



BUILDING A TRANSFORMATIONAL OIL AND GAS PRODUCTION AND DEVELOPMENT PORTFOLIO IN AFRICA

LSE: **ZEN**
OSE: **ZENA**

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A DUAL LISTED INDEPENDENT OIL AND GAS PRODUCTION COMPANY PURSUING TRANSFORMATIONAL OPPORTUNITIES IN AFRICA



NEAR-TERM PRODUCTION
POTENTIAL OF APPROX:

1,000 BOPD

METRICS

KEY SHAREHOLDERS:

- Premier Miton Investors
- Nordnet AB
- Board of Directors

STOCK TICKER

(LSE: ZEN /
OSE: ZENA)

MARKET CAP CIRCA

£18M

SHARES IN ISSUE (APPROX)

1,684M



MAXIMISING EXISTING PORTFOLIO & ASSESSING NEW VALUE ACCRETIVE OPPORTUNITIES



NEAR-TERM PRODUCTION
POTENTIAL OF APPROX 1,000 BOPD

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 First sale of Tunisian oil production - agreement 6 to sell approximately 68,000 barrels net to Zenith (including 20,000 barrels of domestic market sales) for total receivables of approximately US\$4.5million.
- 2 Acquisition of 100% working interest in the El Bibane and Robbana concessions.
- 3 Acquisition of 45% working interest in the Ezzaouia Concession, onshore Tunisia.
-  4 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.

-  6 Signing of exclusivity agreement for the development of the North-West Corner of OML 141 in Nigeria.
-  7 Successful completion of the ROB-1 well workover in the Robbana concession, onshore Tunisia. Stabilised production of approx. 100 BOPD, representing a 500% increase in production over the previous production of 20 BOPD recorded since 2012.
- 8 The Company expects to complete its acquisitions in respect of the SLK concession in due course.



TUNISIA OVERVIEW HIGHLY PROSPECTIVE OIL AND GAS PRODUCTION AND DEVELOPMENT OPERATIONS

NEAR-TERM
PRODUCTION TARGET:

1,000
BOPD





ACQUISITION OF EL BIBANE AND ROBBANA

► TUNISIA



CURRENT
PRODUCTION
OF APPROX:

150-200

BOE/D

NEAR-TERM
PRODUCTION
POTENTIAL:

600-800

BOPD

Acquisition Highlights:

Zenith has acquired a 100% interest in the highly prospective, offshore El Bibane concession ("El Bibane"), and a 100% interest in the onshore Robbana concession ("Robbana"):

NATURAL GAS
PRODUCTION APPROX:

5.5-6

MMSCF

ROBBANA

► TUNISIA

Zenith has acquired a 100% working interest in Robbana.

Located onshore in the island of Djerba in the southern Gulf of Gabes.

Covering 48 square kilometres.

The last well intervention in ROB-1 was performed by the previous operators in 2012.

Robbana expires on November 4, 2034.

Zenith has successfully completed the workover of ROB-1, fully cleaning the wellbore of approx 200 meters of debris accumulated since the last workover in 2012. A new tubing anchor and sucker rod pump supplied by Weatherford were installed. It was discovered that the previous sucker rod pump was functioning at a significantly reduced capacity and that ROB-1 did not have a tubing hanger installed, in contradiction to the 2012 well report.

The Company has performed an inventory confirmation exercise and has determined that the long-lead items required for the drilling of two new wells are in stock and already and on location in Robbana.

Zenith expects to begin drilling activities in Robbana during Q1 of 2022.

EL BIBANE

► TUNISIA

Located 16 kilometres offshore from the port of Zarzis in the Gulf of Gabes.

Covers an area of approximately 228 square kilometres and in approximately 7-8 meters water depth.

Upon initial development, a peak production of 4,500 bopd was achieved. The reservoir is located in the cretaceous Zebbag fractured dolomite formation at approximately 2,150 metres below surface.

Zenith has acquired a 100% working interest in El Bibane.

3 wells remain active within El Bibane: EBB-5, EBB-4 and EBB-3RE2. A total of 6 wells plus 4 sidetracks have been drilled.

Currently produces approximately 80-100 barrels of condensate per day (API 49/50) with 5.5-6 MMSCF of natural gas from well EBB-5, which is re-injected into the formation via well EBB-4.

Well EBB-3 is temporarily shut-in, having previously produced between approximately 500-600 BOPD (35 API).

A well intervention is being studied in well EBB-3, with the objective of restoring production at a rate of approx. 500 BOPD.

El Bibane expires on December 31, 2033.



REPUBLIC OF THE CONGO,

► TILAPIA



CURRENT
PRODUCTION
APPROX

30
BOPD

CONSERVATIVE
PRODUCTION TARGET
FOLLOWING SUCCESSFUL
DRILLING ACTIVITIES:

500 - 1,000
BOPD

MAX
PRODUCTION
POTENTIAL:

5,000
BOPD

Geographic position

- Located in the Lower Republic of the Congo Basin, West African Atlantic Margin, which extends from Gabon down to Angola, a prolific hydrocarbon region
- Individual wells in this region have recorded production rates of up to **5,000 barrels of oil per day**.
- Acreage is situated 1.8km offshore (drilled from onshore negating the necessity of offshore drilling equipment)
- First production in 2008.
- Close to nearby infrastructure (Oil storage /processing facilities - 45-minute drive from Point Noire and 17km from nearest refinery.)

Upside potential

- Successful recent drilling undertaken during 2018 and 2019 identified multiple potential productive reservoirs across a number of formations including the regionally proven Mengo and Djeno reservoirs
- Recent expert wireline log analysis* (has indicated that reservoir quality is "between good and excellent".

*commissioned by AAOG Congo after drilling activities in the Djeno

Highly strategic acquisition

- Zenith acquired 100% of AAOG Congo, the former operator of the Tilapia oilfield with a 56% interest.
- Remaining 44 percent was held by the national oil company, Société Nationale des Pétroles du Congo ("SNPC").



REPUBLIC OF THE CONGO,

► TILAPIA



TILAPIA
PRODUCTION
APPROX:

30
BOPD

PRODUCTION
POTENTIAL FOLLOWING
DRILLING:

UP TO 5,000
BOPD

NATIONAL
PRODUCTION
APPROX:

350,000
BOPD

AAOG Congo's licence to operate the Tilapia oilfield ("Tilapia I") expired on July 18, 2020, as publicly announced by Zenith Energy and previously announced by AAOG plc.

SNPC owes AAOG Congo approximately **US\$5.7 million**. Zenith expects to obtain full repayment of this amount in due course.

The seller of AAOG Congo has also novated 100% of the intercompany loans with AAOG Congo to Zenith as of the date of Completion, equivalent to approximately **£12.5 million**.

Zenith has commissioned a new Competent Person's Report in compliance with Canadian securities laws, specifically the COGE Handbook and National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities.

Plans to commence drilling activities in well TLP-103C at the earliest opportunity in the event that the Company is successful in obtaining a new 25-year licence for the Tilapia oilfield.

Zenith has submitted an offer to the Ministry of Hydrocarbons for the award of a new 25-year licence in relation to the Tilapia oilfield, to be named "Tilapia II" and established a new local subsidiary, Zenith Energy Congo SA, at the request of the Ministry of Hydrocarbons.





ELECTRICITY PRODUCTION USING LOW-GRADE SOUR GAS GENERATING RECORD PROFITABILITY

- ▶ A low-risk jurisdiction with a strong EU regulatory framework

Italy has a long and successful history of natural gas production and exploration across its territory

- Italy's economy is heavily dependent on oil and gas.
- Balanced energy production portfolio currently delivering a significant profit with stable low-cost natural gas production
- Investment, including the drilling of a new well in the Torrente Cigno concession, expected to achieve material increase in natural gas production and resultant electricity production
- Low-grade sour gas production, with little intrinsic commercial value, is used at the Torrente Cigno concession to profitably generate electricity
- Gas and electricity prices appear to be favourable for the remainder of the year
- Electricity produced from the Torrente Cigno has recently registered record profitability with a sale price of €214 per MWh, generating monthly revenue of €181,500.

The Company's Italian 'Gas to Power' activities are intended to be replicated in certain Africa jurisdictions on a larger scale, specifically in the Republic of the Congo, where there is an abundance of unexploited natural gas reserves and a strong demand for stable electricity production.



WORKING INTERESTS IN
368.96 KM²
OF ITALIAN NATURAL
GAS PRODUCTION
CONCESSIONS

MONTHLY
ELECTRICITY
PRODUCTION
APPROX:
920
MWh

NATURAL GAS
2P RESERVES:
16.3
BCF

CONDENSATE
2P RESERVES:
255
MBBLS

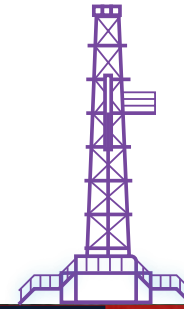
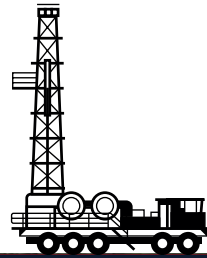
6 OPERATED
CONCESSIONS
3 NON-OPERATED
CONCESSIONS

2 EXPLORATION
PERMITS
2 EXPLORATION
PERMITS AWAITING
APPROVAL

OWNERSHIP OF DRILLING EQUIPMENT

- ▶ Zenith strongly believes in the benefits of owning and operating the key equipment required to develop its asset portfolio. For the following reasons: ▶

1. Cost control
2. Operational independence
3. Direct oversight on execution



1

WORKOVER RIG

(375HP)

1

DRILLING RIG

(1,200HP)

capable of drilling to
a depth of approx 5,000 metres
(depending on well design)

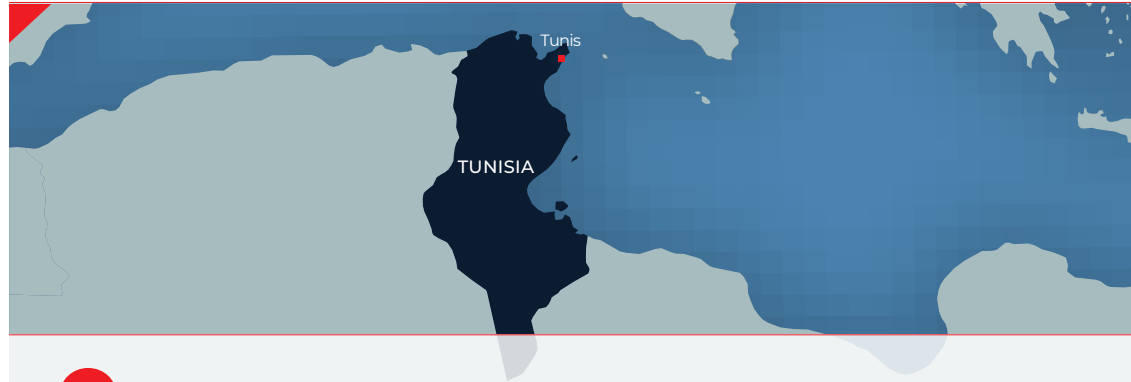


SUMMARY INVESTMENT CASE

- ▶ Identifying and completing a number of potentially transformational oil and gas production opportunities across Africa

TARGET GROSS PRODUCTION
BY CLOSE OF 2021:

1,000 BOPD



MANAGEMENT ALIGNED WITH SHAREHOLDERS - THE BOARD OF DIRECTORS AND MANAGEMENT COLLECTIVELY HOLD APPROXIMATELY **8 PERCENT** OF ZENITH'S SHARE CAPITAL.

CONDITIONAL EXISTING TOTAL PRODUCTION OF APPROX. 650 BOPD ACROSS PORTFOLIO

1

UNIQUELY POSITIONED BY WAY OF EXTENSIVE NETWORKS AND RELATIONSHIPS TO EXECUTE A COUNTERCYCLICAL ACQUISITION CAMPAIGN IN AFRICA TARGETING LOW-RISK OIL PRODUCTION ASSETS AND HYDROCARBON AND ELECTRICITY PRODUCTION ASSETS GENERATING SIGNIFICANT PRODUCTION REVENUE

4

STRINGENT DUE DILIGENCE PERFORMED FOR ALL NEW ASSETS BEING REVIEWED AS POTENTIAL ACQUISITIONS

2

HIGHLY EXPERIENCED OPERATIONAL TEAM WITH PROVEN TRACK-RECORD OF SUCCESS

3

READY AVAILABILITY OF DRILLING EQUIPMENT AND TECHNICAL PERSONAL ACROSS ALL ACQUISITION OPPORTUNITIES. (COMPANY OWNS KEY DRILLING EQUIPMENT INCLUDING A DRILLING RIG (1,200HP) AND A WORKOVER RIG (375HP))

5

HIGHLY KNOWLEDGEABLE AND WELL CONNECTED ADVISORY COMMITTEE RECENTLY CREATED TO SUPPORT ITS BUSINESS DEVELOPMENT ACTIVITIES IN WEST AFRICA





TEAM

► Executive Directors & Senior Management



Andrea Cattaneo
Chief Executive
Officer & President
(Africa based)

Proven deal maker and government advisor with specific expertise in FSU and African countries. He has more than 30 years of experience in sovereign loans, capital markets and oil trading between Western and emerging countries. Andrea is one of Zenith's founders and largest shareholders.



Luca Benedetto
Chief Financial Officer
& Executive Director
(UK based)

Luca Benedetto trained in Italy as a registered accountant with further education in IFRS accounting and consolidation at IPSOA Milan. He has more than twenty-five years of accounting, auditing and financial administration experience.



Dr. José Ramón López Portillo
Chairman and Non-executive
Director, (UK based)

Former Mexican Ambassador to Food and Agriculture Organisation (United Nations) and Minister in Mexican Federal Government. Leading researcher on the energy security of Mexico. He is also the Former Chairman of the FAO council. Holds a doctorate from the University of Oxford in political science and international relations.



Dr. Dario Soderò
Non-executive Director,
(Canada based)

Experienced energy industry executive with strong geological, technical and exploration expertise in North America, North Africa and the Middle East. Holds a doctorate in Geological Sciences from the University of Turin, Italy.



Sergey Borovski
Non-executive Director
(China based)

Sergey has over 25 years of experience in business management in China and Hong Kong, he is fluent in Russian, English and Mandarin and holds a degree in economics. He is Chairman of various oil & gas consulting, engineering, trading, chemical, seismic research and exploration services companies based in China and Hong Kong.



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