

September 30, 2021 (October 1, 2021)

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Zenith Energy Ltd  
Tilapia Exploration Permit

Production and Capital Forecast - Probable Reserves

Nominal Year	Single Well Production Profile					Development Program - Gross Production - STB/Yr					Total Oil Production					Cumulative Production	Gross Capital Expenditures - \$M				
	Djeno STB/d	Tilapia STB/d	Days On	Djeno STB/Yr	Tilapia STB/Yr.	Year	Well Count	# Wells		# Wells		STB/Yr.	STB/d	MSTB	Exploration		Drilling & Completion	Well Fac. & Tie-ins	Central Facilities	Total Capital (Escalated)	
1						2021	0														
2	1125	-	350	393,750		2022	1.0	393,750					393,750	1125	394	5000	250		5,250		
3	650	360	350	227,500	126,000	2023	4.0	227,500					1,408,750	4025	1,803	15000	750	7,500	16,065		
4	500	216	350	175,110	75,600	2024	7.0	175,110	1,181,250				2,038,860	5825	3,841	15000	750	2,500	18,987		
5	420	130	350	146,992	45,360	2025	10.0	146,992	525,330	682,500			2,536,072	7246	6,377	15000			19,367		
6	353	116	350	123,389	40,533	2026	10.0	123,389	440,976	525,330	1,181,250		682,500	5063	8,150	0	0	0	0		
7	296	103	350	103,576	36,220	2027	10.0	103,576	370,168	440,976	682,500		1,772,195	5063	8,150	0	0	0	0		
8	248	92	350	86,945	32,366	2028	10.0	86,945	310,729	370,168	525,330		1,440,051	4114	9,590	0	0	0	0		
9	209	83	350	72,984	28,921	2029	10.0	72,984	260,835	310,729	370,168		1,208,819	3454	10,798	0	0	0	0		
10	175	0	350	61,265		2030	10.0	61,265	218,952	260,835	310,729		1,014,716	2899	11,813	0	0	0	0		
11	147	0	350	51,427		2031	10.0	51,427	183,794	218,952	260,835		851,781	2434	12,665	0	0	0	0		
12	123	0	350	43,170		2032	10.0	43,170	154,282	183,794	218,952		715,009	2043	13,380	0	0	0	0		
13	104	0	350	36,238		2033	10.0	36,238	129,509	154,282	183,794		600,198	1715	13,980	0	0	0	0		
14	87	0	350	30,419		2034	10.0	30,419	108,713	129,509	154,282		508,823	1439	14,484	0	0	0	0		
15	73	0	350	25,535		2035	10.0	25,535	91,257	108,713	129,509		422,923	1208	14,907	0	0	0	0		
16	0	0	350	0		2036	10.0	126,000	76,604	91,257	108,713		355,014	1014	15,762	0	0	0	0		
17	0	0	350	0		2037	10.0	75,600	378,000	76,604	91,257		402,574	1150	15,665	0	0	0	1,009		
18	0	0	350	0		2038	10.0	45,360	226,800	378,000	76,604		621,461	1776	15,286	0	0	0	3,089		
19	0	0	350	0		2039	10.0	40,533	136,080	226,800	378,000		725,764	2076	17,013	0	0	0	3,151		
20	0	0	350	0		2040	10.0	36,220	121,599	136,080	226,800		781,413	2733	17,794	0	0	0	3,214		
21	0	0	350	0		2041	10.0	32,366	108,660	121,599	136,080		836,704	3439	18,315	0	0	0	0		
22	0	0	350	0		2042	10.0	28,921	97,987	108,660	121,599		893,704	4139	18,714	0	0	0	0		
23	0	0	350	0		2043	9.0	0	86,764	97,987	108,660		956,277	4836	19,070	0	0	0	0		
24	0	0	350	0		2044	6.0	0	0	86,764	97,987		1,036,660	5525	19,546	0	0	0	0		
25	0	0	350	0		2045	3.0	0	0	0	86,764		1,086,61	6248	19,546	0	0	0	0		
Total				1,578,300	385,000			1,963,300	5,869,900	5,869,900	5,869,900		19,633,000		0	52,500	2,250	5,000	70,132		

1) Decline % =	50%	40%
2) Decline % =	30%	40%
3) Decline % =	18%	11%
Initial rate	1,500	450

Djeno Production  
Tilapia Production

2021	1	1
2022	3	3
2023	3	3
2024	3	3
2025	0	0
2026	0	0
2027	0	0
Recomplections	750	
2036	1	
2037	3	
2038	3	
2039	3	

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Zenith Energy Ltd

## Tilapia Exploration Permit

September 30, 2021 (October 1, 2021)

## Production Revenue and Costs- Probable Reserves (Gross Lease)

Year	Gross Production STB/yr.	Cumulative Production MSTB	Oil Price \$/STB	Gross Revenue \$/yr.	Royalty \$/yr.	Operating Costs - \$/yr.			Total (Escalated)
						Fixed	Variable	Transportation	
2021	0	0	79.28	\$0	\$0	0	0	0	0
2022	393,750	394	76.13	\$29,974,219	\$4,496,133	120,000	787,500	787,500	1,728,900
2023	1,408,750	1,803	72.98	\$102,803,531	\$15,420,530	480,000	2,817,500	2,817,500	6,362,046
2024	2,038,860	3,841	69.83	\$142,363,394	\$21,354,509	840,000	4,077,720	4,077,720	9,545,033
2025	2,536,072	6,377	71.22	\$180,622,848	\$27,093,427	1,200,000	5,072,144	5,072,144	12,279,422
2026	1,772,196	8,150	72.65	\$128,742,796	\$19,311,419	1,200,000	3,544,391	3,544,391	9,151,485
2027	1,440,051	9,590	74.10	\$106,706,097	\$16,005,915	1,200,000	2,880,101	2,880,101	7,838,319
2028	1,208,819	10,798	75.58	\$91,363,519	\$13,704,528	1,200,000	2,417,637	2,417,637	6,932,634
2029	1,014,716	11,813	77.09	\$78,226,950	\$11,734,043	1,200,000	2,029,432	2,029,432	6,161,598
2030	851,781	12,665	78.63	\$66,979,204	\$10,046,881	1,200,000	1,703,562	1,703,562	5,505,940
2031	715,009	13,380	80.21	\$57,348,698	\$8,602,305	1,200,000	1,430,018	1,430,018	4,949,161
2032	600,198	13,980	81.81	\$49,102,901	\$7,365,435	1,200,000	1,200,397	1,200,397	4,477,134
2033	503,823	14,484	83.45	\$42,042,713	\$6,306,407	1,200,000	1,007,647	1,007,647	4,077,769
2034	422,923	14,907	85.12	\$35,997,663	\$5,399,650	1,200,000	845,847	845,847	3,740,714
2035	355,014	15,262	86.82	\$30,821,793	\$4,623,269	1,200,000	710,027	710,027	3,457,106
2036	402,574	15,665	88.55	\$35,649,930	\$5,347,490	1,200,000	805,148	805,148	3,782,288
2037	621,461	16,286	90.33	\$56,134,106	\$8,420,116	1,200,000	1,242,921	1,242,921	5,059,872
2038	726,764	17,013	92.13	\$66,958,629	\$10,043,794	1,200,000	1,453,527	1,453,527	5,750,868
2039	781,413	17,794	93.98	\$73,433,497	\$11,015,025	1,200,000	1,562,826	1,562,826	6,178,097
2040	520,699	18,315	95.85	\$49,911,494	\$7,486,724	1,200,000	1,041,398	1,041,398	4,782,415
2041	398,704	18,714	97.77	\$38,982,074	\$5,847,311	1,200,000	797,409	797,409	4,152,952
2042	356,277	19,070	99.73	\$35,530,549	\$5,329,582	1,200,000	712,554	712,554	3,978,788
2043	292,521	19,362	101.72	\$29,755,743	\$4,463,361	1,080,000	585,041	585,041	3,478,582
2044	183,861	19,546	103.76	\$19,076,748	\$2,861,512	720,000	367,722	367,722	2,295,089
2045	86,764	19,633	105.83	\$9,182,397	\$1,377,360	360,000	173,529	173,529	1,137,258
Inflation									
Totals	19,633,000		Factor	\$1,557,711,493	\$233,656,724	\$25,200,000	\$39,266,000	\$39,266,000	\$126,804,471
			1.02	15%		120,000	\$2.00	\$2.00	Cost Oil %
						\$/yr/well	\$/STB	\$/STB	

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Zenith Energy Ltd  
Tilapia Exploration Permit

September 30, 2021 (October 1, 2021)

## Production Splits - Cost Oil &amp; Profit Oil - Probable Reserves (Gross Lease)

Year	Cost Recovery									
	Available Cost Oil	Cost Oil Revenue Ceiling	Annual Costs For Recovery	Cumulative		Annual Cost Recovery	Cost Oil	Total Profit Oil	Total Daily Production	Contractors Share
	STB/yr.	\$/yr	\$/yr.	\$/yr.	\$/yr.	\$/yr.	STB/yr.	STB/yr.	STB/d	STB/yr.
2021	0	0	0	5,250	5,250	0	0	0	0	0
2022	200,813	15,286,852	1,744,965	1,750,215	1,750,215	1,750,215	22,991	311,696	0	0
2023	718,463	57,429,801	6,381,033	6,381,033	6,381,033	6,381,033	87,441	1,109,996	3171	0
2024	1,039,819	72,605,331	9,565,400	9,565,400	9,565,400	9,565,400	136,991	1,596,040	4560	0
2025	1,293,397	92,117,652	12,279,422	12,279,422	12,279,422	12,279,422	172,412	1,983,249	5666	0
2026	903,820	65,658,826	9,151,485	9,151,485	9,151,485	9,151,485	125,974	1,380,392	3944	0
2027	734,426	54,420,110	7,838,319	7,838,319	7,838,319	7,838,319	105,782	1,118,261	3195	0
2028	616,498	46,595,395	6,932,634	6,932,634	6,932,634	6,932,634	91,725	935,771	2674	0
2029	517,505	39,895,745	6,161,598	6,161,598	6,161,598	6,161,598	79,925	782,584	2236	0
2030	434,408	34,159,394	5,505,940	5,505,940	5,505,940	5,505,940	70,020	653,994	1869	0
2031	364,655	29,247,836	4,949,161	4,949,161	4,949,161	4,949,161	61,705	546,053	1560	0
2032	306,101	25,042,479	4,477,134	4,477,134	4,477,134	4,477,134	54,725	455,443	1301	0
2033	256,950	21,441,783	4,077,769	4,077,769	4,077,769	4,077,769	48,866	379,383	1084	0
2034	215,691	18,358,808	3,740,714	3,740,714	3,740,714	3,740,714	43,948	315,537	902	0
2035	182,057	15,719,114	3,457,106	3,457,106	3,457,106	3,457,106	39,820	261,942	748	0
2036	205,313	18,181,464	3,783,298	3,783,298	3,783,298	3,783,298	42,723	299,465	856	0
2037	316,945	28,628,394	5,062,961	5,062,961	5,062,961	5,062,961	56,052	472,190	1349	0
2038	370,649	34,148,901	5,754,019	5,754,019	5,754,019	5,754,019	62,454	555,295	1587	0
2039	398,521	37,451,083	6,181,310	6,181,310	6,181,310	6,181,310	65,776	598,425	1710	0
2040	265,557	25,454,862	4,782,415	4,782,415	4,782,415	4,782,415	49,892	392,702	1122	0
2041	203,339	19,880,858	4,152,952	4,152,952	4,152,952	4,152,952	42,476	296,423	847	0
2042	181,701	18,120,580	3,978,788	3,978,788	3,978,788	3,978,788	39,897	262,939	751	0
2043	149,186	15,175,429	3,478,582	3,478,582	3,478,582	3,478,582	34,197	214,446	613	0
2044	93,789	9,729,141	2,295,089	2,295,089	2,295,089	2,295,089	22,120	134,162	383	0
2045	44,250	4,683,022	1,137,258	1,137,258	1,137,258	1,137,258	10,746	63,004	180	0

10,012,830 794,432,862 126,869,352 126,874,602 1,568,657 15,119,393 60% 55% 50% 9,071,636 6,047,757

60%

55%

50%

0 to <25MM 25MM to 100MM >100MM

161,240,592	119,128,924	91,799,244
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## **GLOSSARY OF TERMS (Abbreviations & Definitions)**

### **General**

BIT	- Before Income Tax
AIT	- After Income Tax
M\$	- Thousands of Dollars
Effective Date	- The date for which the Present Value of the future cash flows and reserve categories are established
\$US	- United States Dollars
WTI	- West Texas Intermediate – the common reference for crude oil used for oil price comparisons
ARTC	- Alberta Royalty Tax Credit
GRP	- Gas Reference Price

### **Interests and Royalties**

BPO	- Before Payout
APO	- After Payout
APPO	- After Project Payout
Payout	- The point at which a participant's original capital investment is recovered from its net revenue
GORR	- Gross Overriding Royalty – percentage of revenue on gross revenue earned (can be an interest or a burden)
NC	- New Crown – crown royalty on petroleum and natural gas discovered after April 30, 1974
SS 1/150 (5%-15%) Oil	- Sliding Scale Royalty – a varying gross overriding royalty based on monthly production. Percentage is calculated as 1-150 <sup>th</sup> of monthly production with a minimum percentage of 5% and a maximum of 15%
FH	- Freehold Royalty
P&NG	- Petroleum and Natural Gas
Twp	- Township
Rge	- Range
Sec	- Section

### Technical Data

psia	- Pounds per square inch absolute
MSTB	- Thousands of Stock Tank Barrels of oil (oil volume at 60 F and 14.65 psia)
MMscf	- Millions of standard cubic feet of gas (gas volume at 60 F and 14.65 psia)
Bbls	- Barrels
Mbbls	- Thousands of barrels
MMBTU	- Millions of British Thermal Units – heating value of natural gas
STB/d	- Stock Tank Barrels of oil per day – oil production rate
Mscf/d	- Thousands of standard cubic feet of gas per day – gas production rate
GOR (scf/STB)	- Gas-Oil Ratio (standard cubic feet of solution gas per stock tank barrel of oil)
mKB	- Metres Kelly Bushing – depth of well in relation to the Kelly Bushing which is located on the floor of the drilling rig. The Kelly Bushing is the usual reference for all depth measurements during drilling operations.
EOR	- Enhanced Oil Recovery
GJ	- Gigajoules
Marketable or Sales Natural Gas	- Natural gas that meets specifications for its sale, whether it occurs naturally or results from the processing of raw natural gas. Field and plant fuel and losses to the point of the sale must be excluded from the marketable quantity. The heating value of marketable natural gas may vary considerably, depending on its composition; therefore, quantities are usually expressed not only in volumes but also in terms of energy content. Reserves are always reported as marketable quantities.
NGLs	- Natural Gas Liquids – Those hydrocarbon components that can be recovered from natural gas as liquids, including but not limited to ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.
Raw Gas	- Natural gas as it is produced from the reservoir prior to processing. It is gaseous at the conditions under which its Volume is measured or estimated and may include varying amounts of heavier hydrocarbons (that may liquefy at atmospheric conditions) and water vapour; may also contain sulphur and other non-hydrocarbon compounds. Raw natural gas is generally not suitable for end use.
EUR	- Estimated Ultimate Recovery



October 08, 2021

**Chapman Petroleum Engineering Ltd.**

700, 1122 – 4<sup>th</sup> Street SW

Calgary, AB

T2R 1M1

Dear Sir:

**Re: Company Representation Letter**

Regarding the evaluation of our Company's oil and gas reserves and independent appraisal of the economic value of these reserves for the year ended September 30, 2021, (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

1. We, Zenith Energy Ltd., (the Client) have made available to you, Chapman Petroleum Engineering Ltd. (the Evaluator) certain records, information, and data relating to the evaluated properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the reserves evaluation, including the following:
  - Accounting, financial, tax and contractual data
  - Asset ownership and related encumbrance information;
  - Details concerning product marketing, transportation and processing arrangements;
  - All technical information including geological, engineering and production and test data;
  - Estimates of future abandonment and reclamation costs.
2. We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.

Zenith Energy Ltd., Suite 1500, 15th Floor, Bankers Court, 850-2nd St, SW Calgary, Alberta, T2P 0R8, Canada.

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Website: [www.zenithenergy.ca](http://www.zenithenergy.ca)


Twitter: <https://twitter.com/zenithenergyltd>

3. We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.
4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of our Company's reserves and future net revenues.
5. With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the evaluation:
  - For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
  - All regulatory, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
  - Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the effective date of the evaluation are consistent with those that existed for the same well or entity immediately prior to this three-month period.
  - Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.

- If material changes of an adverse nature occur in the Company's operating performance subsequent to the effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of reserves information.
6. We hereby confirm that our Company is in material compliance with all Environmental Laws and does not have any Environmental Claims pending.

Between the effective date of the report and the date of this letter, nothing has come to our attention that has materially affected or could affect our reserves and economic value of these reserves that has not been disclosed to you.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Alpha Cotton", written over a horizontal line.

President and Chief Executive Officer

A handwritten signature in blue ink, appearing to be a stylized "JAB", written over a horizontal line.

Vice-President & Chief Financial Officer

## **ANNEX 3**

### **The Chapman Report 2021 – Tunisia (El Bibane, Ezzaouia, Robbana)**



# **COMPETENT PERSONS REPORT**

## **EVALUATION OF RESERVES AND RESOURCES OTHER THAN RESERVES OIL AND GAS PROPERTIES**

**THE REPUBLIC OF TUNISIA**

**Owned by**

**ZENITH ENERGY LIMITED**

**September 30, 2021**  
**(October 1, 2021)**

# **Chapman** *Petroleum Engineering Ltd.*

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October 7, 2021

**Zenith Energy Ltd.**  
15th Floor, Banker's Court  
850 - 2nd Street SW  
Calgary, AB  
T2R 0R8

**Attention: Mr. Andrea Cattaneo**

Dear Sir:

**Re: Competent Persons Report, Evaluation of Reserves and Resources Other Than Reserves  
Zenith Energy Ltd.  
Tunisia Properties – September 30, 2021**

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In accordance with your authorization we have performed a Competent Persons Report (CPR) of reserve and economic evaluation of oil and gas properties, including an assessment of resources other than reserves, owned by Zenith Energy Ltd. (the "Company") for an effective date of September 30, 2021 (October 1, 2021).

This evaluation has been carried out in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), the professional practice standard under our Permit to Practice with APEGA and under the guidelines of the European Securities and Markets Authority (ESMA). The report has been prepared and/or supervised by a "Qualified Reserves Evaluator" under NI 51-101 as demonstrated on the accompanying Certificate of Qualification of the author(s).

The INTRODUCTION includes the authorization, purpose and use of the report and describes the methodology and economic parameters used in the preparation of this report and the evaluation standard to which the report has been prepared.

The EXECUTIVE SUMMARY presents an overview of the evaluated property and addresses the summary information required by ESMA, Section 132.

The SUMMARY OF RESERVES AND ECONOMICS complements the Executive Summary and contains a concise presentation of the results of this reserve and economic evaluation. The net present values

presented in this report do not necessarily represent the fair market value of the reserves evaluated in this report. All monetary values presented in this report are expressed in terms of US dollars.

The DISCUSSION contains a description of the interests and burdens, reserves and geology, production forecasts, product prices, capital and operating costs and a map of each major property. The economic results and cash flow forecasts (before income tax) are also presented on an entity and property summary level.

The RESOURCES OTHER THAN RESERVES contains a summary of the resource property, compliant with NI 51-101, Sec. 5.9 of the Canadian Securities Administrators and a full description and results of the technical analysis of the resources in accordance with COGEH Volume 2, Section 2 (ROTR).

Resources have been classified as to their most specific category according to their level of certainty, project maturity and economic status for each entity, where applicable.

A REPRESENTATION LETTER from the Company confirming that to the best of their knowledge all the information they provided for our use in the preparation of this report was complete and accurate as of the effective date, is enclosed following the Glossary.

Because the reserves and resource data are based on judgments regarding future events, actual results will vary and the variations may be significant. We have no responsibility to update our report for events and circumstances which may have occurred since the preparation date of this report.

Prior to public disclosure of information derived from this report, or our name as author, our written consent must be obtained, as to the information being disclosed and the manner in which it is presented. This report may not be reproduced, distributed or made available for use by any other party without our written consent and may not be reproduced for distribution at any time without the complete context of the report, unless otherwise reviewed and approved by us.

We consent to the submission of this report, in its entirety, to securities regulatory agencies and stock exchanges, by the Company.















## INTRODUCTION

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## INTRODUCTION

### 1. AUTHORIZATION

This evaluation has been authorized by Mr. Andrea Cattaneo, on behalf of Zenith Energy Ltd. The engineering analysis has been performed during the months of April and May 2021 and updated October 2021.

### 2. PURPOSE OF THE REPORT

The purpose of this report was to prepare a third party independent appraisal of the oil and gas reserves and resources other than reserves owned by Zenith Energy Ltd. for the Company's financial planning.

The values in this report do not include the tangible value of the physical facilities on this property.

### 3. USE OF THE REPORT

The report is intended to support a filing on the London Stock Exchange and for annual corporate requirements and financial planning.

### 4. SCOPE OF THE REPORT

#### 4.1 Methodology

The evaluation of the reserves and resources of these properties included in the report has been conducted under a discounted cash flow (DCF) analysis of estimated future net revenue, which is the principal tool for estimating oil and gas property values and supporting capital investment decisions. In the case of the resources other than reserves, the DCF analysis was further subjected to an "Expected Value" risk analysis for determining the after risk value.

#### 4.2 Land Survey System

This block description is defined in the Concession agreement.

#### 4.3 Economics

The economics presentation and methodology are presented in the Discussion of the report.

#### 4.4 Barrels of Oil Equivalent

If at any time in this report reference is made to "Barrels of Oil Equivalent" (BOE), the conversion used is 6 Mscf : 1 STB (6 Mcf : 1 bbl).

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the well head.

#### 4.5 Environmental Liabilities

We have been advised by the Company that they are in material compliance with all Environmental Laws and do not have any Environmental Claims pending, as demonstrated in the Representation Letter attached.

### 5. BASIS OF REPORT

#### 5.1 Sources of Information

Sources of the data used in the preparation of this report are as follows:

- i) Ownership terms have been derived from information provided by the Company.
- ii) Production data is acquired from information provided by the Company.
- iii) Operating Costs are based on historical information presented on the corporate presentation;
- iv) Price differentials are derived from posted world prices for various basins and instructions from the Company
- v) Timing of Development Plans and Capital estimates have been derived from the vendors corporate presentation and our best judgement.

## 5.2 **Product Prices**

Chapman Petroleum Engineering Ltd. conducts continual surveillance and monitoring on a number of Benchmark product prices both locally and internationally. Based on historical data, current conditions and our view of the relevant political and economic trends, we independently prepare oil, gas and by-product price forecasts including predictions for the near term (first few years) with 2 percent escalation thereafter.

In establishing our forecasts we also consider input from operating companies, consulting firms, oil & gas marketing companies and financial institutions. Our forecasts are updated quarterly and the latest one prior to the effective date would generally be used. The forecast used for this report is presented as an attachment to this Introduction.

The Benchmark Oil Par Price used for this evaluation is the Brent Crude Price and for natural gas the World Bank European gas price forecast has been used.

Any prices quoted in the property discussions reflect fully adjusted prices for crude quality, transportation, gas heating value and specific contractual arrangements.

## 5.3 **Product Sales Arrangement**

The Company does not have any "hedge" contracts in place at this time.

## 5.4 **Royalties**

This property is governed by a royalty and tax scheme as discussed in the body of the report.

## 5.5 **Capital Expenditures and Operating Costs**

Operating costs and capital expenditures have been based on historical experience and analogy where necessary and are expressed in current year dollars but for economic purposes are escalated at 2% per year after the current year.

## 5.6 **Income Tax Parameters**

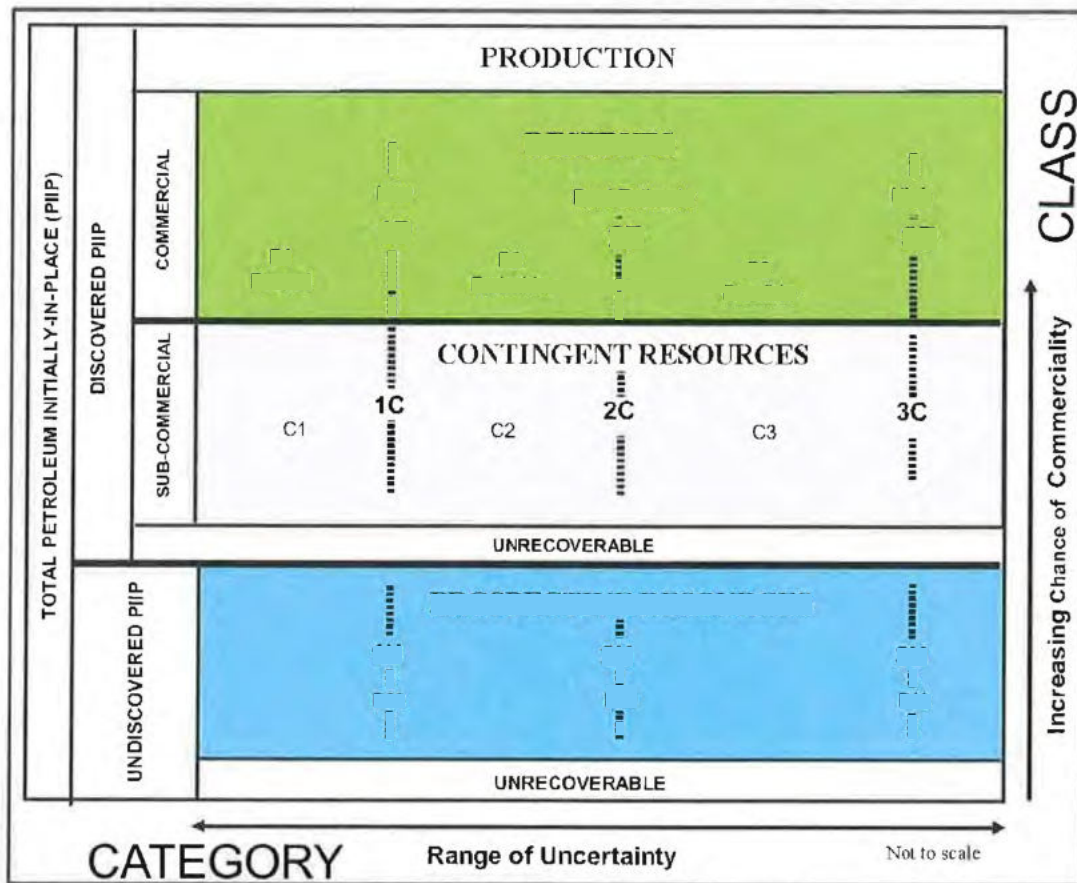
Income tax parameters are integral with the fiscal regime as discussed in the body of the report.

## 6. EVALUATION STANDARD USED

### 6.1 General

This evaluation and report preparation have been carried out in accordance with standards set out in the APEGA professional practice standard "The Canadian Oil and Gas Evaluation Handbook", 3<sup>rd</sup> Edition December 2018 ("COGEH"), prepared by the Calgary Chapter of the Society of Petroleum Evaluation Engineers (SPEE).

COGEH uses the SPE-PRMS (2018 Update) resource classification system shown in the below diagram.



By way of explanation, 'CLASS' forms the vertical axis of the PRMS diagram and represents the range of Chance of Commerciality. Likewise, 'CATEGORY' forms the horizontal axis and provides a measure of the uncertainty in estimates of the Resource Class.

Petroleum Initially-In-Place (PIIP) is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations with reference to the above diagram and is potentially producible. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources").

Discovered PIIP (equivalent to "discovered resources") is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The Discovered PIIP includes production, Reserves, and Contingent Resources; the remainder is unrecoverable.

Undiscovered PIIP (equivalent to "undiscovered resources") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "Prospective Resources", the remainder as "unrecoverable".

Unrecoverable is that portion of Discovered or Undiscovered PIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

## **6.2 Resource Definitions**

The following definitions have been extracted from COGEH and represent an overview of the resource definitions and evaluation criteria required for compliance with the Canadian Securities National Instrument 51-101. These definitions are considered to be compliant with the PRMS - 2018, in that they use the same primary nomenclature, principles and concepts.

### **6.2.1 Reserves**

The following Reserves definitions and guidelines are designed to assist evaluators in making Reserves estimates on a reasonably consistent basis and assist users of evaluation reports in understanding what such reports contain and, if necessary, in judging whether evaluators have followed generally accepted standards.





- c. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved + Probable + Possible Reserves.

#### DEVELOPMENT AND PRODUCTION STATUS

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories.

- a. Developed Reserves are those Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the Reserves on production. The developed category may be subdivided into producing and non-producing.
  - i. Developed Producing Reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
  - ii. Developed Non-Producing Reserves are those reserves that either have not been on production, or have previously been on production, but are shut-in and the date of resumption of production is unknown.
- b. Undeveloped Reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the Reserves classification (Proved, Probable, Possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool Reserves between the Developed and Undeveloped categories or to sub-divide the Developed Reserves for the pool between Developed Producing and Developed Non-Producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.



Contingencies may include economic, environmental, social and political factors, regulatory matters, a lack of markets or prolonged timetable for development. Contingent Resources have a Chance of Development that is less than certain.

Contingent resources are further categorized according to their level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

Project Maturity Sub-Classes are: Development Pending, Development on Hold, Development Unclassified and Development Not Viable, as demonstrated in the chart below (Section 6.3).

Reports on Contingent Resources must specify the level of maturity and usually include 1C, 2C and 3C estimates.

There is no certainty that it will be commercially viable to produce any portion of the Contingent Resources.

### **6.2.3 Prospective Resources**

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated Chance of Discovery and a Chance of Development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

The project maturity subclasses describe the stage of exploration and broadly correspond to chance of commerciality from in increasing order from "play" to "lead" to "prospect" as demonstrated in the chart below (Section 6.3).

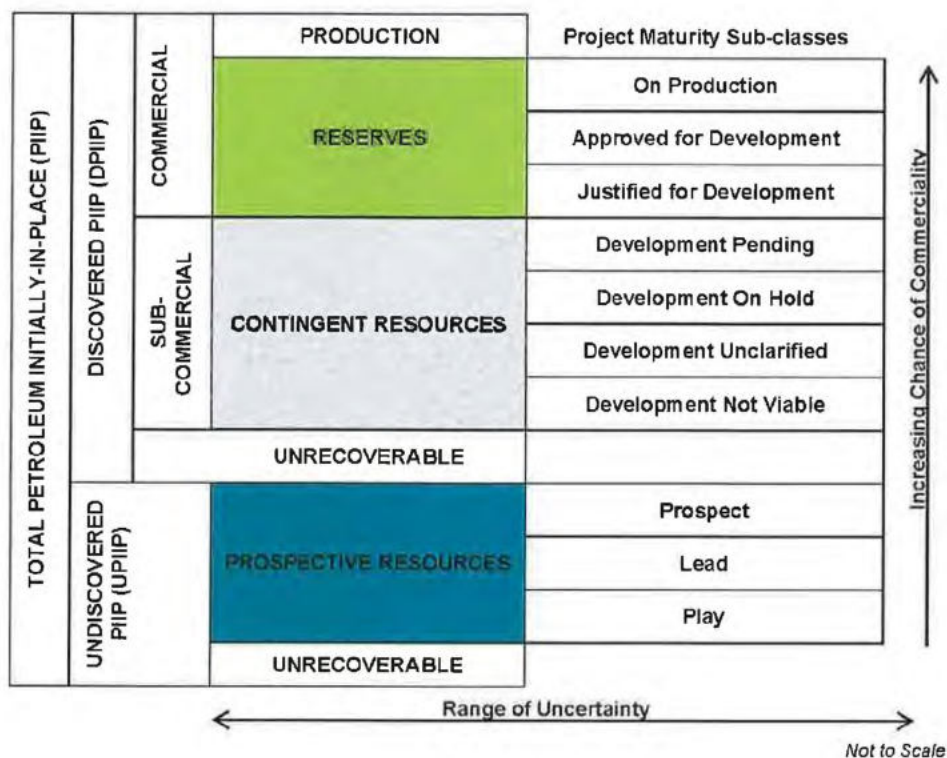
A "play" is a family of geologically similar fields, discoveries, prospects and leads. It would have the lowest chance of commerciality in these project maturity subclasses.

A "lead" is a potential accumulation within a play that requires more data acquisition and/or evaluation in order to be classified as a prospect.

A "prospect" is a potential accumulation within a play that is sufficiently well defined to represent a viable drilling target. A "prospect" would have the highest chance of commerciality.

There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

### 6.3 Project Maturity Sub-Classes



## 7. SITE VISIT

A personal field examination of these properties was not considered to be necessary because the data available from the Company's records and public sources were satisfactory for our purposes.

**Attachment 1**  
**CHAPMAN PETROLEUM ENGINEERING LTD.**  
**CRUDE OIL**  
**HISTORICAL, CONSTANT, CURRENT AND FUTURE PRICES**

October 1, 2021

Date	WTI [1] \$US/STB	Brent Spot (ICE)[2] \$US/STB	AB Synthetic Crude Price [3] \$CDN/STB	Western Canada Select [4] \$CDN/STB	Exchange Rate \$US/\$CDN
<b>HISTORICAL PRICES</b>					
2012	94.05	111.63	92.56	71.70	1.00
2013	97.98	108.56	100.17	75.76	0.97
2014	93.12	99.43	101.07	82.07	0.91
2015	48.69	53.32	62.17	46.23	0.78
2016	43.17	45.06	57.98	38.90	0.76
2017	50.86	54.75	67.75	49.63	0.77
2018	64.92	71.64	75.06	50.17	0.77
2019	57.00	64.11	75.28	57.86	0.75
2020	39.54	43.40	48.78	37.05	0.75
2021 9 mos.	64.80	67.56	79.76	65.47	0.80
<b>CONSTANT PRICES (The average of the first-day-of-the-month price for the preceding 12 months-SEC)</b>					
	<b>56.36</b>	<b>58.83</b>	<b>68.97</b>	<b>55.83</b>	<b>0.79</b>
<b>FORECAST PRICES</b>					
2021 3mos.	<b>75.50</b>	79.28	87.01	70.47	0.80
2022	<b>72.50</b>	76.13	83.26	67.44	0.80
2023	<b>69.50</b>	72.98	79.51	64.40	0.80
2024	<b>66.50</b>	69.83	75.76	61.36	0.80
2025	<b>67.83</b>	71.22	77.42	62.71	0.80
2026	<b>69.19</b>	72.65	79.11	64.08	0.80
2027	<b>70.57</b>	74.10	80.84	65.48	0.80
2028	<b>71.98</b>	75.58	82.61	66.91	0.80
2029	<b>73.42</b>	77.09	84.41	68.37	0.80
2030	<b>74.89</b>	78.63	86.24	69.86	0.80
2031	<b>76.39</b>	80.21	88.11	71.37	0.80
2032	<b>77.92</b>	81.81	90.02	72.92	0.80
2033	<b>79.47</b>	83.45	91.97	74.50	0.80
2034	<b>81.06</b>	85.12	93.96	76.11	0.80
2035	<b>82.68</b>	86.82	95.99	77.75	0.80
2036	<b>84.34</b>	88.55	98.05	79.42	0.80

**Escalated 2% thereafter**

- Notes:
- [1] West Texas Intermediate quality (D2/S2) crude (40API) landed in Cushing, Oklahoma.  
(Comparative WTI future oil prices are: \$US73.74/STB in 2021; \$US71.10/STB in 2022 and \$US64.66/STB in 2023)
  - [2] The Brent Spot price is estimated based on historic data.
  - [3] Equivalent price for Light Sweet Crude (D2/S2) & Synthetic Crude landed in Edmonton.
  - [4] Western Canada Select (20.5API), spot price for B.C., Alberta, Saskatchewan, and Manitoba.



**ZENITH ENERGY LTD.**

**COMPANY CONCESSIONS**

**TUNISIA**

**ORIENTATION MAP**

**OCT. 2021**

**JOB No. 6773**

**Chapman** Petroleum Engineering Ltd.



## EXECUTIVE SUMMARY

This Executive Summary presents an overview of the Company's properties and results of the evaluation and, in particular, addresses the information required by the European Securities and Markets Authority (ESMA), Section 132.

- (a) Details of the reserves being evaluated have been established under COGEH (NI 51-101) standards are presented with their associated net present values on the attached Table 1 in the Summary and repeated on Table 4 in the Discussion of each of the three properties in the report. The production and cash flow analyses are presented in Tables 4a, 4b and 4c, for the Proved Developed Producing and Proved Plus Probable Developed Producing and Proved Plus Probable Reserves, respectively, for each property.
- (b) The anticipated project life of these overall properties based on the established Proved Plus Probable Reserves also 15 to 20 years.
- (c) The Company owns a 45% working interest in the Ezzaouia Concession and a 100% working interest in the El Bibane and Robbana Concessions, which are located in the Jaffara Basin on coastal Tunisia Ezzaouia and Robbana, which are onshore and El Bibane, which is 18 km offshore. The El Bibane concession covers 56,340 acres (228 Km<sup>2</sup>), Ezzaouia covers 9884 acres (40 Km<sup>2</sup>) and Robbana covers 11,861 acres (48 km<sup>2</sup>). The combined fields contain eight active wells. The Block is governed under a fiscal regime, the terms of which are presented in Table 1 in the Discussion of each property.
- (d) These concessions are located onshore and offshore as described above, in a highly developed oil and gas region in Tunisia. The oil fields produce from the Cretaceous and Jurassic formations and are generally pipeline connected to major facilities for sales. Gas is used in the operations and in some cases reinjected, but once exploited can be marketed to a local electricity generation facility.
- (e) The results of this evaluation are based on facts and assumptions typical of this type of engagement. It should be noted that under COGEH Section 7.8.2 evaluations are conducted without consideration of the availability of capital for funding the scheduled development. The product price forecasts used for this evaluation, shown in Attachment 1, are based on history and analysis and reflect the industry consensus as of the effective date of the report, however variations may occur and the variations could be material.





Table 1  
Summary of Company Reserves and Economics  
Before Income Tax  
October 1, 2021  
Zenith Energy Ltd.  
Tunisian Properties

Description	Net To Appraised Interest										
							Cumulative Cash Flow (BIT) - M\$				
	Light Oil MSTB		Conventional Natural Gas MMscf		NGL Mbbbls						
	Gross	Net	Gross	Net	Gross	Net	Undisc.	Discounted at:			
							5%/year	10%/year	15%/year	20%/year	
Reserve Category											
PROVED											
Proved Developed Producing											
El Bibane	22	20	5,866	5,454	129	120	11,099	8,594	6,304	4,591	3,293
Ezzaouia	213	198	0	0	0	0	505	845	1,096	1,281	1,417
Total Proved Developed Producing	234	218	5,866	5,454	129	120	12,204	9,438	7,399	5,872	4,711
Total Proved	234	218	5,866	5,454	129	120	12,204	9,438	7,399	5,872	4,711
PROBABLE											
Probable Developed Producing (incremental)											
El Bibane	0	0	5,515	5,112	86	79	32,267	25,633	20,733	17,033	14,100
Ezzaouia	227	205	0	0	0	0	8,122	7,057	6,179	5,450	4,840
Total Probable Developed Producing	227	205	5,515	5,112	86	79	40,379	32,691	26,912	22,483	19,028
Probable Undeveloped											
Ezzaouia	2,858	2,586	0	0	0	0	129,649	92,054	68,240	52,409	41,437
Robbana	742	716	0	0	0	0	23,661	17,671	13,284	9,962	7,451
Total Probable Undeveloped	3,601	3,302	0	0	0	0	153,310	109,725	81,504	62,372	48,888
Total Probable	3,828	3,507	5,515	5,112	86	79	193,689	142,416	108,416	84,855	67,916
Total Proved Plus Probable	4,062	3,725	11,381	10,566	215	200	205,893	151,854	115,816	90,727	72,627
POSSIBLE											
El Bibane	0	0	5,690	5,205	89	81	32,301	25,591	20,645	16,923	14,069
Robbana	281	264	0	0	0	0	15,725	11,699	8,964	7,049	5,670
Total Possible	281	264	5,690	5,205	89	81	48,026	37,290	29,609	23,972	19,739
Total Proved Plus Probable Plus Possible	4,343	3,989	17,071	15,770	304	281	253,918	189,144	145,425	114,699	92,365

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Reserves shown as "0" reflect a value of less than 0.5(MSTB)

Table 1T  
Summary of Company Reserves and Economics  
After Income Tax  
October 1, 2021  
Zanith Energy Ltd.  
Tunisian Properties

Description	Net To Appraised Interest										
							Cumulative Cash Flow (A/T) - M\$				
	Light Oil MSTB		Conventional Natural Gas MMscf		NGL Mmbbls		Discounted at:				
	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
<b>Reserve Category</b>											
<b>PROVED</b>											
<b>Proved Developed -Producing</b>											
El Bibane	22	20	5,866	5,454	129	120	5,850	3,950	2,555	1,520	743
Ezzaouia	213	198	0	0	0	0	252	416	529	606	657
<b>Total Proved Developed Producing</b>	<b>234</b>	<b>218</b>	<b>5,866</b>	<b>5,454</b>	<b>129</b>	<b>120</b>	<b>6,102</b>	<b>4,365</b>	<b>3,084</b>	<b>2,125</b>	<b>1,401</b>
<b>Total Proved</b>	<b>234</b>	<b>218</b>	<b>5,866</b>	<b>5,454</b>	<b>129</b>	<b>120</b>	<b>6,102</b>	<b>4,365</b>	<b>3,084</b>	<b>2,125</b>	<b>1,401</b>
<b>PROBABLE</b>											
<b>Probable Developed Producing (incremental)</b>											
El Bibane	0	0	5,515	5,112	86	79	18,123	12,817	10,367	8,517	7,094
Ezzaouia	227	205	0	0	0	0	4,061	3,416	2,896	2,475	2,130
<b>Total Probable Developed Producing</b>	<b>227</b>	<b>205</b>	<b>5,515</b>	<b>5,112</b>	<b>86</b>	<b>79</b>	<b>20,189</b>	<b>16,232</b>	<b>13,263</b>	<b>10,992</b>	<b>9,224</b>
<b>Probable Undeveloped</b>											
Ezzaouia	2,858	2,381	0	0	0	0	60,763	40,947	28,749	20,880	17,724
Robbana	742	716	0	0	0	0	11,830	8,103	5,456	3,548	2,155
<b>Total Probable Undeveloped</b>	<b>3,601</b>	<b>3,097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>72,594</b>	<b>49,050</b>	<b>34,205</b>	<b>24,427</b>	<b>19,879</b>
<b>Total Probable</b>	<b>3,828</b>	<b>3,302</b>	<b>5,515</b>	<b>5,112</b>	<b>86</b>	<b>79</b>	<b>92,783</b>	<b>65,282</b>	<b>47,468</b>	<b>35,419</b>	<b>29,103</b>
<b>Total Proved Plus Probable</b>	<b>4,062</b>	<b>3,520</b>	<b>11,381</b>	<b>10,565</b>	<b>215</b>	<b>200</b>	<b>98,885</b>	<b>69,647</b>	<b>50,552</b>	<b>37,545</b>	<b>30,503</b>
<b>POSSIBLE</b>											
El Bibane	0	0	5,690	5,205	89	81	16,150	12,795	10,323	8,482	7,034
Robbana	281	254	0	0	0	0	7,862	5,697	4,256	3,267	2,568
<b>Total Possible</b>	<b>281</b>	<b>254</b>	<b>5,690</b>	<b>5,205</b>	<b>89</b>	<b>81</b>	<b>24,013</b>	<b>18,492</b>	<b>14,579</b>	<b>11,729</b>	<b>9,603</b>
<b>Total Proved Plus Probable Plus Possible</b>	<b>4,343</b>	<b>3,784</b>	<b>17,071</b>	<b>15,770</b>	<b>304</b>	<b>281</b>	<b>122,898</b>	<b>88,140</b>	<b>65,131</b>	<b>49,274</b>	<b>40,106</b>

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Reserves shown as "0" reflect a value of less than 0.5(MSTB)

## EL BIBANE CONCESSION

### TUNISIA

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**EL BIBANE CONCESSION  
TUNISIA  
DISCUSSION**

**Property Description**

The Company owns a 100% working interest in the El Bibane Concession, in Tunisia. It is comprised of 56,340 acres of land (228 Km squared) and is located about 18 km offshore Tunisia in 25 feet of water depth. The Concession currently contains a total of three wells, including one oil/gas producer, which is under a gas cycling scheme, a gas injector and one suspended well. A number of former producers have been abandoned. The oil reserves from this reservoir are practically depleted and full gas cap blowdown is imminent, as discussed later.

Production is subject to a complex fiscal regime specifying the government royalties and taxes, which vary according to an "R" factor. The "R" factor is the ratio of accrued net revenue divided by the total accrued expenditures. The criteria for gas and oil are slightly different.

A map showing the Concession boundary and producing well locations is presented on Figure 1 and the description of the ownership and details of the fiscal regime is summarized on Table 1.

**Geology**

The Concession is within the Jaffara Basin, a WNW-ESE trending Permo-Triassic, extensional basin, which occupies a hinge-zone between the Palaeozoic Berfine/Ghandames Basin to the SSW and the Jurassic to Tertiary, Pelagian/Sabratia Basin to the NNE.

The El Bibane structure is a faulted four-way dip-controlled anticline. The producing reservoir on the concession is the Cretaceous (Albian) Zebbag carbonate, as shown on the Stratigraphic chart, Figure 2a. The Cretaceous Zebbag reservoir is the Lower Zebbag formation, a slightly calcareous dolomite, which contains a gas cap and an oil leg underlain by water. A depth structure map at the top of the Zebbag is presented on Figure 2b.

## Reserves

Total Proved Developed Producing Reserves of 22 MSTB of oil, 5,866 MMscf of marketable gas and 130 MBbls of condensate have been estimated for the Zebbag reservoir. These reserves have been based on the assumption of the continuation of the existing oil production from EBB-5 and gas cycling scheme with injection into EBB-4H, during 2021 and 2022, after which full gas cap blowdown would be initiated. A local market exists for the gas, as feedstock to a nearby electrical generation facility.

Incremental Probable and Possible gas and condensate reserves have been estimated for the recovery of the gas under various less certain scenarios. The original gas in place has been determined to be about 29,100 MMscf, of which 22,620 MMscf have been produced, (some of which may have been recycled gas). A volume of 18,810 MMscf has been reinjected, therefore only 3,810 MMscf have actually been removed from the reservoir, leaving about 25,290 MMscf currently in the reservoir.

To efficiently recover the gas in blowdown, two circumstances need to be considered. The gas has been reinjected downdip from the crest of the reservoir and water encroachment has been experienced during the cycling phase.

We have made conservative assumptions that for Proved reserves approximately 25% of the gas would be recovered producing both wells at a combined rate of 3,000 Mscf/d. Similarly, for the Probable reserves we have assumed that 50% of the gas would be recovered at a rate of 6,000Mscf/d add for Possible reserves 75% of the gas at 9,000 Mscf/d.

A summary of the Reserves is presented on Table 2 (two pages). The production forecasts for each case are demonstrated on Page One of the economic analysis, Tables 4a, 4b and 4c.

## Production

Current production from well EBB-5 is averaging 80 STB/d, and 6,000 Mscf/d of associated gas. The gas is being processed for condensate recovery at about 14 Bbls/MMscf and all the gas not used for operations is being reinjected into well EBB-4H.

Commencing in 2023 it has been assumed that full gas cap blowdown would commence, as discussed above.

### **Product Prices**

A 2021 blended oil/condensate price of \$81.28/STB has been used for this evaluation reflecting a premium of \$2.00/STB against the posted Brent crude price throughout the forecast, resulting from the high quality after blending with condensate. A gas price based on the World Bank European Forecast has been used, in the absence of more definitive information.

### **Capital Expenditures**

Total capital expenditures of \$8,000,000 have been estimated for the overall property, which includes well work related to the gas cap blowdown and gas facility upgrades.

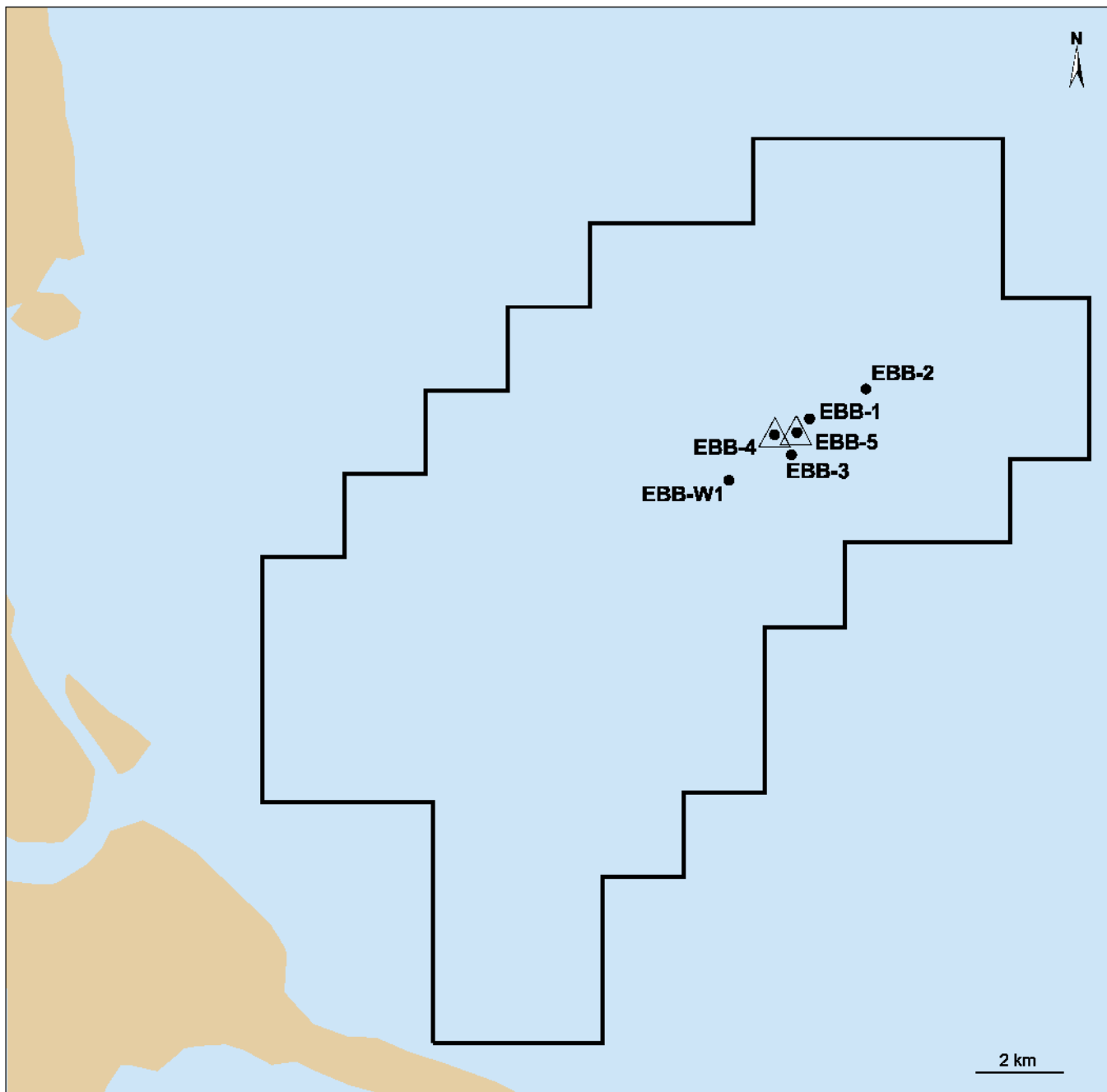
The capital expenditures are presented in Table 3a. Abandonment costs are summarized on Table 3b

### **Operating Costs**

Operating costs have been estimated to be \$1,750,000 per year and an additional \$120,000 per well per year (fixed) plus \$4.00/STB and \$0.50/Mscf (variable), based on our best judgement from information from other properties in the area.

### **Economics**

The results of the economic analysis are summarized in Table 4 and 4T for the before and after-tax cases respectively. The full economic analyses are presented in Table 4a, 4b and 4c, and have been presented in spread sheet format to allow for proper handling of the fiscal regime.



△ Producers

**ZENITH ENERGY LTD.**

**EL BIBANE CONCESSION**

**TUNISIA**

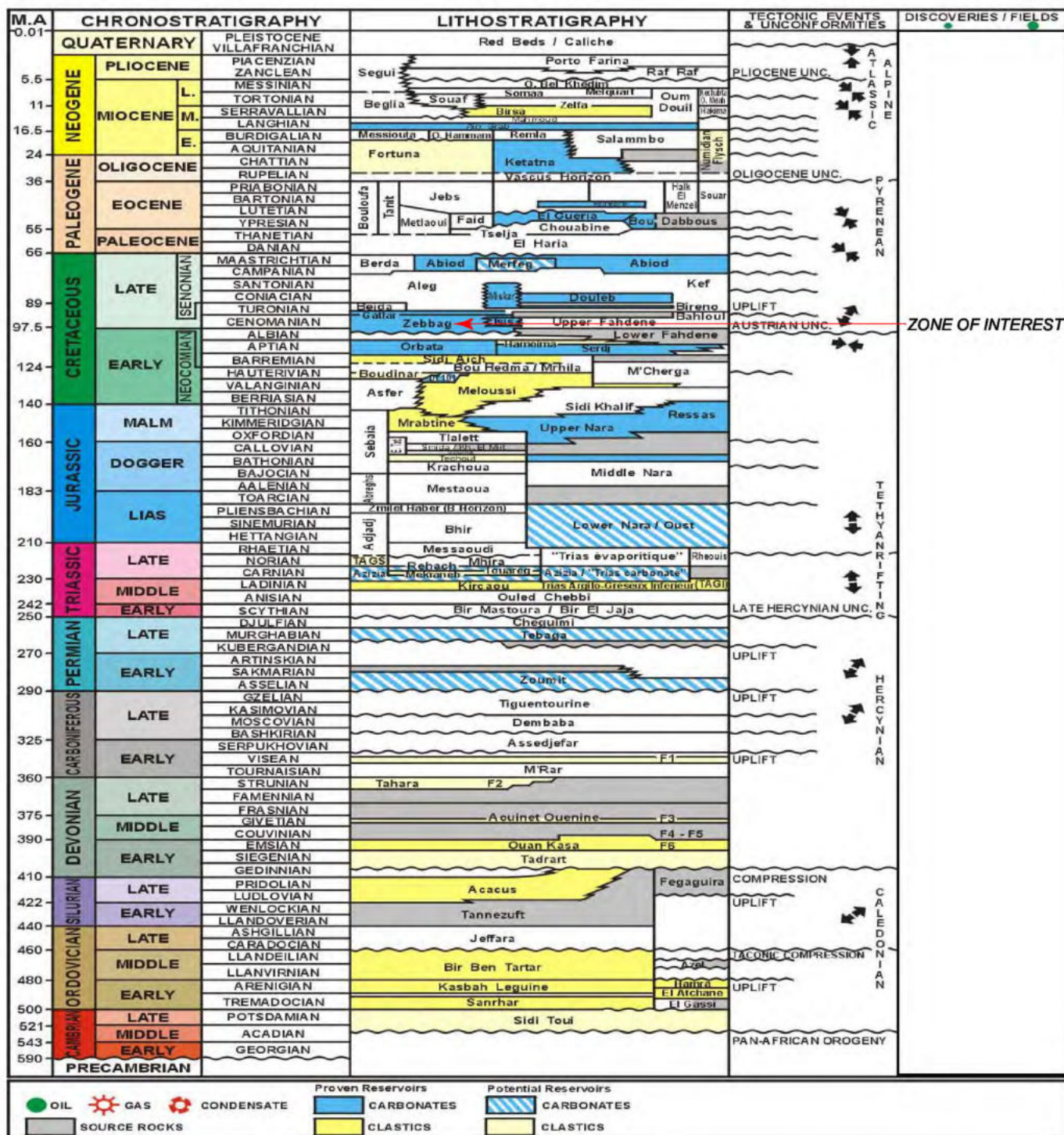
**LAND AND WELL MAP**

OCT. 2021

JOB No. 6773 FIGURE No. 1







Source: Candax Presentation, June 2019, p. 2

**ZENITH ENERGY LTD.**

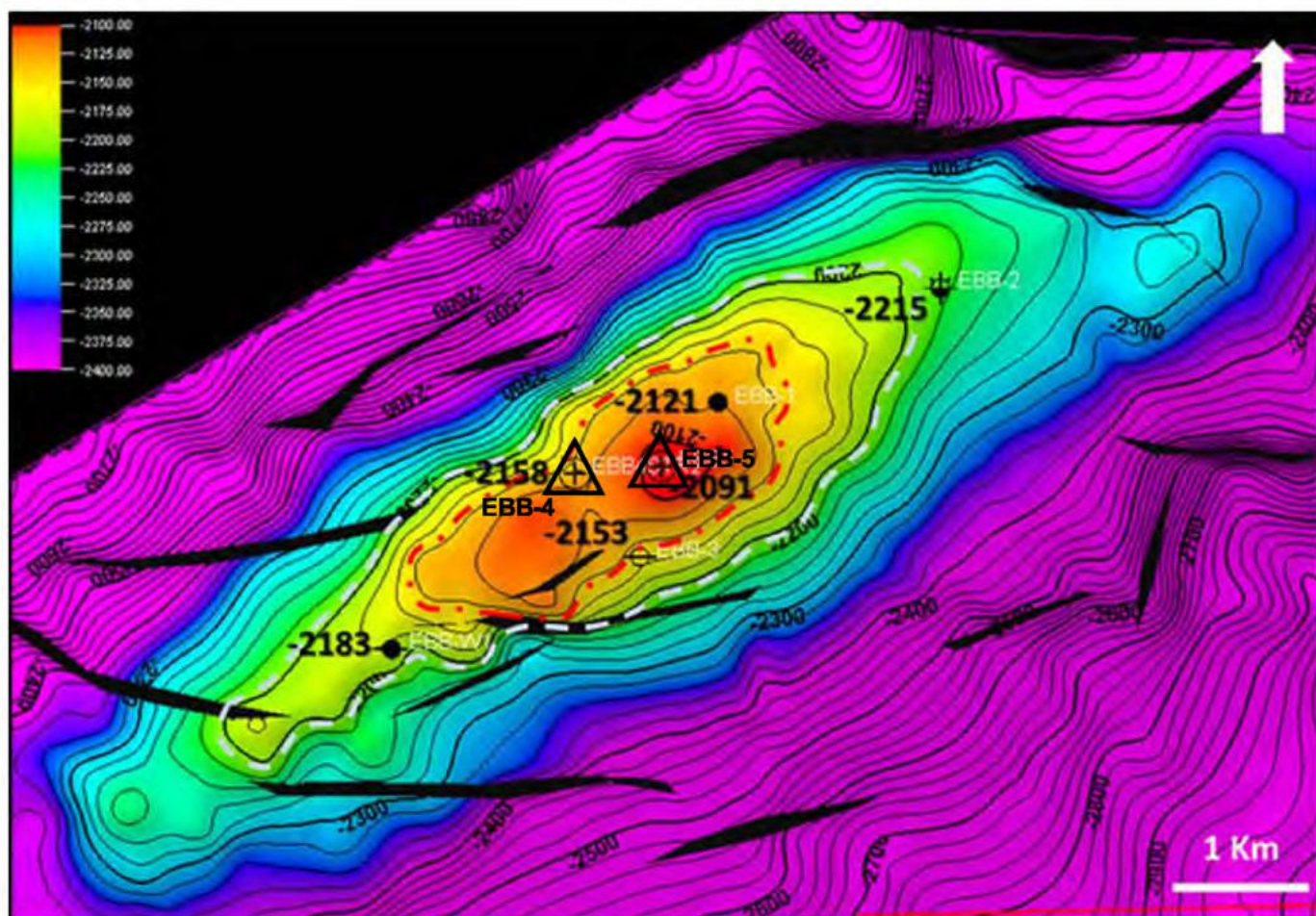
**EL BIBANE CONCESSION**

**TUNISIA**

**STRATIGRAPHIC CHART**

OCT. 2021      JOB No. 6773      FIGURE No. 2a





▲ Producers

**ZENITH ENERGY LTD.**

**EL BIBANE CONCESSION**  
TUNISIA

**STRUCTURAL CONTOUR  
DEPTH MAP ON ZEBBAG FM**  
C.I. = 20 m

OCT. 2021      JOB No. 6773      FIGURE No. 2b

Table 2

**Summary of Gross Reserves  
October 1, 2021**

**El Bibane Concession, Tunisia**

Description	Current or Initial Rate STB/d	API Gravity (Deg)	Ultimate Reserves (MSTB)	Cumulative Production (MSTB)	Reserves (MSTB)	Reference
<b><u>LIGHT &amp; MEDIUM OIL</u></b>						
<b><u>Proved Developed Producing</u></b>						
EBB-5                      Zebbag	80	38	3,137	3,115	22	Fig. 3a, Table 4a
<b>Total Proved Developed Producing</b>	<b>80</b>		<b>3,137</b>	<b>3,115</b>	<b>22</b>	
<b>Total Proved</b>			<b>3,137</b>	<b>3,115</b>	<b>22</b>	

Table 2

**Summary of Gross Resources  
October 1, 2021**

**El Bibane Concession, Tunisia**

Description		Predicted Initial Rate Mscf/d	Raw Gas (MMscf)	Sales Gas (MMscf)	NGLs (MBbls)	Reference
<b><u>Associated Gas</u></b>						
<b><u>Proved Developed Producing</u></b>						
Gas Cap Blowdown	Zebbag	3,000	6,517	5,866	130	
Total Proved Developed Producing			6,517	5,866	130	
<b><u>Probable (incremental)</u></b>						
Gas Cap Blowdown	Zebbag	3,000	6,128	5,515	86	
Total Probable			6,128	5,515	86	
<b><u>Possible (incremental)</u></b>						
Gas Cap Blowdown	Zebbag	3,000	6,322	5,690	89	
Total Possible			6,322	5,690	89	

Table 3a

**Summary of Anticipated Capital Expenditures  
Development**

**October 1, 2021  
Zenith Energy Ltd**

**El Bibane Concession, Tunisia**

<u>Description</u>	<u>Date</u>	<u>Operation</u>	<u>Capital Interest %</u>	<u>Gross Capital M\$</u>	<u>Net Capital M\$</u>
<b><u>Reserves (all cases)</u></b>					
Gas Cap Blowdown	2022	Equip EBB-5 and EBB-4H for gas production	100.0000	3,000	3,000
Gas Cap Blowdown	2023	Gas Facility Enhancement	100.0000	5,000	5,000
<b>Total Contingent Resources</b>				<b>8,000</b>	<b>8,000</b>

Note: **M\$ means thousands of dollars.**

The above capital values are expressed in terms of current dollar values without escalation.

**Table 3b**  
**Summary of Anticipated Capital Expenditures**  
**Abandonment and Restoration**

**October 1, 2021**

**Zenith Energy Ltd**

**El Bibane Concession, Tunisia**

<b>Description</b>	<b>Well Parameters</b>	<b>Capital Interest %</b>	<b>Gross Capital M\$</b>	<b>Net Capital M\$</b>
<b>Contingent Resources (all cases)</b>				
El Bibane Wells	Two producing gas wells	100.0000	1,000	1,000
Inactive wells	One inactive well	100.0000	500	500
<b>Total Proved Developed Producing</b>			<b>1,500</b>	<b>1,500</b>

Note: **M\$ means thousands of dollars.**

The above capital values are expressed in terms of current dollar values without escalation.

Table 4  
Summary of Company Reserves and Economics  
Before Income Tax  
October 1, 2021  
Zenith Energy Ltd.  
El Bibane Concession, Tunisia

Description		Net To Appraised Interest										
								Cumulative Cash Flow (BIT) - M\$				
								Discounted at:				
		Light Oil MSTB		Conventional Natural Gas MMscf		NGL Mbbbls						
Gross	Net	Gross	Net	Gross	Net							
Reserve Category	Formation Name											
PROVED												
Proved Developed Producing												
Oil Production/Gas Cap Blowdown	Zebbag	22	20	5,866	5,454	129	120	11,699	8,594	6,304	4,591	3,293
Total Proved Developed Producing		22	20	5,866	5,454	129	120	11,699	8,594	6,304	4,591	3,293
PROBABLE												
Probable Developed Producing (incremental)												
Oil Production/Gas Cap Blowdown	Zebbag	0	0	5,515	5,112	86	79	32,257	25,633	20,733	17,033	14,188
Total Probable Developed Producing		0	0	5,515	5,112	86	79	32,257	25,633	20,733	17,033	14,188
Total Proved Plus Probable Developed Producing		22	20	11,381	10,565	215	200	43,956	34,227	27,037	21,624	17,481
POSSIBLE												
Possible Developed Producing (incremental)												
Oil Production/Gas Cap Blowdown	Zebbag	0	0	5,690	5,205	89	81	32,301	25,591	20,645	16,923	14,069
Total Possible Developed Producing		0	0	5,690	5,205	89	81	32,301	25,591	20,645	16,923	14,069
Total Proved Plus Probable Plus Possible		22	20	17,071	15,770	304	281	76,257	59,818	47,682	38,547	31,550

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Reserves shown as "0" reflect a value of less than 0.5(MSTB/MMscf/M





## Production and Capital Forecast - Proved Producing Reserves

Gas Cap Blowdown											
Year	Days On	Well Count	Oil Production		Total Gas Production		Condensate		Capital Expenditures - M\$		
			STB/d	STB/yr	Mscf/d	Mscf/yr	Bbl/MMscf	Bbl/yr	Enhancement	Well Work	Total Capital (Escalated)
2021	90	2	80.0	7,200	6,000	543,000	14	7,560	0	0	0
2022	365	2	40.0	14,600	6,000	2,190,000	14	30,660	5000	3000	8160
2023	365	2	Blowdown phase (EBB-5 & EBB-4H)		3,000	1,095,000	14	15,330	0	0	0
2024	365	2			3,000	1,095,000	14	15,330	0	0	0
2025	365	2			3,000	1,095,000	14	15,330	0	0	0
2026	365	2			3,000	1,095,000	14	15,330	0	0	0
2027	365	2			2,400	876,000	14	12,264	0	0	0
2028	365	2			1,920	700,800	14	9,811	0	0	0
2029	365	2			1,536	560,640	14	7,849	0	0	0
2030									0	0	0
2031									0	0	0
2032									0	0	0
2033									0	0	0
2034									0	0	0
2035									0	0	0
2036									0	0	0
2037									0	0	0
2038									0	0	0
2039									0	0	0
2040									0	0	0
2041									0	0	0
2042									0	0	0
2043									0	0	0
2044									0	0	0
2045									0	0	0
Later decline rate			21,800.0		6,517,440		129,464		5,000	3,000	8,160
			20%				5000		1500		
									1	2	
									2021		
									2022		
									2023		
									2024		
									2025		
									2026		
									2027		





Table 4a, Page 3  
**Zenith Energy Ltd**  
**El Bibane - Zebbag Gas Cap Blowdown**  
**October 1, 2021**

**Production Streams, Revenues and Cash Flows - Proved Producing Reserves**  
**After Income Tax**

#REF1	Company Working Interest		Net operating Income	Net Capital	Abandon & Reclaim	Capital Depreciation - Straight Line - 20%		Capital Deduction	Net Taxable Income	Tax Rate	Tax Payable	After Tax Cash flow	Company Share Discounted @				
	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	%	M\$/yr.	M\$/yr.	5%	10%	15%	20%	M\$
2021	127	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$127	50%	\$64	\$64	63	62	61	60	\$0
2022	1,421	\$8,160	\$0	\$0	\$0	\$1,632	\$1,632	\$1,632	(\$211)	50%	(\$106)	(\$6,634)	-6,217	-5,844	-5,508	-5,205	\$0
2023	3,561	\$0	\$0	\$0	\$0	\$1,632	\$1,632	\$1,632	\$1,929	50%	\$955	\$2,597	2,318	2,080	1,875	1,698	\$0
2024	3,555	\$0	\$0	\$0	\$0	\$1,632	\$1,632	\$1,632	\$1,923	50%	\$962	\$2,594	2,205	1,889	1,629	1,413	\$0
2025	3,613	\$0	\$0	\$0	\$0	\$1,632	\$1,632	\$1,632	\$1,981	50%	\$991	\$2,623	2,123	1,736	1,432	1,191	\$0
2026	3,633	\$0	\$0	\$0	\$0	\$1,632	\$1,632	\$1,632	\$2,001	50%	\$1,001	\$2,633	2,030	1,584	1,250	996	\$0
2027	2,474	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,474	50%	\$1,237	\$1,237	908	677	511	390	\$0
2028	1,756	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,756	50%	\$878	\$878	614	437	315	231	\$0
2029	1,216	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	(\$282)	50%	(\$141)	(\$141)	-94	-64	-44	-31	\$0
2030	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2031	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2032	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2033	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2034	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2035	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2036	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2037	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2038	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2039	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2040	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2041	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2042	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2043	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2044	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
2045	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0	\$0
<b>Totals</b>	<b>21,359</b>	<b>8,160</b>	<b>1,500</b>	<b>0</b>	<b>8,160</b>	<b>8,160</b>	<b>8,160</b>	<b>8,160</b>	<b>11,699</b>		<b>5,850</b>	<b>5,850</b>	<b>3,950</b>	<b>2,555</b>	<b>1,520</b>	<b>743</b>	

**Zenith Energy Ltd**  
**El Bihane - Zebbag Gas Cap Blowdown**  
**October 1, 2021**

**R Factor - Royalty Rate - Tax Rate - Depreciation, Proved Producing Reserves**

#REF1	Gross Revenue	Royalty	Corp Tax (Grossed Up)	Net Revenue	Cumulative Net Revenue	Operating Costs	Capital Costs	Total Expenditures	Cumulative Expenditures	R Factor	Royalty Rate	Tax Rate
	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$	#	%	%
2021	\$1,200	\$84	\$64	\$1,052	\$88,052	976	0	976	\$96,976	0.91	6%	50%
2022	\$3,336	\$212	(\$106)	\$3,429	\$91,481	1,868	8,160	10,028	\$107,004	0.85	6%	50%
2023	\$6,668	\$400	\$965	\$5,303	\$96,785	2,640	0	2,640	\$109,644	0.88	6%	50%
2024	\$6,718	\$403	\$962	\$5,354	\$102,138	2,693	0	2,693	\$112,337	0.91	6%	50%
2025	\$6,838	\$410	\$991	\$5,438	\$107,576	2,747	0	2,747	\$115,083	0.93	6%	50%
2026	\$6,919	\$415	\$1,001	\$5,503	\$113,079	2,802	0	2,802	\$117,885	0.96	6%	50%
2027	\$5,601	\$336	\$1,237	\$4,027	\$117,107	2,734	0	2,734	\$120,619	0.97	6%	50%
2028	\$4,333	\$272	\$878	\$3,383	\$120,490	2,460	0	2,460	\$123,079	0.98	6%	50%
2029	\$3,668	\$220	(\$141)	\$3,589	\$124,079	2,194	0	2,194	\$125,273	0.99	6%	50%
2030	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2031	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2032	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2033	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2034	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2035	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2036	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2037	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2038	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2039	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2040	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2041	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2042	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2043	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2044	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
2045	\$0	\$0	\$0	\$0	\$124,079	0	0	0	\$125,273	0.99	6%	50%
<b>Totals</b>	\$45,682	\$2,753	\$5,850	\$37,079	\$2,113	\$8,160	\$29,273	est	<b>\$96,000</b> Opening Balance	0.91	7%	50%
										Applies Subsequent Year		

## Production and Capital Forecast - Proved Plus Probable Producing Reserves

Gas Cap Bowdoin													
Oil Production				Total GAS Production			Condensate		Capital Expenditures - M\$				
Year	Days On	Well Count	STB/d	STB/yr	Mscf/d	Mscf/yr	Bbl/MNscf	Bbl/yr	Enhancement	Well Work	Total Capital (Escalated)		
2021	90	2	80.0	7,200	6,000	540,000	14	7,560	0	0	0		
2022	365	2	40.0	14,600	6,000	2,190,000	14	30,660	5000	3000	8160		
2023	365	2	Blowdown phase (EBB-S & EBB-4H)			6,000	2,190,000	14	30,660	0	0		
2024	365	2			6,000	2,190,000	14	30,660	0	0	0		
2025	365	2			6,000	2,190,000	14	30,660	0	0	0		
2026	365	2			6,000	2,190,000	14	30,660	0	0	0		
2027	365	2			4,556	1,663,059	14	23,283	0	0	0		
2028	365	2			3,460	1,262,906	14	17,681	0	0	0		
2029	365	2			2,627	959,035	14	13,426	0	0	0		
2030									0	0	0		
2031									0	0	0		
2032									0	0	0		
2033									0	0	0		
2034									0	0	0		
2035									0	0	0		
2036									0	0	0		
2037									0	0	0		
2038									0	0	0		
2039									0	0	0		
2040									0	0	0		
2041									0	0	0		
2042									0	0	0		
2043									0	0	0		
2044									0	0	0		
2045									0	0	0		
Later decline rate							24%	21,800.0	12,645,000	215,250	5,000	3,000	8,160
										5000	1500		
										1	2		
										2021			
										2022			
										2023			
										2024			
										2025			
										2026			
										2027			

Table 4b, Page 2

**Zenith Energy Ltd**  
**Bibane - Zebbug Gas Cap Blowdown**  
**October 1, 2021**

**Production Streams, Revenues and Cash Flows - Proved Plus Probable Producing Reserves**

**Before Income Tax**

Year	Gross Oil Sales \$B/yr	Gross Gas Production Mscf/yr	Gross Gas Sales Mscf/yr	Gross Condensate Sales Bbls/yr	Oil/Condensate Price \$/Bbl	Gas Price \$/Mscf	Gross Revenue M\$/yr	Royalty Rate %	Royalty M\$/yr	Export Payment \$/yr	Fixed M\$/yr	Variable - oil M\$/yr	Variable - gas M\$/yr	Total (Excl'd)
2021	7,200	540,000	0	7,560	\$81.28	\$5.50	\$1,200	7%	\$84	\$12	\$78	29	270	976
2022	14,800	2,190,000	0	30,660	\$78.13	\$5.60	\$3,536	6%	\$212	\$35	\$79	58	1,095	1,868
2023	0	2,190,000	1,871,000	30,660	\$74.98	\$5.60	\$13,396	6%	\$800	\$133	1,990	0	1,095	3,210
2024	0	2,190,000	1,871,000	30,660	\$71.83	\$5.70	\$13,437	6%	\$806	\$134	1,990	0	1,095	3,274
2025	0	2,190,000	1,871,000	30,660	\$68.60	\$5.80	\$13,677	6%	\$821	\$137	1,990	0	1,095	3,339
2026	0	2,190,000	1,871,000	30,660	\$65.86	\$5.86	\$13,839	6%	\$830	\$138	1,990	0	1,095	3,406
2027	0	1,863,059	1,496,763	23,283	\$62.92	\$5.92	\$10,633	6%	\$636	\$106	1,990	0	832	\$1,178
2028	0	1,262,906	1,136,615	17,687	\$5.98	\$5.98	\$8,169	6%	\$490	\$82	1,791	0	63	2,763
2029	0	959,035	863,132	13,426	\$6.04	\$5.04	\$6,275	8%	\$502	\$63	1,592	0	480	2,427
2030	0	0	0	0	\$6.10	\$6.03	\$0	8%	\$0	\$0	0	0	0	0
2031	0	0	0	0	\$6.18	\$6.21	\$0	8%	\$0	\$0	0	0	0	0
2032	0	0	0	0	\$6.26	\$6.31	\$0	8%	\$0	\$0	0	0	0	0
2033	0	0	0	0	\$6.34	\$6.45	\$0	8%	\$0	\$0	0	0	0	0
2034	0	0	0	0	\$6.42	\$6.72	\$0	8%	\$0	\$0	0	0	0	0
2035	0	0	0	0	\$6.50	\$6.82	\$0	8%	\$0	\$0	0	0	0	0
2036	0	0	0	0	\$6.58	\$9.55	\$0	8%	\$0	\$0	0	0	0	0
2037	0	0	0	0	\$6.77	\$9.33	\$0	8%	\$0	\$0	0	0	0	0
2038	0	0	0	0	\$6.84	\$9.13	\$0	8%	\$0	\$0	0	0	0	0
2039	0	0	0	0	\$6.98	\$9.98	\$0	8%	\$0	\$0	0	0	0	0
2040	0	0	0	0	\$7.12	\$7.85	\$0	8%	\$0	\$0	0	0	0	0
2041	0	0	0	0	\$7.26	\$9.77	\$0	8%	\$0	\$0	0	0	0	0
2042	0	0	0	0	\$7.41	\$10.73	\$0	8%	\$0	\$0	0	0	0	0
2043	0	0	0	0	\$7.56	\$103.72	\$0	8%	\$0	\$0	0	0	0	0
2044	0	0	0	0	\$7.71	\$105.76	\$0	8%	\$0	\$0	0	0	0	0
2045	0	0	0	0	\$7.86	\$107.83	\$0	8%	\$0	\$0	0	0	0	0
<b>Totals</b>	<b>21,800</b>	<b>12,645,000</b>	<b>11,380,500</b>	<b>215,250</b>	<b>\$81.01</b>	<b>\$5.184</b>	<b>\$84,101</b>		<b>\$5,184</b>	<b>\$841</b>	<b>\$14,688</b>	<b>\$87</b>	<b>\$7,688</b>	<b>\$24,460</b>
<b>Company Gross</b>	<b>21,800</b>		<b>11,380,500</b>	<b>215,250</b>			<b>\$84,101</b>		<b>\$5,184</b>	<b>\$841</b>	<b>\$14,688</b>	<b>\$87</b>	<b>\$7,687.50</b>	<b>\$24,460</b>
<b>Company Net</b>	<b>20,238</b>		<b>10,568,258</b>	<b>199,831</b>										

Shrinkage 1.0%

Price Differential \$0.00 \$2.00

1% 1,750 \$/STB \$/Mscf  
 \$120 M\$/well/yr

Table 4b, Page 2 continued

**Zenith Energy Ltd**  
**El Bihane - Zebbag Gas Cap Blowdown**  
**October 1, 2021**

**Production Streams, Revenues and Cash Flows - Proved Plus Probable Producing Reserves**

Before Income Tax															
Year	Project Undiscounted					Company's Share Undiscounted					Company Share Discounted @				
	Project Total Revenue Cash Flow M\$/yr.	Total Capital Costs M\$/yr.	Abandon & Reclamation M\$/yr.	Net Cash Flow (Profit) M\$/yr.	Net Cash Flow (Profit) M\$/yr.	5%	10%	15%	20%	M\$	M\$	M\$	M\$		
2021	127	0	0	127	127	0.33	125	123	122	120					
2022	1,421	8,160	0	-6,739	-6,739	1.33	-6,316	-5,937	-5,596	-5,288					
2023	9,193	0	0	9,193	9,193	2.33	8,205	7,362	6,638	6,011					
2024	9,222	0	0	9,222	9,222	3.33	7,839	6,714	5,791	5,025					
2025	9,380	0	0	9,380	9,380	4.33	7,594	6,208	5,121	4,259					
2026	9,464	0	0	9,464	9,464	5.33	7,297	5,694	4,493	3,581					
2027	6,711	0	0	6,711	6,711	6.33	4,928	3,671	2,770	2,116					
2028	4,814	0	0	4,814	4,814	7.33	3,367	2,394	1,728	1,265					
2029	3,283	0	1,500	1,783	1,783	8.33	1,188	806	557	391					
2030	0	0	0	0	0	9.33	0	0	0	0					
2031	0	0	0	0	0	10.33	0	0	0	0					
2032	0	0	0	0	0	11.33	0	0	0	0					
2033	0	0	0	0	0	12.33	0	0	0	0					
2034	0	0	0	0	0	13.33	0	0	0	0					
2035	0	0	0	0	0	14.33	0	0	0	0					
2036	0	0	0	0	0	15.33	0	0	0	0					
2037	0	0	0	0	0	16.33	0	0	0	0					
2038	0	0	0	0	0	17.33	0	0	0	0					
2039	0	0	0	0	0	18.33	0	0	0	0					
2040	0	0	0	0	0	19.33	0	0	0	0					
2041	0	0	0	0	0	20.33	0	0	0	0					
2042	0	0	0	0	0	21.33	0	0	0	0					
2043	0	0	0	0	0	22.33	0	0	0	0					
2044	0	0	0	0	0	23.33	0	0	0	0					
2045	0	0	0	0	0	24.33	0	0	0	0					
Totals	53,616	8,160	1,500	43,956	43,956	34,227	27,037	21,624	17,481						
	53,616	8,160	1,500	43,956	43,956	100.0%									



Table 4b, Page 3

## Zenith Energy Ltd

## El Bibane - Zebbag Gas Cap Blowdown

October 1, 2021

## Production Streams, Revenues and Cash Flows - Proved Plus Probable Producing Reserves

## After Income tax

Company  
Working  
Interest

100.0%

#REF!	Net operating Income	Net Capital Income	Abandon & Reclaim	Capital Depreciation -		Capital Deduction	Net Taxable Income	Tax Rate	Tax Payable	After Tax Cash Flow	Company Share Discounted @			
	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	%	M\$/yr	M\$/yr	5%	10%	15%	20%
2021	127	\$0	\$0	\$0	\$0	\$0	\$127	50%	\$64	\$64	63	62	61	60
2022	1,421	\$8,160	\$0	\$0	\$1,632	\$1,632	(\$211)	50%	(\$106)	(\$6,634)	-6,217	-5,844	-5,508	-5,205
2023	9,193	\$0	\$0	\$0	\$1,632	\$1,632	\$7,561	50%	\$3,781	\$5,413	4,831	4,335	3,908	3,539
2024	9,222	\$0	\$0	\$0	\$1,632	\$1,632	\$7,590	50%	\$3,795	\$5,427	4,813	4,351	3,928	3,557
2025	9,380	\$0	\$0	\$0	\$1,632	\$1,632	\$7,748	50%	\$3,874	\$5,506	4,457	3,644	3,006	2,500
2026	9,464	\$0	\$0	\$0	\$1,632	\$1,632	\$7,832	50%	\$3,916	\$5,548	4,278	3,338	2,634	2,099
2027	6,711	\$0	\$0	\$0	\$0	\$0	\$6,711	50%	\$3,355	\$3,355	2,464	1,835	1,385	1,058
2028	4,814	\$0	\$0	\$0	\$0	\$0	\$4,814	50%	\$2,407	\$2,407	1,683	1,197	864	633
2029	3,283	\$0	\$1,500	\$0	\$0	\$0	\$1,783	50%	\$892	\$892	594	403	278	195
2030	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2031	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2032	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2033	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2034	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2035	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2036	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2037	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2038	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2039	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2040	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2041	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2042	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2043	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2044	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2045	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
Totals	53,616	8,160	1,500	0	8,160	8,160	43,956		21,978	21,978	16,766	12,922	10,036	7,837

**Zemth Energy Ltd**  
**El Bilane – Zebbag Gas Cap Blowdown**  
**October 1, 2021**

**R Factor – Royalty Rate – Tax Rate – Depreciation, Proved Plus Probable Producing Reserves**

#REF!	Gross Revenue	Royalty	Corp Tax (Grossed Up)	Net Revenue	Cumulative Net Revenue	Operating Costs	Capital Costs	Total Expenditures	Cumulative Expenditures	R Factor	Royalty Rate	Tax Rate
	M\$/yr.	M\$/yr.	M\$/yr.	M\$/yr.	M\$	M\$/yr.	M\$/yr.	M\$/yr.	M\$	#	%	%
2021	\$1,200	\$84	\$64	\$1,052	\$86,052	976	0	976	\$96,976	0.91	6%	50%
2022	\$3,536	\$212	(\$106)	\$3,429	\$91,481	1,868	8,160	10,028	\$107,004	0.85	6%	50%
2023	\$13,336	\$800	\$3,781	\$8,756	\$100,237	3,210	0	3,210	\$110,213	0.91	6%	50%
2024	\$13,437	\$806	\$3,795	\$8,835	\$109,072	3,274	0	3,274	\$113,487	0.96	6%	50%
2025	\$13,677	\$821	\$3,874	\$8,982	\$118,054	3,339	0	3,339	\$116,827	1.01	6%	50%
2026	\$13,839	\$830	\$3,916	\$9,092	\$127,147	3,406	0	3,406	\$120,233	1.06	6%	50%
2027	\$10,633	\$636	\$3,355	\$6,639	\$133,786	3,178	0	3,178	\$123,410	1.08	6%	50%
2028	\$8,169	\$490	\$2,407	\$5,271	\$139,057	2,783	0	2,783	\$126,193	1.10	6%	50%
2029	\$6,275	\$502	\$892	\$4,982	\$143,939	2,427	0	2,427	\$128,620	1.12	8%	50%
2030	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2031	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2032	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2033	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2034	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2035	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2036	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2037	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2038	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2039	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2040	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2041	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2042	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2043	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2044	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
2045	\$0	\$0	\$0	\$0	\$143,939	0	0	0	\$128,620	1.12	8%	50%
<b>Totals</b>	\$84,101	\$5,184	\$21,978	\$56,939	est	\$24,460	\$8,160	\$32,620	est	0.91	7%	50%
										Applies Subsequent Year		
										Opening Balance		
										\$87,000		
										Opening Balance		
										\$96,000		



Table 4c, Page 2

**Zenith Energy Ltd**  
**El Hilbane - Zabbiag Gas Cap Blowdown**  
**October 1, 2021**

**Production Streams, Revenues and Cash Flows - 3P Producing Reserves**  
**Before Income Tax**

Year	Gross Oil Sales STB/Yr	Gross Gas Production Mscf/Yr	Gross Gas Sales Mscf/Yr	Gross Condensate Sales Bbls/Yr	Gas Price \$/Mscf	Oil/Condensate Price \$/Bbl	Gross Revenue M\$/Yr	Royalty Rate %	Royalty M\$/Yr	Export Payment \$/Yr	Operating Costs - M\$/Yr			Total (Escalated)
											Fixed	Variable - oil	Variable - gas	
2021	7,200	540,000	0	7,560	\$5.50	\$79.28	\$1,170	7%	\$82	\$12	678	29	270	976
2022	4,500	2,190,000	0	30,660	\$5.60	\$78.13	\$3,536	6%	\$212	\$35	678	58	1,085	1,868
2023	0	3,285,000	2,956,500	45,990	\$5.60	\$72.98	\$19,913	6%	\$1,195	\$199	990	0	1,643	3,779
2024	0	3,285,000	2,956,500	45,990	\$5.70	\$69.83	\$20,063	6%	\$1,204	\$201	990	0	1,643	3,855
2025	0	3,285,000	2,956,500	45,990	\$5.80	\$71.22	\$20,423	6%	\$1,225	\$204	990	0	1,643	3,932
2026	0	3,285,000	2,956,500	45,990	\$5.86	\$72.65	\$20,666	6%	\$1,240	\$207	990	0	1,643	4,011
2027	0	2,494,588	2,245,129	34,924	\$5.92	\$74.10	\$15,879	8%	\$1,270	\$150	990	0	1,247	3,646
2028	0	1,894,359	1,704,923	26,521	\$5.96	\$75.58	\$12,200	8%	\$976	\$122	1,791	0	947	3,145
2029	0	1,438,553	1,294,697	20,140	\$6.04	\$77.09	\$9,373	8%	\$750	\$94	1,592	0	719	2,708
2030	0	0	0	0	\$6.10	\$78.63	\$0	8%	\$0	\$0	0	0	0	0
2031	0	0	0	0	\$6.16	\$80.21	\$0	8%	\$0	\$0	0	0	0	0
2032	0	0	0	0	\$6.28	\$81.81	\$0	8%	\$0	\$0	0	0	0	0
2033	0	0	0	0	\$6.34	\$83.45	\$0	8%	\$0	\$0	0	0	0	0
2034	0	0	0	0	\$6.42	\$85.12	\$0	8%	\$0	\$0	0	0	0	0
2035	0	0	0	0	\$6.50	\$86.82	\$0	8%	\$0	\$0	0	0	0	0
2036	0	0	0	0	\$6.58	\$88.55	\$0	8%	\$0	\$0	0	0	0	0
2037	0	0	0	0	\$6.71	\$90.33	\$0	8%	\$0	\$0	0	0	0	0
2038	0	0	0	0	\$6.84	\$92.13	\$0	8%	\$0	\$0	0	0	0	0
2039	0	0	0	0	\$6.96	\$93.98	\$0	8%	\$0	\$0	0	0	0	0
2040	0	0	0	0	\$7.12	\$95.95	\$0	8%	\$0	\$0	0	0	0	0
2041	0	0	0	0	\$7.26	\$97.77	\$0	8%	\$0	\$0	0	0	0	0
2042	0	0	0	0	\$7.41	\$99.73	\$0	8%	\$0	\$0	0	0	0	0
2043	0	0	0	0	\$7.56	\$101.72	\$0	8%	\$0	\$0	0	0	0	0
2044	0	0	0	0	\$7.71	\$103.76	\$0	8%	\$0	\$0	0	0	0	0
2045	0	0	0	0	\$7.86	\$105.83	\$0	8%	\$0	\$0	0	0	0	0
<b>Total</b>	<b>21,800</b>	<b>18,967,500</b>	<b>17,070,750</b>	<b>303,765</b>			<b>\$23,223</b>		<b>\$8,154</b>	<b>\$1,232</b>	<b>\$14,688</b>	<b>\$97</b>	<b>\$10,649</b>	<b>\$27,919</b>
<b>Company Gross</b>	<b>21,800</b>		<b>17,070,750</b>	<b>303,765</b>			<b>\$123,223</b>		<b>\$8,154</b>	<b>\$1,232</b>	<b>\$14,688</b>	<b>\$87</b>	<b>\$10,648.75</b>	<b>\$27,919</b>
<b>Company Net</b>	<b>20,139</b>		<b>15,770,408</b>	<b>280,626</b>										

Shrinkage 10%

Price Differential \$0.00

1% 1,750 \$4.00 \$0.50  
 M\$/Yr \$/STB \$/Mscf  
 \$120  
 M\$/well/yr

Table 4c, Page 2 continued

**Zenith Energy Ltd**  
**El Bibane - Zebbag Gas Cap Blowdown**  
**October 1, 2021**

**Production Streams, Revenues and Cash Flows - 3P Producing Reserves**

Year	Before Income Tax										World Bank Brent Crude	
	Project					Company's Share					\$/Mscf	\$/STB
	Project Total Revenue Cash Flow	Total Capital Costs	Abandon & Reclaim	Net Cash Flow (Profit)	Net Cash Flow (Profit)	Undiscounted	Company Share Discounted @	10%	15%	20%		
	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.	M\$/Yr.		
2021	100	0	0	100	100	0.33	99	97	96	94	5.50	79.28
2022	1,421	8,160	0	-6,739	-6,739	1.33	-6,316	-5,937	-5,596	-5,288	5.60	76.13
2023	14,739	0	0	14,739	14,739	2.39	13,156	11,804	10,643	9,638	5.60	72.98
2024	14,804	0	0	14,804	14,804	3.39	12,584	10,778	9,295	8,067	5.70	69.83
2025	15,062	0	0	15,062	15,062	4.39	12,193	9,969	8,223	6,839	5.80	71.22
2026	15,209	0	0	15,209	15,209	5.33	11,726	9,157	7,221	5,755	5.86	72.85
2027	10,804	0	0	10,804	10,804	6.33	7,933	5,910	4,460	3,407	5.92	74.10
2028	7,957	0	0	7,957	7,957	7.33	5,564	3,957	2,856	2,091	5.98	75.58
2029	5,821	0	1,500	4,321	4,321	8.33	2,878	1,953	1,349	946	6.04	77.09
2030	0	0	0	0	0	9.33	0	0	0	0	6.10	78.63
2031	0	0	0	0	0	10.33	0	0	0	0	6.18	80.21
2032	0	0	0	0	0	11.33	0	0	0	0	6.26	81.81
2033	0	0	0	0	0	12.33	0	0	0	0	6.34	83.45
2034	0	0	0	0	0	13.33	0	0	0	0	6.42	85.12
2035	0	0	0	0	0	14.33	0	0	0	0	6.50	86.82
2036	0	0	0	0	0	15.33	0	0	0	0	6.58	88.55
2037	0	0	0	0	0	16.33	0	0	0	0	6.71	90.33
2038	0	0	0	0	0	17.33	0	0	0	0	6.84	92.13
2039	0	0	0	0	0	18.33	0	0	0	0	6.98	93.98
2040	0	0	0	0	0	19.33	0	0	0	0	7.12	95.85
2041	0	0	0	0	0	20.33	0	0	0	0	7.26	97.77
2042	0	0	0	0	0	21.33	0	0	0	0	7.41	99.73
2043	0	0	0	0	0	22.33	0	0	0	0	7.56	101.72
2044	0	0	0	0	0	23.33	0	0	0	0	7.71	103.76
2045	0	0	0	0	0	24.33	0	0	0	0	7.86	105.83
<b>Totals</b>	<b>85,917</b>	<b>8,160</b>	<b>1,500</b>	<b>76,257</b>	<b>76,257</b>	<b>76,257</b>	<b>59,818</b>	<b>47,682</b>	<b>36,547</b>	<b>31,550</b>	<b>1.02</b>	<b>1.02</b>
	<b>85,917</b>	<b>8,160</b>	<b>1,500</b>	<b>76,257</b>	<b>76,257</b>	<b>100.0%</b>						

Table 4c, Page 3

## Zenith Energy Ltd

## El Bilane - Zebbag Gas Cap Blowdown

October 1, 2021

## Production Streams, Revenues and Cash Flows - 3P Producing Reserves

## After Income tax

Company  
Working  
Interest  
100.0%

#REF1	Net operating Income	Net Capital	Abandon & Reclaim	Capital Depreciation -		Capital Deduction	Net Taxable Income	Tax Rate	Tax Payable	After Tax Cash flow	Company Share Discounted @			
	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	M\$/yr	%	M\$/yr	M\$/yr	5%	10%	15%	20%
											M\$	M\$	M\$	M\$
2021	100	\$0	\$0	\$0	\$0	\$0	\$100	50%	\$50	\$50	49	49	48	47
2022	1,421	\$8,160	\$0	\$0	\$1,632	\$1,632	(\$211)	50%	(\$106)	(\$6,634)	-6,217	-5,844	-5,508	-5,205
2023	14,739	\$0	\$0	\$0	\$1,632	\$1,632	\$13,107	50%	\$6,554	\$8,186	7,306	6,556	5,911	5,353
2024	14,804	\$0	\$0	\$0	\$1,632	\$1,632	\$13,172	50%	\$6,566	\$8,218	6,886	5,983	5,160	4,478
2025	15,062	\$0	\$0	\$0	\$1,632	\$1,632	\$13,430	50%	\$6,715	\$8,347	6,757	5,524	4,557	3,790
2026	15,209	\$0	\$0	\$0	\$1,632	\$1,632	\$13,577	50%	\$6,788	\$8,420	6,492	5,067	3,998	3,186
2027	10,804	\$0	\$0	\$0	\$0	\$0	\$10,804	50%	\$5,402	\$5,402	3,967	2,955	2,230	1,704
2028	7,957	\$0	\$0	\$0	\$0	\$0	\$7,957	50%	\$3,978	\$3,978	2,782	1,978	1,428	1,045
2029	5,821	\$0	\$1,500	\$0	\$0	\$0	\$4,321	50%	\$2,161	\$2,161	1,439	977	674	473
2030	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2031	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2032	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2033	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2034	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2035	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2036	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2037	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2038	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2039	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2040	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2041	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2042	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2043	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2044	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2045	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
<b>Totals</b>	<b>85,917</b>	<b>8,160</b>	<b>1,500</b>	<b>0</b>	<b>8,160</b>	<b>8,160</b>	<b>76,257</b>		<b>38,128</b>	<b>38,128</b>	<b>29,562</b>	<b>23,244</b>	<b>18,498</b>	<b>14,871</b>

**Zenith Energy Ltd**  
**El Bilbane - Zabbag Gas Cap Blowdown**  
**October 1, 2021**

**R Factor - Royalty Rate - Tax Rate - Depreciation, 3P Producing Reserves**

#REF!	Gross Revenue	Royalty	Corp Tax (Grossed Up)	Net Revenue	Cumulative Net Revenue	Operating Costs	Capital Costs	Total Expenditures	Cumulative Expenditures	R Factor	Royalty Rate	Tax Rate
	M\$/yr.	M\$/yr.	M\$/yr.	M\$/yr.	M\$	M\$/yr.	M\$/yr.	M\$/yr.	M\$	#	%	%
2021	\$1,170	\$82	\$50	\$1,038	\$88,038	976	0	976	\$96,976	0.91	6%	50%
2022	\$3,536	\$212	(\$106)	\$3,429	\$91,467	1,868	\$,160	10,028	\$107,004	0.85	5%	50%
2023	\$19,913	\$1,195	\$6,554	\$12,164	\$103,631	3,779	0	3,779	\$110,783	0.94	6%	50%
2024	\$20,063	\$1,204	\$6,586	\$12,273	\$115,905	3,855	0	3,855	\$114,638	1.01	6%	50%
2025	\$20,423	\$1,225	\$6,715	\$12,483	\$128,388	3,932	0	3,932	\$118,570	1.08	6%	50%
2026	\$20,666	\$1,240	\$6,788	\$12,638	\$141,026	4,011	0	4,011	\$122,580	1.15	8%	50%
2027	\$15,879	\$1,270	\$5,402	\$9,207	\$150,232	3,646	0	3,646	\$126,226	1.19	8%	50%
2028	\$12,200	\$976	\$3,978	\$7,246	\$157,478	3,145	0	3,145	\$129,371	1.22	8%	50%
2029	\$9,373	\$750	\$2,161	\$6,462	\$163,940	2,708	0	2,708	\$132,079	1.24	8%	50%
2030	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2031	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2032	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2033	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2034	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	9%	50%
2035	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2036	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2037	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2038	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2039	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2040	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2041	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2042	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2043	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2044	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
2045	\$0	\$0	\$0	\$0	\$163,940	0	0	0	\$132,079	1.24	8%	50%
<b>Totals</b>	\$123,223	\$8,154	\$38,128	\$76,940	\$87,000	\$27,919	\$8,160	\$36,079	\$96,000	0.91	7%	50%
										Applies Subsequent Year		

1.0  
W Factor\$87,000  
Opening Balance\$96,000  
Opening Balance

## EZZAOUIA CONCESSION

### TUNISIA

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**EZZAOUIA CONCESSION  
TUNISIA  
DISCUSSION**

**Property Description**

The Company owns a 45% working interest in the Ezzaouia Concession, in Tunisia. It is comprised of 9,884 acres of land (40 Km squared) and is located onshore near the Gulf of Gabes, east of Djerba Island. The Concession contains a total of 16 wells, including four oil producers, two is shut-in, two water injectors and eight wells which are suspended.

Production is subject to a complex fiscal regime specifying the government royalties and taxes, which vary according to an "R" factor. The "R" factor is the ratio of accrued net revenue divided by the total accrued expenditures.

A map showing the Concession boundary and producing well locations is presented on Figure 1 and the description of the ownership and details of the fiscal regime is summarized on Table 1.

**Geology**

The Concession is within the Jeffara Basin, a WNW-ESE trending Permo-Triassic, extensional basin, which occupies a hinge-zone between the Palaeozoic Berfine/Ghandames Basin to the SSW and the Jurassic to Tertiary, Pelagian/Sabratah Basin to the NNE. There are two producing reservoirs on the concession, the Jurassic M'Rabine sand and the Cretaceous Zebbag carbonate, as shown on the Stratigraphic chart, Figure 2a.

The M'Rabine reservoir rock is composed of thin channel sands. The principle hydrocarbon bearing reservoirs are stacked delta distributory sand bodies, which can be subdivided into an upper interval (M1-M3 units) and a lower interval (M5-M6 units), separated by the middle M4 unit. In addition, the structure can be divided into several main and minor fault blocks, as shown on Figure 2b. Currently, three to four wells are producing from the M'Rabine and there is potential for additional development on this structure.

The Cretaceous Zebbag reservoir is a highly fractured, vugular dolomite, which is subdivided into four layers (Z1-Z4), all within the Middle Zabbag member. This reservoir is almost depleted due to water encroachment from below, with only the highest structural well still producing.

## **Reserves**

Total Proved Developed Producing Reserves of 472 MSTB of oil have been estimated for the four producing wells based on a conservative decline analysis of past production performance. Of this 64 MSTB have been estimated for the Zebbag zone, producing from well EZZ-10, and 408 MSTB for the M'Rabtime, producing from wells EZZ-1, 9 and 11.

Incremental Probable Developed Producing Reserves of 505 MSTB of oil have been estimated for the same wells plus well EZZ-17, which is scheduled for a pump repair, based on a best estimate decline analysis of past production performance.

Probable Undeveloped Reserves of 6,352 MSTB have been estimated for three additional wells to be drilled for production from the M'Rabtime zone. Well EZZ-18 will be a side-rack of the existing well, well EZZ-4 will be a redrill of the former well on that location and well EZZ-19 is a strategically located infill well.

A summary of the Reserves is presented on Table 2. Selected decline rates for each well and the starting point production rates are demonstrated on Page One of Tables 4a, 4b and 4c. The normalized production plot which has been used as the analog performance for the new drills is presented on Figure 4.

## **Production**

Current production from four wells is averaging 454 STB/d, the main production from well EZZ-11, at 265 STB/d. These rates are anticipated to continue their historical decline until the economic limit is reached. Forecasts of the production can be seen on Page One of each economic analysis files, Table 4a, 4b and 4c.

Initial rates, forecasts and timing of the undeveloped wells can be seen on Page One of Table 4c, the economic analysis for Proved Plus Probable reserves.

Production history graphs of the wells of interest are presented in Figures 3a through 3h.

### **Product Prices**

A 2021 oil price of 75.28 \$/STB has been used for this evaluation reflecting a discount of \$4.00/STB from the posted Brent crude price throughout the forecast.

### **Capital Expenditures**

Total capital expenditures of \$26,000,000 (\$11,700,000 net to the Company) have been estimated for the overall property, which includes a pump repair or replacement for EZZ-17 and three wells to be drilled plus some facility upgrades.

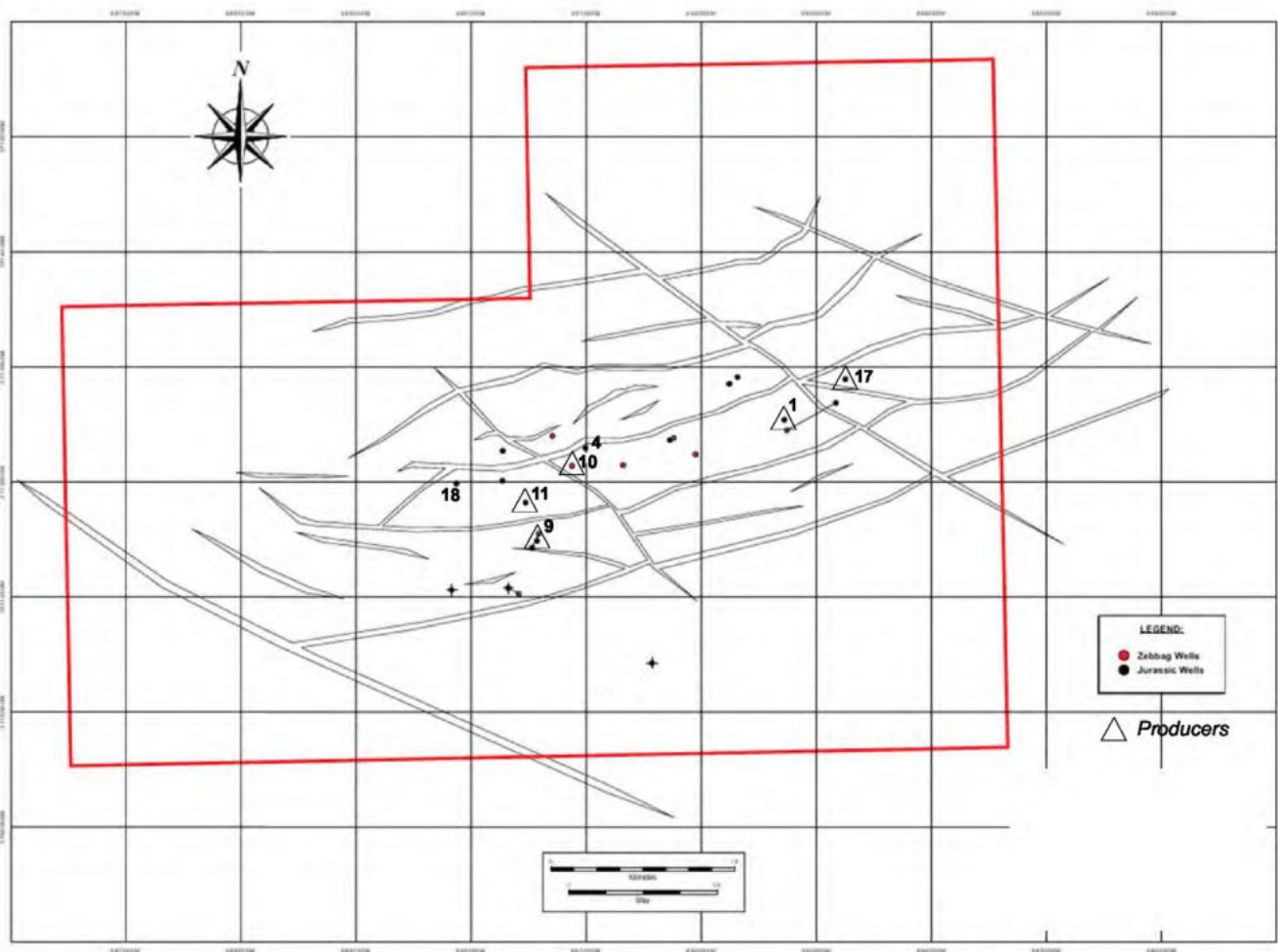
The capital expenditures scheduled for each case are presented in Table 3a. Abandonment costs are summarized on Table 3b

### **Operating Costs**

Operating costs have been estimated to be \$4,000,000 per year and an additional \$90,000 per well per year (fixed) plus \$4.00/STB (variable), based on historical and budget information provided by operator of the property.

### **Economics**

The results of the economic analysis are summarized in Table 4 and 4T for the before and after-tax cases respectively. The full economic analyses are presented in Table 4a, 4b and 4c, and have been presented in spread sheet format to allow for proper handling of the fiscal regime.



Source: Ryder Scott Company Petroleum Consultants, Candax Report 2013, p. 38, modified

**ZENITH ENERGY LTD.**

**EZZAOUIA CONCESSION**

**TUNISIA**

**LAND AND WELL MAP**

**OCT. 2021**

**JOB No. 6773 FIGURE No. 1**

Table 1

**Schedule of Lands, Interests and Royalty Burdens  
October 1, 2021**

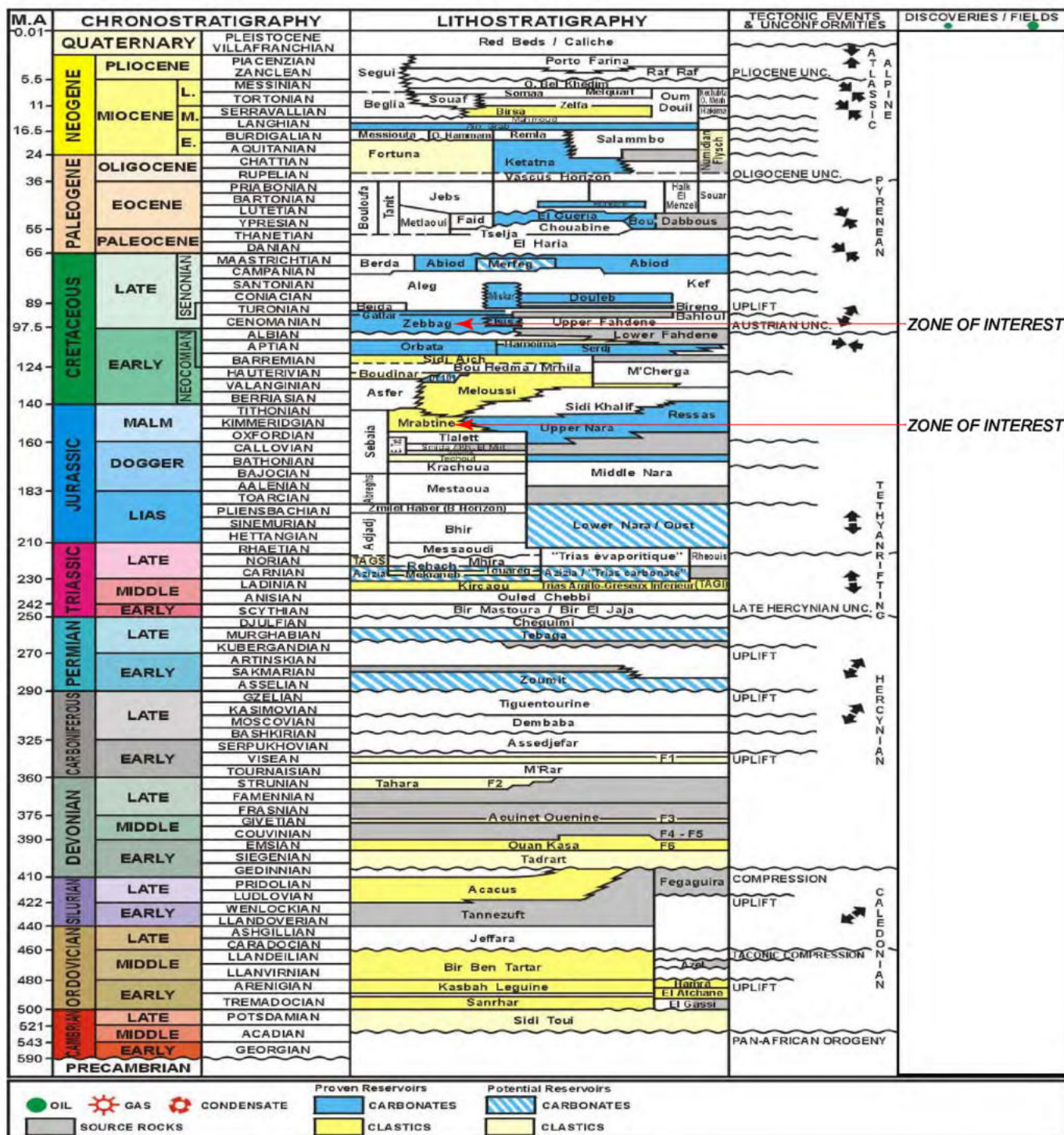
**Zenith Energy Ltd**

**Ezzaouia Concession, Tunisia**

<u>Description</u>	<u>Gross Acres</u>	<u>Appraised Interest</u>		<u>Royalty Burdens</u>	
		<u>Working %</u>	<u>Royalty %</u>	<u>Basic %</u>	<u>Overriding %</u>
Ezzaouia Concession	40 Km squared (9884 Acres)	45.0000	-	[1]	-

Note: [1] The royalty rate is determined by an "R" Factor, which is the ratio of accrued net earnings over the total accrued expenditures

Royalty Rate =	2%	When "R" Factor is	< 0.5
	5%		0.5 to 0.8
	7%		0.8 to 1.1
	10%		1.1 to 1.5
	12%		1.5 to 2.0
	14%		2.0 to 2.5
	15%		> 2.5



Source: Candax Presentation, June 2019, p. 2

**ZENITH ENERGY LTD.**

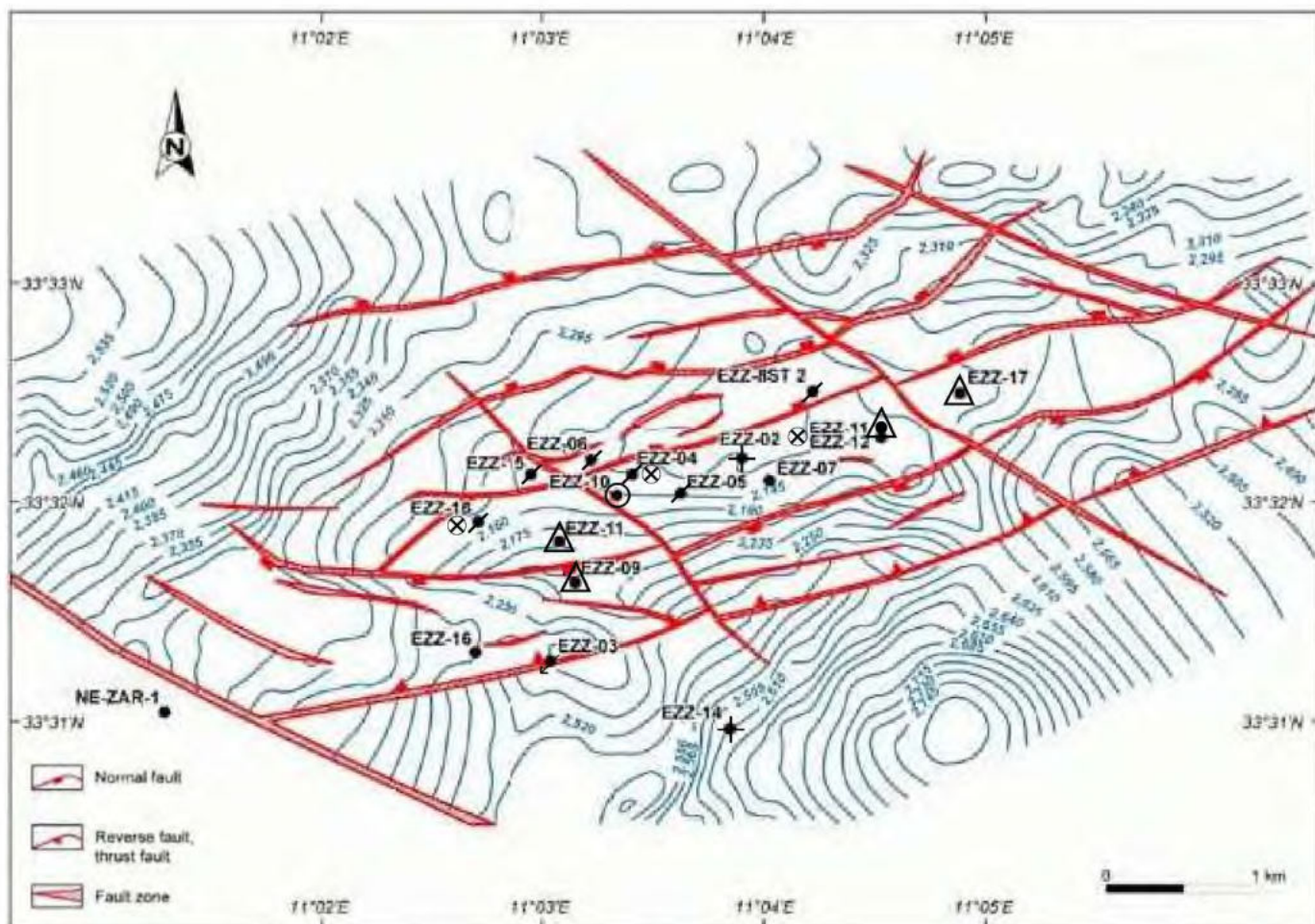
**EZZAOUIA CONCESSION**

**TUNISIA**




**STRATIGRAPHIC CHART**

OCT. 2021      JOB No. 6773      FIGURE No. 2a





Source: MCH-Petroleum Training & Consulting, Candax Report 2020, p. 11, modified

-  Zebbag Producer
-  M'Rabine Producer
-  New Location

**ZENITH ENERGY LTD.**

**EZZAOUIA CONCESSION**  
TUNICIA  
**STRUCTURAL CONTOUR**  
**DEPTH MAP**  
C.I. = 15 m

OCT. 2021 JOB No. 6773 FIGURE No. 2b

Table 2

**Summary of Gross Reserves**  
**October 1, 2021**

**Ezzaouia Concession, Tunisia**

Description		Current or Initial Rate STB/d	API Gravity (Deg)	Ultimate Reserves (MSTB)	Cumulative Production (MSTB)	Reserves (MSTB)	Reference
<b>LIGHT &amp; MEDIUM OIL</b>							
<b>Proved Developed Producing</b>							
EZZ-10	Zebbag	67	40	5,790	5,726	64	Fig. 3a, Table 4a
Ezz-1	M'Rabtlne	74	40	1,574	1,484	90	Fig. 3b, Table 4a
Ezz-9	M'Rabtlne	22	40	1,714	1,688	26	Fig. 3c, Table 4a
Ezz-11	M'Rabtlne	240	40	3,785	3,492	293	Fig. 3d, Table 4a
<b>Total Proved Developed Producing</b>		<b>403</b>		<b>12,862</b>	<b>12,390</b>	<b>472</b>	
<b>Total Proved</b>				<b>12,862</b>	<b>12,390</b>	<b>472</b>	
<b>Probable</b>							
<b>Probable Developed Producing (incremental)</b>							
EZZ-10	Zebbag	7	40	70	0	70	Fig. 3e, Table 4b
Ezz-1	M'Rabtlne	3	40	66	0	66	Fig. 3f, Table 4b
Ezz-9	M'Rabtlne	0	40	14	0	14	Fig. 3g, Table 4b
Ezz-11	M'Rabtlne	4	40	182	0	182	Fig. 3h, Table 4b
EZZ 17	M'Rabtlne	116	40	173	0	173	Fig. 3i, Table 4b
<b>Total Probable Developed Producing (Incr)</b>				<b>505</b>	<b>0</b>	<b>505</b>	
<b>Total Proved Plus Probable Developed Producing</b>						<b>977</b>	
<b>Probable Undeveloped</b>							
		IP Date					
Proved Plus Probable Producing (incr)		0	-	40	626	0	626 Table 4c
EZZ-18	M'Rabtlne	0	2022	40	1,937	0	1,937 Analog
EZZ-4	M'Rabtlne	0	2023	40	1,910	0	1,910 Analog
EZZ-19	M'Rabtlne	0	2024	40	1,879	0	1,879 Analog
<b>Total Probable Undeveloped</b>				<b>6,352</b>	<b>0</b>	<b>6,352</b>	
<b>Total Proved Plus Probable</b>				<b>19,214</b>	<b>12,390</b>	<b>7,328</b>	

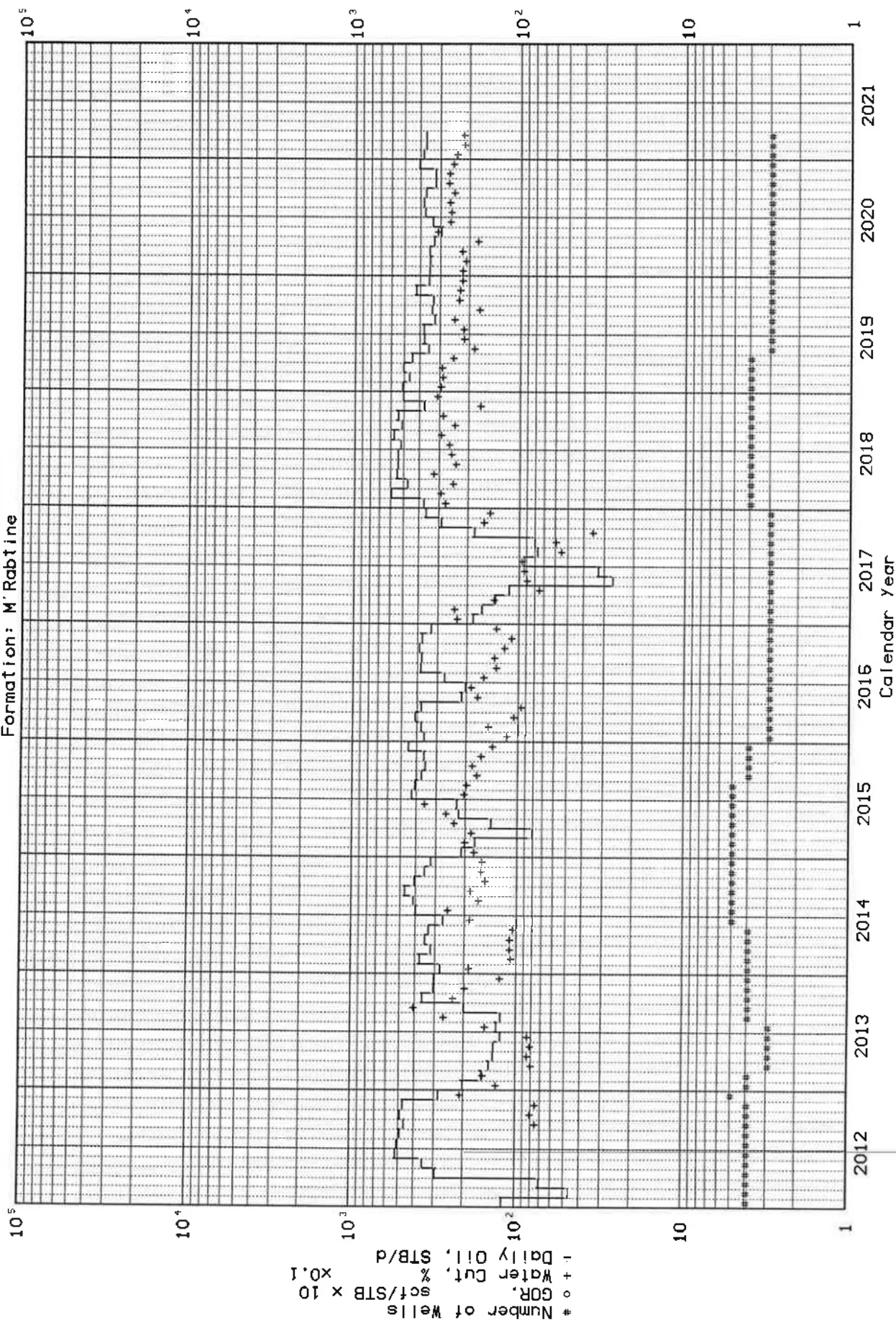


# PRODUCTION HISTORY

ALL WELLS IN EZZAOUIA FIELD

Field: EZZAOUIA FIELD, TUNISIA

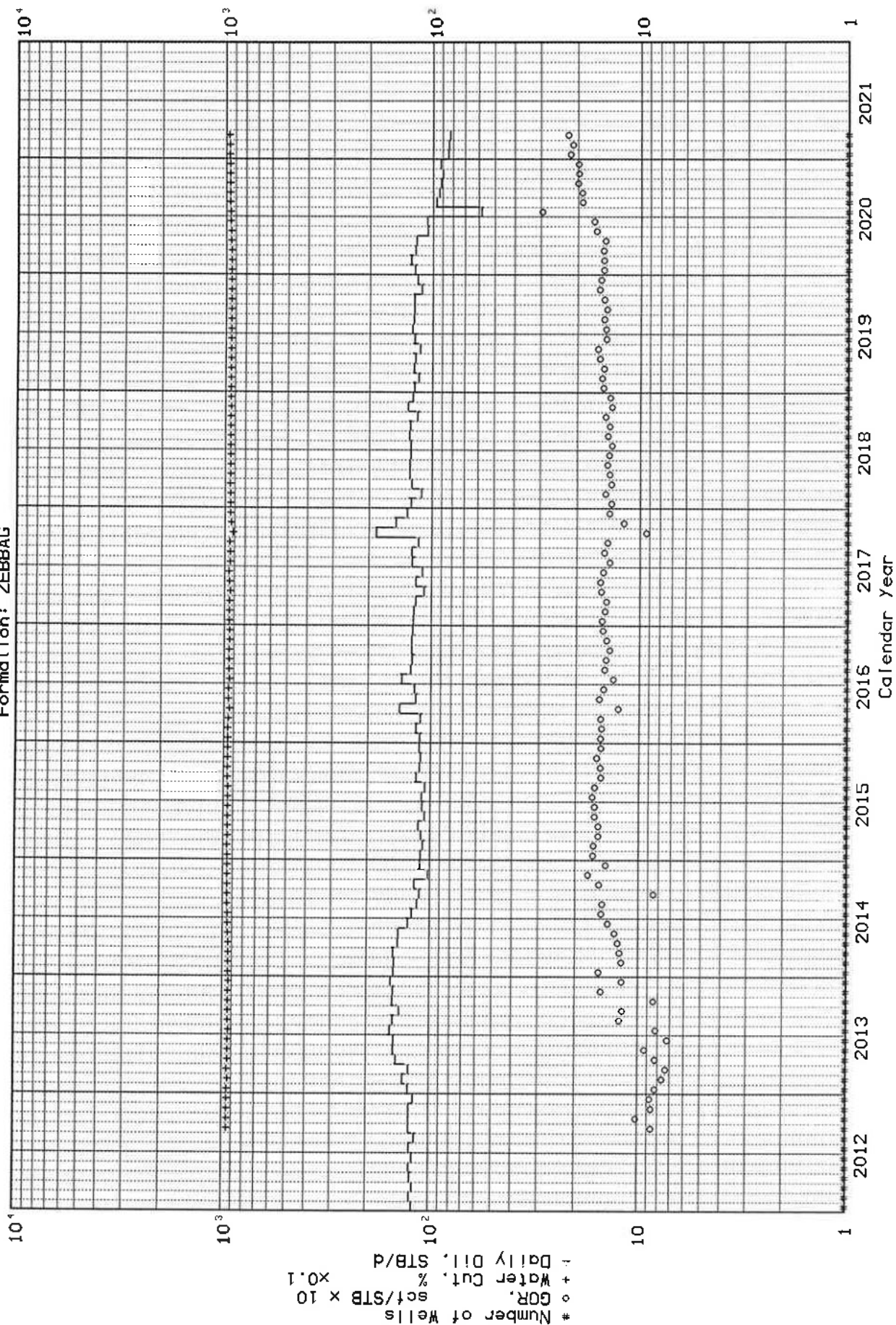
Formation: M'Rabttine



# PRODUCTION HISTORY

EZZ-10

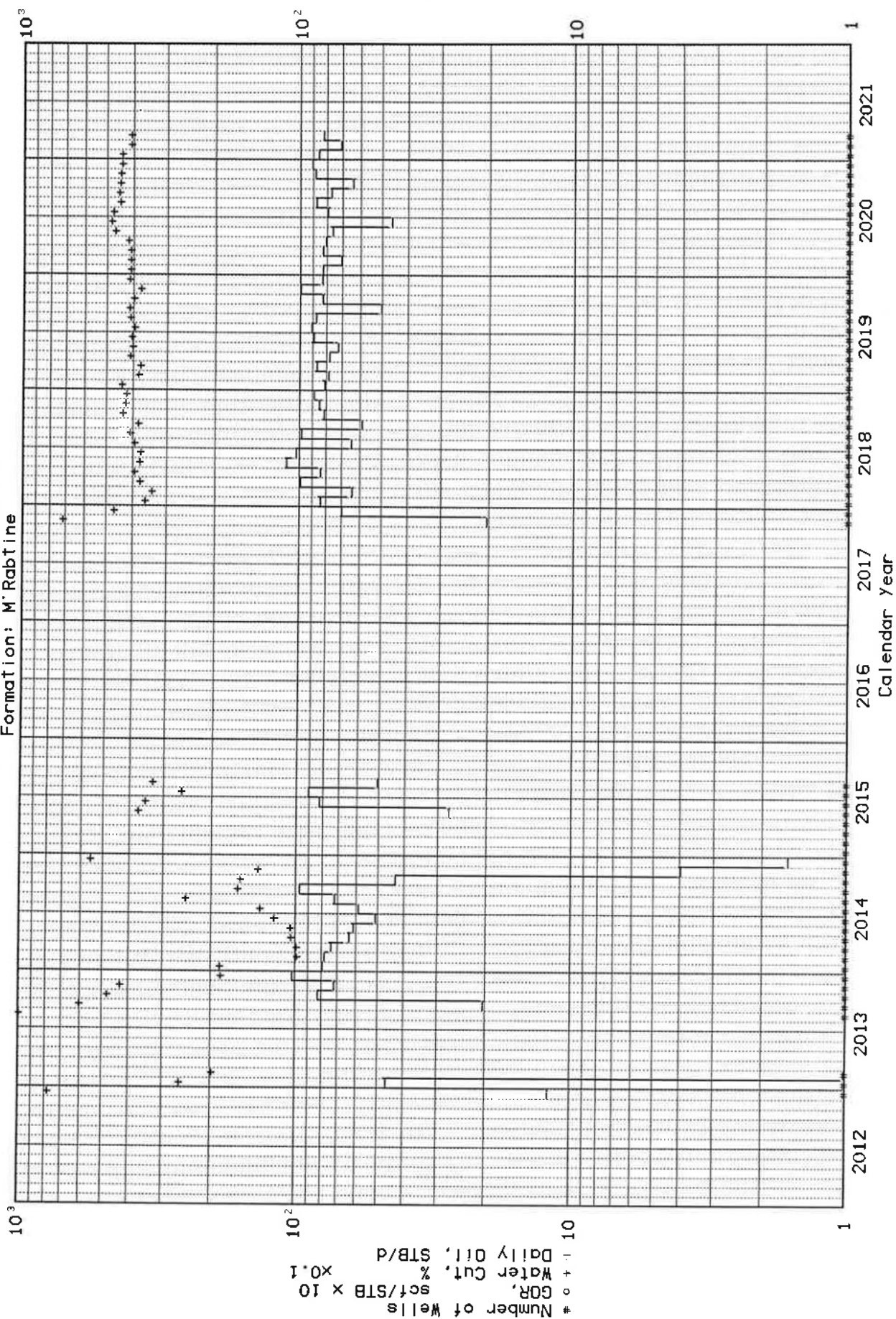
Field: "EZZAQUTA FIELD, TUNISIA"  
Formation: ZEBBAG



# PRODUCTION HISTORY

EZZ-1

Field: "EZZAQUA FIELD, TUNISIA"  
Formation: M. Rabtine





# PRODUCTION HISTORY

EZZ-9

Field: "EZZAQUIA FIELD, TUNISIA"  
Formation: M'Rabti line

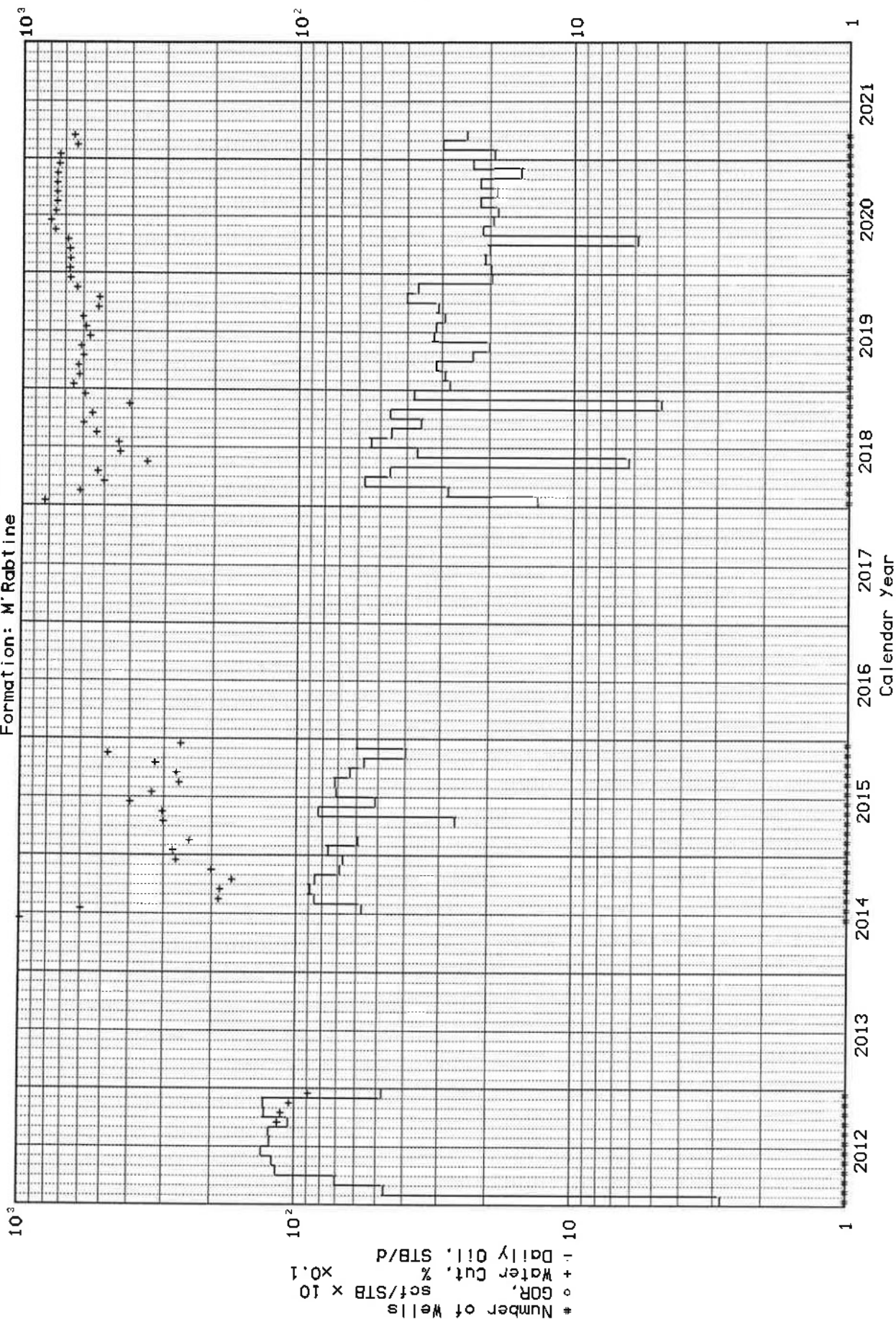
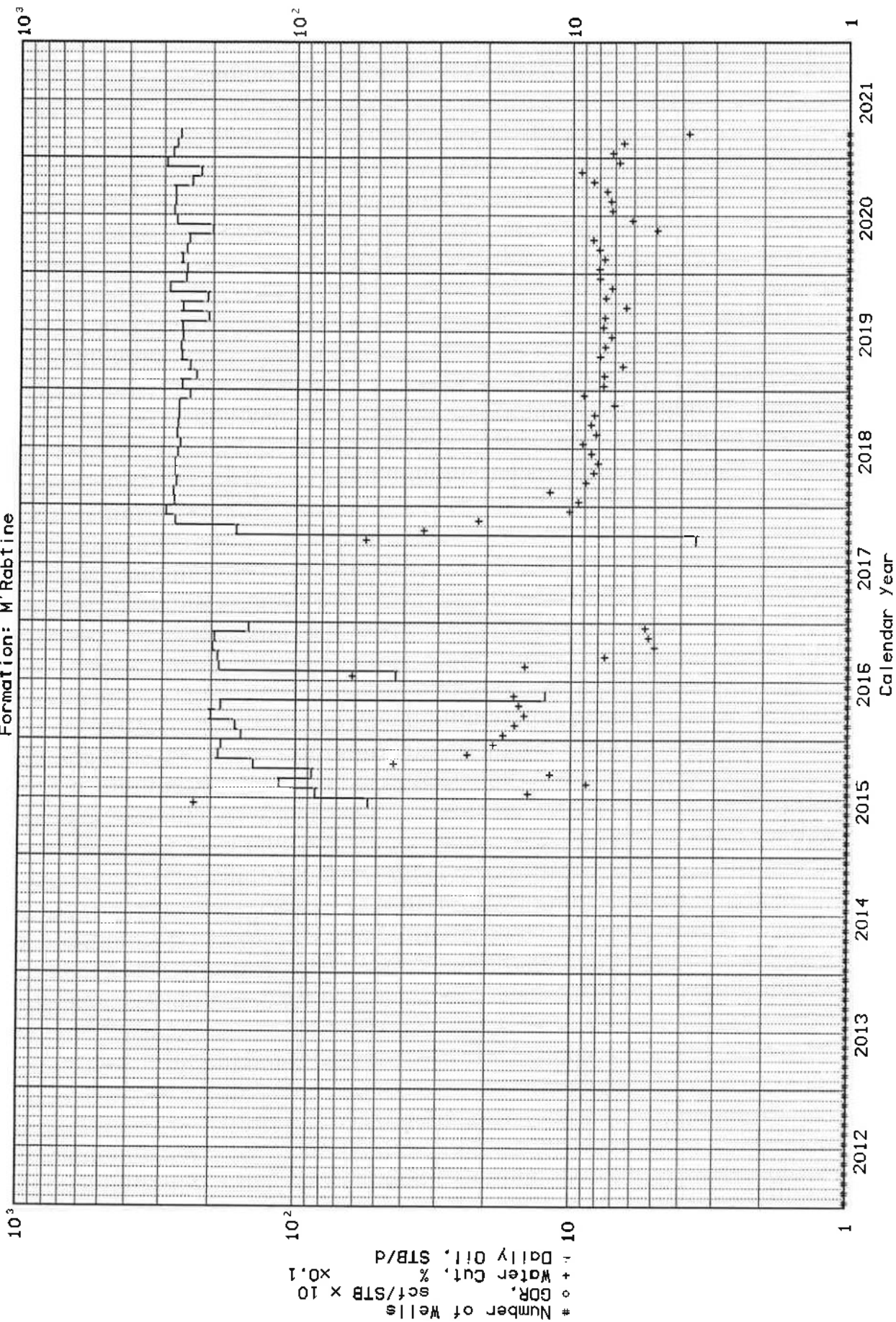


Figure 3d

# PRODUCTION HISTORY

EZZ-11

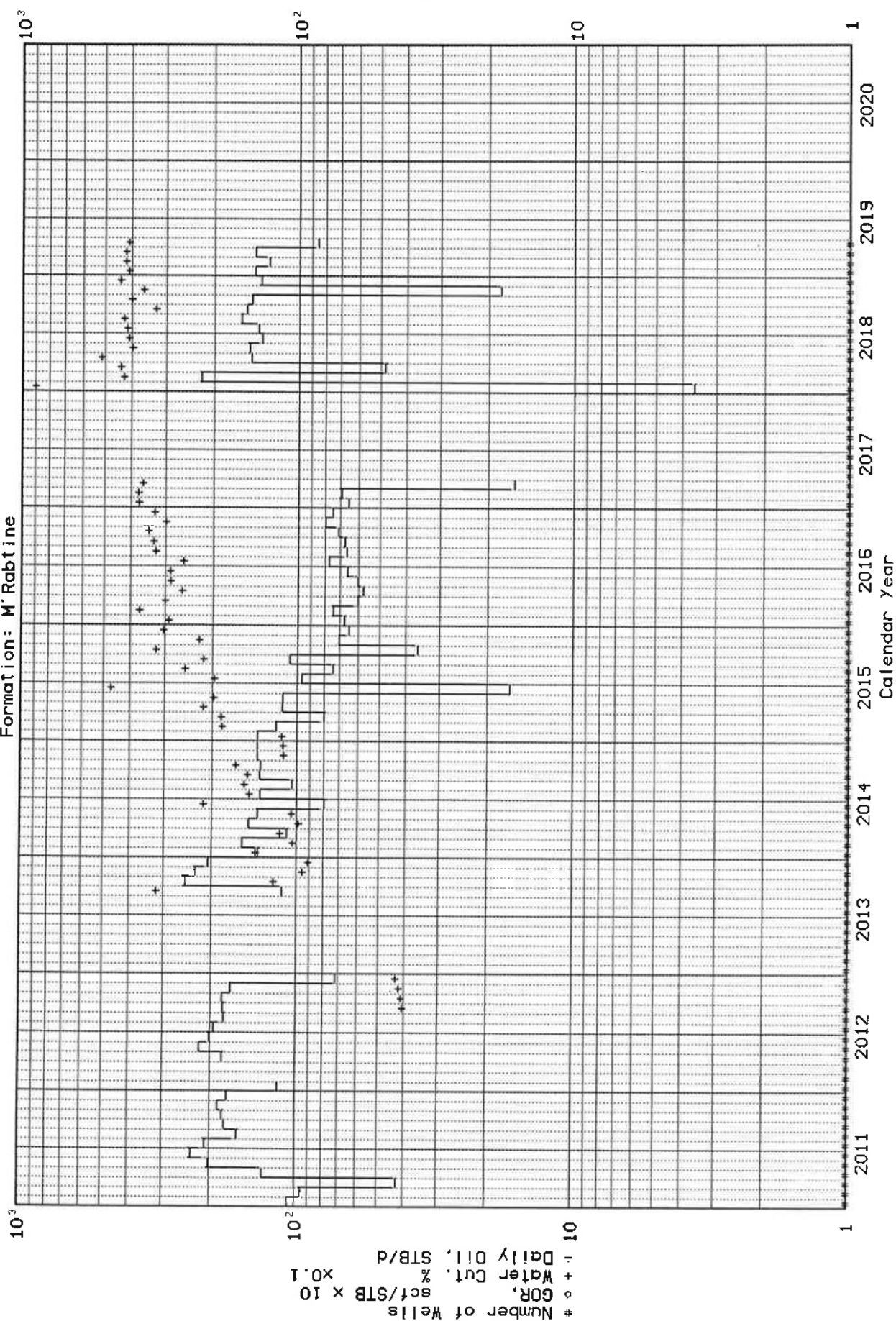
Field: "EZZAQUIA FIELD, TUNISIA"  
Formation: M'Rabtiine



# PRODUCTION HISTORY

EZZ-17

Field: "EZZAQUIA FIELD, TUNISIA"  
Formation: M'Rabti line





# PRODUCTION HISTORY

EZZ-18

Field: "EZZAOUIA FIELD, TUNISIA"  
Formation: M'Rabti line

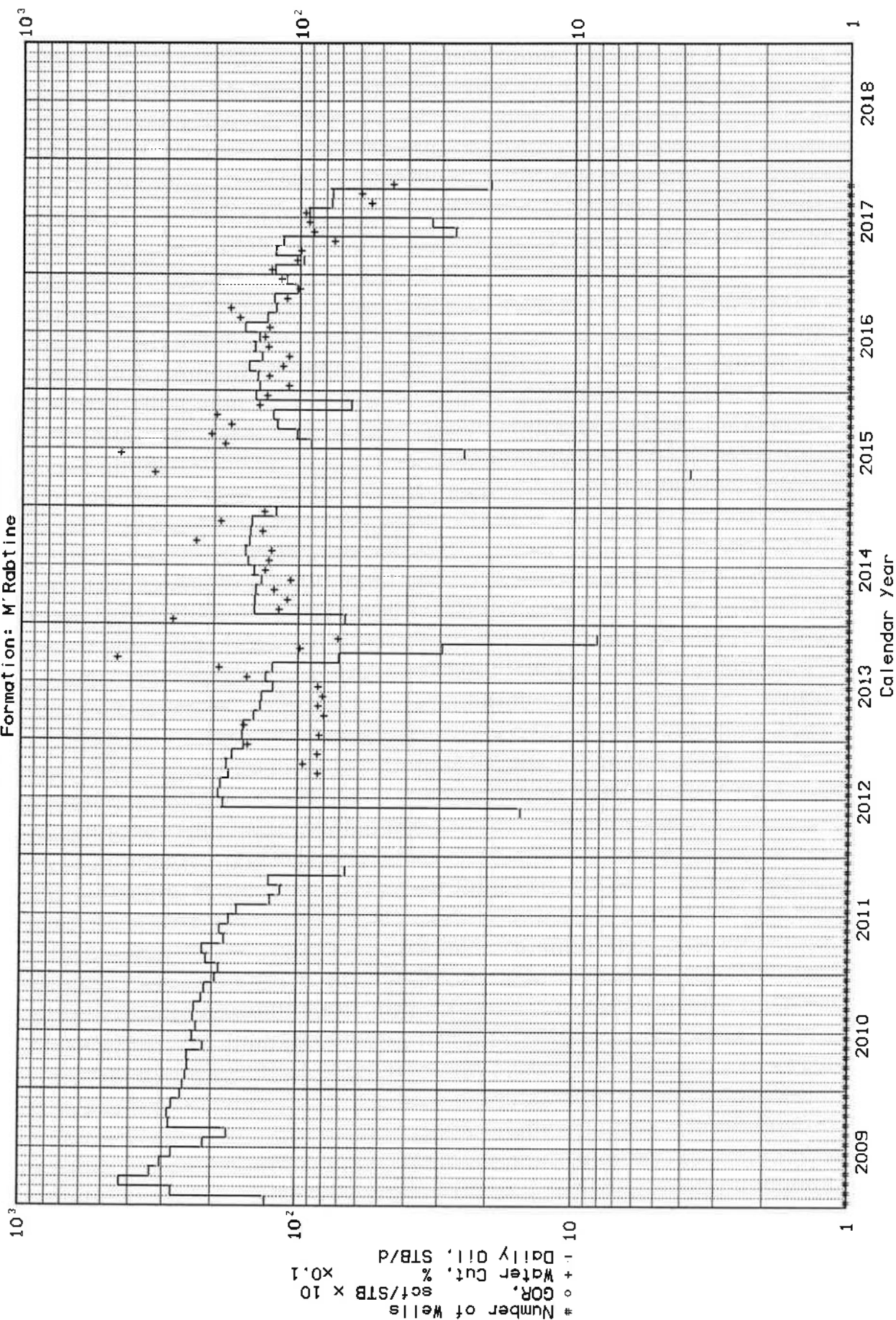
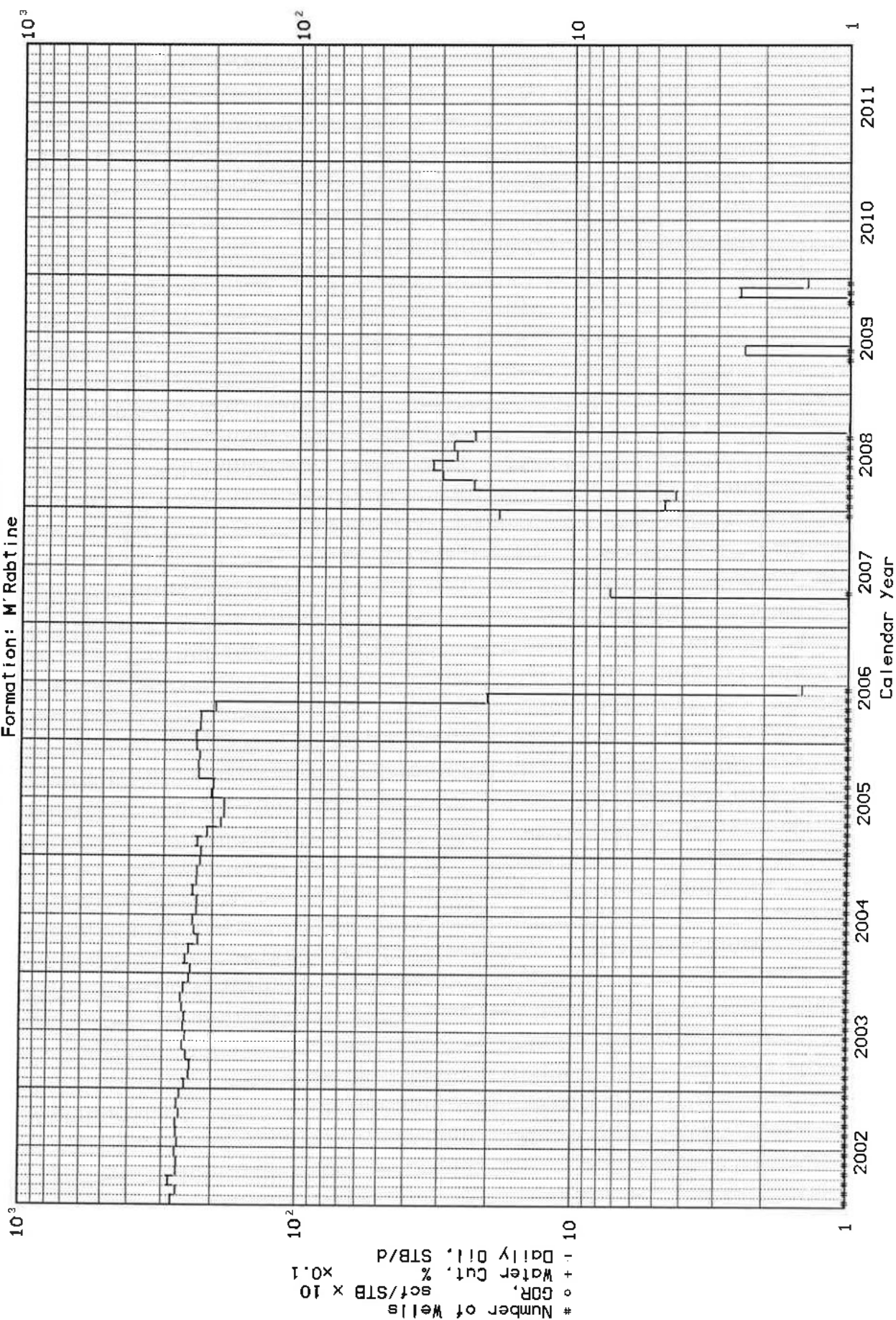


Figure 3g

# PRODUCTION HISTORY

EZZ-4

Field: "EZZAQUIA FIELD, TUNISIA"  
Formation: M'Rabti ne





# PRODUCTION HISTORY

Analog Production Plot for New Drills - Normalized Plot

Field: EZZAOUIA FIELD, TUNISIA

Formation: M'Rabatine

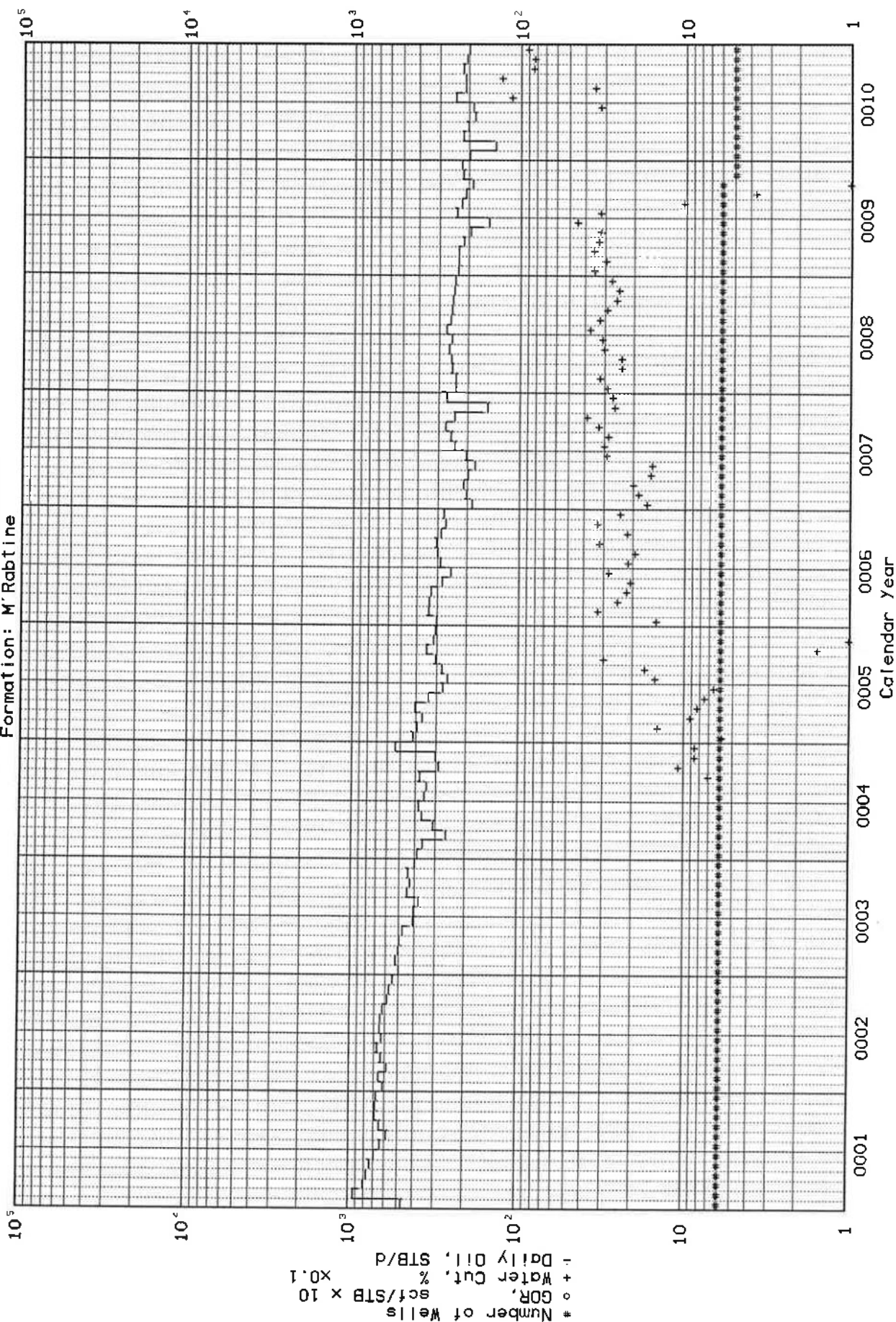


Figure 4a

Table 3a

**Summary of Anticipated Capital Expenditures  
Development**

**October 1, 2021**

**Zenith Energy Ltd**

**Ezzaouia Concession, Tunisia**

<u>Description</u>	<u>Date</u>	<u>Operation</u>	<u>Capital Interest %</u>	<u>Gross Capital M\$</u>	<u>Net Capital M\$</u>
<b><u>Probable Developed Producing</u></b>					
EZZ-17	2021	Workover - Pump Repair or replacement	45.0000	1,000	450
<b>Total Probable Developed Producing</b>				<b>1,000</b>	<b>450</b>
<b><u>Probable Undeveloped</u></b>					
EZZ-18	2022	Sidetrack existing well	45.0000	4,200	1,890
EZZ-4	2023	Redrill this location	45.0000	9,000	4,050
EZZ-19	2024	Infill between EZZ-1 and EZZ-2	45.0000	9,000	4,050
Ezzaouia field	2022	Facility Upgrade	45.0000	2,800	1,260
<b>Total Probable Undeveloped</b>				<b>25,000</b>	<b>11,250</b>
<b>Total Probable</b>				<b>26,000</b>	<b>11,700</b>

Note: M\$ means thousands of dollars.

The above capital values are expressed in terms of current dollar values without escalation.

Unless details are known, drilling costs have been split 70% Intangible and 30% Tangible for tax purposes

**Table 3b**  
**Summary of Anticipated Capital Expenditures**  
**Abandonment and Restoration**

**October 1, 2021**

**Zenith Energy Ltd**

**Ezzaouia Concession, Tunisia**

Description	Well Parameters	Capital Interest %	Gross Capital M\$	Net Capital M\$
<b>Proven Developed Producing Wells</b>				
Ezzaouia Field Wells	Four producing wells and two injectors	45.0000	3,000	1,350
Ezzaouia Field Facilities	Central Facilities - Decommissioning	45.0000	TBD	
Inactive wells	Ten inactive wells	45.0000	5,000	2,250
<b>Total Proved Developed Producing</b>			<b>8,000</b>	<b>3,600</b>
<b>Proven Plus Probable Developed Producing Wells</b>				
Ezzaouia Field Wells	Five producing wells and two injectors	45.0000	3,500	1,575
Ezzaouia Field Facilities	Central Facilities - Decommissioning	45.0000	TBD	
Inactive wells	Nine inactive wells	45.0000	4,500	2,025
<b>Total Proved Plus Probable Developed Producing</b>			<b>8,000</b>	<b>3,600</b>
<b>Proved Plus Probable</b>				
Ezzaouia Field Wells	Eight producing wells and two injectors	45.0000	5,000	2,250
Ezzaouia Field Facilities	Central Facilities - Decommissioning	45.0000	TBD	
Inactive wells	Eight inactive wells	45.0000	4,000	1,800
<b>Total Proved Plus Probable Developed Producing</b>			<b>9,000</b>	<b>4,050</b>

Note: **M\$ means thousands of dollars.**

The above capital values are expressed in terms of current dollar values without escalation.

Table 4  
Summary of Company Reserves and Economics  
Before Income Tax  
October 1, 2021  
Zenith Energy Ltd.  
Ezzaouia Concession, Tunisia

Description		Net To Appraised Interest										
								Cumulative Cash Flow (BIT) - M\$				
		Light Oil MSTB		Conventional Natural Gas MMscf		NGL Mbbbls		Discounted at:				
		Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Reserve Category	Formation Name											
PROVED												
Proved Developed Producing												
Four Producers	Zebbag, M'Rabline	213	198	0	0	0	0	505	845	1,096	1,281	1,417
Total Proved Developed Producing		213	198	0	0	0	0	505	845	1,096	1,281	1,417
PROBABLE												
Probable Developed Producing (incremental)												
Five Producers	Zebbag, M'Rabline	227	205	0	0	0	0	8,122	7,057	6,179	5,450	4,840
Total Probable Developed Producing		227	205	0	0	0	0	8,122	7,057	6,179	5,450	4,840
Total Proved Plus Probable Developed Producing		439	403	0	0	0	0	8,627	7,902	7,275	6,731	6,258
Probable Undeveloped												
Three Wells to Drill	M'Rabline	2,858	2,586	0	0	0	0	129,649	92,054	68,240	52,409	41,437
Total Probable Undeveloped		2,858	2,586	0	0	0	0	129,649	92,054	68,240	52,409	41,437
Total Probable		3,085	2,791	0	0	0	0	137,771	99,111	74,419	57,859	46,278
Total Proved Plus Probable		3,298	2,988	0	0	0	0	138,276	99,956	75,515	59,140	47,695

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Reserves shown as "0" reflect a value of less than 0.5(MSTB/MMscf)

Table 4T  
Summary of Company Reserves and Economics  
After Income Tax  
October 1, 2021

Zenith Energy Ltd.

Eszaouia Concession, Tunisia

Description		Net To Appraised Interest								Cumulative Cash Flow (AIT) - M\$				
		Heavy Oil MSTB		Conventional Natural Gas MMscf		NGL Mbbbls		Discounted at:						
				Gross	Net								Gross	Net
		Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year		
Reserve Category	Formation Name													
PROVED														
Proved Developed Producing														
Four Producers	Zabbag, M'Rabline	213	198	0	0	0	0	252	416	529	606	657		
Total Proved Developed Producing		213	198	0	0	0	0	252	416	529	606	657		
PROBABLE														
Probable Developed Producing (incremental)														
Five Producers	Zebbag, M'Rabline	227	205	0	0	0	0	4,061	3,416	2,896	2,475	2,130		
Total Probable Developed Producing		227	205	0	0	0	0	4,061	3,416	2,896	2,475	2,130		
Total Proved Plus Probable Developed Producing		439	403	0	0	0	0	4,313	3,831	3,425	3,081	2,789		
Probable Undeveloped														
Three Wells to Drill	M'Rabline	2,858	2,381	0	0	0	0	60,763	40,947	28,749	20,880	17,724		
Total Probable Undeveloped		2,858	2,381	0	0	0	0	60,763	40,947	28,749	20,880	17,724		
Total Probable		3,085	2,586	0	0	0	0	64,824	44,363	31,646	23,355	19,854		
Total Proved Plus Probable		3,298	2,988	0	0	0	0	69,138	48,194	35,071	26,436	20,511		

M\$ means thousands of dollars.

Gross reserves are the total of the Company's working interest share before deduction of royalties owned by others.

Net reserves are the total of the Company's working and/or royalty interest share after deducting the amounts attributable to royalties owned by others.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Cumulative cash flow values shown as "0" reflect a value of less than \$500.

Reserves shown as "0" reflect a value of less than 0.5(MSTB/MMscf/Mbbbl).

Table 4a, Page 1

Zenith Energy Ltd  
Ezzaouia

October 1, 2021

## Production and Capital Forecast - Proved Producing Reserves

			EZZ-10		EZZ-11		EZZ-9		EZZ-11		Total Oil Production				
Days On	Year	Well Count	EZZ-10		EZZ-11		EZZ-9		EZZ-11		Total Oil Production		Drilling & Completion	Well Fac. & Tie-ins	Total Capital (Escalated)
			STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/yr				
90	2021	4	67	74	22	240	403	36,270	0	0	0	0	0	0	0
365	2022	4	54	67	19	216	356	129,779	0	0	0	0	0	0	0
365	2023	4	43	60	17	194	314	114,704	0	0	0	0	0	0	0
365	2024	4	34	54	15	175	278	101,544	0	0	0	0	0	0	0
365	2025	4	27	49	13	157	247	90,028	0	0	0	0	0	0	0
365	2026	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2027	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2028	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2029	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2030	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2031	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2032	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2033	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2034	4	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2035	3	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2036	2	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2037	2	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2038	2	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2039	2	0	0	0	0	0	0	0	0	0	0	0	0	0
365	2040	2	0	0	0	0	0	0	0	0	0	0	0	0	0

Reserves 63,783 90,259 25,553 292,731

472,325

Unit Cost

Decline Rate %/yr 10% 12% 10%

Starting Rate STB/d 82 25 265

2020 0 0 0

2021 0 0 0

2022 0 0 0

2023 0 0 0

2024 0 0 0

2025 0 0 0

2026 0 0 0

Table 4a, Page 2

Zenith Energy Ltd  
Ezzaouia

October 1, 2021

Production Streams, Revenues and Cash Flows - Proved Producing Reserves

Before Income Tax

Year	Gross Production STB/yr.	Oil Price \$/STB	Gross Revenue \$/yr.	Royalty Rate %	Royalty \$/yr.	Export Payment \$/yr.	Operating Costs - \$/yr.		Project Total Revenue (Operating Cash Flow) \$/yr.	Total Capital Costs \$/yr.	Abandon & Redemalim \$/yr.	Project Undiscounted Net Cash Flow (Profit) \$/yr.	Company's Share Undiscounted			
							Fixed	Variable					5%	10%	15%	20%
									Total (Escalated)							
2021	36,270	\$75.28	\$2,730,224	7%	\$191,116	\$27,302	1,090,000	145,080	1,235,080	0	0	1,276,726	570,059	585,832	501,822	556,009
2022	129,779	\$72.13	\$9,360,339	7%	\$655,224	\$93,603	4,360,000	519,118	4,879,118	0	0	3,732,394	1,612,664	1,551,366	1,494,982	1,442,319
2023	114,704	\$68.38	\$7,911,690	7%	\$553,816	\$79,117	4,360,000	458,815	4,915,191	0	0	2,363,563	1,053,604	883,114	823,229	761,449
2024	101,544	\$65.83	\$6,684,125	7%	\$467,889	\$66,841	4,360,000	406,175	4,958,729	0	0	1,190,666	535,800	409,013	360,616	319,655
2025	90,078	\$67.22	\$6,051,813	7%	\$423,627	\$60,518	4,360,000	360,112	5,009,020	0	8,000,000	-7,441,352	-3,346,608	-2,323,843	-1,959,790	-1,564,902
2026	0	\$68.65	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2027	0	\$70.10	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2028	0	\$71.58	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2029	0	\$73.09	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2030	0	\$74.63	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2031	0	\$76.21	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2032	0	\$77.81	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2033	0	\$79.45	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2034	0	\$81.12	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2035	0	\$82.82	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2036	0	\$84.55	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2037	0	\$86.33	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2038	0	\$88.13	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2039	0	\$89.98	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
2040	0	\$91.85	\$0	10%	\$0	\$0	0	0	0	0	0	0	0	0	0	0
Totals	472,325		\$32,738,192		\$2,291,673	\$327,382	\$18,530,000	\$1,889,300	\$20,997,138	0	8,000,000	1,121,998	504,899	1,095,506	1,280,869	1,417,230

Company Share	Price Differential		Price Differential	
	Gross	Net	Price Differential	Price Differential
	212,546	197,668	\$4.00	\$4.00
			\$/yr	\$/STB
			\$90,000	\$/well/yr

Table 4a, Page 3

Zenith Energy Ltd  
Ezzaoula

October 1, 2021

## Production Streams, Revenues and Cash Flows - Proved Producing Reserves

## After income tax

Year	Net operating Income	Net Capital	Abandon & Rec aim	Capital Depreciation - Straight Line - 20%		Capital Deduction	Net Taxable Income	Tax Rate	Tax Payable	After Tax Cash flow	Company 22.5% Share Discounted @			
	\$/yr.	\$/yr.	\$/yr.	\$/yr.	\$/yr.	\$	\$/yr.	%	\$/yr.	\$/yr.	5%	10%	5%	20%
2021	574,527	\$0	\$0	\$0	\$0	\$0	\$574,527	50%	\$287,263	\$287,263	282,055	277,178	272,595	268,279
2022	1,679,578	\$0	\$0	\$0	\$0	\$0	\$1,679,578	50%	\$839,789	\$839,789	785,299	736,640	692,964	653,576
2023	1,063,604	\$0	\$0	\$0	\$0	\$0	\$1,063,604	50%	\$531,802	\$531,802	473,615	424,075	381,586	344,901
2024	535,800	\$0	\$0	\$0	\$0	\$0	\$535,800	50%	\$267,900	\$267,900	227,226	194,210	167,154	144,789
2025	251,392	\$0	\$3,600,000	\$0	\$0	\$0	(\$3,348,608)	50%	(\$1,674,304)	(\$1,674,304)	-1,352,481	-1,103,421	-908,409	-754,078
2026	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2027	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2028	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2029	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2030	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2031	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2032	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2033	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2034	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2035	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2036	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2037	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2038	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2039	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2040	0	\$0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
<b>Totals</b>	<b>4,104,899</b>	<b>0</b>	<b>3,600,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>504,899</b>		<b>252,450</b>	<b>252,450</b>	<b>415,714</b>	<b>528,681</b>	<b>605,891</b>	<b>657,467</b>



Table 4a, Page 4

**Zenith Energy Ltd**  
**Ezzaouia**

**October 1, 2021**

**R Factor - Royalty Rate - Tax Rate - Depreciation, Proved Producing Reserves**

Year	Gross Revenue \$/yr.	Royalty \$/yr.	Corp Tax (Grossed Up) \$/yr.	Net Revenue \$/yr.	Cumulative Net Revenue \$	Operating Costs \$/yr.	Capital Costs \$/yr.	Total Expenditures \$/yr.	Cumulative Expenditures \$	R Factor #	Royalty Rate %	Tax Rate %
2021	\$2,730,224	\$191,116	\$638,363	\$1,900,745	\$260,968,991	1,235,080	0	1,235,080	\$242,065,065	1.08	7%	50%
2022	\$9,360,339	\$655,224	\$1,866,197	\$6,838,918	\$267,807,910	4,879,118	0	4,879,118	\$246,944,183	1.08	7%	50%
2023	\$7,911,690	\$553,818	\$1,181,782	\$6,176,090	\$273,984,000	4,915,191	0	4,915,191	\$251,859,374	1.09	7%	50%
2024	\$6,684,125	\$467,889	\$595,333	\$5,620,903	\$279,604,903	4,958,729	0	4,958,729	\$256,818,103	1.09	7%	50%
2025	\$6,051,813	\$423,627	(\$3,720,676)	\$9,348,862	\$288,953,765	5,009,020	0	5,009,020	\$261,827,123	1.10	10%	50%
2026	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2027	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2028	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2029	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2030	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2031	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2032	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2033	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2034	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2035	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2036	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2037	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2038	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2039	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
2040	\$0	\$0	\$0	\$0	\$288,953,765	0	0	0	\$261,827,123	1.10	10%	50%
<b>Totals</b>	<b>\$32,738,192</b>	<b>\$2,291,673</b>	<b>\$560,999</b>	<b>\$29,885,519</b>		<b>\$20,997,138</b>	<b>\$0</b>	<b>\$20,997,138</b>		<b>1.08</b>	<b>7%</b>	<b>50%</b>
									<b>\$259,068,246</b>			
									Opening Balance			
									<b>\$240,829,985</b>			
									Opening Balance			
										Applies Subsequent Year		

Table 4b, Page 1

**Zenith Energy Ltd**  
**Ezzaouia Concession, Tunisia**  
**October 1, 2021**

**Production and Capital Forecast – Proved Plus Probable Producing Reserves**

			EZZ-10		EZZ-1		EZZ-9		EZZ-11		EZZ-17		Total Oil Production		Capital Expenditures					
Days On	STB/yr	Year	Well Count	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/yr	Workover Cost	Drilling & Completion	Well Fac. & Tie-ins	Total Capital (Escalated)			
90	0	2021	5	74	77	22	244	116	533	47,936	1000	0	0	0	0	0	1000			
365	0	2022	5	67	72	20	224	98	481	175,482	0	0	0	0	0	0	0			
365	0	2023	5	60	67	18	207	84	434	158,563	0	0	0	0	0	0	0			
365	0	2024	5	54	62	16	190	71	393	143,419	0	0	0	0	0	0	0			
365	0	2025	5	49	58	14	175	60	356	129,846	0	0	0	0	0	0	0			
365	0	2026	5	44	54	13	161	51	322	117,567	0	0	0	0	0	0	0			
365	0	2027	5	39	50	12	148	44	292	106,724	0	0	0	0	0	0	0			
365	0	2028	5	35	46	11	136	37	265	96,881	0	0	0	0	0	0	0			
365	0	2029	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2030	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2031	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2032	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2033	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2034	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2035	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2036	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2037	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2038	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2039	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
365	0	2040	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
0	0	Reserves		133,481	155,653	39,683	474,809	172,891	976,517	0	0	0	0	0	0	0	1,000			
														Unit Cost		1000				
%/yr	Decline Rate	%/yr		10%	7%	10%	8%	15%												
STB/d	Starting Rate	STB/d		82	82	25	265	125												
																		2020	0	
																		2021	0	
																		2022	0	
																		2023	0	
																		2024	0	
																		2025	0	
																		2026	0	

**Production Streams, Revenues and Cash Flows - Proved Plus Probable Producing Reserves**

Company's Share Undiscounted										Company Share Discounted @								
Year	Gross Production	Oil Price \$/STB	Gross Revenue \$/yr.	Royalty Rate %	Royalty \$/yr.	Export Payment \$/yr.	Operating Costs - \$/yr.		Total (Escalated)	Project Total Revenue (Operating Cash Flow) \$/yr.	Total Capital Costs \$/yr.	Abandon & Reclamation \$/yr.	Net Cash Flow (Profit) \$/yr.	Net Cash Flow (Profit) \$/yr.	15%	20%		
							Fixed	Variable										
2021	47,936	\$75.28	\$3,508,401	7%	\$252,588	\$36,084	1,090,000	191,745	1,281,745	2,037,884	1,000,300	0	1,037,984	467,093	460,024	456,764	453,664	
2022	175,482	\$72.13	\$12,656,604	7%	\$895,962	\$126,566	4,360,000	701,926	5,163,165	6,480,911	0	0	6,480,911	2,916,410	2,693,819	2,595,896	2,505,478	
2023	158,563	\$68.98	\$10,936,852	7%	\$765,580	\$109,369	4,360,000	634,250	5,196,018	4,865,886	0	0	4,865,886	2,189,649	2,002,325	1,936,607	1,694,780	
2024	143,419	\$65.83	\$9,440,527	7%	\$660,837	\$94,405	4,360,000	573,674	5,235,655	3,449,630	0	0	3,449,630	1,552,334	1,351,395	1,044,788	926,114	
2025	129,846	\$67.22	\$8,728,443	10%	\$872,844	\$87,284	4,360,000	510,384	5,281,602	2,186,712	0	0	2,186,712	1,119,020	928,153	654,912	556,835	
2026	117,667	\$68.65	\$8,077,336	10%	\$807,734	\$80,773	4,360,000	476,667	5,333,446	1,855,383	0	0	1,855,383	834,922	639,136	424,907	345,910	
2027	106,724	\$70.10	\$7,481,245	10%	\$748,124	\$74,812	4,360,000	428,697	5,490,823	1,267,484	0	0	1,267,484	570,388	429,099	252,403	190,827	
2028	96,981	\$71.58	\$6,934,858	10%	\$693,486	\$69,349		387,526	445,146	5,726,878	0	8,000,000	-2,273,122	-1,022,905	-732,907	-393,628	-284,300	
2029	0	\$73.09	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2030	0	\$74.63	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2031	0	\$76.21	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2032	0	\$77.81	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2033	0	\$79.45	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2034	0	\$81.12	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2035	0	\$82.82	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2036	0	\$84.55	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2037	0	\$86.33	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2038	0	\$88.13	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2039	0	\$89.98	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
2040	0	\$91.85	\$0	10%	\$0	\$0		0	0	0	0	0	0	0	0	0	0	
Totals	976,517		\$67,864,265		\$5,887,155	\$678,643	\$27,250,000	\$3,906,069	\$38,327,599	28,170,668	1,000,000	8,000,000	19,170,668	8,626,891	7,901,856	7,274,604	6,790,894	6,257,722

Company Share						
\$30,538,919	\$2,559,220	\$305,389	\$14,997,420	12,676,891	450,000	3,600,000
						8,626,891
						45.0%
Gross	439,433					
Net	409,607					
Bidder Differential	\$4.00					
		1%			4,000,000	\$4.00
						\$4.00
						\$4.00

Table 4b, Page 3  
Zenith Energy Ltd  
Ezzaouia Concession, Tunisia  
October 1, 2021

Production Streams, Revenues and Cash Flows - Proved Plus Probable Producing Reserves

After Income tax

Year	Company Working Interest	45.0%	Net operating income	Net Capital	Abandonment & Reclaim	Capital Depreciation - Straight Line - 20%		Net Taxable income	Tax Rate	Tax Payable	After Tax Cash flow	Company Share Discounted @			
			\$/yr.	\$/yr.	\$/yr.	\$/yr.	\$/yr.	\$/yr.	%	\$/yr.	\$/yr.	5%	10%	15%	20%
												\$	\$	\$	\$
2021			917,093	\$450,000	\$0	\$90,000	\$90,000	\$827,093	50%	\$413,546	\$53,546	\$2,576	\$1,666	\$0,612	\$0,009
2022			2,916,410	\$0	\$0	\$0	\$90,000	\$2,826,410	50%	\$1,413,205	\$1,503,205	1,405,668	1,318,570	1,240,391	1,169,887
2023			2,189,649	\$0	\$0	\$0	\$90,000	\$2,099,649	50%	\$1,049,824	\$1,139,824	1,015,111	908,030	817,863	739,235
2024			1,552,334	\$0	\$0	\$0	\$90,000	\$1,462,334	50%	\$731,167	\$921,167	696,494	595,293	512,361	443,808
2025			1,119,020	\$0	\$0	\$0	\$90,000	\$1,029,020	50%	\$514,510	\$604,510	468,315	398,392	327,982	272,261
2026			834,922	\$0	\$0	\$0	\$0	\$834,922	50%	\$417,461	\$417,461	321,162	230,110	196,854	156,681
2027			570,368	\$0	\$0	\$0	\$0	\$570,368	50%	\$285,184	\$285,184	208,850	155,327	116,997	89,196
2028			2,577,095	\$0	\$3,600,000	\$0	\$0	(\$1,022,905)	50%	(\$511,452)	(\$511,452)	\$356,890	\$253,241	\$182,456	\$133,304
2029			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2030			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2031			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2032			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2033			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2034			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2035			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2036			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2037			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2038			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2039			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
2040			0	\$0	\$0	\$0	\$0	\$0	50%	\$0	\$0	0	0	0	0
Totals			12,676,891	450,000	3,600,000	450,000	0	8,626,891		4,313,445	4,313,445	3,831,386	3,425,047	3,080,905	2,787,771

Table 4b, Page 4

**Zenith Energy Ltd**  
**Ezzaouia Concession, Tunisia**  
**October 1, 2021**

**R Factor - Royalty Rate - Tax Rate - Depreciation, Proved Plus Probable Producing Reserves**

Year	Gross Revenue \$/yr.	Royalty \$/yr.	Corp Tax (Grossed Up) \$/yr.	Net Revenue \$/yr.	Cumulative Net Revenue \$	Operating Costs \$/yr.	Capital Costs \$/yr.	Total Expenditures \$/yr.	Cumulative Expenditures \$	R Factor #	Royalty Rate %	Tax Rate %
2021	\$3,508,401	\$252,588	\$918,992	\$2,436,821	\$261,505,067	1,281,745	1,000,000	2,281,745	\$243,111,730	1.08	7%	50%
2022	\$12,656,604	\$885,962	\$3,140,455	\$8,630,186	\$270,135,253	5,163,165	0	5,163,165	\$248,274,895	1.09	7%	50%
2024	\$10,936,852	\$765,580	\$2,332,943	\$7,838,330	\$277,973,583	5,196,018	0	5,196,018	\$253,470,912	1.10	7%	50%
2026	\$9,440,527	\$660,837	\$1,624,815	\$7,154,875	\$285,128,457	5,235,655	0	5,235,655	\$258,706,567	1.10	10%	50%
2028	\$8,728,443	\$872,844	\$1,143,356	\$6,712,243	\$291,840,700	5,281,602	0	5,281,602	\$263,988,169	1.11	10%	50%
2030	\$8,077,336	\$807,734	\$927,891	\$6,341,911	\$298,182,611	5,333,446	0	5,333,446	\$269,321,615	1.11	10%	50%
2032	\$7,481,245	\$748,124	\$633,742	\$6,099,378	\$304,281,989	5,390,823	0	5,390,823	\$274,712,439	1.11	10%	50%
2034	\$6,934,858	\$693,486	(\$1,136,561)	\$7,377,933	\$311,659,922	445,146	0	445,146	\$275,157,584	1.13	10%	50%
2036	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2038	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2040	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2042	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2044	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2046	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2048	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2050	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2052	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2054	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2056	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
2058	\$0	\$0	\$0	\$0	\$311,659,922	0	0	0	\$275,157,584	1.13	10%	50%
<b>Totals</b>	\$67,864,265	\$5,687,155	\$9,585,434	\$52,591,676		\$33,327,599	\$1,000,000	\$34,327,599		1.08	7%	50%
										Applies Subsequent Year		
										<b>\$240,829,985</b> Opening Balance		
										<b>\$259,068,246</b> Opening Balance		
										0.45 Wt Factor		

Table 4c, Page 1

**Zenith Energy Ltd**  
**Ezraouia**

**October 1, 2021**

**Production and Capital Forecast - Proved Plus Probable Reserves**

Probable Producing			EZZ-18		EZZ-4		EZZ-19		Total Oil Production		Workover Cost	Drilling, Completion & Tie-in	Sidetrack	Facility Upgrade	Total Capital (Escalated)
Days On	Year	Well Count	STB/d	STB/d	STB/d	STB/d	STB/d	STB/d	STB/yr						
90	2021	4.0	533	0	0	0	0	533	47,936	1000	0	0	0	0	1000
365	2022	4.5	481	728	0	0	0	1,208	306,432	0	0	0	4200	2800	7000
365	2023	5.5	434	660	728	0	0	1,822	530,413	0	9000	0	0	0	9180
365	2024	6.5	393	581	660	728	0	2,361	727,261	0	9000	0	0	0	9363.6
365	2025	7.0	356	511	581	660	0	2,108	769,291	0	0	0	0	0	0
365	2026	7.0	322	450	511	581	0	1,864	680,378	0	0	0	0	0	0
365	2027	7.0	297	396	450	511	0	1,649	601,910	0	0	0	0	0	0
365	2028	7.0	265	348	396	450	0	1,459	532,645	0	0	0	0	0	0
365	2029	7.0	239	307	348	396	0	1,289	470,666	0	0	0	0	0	0
365	2030	7.0	215	270	307	348	0	1,140	415,930	0	0	0	0	0	0
365	2031	7.0	193	237	270	307	0	1,007	367,587	0	0	0	0	0	0
365	2032	7.0	174	209	237	270	0	890	324,890	0	0	0	0	0	0
365	2033	7.0	157	184	209	237	0	787	287,174	0	0	0	0	0	0
365	2034	7.0	141	162	184	209	0	695	253,857	0	0	0	0	0	0
365	2035	7.0	127	142	162	184	0	615	224,424	0	0	0	0	0	0
365	2036	7.0	114	125	142	162	0	544	198,420	0	0	0	0	0	0
365	2037	7.0	103	110	125	142	0	481	175,444	0	0	0	0	0	0
365	2038	7.0	93	97	110	125	0	425	155,141	0	0	0	0	0	0
365	2039	7.0	83	85	97	110	0	376	137,200	0	0	0	0	0	0
365	2040	7.0	75	75	85	97	0	332	121,344	0	0	0	0	0	0
Reserves			1,602,191	1,937,382	1,909,963	1,878,806			7,328,342	18,000		4,200	26,544		
Decline Rate			96/yr	12%	12%	12%			Unit Cost	1000	9000	4200	2800		
Starting Rate			STB/d	750	750	750			2021	1	0	0	0		
Initial year			180 days						2022		0	1	1		
									2023		1	0	0		
									2024		1	0	0		
									2025		0	0	0		
									2026		0	0	0		
									2027		0	0	0		

Table 4c, Page 2

**Zenith Energy Ltd**  
Ezzoula  
October 1, 2021

**Production Streams, Revenues and Cash Flows - Proved Plus Probable Reserves**

**Before Income Tax**

Year	Gross Production	Oil Price	Gross Revenue	Royalty Rate	Royalty	Export Payment	Operating Costs - \$/yr.		Project Total Revenue (Operating Cash Flow)	Total Capital Costs	Abandon & Reclaim	Net Cash Flow (Profit)	Company's Share Undiscounted				Company Share Discounted @			
							Fixed	Variable					\$/yr.	\$/yr.	\$/yr.	\$/yr.	5%	10%	15%	20%
	STB/Yr.	\$/STB	\$/yr.	%	\$/yr.	\$/yr.		Total (Escalated)												
2021	47,936	\$75.28	\$3,608,401	7%	\$252,588	\$36,084	1,090,000	191,745	1,281,745	1,000,000	0	1,037,984	467,093	467,093	467,093	460,024	456,764	453,664	450,564	447,464
2022	306,432	\$72.13	\$22,101,372	7%	\$1,547,096	\$221,014	4,405,000	1,233,736	5,638,736	7,000,000	0	7,702,537	3,466,141	3,466,141	3,466,141	3,201,399	3,085,212	2,977,750	2,870,288	2,762,826
2023	530,413	\$68.98	\$36,585,206	7%	\$2,560,964	\$365,852	4,495,000	2,121,650	6,748,983	9,800,000	0	17,729,406	7,978,233	7,978,233	7,978,233	6,589,369	6,175,151	5,760,933	5,346,715	4,932,497
2024	727,261	\$65.83	\$47,871,976	7%	\$3,351,035	\$478,719	4,585,000	2,909,012	7,796,802	9,363,000	0	26,681,771	12,086,797	12,086,797	12,086,797	10,595,559	9,234,320	8,141,668	7,216,887	6,393,006
2025	769,291	\$67.22	\$51,712,892	10%	\$5,171,289	\$517,129	4,630,000	3,077,154	8,178,904	0	0	37,845,570	17,030,507	17,030,507	17,030,507	14,125,668	11,816,632	9,867,190	8,466,928	7,266,311
2026	680,378	\$68.65	\$46,705,195	10%	\$4,670,519	\$467,052	4,630,000	2,721,151	7,957,514	0	0	33,610,099	15,124,549	15,124,549	15,124,549	12,947,432	10,541,829	8,697,167	7,266,311	6,066,311
2027	601,910	\$70.10	\$42,932,226	10%	\$4,219,323	\$421,932	4,630,000	2,407,642	7,770,125	0	0	28,781,846	13,401,831	13,401,831	13,401,831	10,082,470	7,686,358	5,930,805	4,627,004	3,407,594
2028	532,645	\$71.58	\$38,271,193	10%	\$3,812,719	\$381,272	4,630,000	2,130,581	7,813,513	0	0	25,319,689	11,843,860	11,843,860	11,843,860	8,486,073	6,175,266	4,597,691	3,407,594	2,486,262
2029	470,666	\$73.09	\$34,402,093	10%	\$3,442,209	\$344,221	4,630,000	1,882,662	7,481,002	0	0	23,136,861	10,411,587	10,411,587	10,411,587	7,104,625	4,935,010	3,483,941	2,486,262	1,821,007
2030	415,930	\$74.63	\$31,042,605	10%	\$3,104,261	\$310,426	4,630,000	1,663,718	7,374,094	0	0	20,253,825	9,114,221	9,114,221	9,114,221	5,923,174	3,927,395	2,652,012	1,821,007	1,321,730
2031	367,587	\$76.21	\$28,012,729	10%	\$2,801,273	\$280,127	4,630,000	1,470,330	7,290,483	0	0	17,640,846	7,938,381	7,938,381	7,938,381	4,913,348	3,109,634	2,008,584	1,321,730	953,483
2032	324,890	\$77.81	\$25,280,015	10%	\$2,528,001	\$252,800	4,630,000	1,298,538	7,226,088	0	0	15,271,115	6,872,002	6,872,002	6,872,002	4,050,789	2,447,239	1,511,371	953,483	682,668
2033	291,174	\$79.45	\$23,815,213	10%	\$2,281,521	\$228,152	4,630,000	1,148,696	7,185,082	0	0	13,120,457	5,904,206	5,904,206	5,904,206	3,314,590	1,911,445	1,123,598	682,668	484,184
2034	253,857	\$81.12	\$20,591,962	10%	\$2,059,196	\$205,920	4,630,000	1,015,479	7,159,789	0	0	11,167,077	5,025,185	5,025,185	5,025,185	2,686,765	1,478,871	836,020	484,184	339,332
2035	224,424	\$82.82	\$18,566,498	10%	\$1,858,650	\$185,865	4,630,000	897,697	7,156,565	0	0	9,391,318	4,226,093	4,226,093	4,226,093	2,151,927	1,130,777	611,372	339,332	234,122
2036	199,420	\$84.55	\$16,777,402	10%	\$1,677,740	\$167,774	4,630,000	793,680	7,156,431	0	0	7,775,457	3,498,956	3,498,956	3,498,956	1,686,827	851,061	440,157	234,122	158,188
2037	175,444	\$86.33	\$15,145,369	10%	\$1,514,537	\$151,454	4,630,000	701,775	7,155,867	0	0	6,303,511	2,836,530	2,836,530	2,836,530	1,310,110	627,227	310,289	158,188	103,716
2038	155,141	\$88.13	\$13,672,993	10%	\$1,367,299	\$136,730	4,630,000	620,565	7,207,900	0	0	4,961,054	2,232,479	2,232,479	2,232,479	981,992	448,770	212,354	103,716	65,084
2039	137,200	\$89.98	\$12,344,569	10%	\$1,234,459	\$123,446	4,630,000	548,799	7,251,568	0	0	3,735,115	1,680,802	1,680,802	1,680,802	704,122	307,377	139,025	65,084	42,731
2040	121,344	\$91.85	\$11,146,014	10%	\$1,114,601	\$111,460	4,630,000	485,376	7,306,016	0	0	2,836,064	1,287,729	1,287,729	1,287,729	546,536	247,416	106,632	42,731	27,731
Totals	7,328,342	\$53.82	\$392,722,893		\$50,567,282	\$5,056,729	\$88,655,000	\$29,313,368	\$139,945,287	25,543,600	9,000,000	307,279,495	138,275,773	138,275,773	138,275,773	99,955,767	75,514,680	59,140,260	47,694,742	37,694,742
Company Share			\$242,425,302		\$24,765,277	\$2,424,253	\$62,975,379	\$20,313,368	\$342,823,095	15,470,389	4,050,000	138,275,773	45.0%							
Gross	3,297,754	\$4.00																		
Net	2,988,210	\$4.00																		
		Price Differential																		

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Zenith Energy Ltd  
Ezzaouia

October 1, 2021

Production Streams, Revenues and Cash Flows - Proved Plus Probable Reserves

After Income tax

Year	Company Working Interest 45.0%	Net operating Income	Net Capital	Abandon & Reclaim	Capital Depreciation - Straight Line - 20%			Capital Deduction	Net Taxable Income	Tax Rate	Tax Payable	After Tax Cash Flow	Company Share Discounted @				
					\$/yr.	\$/yr.	\$/yr.						5%	10%	15%	20%	\$
2021		917,093	\$450,000	\$0	\$90,000		\$90,000	\$90,000	\$827,093	50%	\$413,546	\$53,546	\$53,546	\$51,666	\$50,812		\$0,008
2022		6,616,141	\$3,150,000	\$0	\$90,000	\$630,000		\$720,000	\$5,896,141	50%	\$2,948,071	\$518,071	484,455	454,237	427,494		403,195
2023		12,109,233	\$4,131,000	\$0	\$90,000	\$630,000		\$1,546,200	\$10,563,033	50%	\$5,281,516	\$2,696,716	2,401,655	2,150,442	1,934,886		1,748,960
2024		16,310,417	\$4,213,820	\$0	\$90,000	\$630,000		\$2,388,924	\$13,921,493	50%	\$6,960,746	\$5,365,050	4,356,276	3,723,308	3,202,802		2,775,828
2025		17,030,507	\$0	\$0	\$90,000	\$630,000		\$2,388,924	\$14,641,583	50%	\$7,320,791	\$9,705,715	7,843,881	6,399,020	5,268,093		4,373,031
2026		15,124,549	\$0	\$0	\$0	\$630,000		\$2,298,924	\$12,825,625	50%	\$6,412,813	\$8,711,737	6,702,121	5,219,382	4,110,114		3,265,682
2027		13,401,831	\$0	\$0	\$0	\$630,000		\$1,668,924	\$11,732,907	50%	\$5,666,453	\$7,535,377	5,571,070	4,104,182	3,091,408		2,356,810
2028		11,843,860	\$0	\$0	\$0	\$630,000		\$842,724	\$11,001,156	50%	\$5,500,588	\$6,343,282	4,486,428	3,140,824	2,262,914		1,652,303
2029		10,411,587	\$0	\$0	\$0	\$630,000		\$0	\$10,411,587	50%	\$5,205,794	\$5,205,794	3,459,605	2,345,275	1,514,868		1,130,681
2030		9,114,221	\$0	\$0	\$0	\$630,000		\$0	\$9,114,221	50%	\$4,557,111	\$4,557,111	2,894,296	1,964,804	1,229,270		824,832
2031		7,938,381	\$0	\$0	\$0	\$630,000		\$0	\$7,938,381	50%	\$3,969,190	\$3,969,190	2,392,551	1,476,566	931,026		598,887
2032		6,872,002	\$0	\$0	\$0	\$630,000		\$0	\$6,872,002	50%	\$3,436,001	\$3,436,001	1,972,556	1,162,014	700,834		431,883
2033		5,904,206	\$0	\$0	\$0	\$630,000		\$0	\$5,904,206	50%	\$2,952,103	\$2,952,103	1,614,039	907,605	523,595		309,217
2034		5,025,185	\$0	\$0	\$0	\$630,000		\$0	\$5,025,185	50%	\$2,512,592	\$2,512,592	1,308,323	702,255	387,515		219,317
2035		4,226,093	\$0	\$0	\$0	\$630,000		\$0	\$4,226,093	50%	\$2,113,047	\$2,113,047	1,047,883	536,895	283,385		153,702
2036		3,498,956	\$0	\$0	\$0	\$630,000		\$0	\$3,498,956	50%	\$1,749,478	\$1,749,478	826,272	404,107	204,023		106,747
2037		2,836,580	\$0	\$0	\$0	\$630,000		\$0	\$2,836,580	50%	\$1,418,290	\$1,418,290	637,955	297,824	143,826		71,643
2038		2,232,479	\$0	\$0	\$0	\$630,000		\$0	\$2,232,479	50%	\$1,116,239	\$1,116,239	478,182	213,088	98,431		45,988
2039		1,680,832	\$0	\$0	\$0	\$630,000		\$0	\$1,680,832	50%	\$840,401	\$840,401	342,873	145,846	64,441		29,480
2040		1,176,271	\$0	\$4,050,000	\$0	\$630,000		\$0	\$2,873,729	50%	(\$1,436,864)	(\$1,436,864)	(\$58,307)	(\$58,307)	(\$58,307)		(\$58,307)
<b>Totals</b>		<b>154,270,393</b>	<b>11,944,620</b>	<b>4,050,000</b>	<b>450,000</b>	<b>3,150,000</b>	<b>4,131,000</b>	<b>11,944,620</b>	<b>138,273,773</b>		<b>69,137,886</b>	<b>69,137,886</b>	<b>48,194,081</b>	<b>35,070,851</b>	<b>26,435,852</b>		<b>20,511,358</b>