

WELLINGTON, NEW ZEALAND / ACCESSWIRE / April 28, 2017 / [New Zealand Energy Corp.](#) (TSX-V: NZ) ("NZEC" or the "Company") announced today that it has filed with Canadian regulatory authorities its 2016 consolidated financial results, management discussion and analysis and Form 51-101 reserves report, which documents are available on the Company's website at www.newzealandenergy.com and on SEDAR at www.sedar.com.

The Company achieved average net daily production of 219 BOE/D (78% oil) through 2016, compared to 143 BOE/D (80% oil) during 2015. Cash used in operating activities was \$782,961 (\$1,659,236 in 2015). The net loss for the 2016 year was \$5,225,884, compared with a loss for the previous year of \$5,910,543. \$4,522,811 of the net loss is attributable to non cash items (including impairment write down of \$2,955,857 (2015: \$1,674,100), depreciation and depletion \$2,043,583 (2015: \$1,630,961) offset by a change in the abandonment provision). The impairment write down has arisen because some elements of the plant (specifically the LPG plant) are no longer being utilized and because the revenue arising from the fields and plant did not support the carrying values for those assets.

Reflecting on the Company's results, Chairman James Willis said, "We are pleased with the progress made to date regarding the Waihapa-Ngaere enhanced oil recovery project. Stage 1 of this project has seen production from the Waihapa 6A well (within the Waihapa and Ngaere fields) quadruple. This result has been achieved by the mobilization of stranded oil by reducing reservoir pressure through an increase in total fluid production (reservoir voidage) of up to 5,000 bpd. These are encouraging results and provide additional confidence in the reservoir engineering concepts underpinning the project basis and design. We are now progressing stage 2 with continuous gas-lift having been implemented in the Ngaere-2 and -3 wells, and an upgraded gas-lift design in the Ngaere-1 well. The field is now producing at around 7,000 bpd total fluids. Whilst the amount of cash used in 2016 operating activities may in part be attributable to low oil prices through 2016, to increase the Company's resilience to lower oil prices, a further \$1million in operating cost reductions is being implemented."

"Further significant highlights during the year have included the continuing good health and safety performance with 650 harm free days achieved during the year (rising now to 740 harm free days) and stable production from the Copper Moki wells. Operational optimisation is ongoing and the continued successful focus on cost reduction across the business leaves the Company in a better position to continue efforts to increase production in 2017."

On behalf of the Board of Directors,

"James Willis"
Chairman
[New Zealand Energy Corp.](#)

New Zealand Energy Contact:

Email: info@newzealandenergy.com
Website: www.newzealandenergy.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING INFORMATION AND CAUTIONARY NOTE REGARDING RESERVE ESTIMATES

This document, the consolidated financial statements for the quarter ended 31 December 2016 and full financial year and the Management's Discussion and Analysis contain certain forward- looking information, forward-looking statements ("forward-looking statements"). The reader's attention is specifically drawn to the qualifications, disclosure and cautionary statements in these documents regarding forward-looking statements and reserve and resource estimates.

The Company notes that such forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond NZEC's control, the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, operational risks in exploration and development, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal and external sources. Although the Company believes that the expectations in its forward-looking statements are reasonable, they are based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking information.

As such, readers are cautioned not to place undue reliance on the forward-looking information, as no assurance can be provided as to future results, levels of activity or achievements. All forward-looking statements are made as of the date of this document or the date of the documents referenced above, except as required by applicable law, the Company does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new

information, future events or otherwise.

SOURCE: [New Zealand Energy Corp.](#)