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Dear Faithful Shareholders and Supporters:

We have now successfully drilled our Megiddo-Jezreel #1 (MJ #1) well in Israel to a total depth of ~16,600 feet (5,060 meters). We also obtained several wireline log suites and the well has been cased and cemented in preparation for upcoming testing operations. We will flow test multiple zones of interest, including zone(s) where free-flowing hydrocarbons were collected after circulating mud in the borehole.

We are extremely excited and hopeful about finally establishing oil production after working many years on this prospect and drill site, which will provide a baseline for additional field exploration and production efforts within our 99,000-acre license. While we have achieved a major milestone with the MJ #1 well, **our goal is to prepare for the future for what is a potentially transformative era in Zion's history.** The MJ #1 well is just the beginning of what the future may hold for us in continued exploration and production plans in Israel.

Effective April 2, 2018, Zion Oil & Gas launched a new RIGHTS OFFERING that ends on May 31, 2018 and is **available only to shareholders** who owned at least 10 shares of ZN common stock on April 13, 2018. For each Subscription Right, you are entitled to purchase one share of ZN common stock for \$5.00. Also included in the Right is one Warrant, which affords you the opportunity to buy another share of ZN common stock for \$3.00. The Warrants will be exercisable from June 29, 2018 through June 29, 2019 (one year).

KEY REASONS for RIGHTS OFFERING launch:

1. Allow, if this well is successful, to purchase and install production and facilities equipment and to map the subsurface in more detail (perhaps with 3D seismic imaging) to possibly pursue field development, if warranted; and
2. Help to assure adequate cash flow to continue our exploration and/or production efforts in our license area.

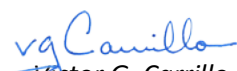
For your convenience, we are enclosing an infographic to better explain the RIGHTS OFFERING.

For a more complete description of the terms and conditions of this RIGHTS OFFERING, please refer to the Company's Prospectus Supplement dated April 2, 2018 (enclosed). D.F. King of the American Stock Transfer & Trust Company is our Information Agent.

For additional questions, please call Zion Oil & Gas at **888-891-9466** or D.F. King at **866-796-1292** or email Zion at [rightsoffering@zionoil.com](mailto:rightsoffering@zionoil.com) or D.F. King at [zion@dfking.com](mailto:zion@dfking.com)

Shalom and thank you for continuing to stand with us!

Sincerely and with gratitude,

  
Victor G. Carrillo  
CEO

  
Dustin Guinn  
President & COO

  
John Brown  
Founder & Board Chairman

*"I will bless those who bless you, And I will curse him who curses you; And in you all the families of the earth shall be blessed."*

Genesis 12:3