

IMPORTANT NOTICE

The Depository Trust Company



#: 4969-09
Date: May 11, 2009
To: All Participants
Category: Dividends
From: Specialist, Stock Dividend Department
Attention: Dividend Managers, Cashiers, and Reorganization Managers
Subject: Rights: Zion Oil & Gas, Inc
Common CUSIP: 989696109 CONTRA CUSIP: 989696992
R/D 5/4/09 Expires: 6/10/09 5:00PM (E.S.T)
Rate: Three subscription Rights for each Eight common shares held on the Record Date

*****WARNING TIME CRITICAL*****

Zion Oil & Gas, Inc (“the Company”) is distributing to the holders of its outstanding common shares of record (the “Shareholders”) at the close of business on May 04, 2009 (the “Record Date”) non-transferable rights (the Rights”). Each shareholder of record of the company on May 04, 2009 will receive three non-transferable subscription Right for each 8 common shares held. For each subscription right will entitle the stockholder to purchase one share of common stock (the “Basic Subscription Right”) at the price of \$5:00 per share (the “Subscription Price”). No Fractional Shares will be distributed. Fractional shares will be rounded up to the nearest largest whole share.

DTCC credited Rights to participants’ accounts on May 11, 2009

No fractional Rights will be distributed. Fractional entitlements will be rounded up (including beneficial owners) to the nearest whole number.

Participants may instruct DTC as to the aggregate number of additional Rights required to round up Rights on behalf of their beneficial owners. Participants must use DTC’s PTS function Elective Dividend System (EDS) Option#5 CASH IN LIEU/ROUND UP to request additional round up Rights on behalf of their beneficial owners.

The round up election instruction through EDS must be made before 8:00 p.m. New York City time, on May 15, 2009.

Non-Confidential

DTCC is now offering enhanced access to all important notices via a new, Web-based subscription service. The new notification system leverages RSS News feeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

To remove your name from the former system of email notifications, send a message to unsubscribe@dtcc.com.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY (DIVA) FUNCTION, SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS), FUNCTION CODE 59, WHICH WILL BE AVAILABLE SHORTLY FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSIONS TO THE EXPIRATION DATE.

To confirm your Record Date positions, DTC participants should access the Dividend and Allocation History (DPAL) Menu Option, via the PTS Dividend Announcement Inquiry Function (DIVA).

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants should contact DTC's Customer Service Help Center at (888) 382-2721.

