

**EARLY WARNING REPORT
FILED IN ACCORDANCE WITH NATIONAL INSTRUMENT 62-103**

1. Name and address of the offeror:

Optiva Securities Ltd. ("**Optiva**")
2 Mill Street
London, W1S 2AT
United Kingdom
Phone: +0203-137-1902

2. Name of reporting issuer:

Zenith Energy Ltd. (the "**Corporation**")

3. Designation and Number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:

The Corporation has closed the first tranche of a non-brokered private placement, pursuant to which it issued 2,708,105 units at a price of \$0.15 per unit for gross proceeds to the Corporation of approximately \$410,000. Each unit consists of one common share of the Corporation and one common share purchase warrant of the Corporation (the "Unit"). Each warrant shall entitle the holder to acquire one additional common share of the Corporation at an exercise price of \$0.25 per common share of the Corporation for a period of thirty-six months from the closing of the private placement.

On December 22, 2014, Optiva acquired 1,633,159 Units for an aggregate subscription price of \$244,973.85 as part of the private placement.

Following the acquisition of 1,633,159 Units, Optiva will hold 1,633,159 common shares of the Corporation, representing approximately 6.58% of the issued and outstanding shares of the Corporation and 1,633,159 common share purchase warrants. Assuming the exercise of the common share purchase warrants in full, Optiva would beneficially own or control an aggregate of 3,266,318 common shares of the Corporation, representing approximately 12.35% of the issued and outstanding common shares of the Corporation on a fully diluted basis.

4. Designation and Number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:

See item 3 above.

5. Designation and Number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to above over which:

(a) the offeror, either alone or together with any joint actors, has ownership and control:

See item 3 above.

(b) the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:

See item 3 above.

- (c) ***the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:***

Not applicable.

6. ***The name of the market in which the transaction or occurrence that gave rise to the news release took place:***

Not applicable.

7. ***The value of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:***

See item 3 above.

8. ***The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:***

The acquisition of securities in the Corporation by Optiva occurred in connection with the private placement as described above and is for investment purposes. Optiva may acquire or dispose of additional securities in the future.

9. ***General Nature and material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:***

See item 8 above.

10. ***Names of any joint actors in connection with the disclosure required by Appendix E of National Instrument 62-103:***

See item 3. The filing of this report is not an admission that any entity named in this report is a joint actor with another named entity.

11. ***In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:***

See item 3 above.

12. ***If applicable, a description of any change in any material fact set out in a previous report by the offeror under the early warning requirements:***

Not applicable.

13. *If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance:*

Optiva relied on Section 2.3 of National Instrument 45-106 – Prospectus and Registration Exemptions as he meets the definition of an “accredited investor” under securities legislation.

DATED this 22nd day of December, 2014.

Optiva Securities Ltd.

(signed) “J. Keng”

Per: _____
Director