



Bond Conversion Form

Convert Zion's \$100 Bonds to Common Stock

Do I own Bonds? Zion Oil & Gas offered Bonds from Oct 21, 2015 to Mar 31, 2016, from Rights issued to current shareholders only. Please review your accounts first.

What does it mean to convert to Common Stock? Currently the Bonds offer a yearly 10% interest payment, but the principal Bond investment is locked up until maturity or redemption by Zion. To change your investment, you may convert it to Common Stock by completing this form.

No Partial Conversion. All of the Bonds purchased must be converted at the same time. For example, if you purchased 4 Bonds, and then wanted to convert them to Common Stock, all 4 Bonds would be converted at the same time.

How much Common Stock would I get per Bond? Each \$100 Bond converts to 44 shares of Common Stock, which is added to your Common Stock account with our agent, the American Stock Transfer and Trust Company (AST). Please be aware that the Common Stock market price may be different from the Bond conversion price, which is fixed.

Accrued Interest Payment. Interest due to you since the last Interest Payment Date will be calculated based on the day we receive your properly and correctly completed form. Any accrued interest would be paid out in Common Stock, rounded up to whole shares.

Account Verification

The information and signature below must correspond to the registered bondholder on the books of the American Stock Transfer and Trust Company.

Name: _____	SSN or TID: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Address: _____	AST Account Number: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
City/ST/Zip: _____	Bonds Issued: _____
	Bond Payment: \$ _____

Bond Conversion Authorization

Please read carefully before you sign.

The undersigned owner of this Bond Note hereby irrevocably exercises the option to convert the total number of \$100 Bond Notes owned, into shares of Common Stock, in accordance with the terms of, and subject to the exceptions set forth in the Bond Indenture; directing that all shares of Common Stock are issuable upon conversion, rounding up to the next whole share, and issued in book entry form. When applicable, payment of accrued interest will be made to the account address on file, from the last Interest Payment Date to the date this form was received.

Signature(s): _____

Date: _____

**Mail to: 12655 N. Central Expy Ste. 1000, Dallas TX 75243
Fax: 214-221-6510 Email: invest@zionoil.com Phone: 888-891-9466**