financial Regulations, such costs are required to be borne equally by both parties.

Tunisia has been represented throughout the proceedings by Curtis, Mallet-Prevost, Colt & Mosle LLP, a leading international law firm with extensive experience in representing sovereign states.

Against this background, the Claimants consider Tunisia's continued failure to meet its basic procedural payment obligations to be a deliberate choice rather than a question of financial capacity.

In Procedural Order No. 5 of 14 July 2025, the Arbitral Tribunal confirmed that Tunisia owes half of the costs of the proceedings and that the Tribunal may take unpaid advances into account when allocating costs in its final award. The Claimants will now formally request that the Tribunal take full account of Tunisia's conduct, including its persistent non-payment, when determining the allocation of costs.

The Claimants remain fully committed to the ICSID Arbitration and will take all necessary steps to ensure that the proceedings, which are now suspended, resume and are not discontinued.

Should Tunisia continue to fail to meet its payment obligations, the Claimants will have no alternative but to advance Tunisia's outstanding share of the costs once again to ensure that the proceedings resume.

Impact on Timetable

The post-hearing written submissions phase has concluded, and the Company has previously indicated that the Tribunal's final award was expected by May 2027.

The suspension of proceedings may delay the issuance of the final award by several months.

The Company will provide an updated timetable once the ICSID Arbitration proceedings resume.

Andrea Cattaneo, Chief Executive Officer of Zenith, commented:

"Until Tunisia's latest default, the Claimants have honoured every obligation in the ICSID Arbitration, and more. They have paid their own share of the costs in full and have repeatedly advanced Tunisia's share to ensure that the proceedings could continue without interruption.

The Republic of Tunisia has not made a single contribution towards the costs of these proceedings. That is a decision taken by Tunisia alone.

Any delay arising from the current suspension is therefore entirely attributable to Tunisia's failure to meet its payment obligations, and we expect this conduct to be taken into account by the Tribunal in its final allocation of costs.

For the avoidance of doubt, our commitment to the claims brought by the Zenith companies remains absolute. We will not allow the proceedings to be discontinued, and we remain fully confident in the strength of our case and in the Tribunal's ability to deliver a robust and enforceable award.

During the Suspension, our door remains open to constructive discussions, and we are prepared to engage in good faith. A negotiated settlement could provide both parties with an opportunity to achieve a resolution sooner than would otherwise be possible through the issuance of the Tribunal's final award and any subsequent proceedings.

However, should these discussions fail to produce a satisfactory outcome in the near future, we will once again advance Tunisia's outstanding share of the costs to enable the ICSID Arbitration to resume and pursue our claims through to a final award, with full confidence in their merits."

The Company will provide further updates as appropriate.

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

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.