

IMPORTANT NOTICE

~~The Depository Trust Company~~



#: 6593-10
Date: 05/12/2010
To: All Participants
Category: Dividends
From: Supervisor, Stock Dividend Department
Attention: Dividend Managers, Cashiers, and Reorganization Managers
Subject: Rights: Zion Oil & Gas Inc.
CUSIP: 989696109 Rights Contra CUSIP: 989696976 R/D: 05/06/10
Expires: 06/30/10 no later than 5:00 P.M., N.Y. time unless extended by Subscriber
Rate: 1 Right for every two shares of common stock held

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

Zion Oil & Gas, Inc. is issuing **non-transferable Rights** to holders as of close of business on 05/06/2010 (Record Date) non transferable Rights. Each shareholder of record of the company May 06, 2010 will receive 0.50 of subscription right (One subscription right for each Two shares) for each share of common stock. Each whole subscription right entitles you to purchase one share of common stock at the purchase price of \$5.00 per shares (the "Subscription Price"). No Fractional Shares will be distribution. Fractional shares will be rounded up to the nearest largest whole share. The Rights expire on 06/30/10 no later than 5:00 P.M. EST but may be extended without notice.

DTCC credited Rights to participant's account on 05/12/2010

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 on their beneficial owners. Participants must DTC's PTS or PBS functions 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 17, 2010

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 Newsfeeds, 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 FUNCTION (DIVA), SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

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

If participants have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

For questions regarding this Rights Offering, please contact the Company/Information Agent, Zion Oil & Gas Inc at (214) 221-4610.

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Important Legal Information: *The Depository Trust Company (“DTC”) does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages. To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that maybe imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.*