

## ZENITH ENERGY LTD.

("Zenith" or the "Company")

### **Team A Commences Workover Operations**

Calgary, Alberta, April 18, 2017, Zenith Energy Ltd. ("Zenith" or the "Company") (LSE: ZEN; TSX.V: ZEE), the dual listed international oil & gas production company, is pleased to announce that field workover Team A, comprised of the Company's field personnel and operating Zenith's workover rig, will be involved in workover operations at three wells across the Muradkhanli, Jafarli and Zardab fields.

After completing successful pump replacements at four wells, Team A will now engage in technically more demanding workovers with the objective of incrementally adding to total production through the systematic rehabilitation of the multiple underperforming wells within these three fields.

The first assignment will be the recompletion of well M-45 in the Muradkhanli field. The team will retrieve approximately 1,400 meters of production tubing and then proceed to remove an additional 162 meters of tubing using fishing tools. The workover programme includes re-perforating the casing at the producing level and possibly perform an acid stimulation and/or hydraulic fracturing of the Cretaceous reservoir to improve the well's productivity. Well M-45 was drilled in 1980 and placed on production in July 1981 at rates varying between 74 and 86 barrels per day. The well has produced approximately 352,700 barrels of oil from 1981 to 2017 and was producing at an average rate of 14 barrels per day from 2014 to 2017. Production has decreased to approximately 1.5 barrels per day in early 2017 due to the aforementioned tubing problems which Team A will rectify.

The second assignment will be in the Jafarli field where well J-2 requires removal of 773 meters of stuck production tubing and fishing of metal debris at the bottom of the hole. J-2 was drilled in 1984 and placed on production in late 1985. It has produced approximately 111,000 barrels from a younger reservoir of Eocene age.

The third assignment will be in the Zardab field where the Z-28 well requires removal and inspection of all production tubing. Worn sections of tubing will be replaced as necessary with the objective of returning the well to production.

The workover of M-45 by Team A is scheduled to begin tomorrow, 19 April, 2017, following the completion of all the preparatory work being undertaken at the well site such as the installation of the workover rig platform.

The Company will provide an update when the workover of M-45 has been completed.

#### **Zaur Hajizade, Deputy General Director of Zenith Aran, commented:**

"I am pleased that Zenith's internal field rehabilitation team operating the Company's own workover rig is now moving to more challenging and potentially high-impact operations. There are a number of wells in the three fields which will in turn require workovers as part of our systematic field rehabilitation plan. As the field rehabilitation programme progresses we are looking forward to reporting increased production which will contribute to achieving Zenith's production objectives and generate additional revenue at marginal operational outlays."

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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