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New Zealand Energy Corp Announces Results of 2016 AGM of Shareholders

22 June 2016 – Wellington, New Zealand - New Zealand Energy Corp. ("NZE" or the "Company") (TSX-V: NZ) announced today the results of its Annual General Meeting of shareholders held in Wellington, New Zealand on Wednesday 22 June 2016 (NZT).

A total of 111,362,202 common shares representing approximately 48% of the total issued and outstanding common shares were voted at the meeting.

Each of the nominees proposed by management was elected as a director of the Company to hold office until the next annual general meeting, or until successors are elected or appointed:

Nominee	Position	Percentage of Votes for
James Willis	Chairman	99.79%
Mark Dunphy	Director	99.81%
Dr. David Llewellyn	Director	99.82%

Shareholders voted in favour of all items of business put forward at the meeting, as outlined below:

Motion	Percentage of Votes for
To fix the number of directors of the Company at three (3) To appoint	
PricewaterhouseCoopers as Auditors of the Company To approve the	95.39%, 99.85%
Company's Amended 2011 Stock Option Plan	96.63%

The Company Chief Executive Officer, Michael Adams, took the opportunity, as a part of the general business of the meeting, to present some remarks to shareholders on the state of the Company. Mr Adams said, "the last year has been challenging for

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NZEC, largely because of the drop in oil price from late 2014 to less than US\$30 per barrel in January 2016. NZEC has overcome these challenges by demonstrating fiscal responsibility, by being technically and commercially focussed when making decisions, and, throughout by being safe and effective. The result of this is that our oil and gas sales volumes through Q1 and Q2 of 2016 are more than 50% higher than through the same period in 2015.”

“In addition, NZEC has secured another 20 years of tenure on the Waihapa and Ngaere mining permits for the Joint Venture so that the Company now has the security of title we need to warrant substantial investments in re-development. The Tariki mining permit has also been renewed and for the term and work program we requested.”

“When I started with the company in July 2015 it was apparent NZEC could not continue to operate with no positive cash flow, limited available capital, production declining and operating costs flat. We ascertained there was not much room left to further reduce operating costs, so our immediate focus became recovering production rates by spending some of our remaining capital on higher probability of success activities. These activities included;

- introducing continuous gas-lift at key wells in Waihapa-Ngaere, which has the advantage of collecting data to support and de-risk subsequent developments in this field;
- initiating the Copper-Moki 1 pool water-flood via injection into Waitapu-2;
- changing the pump out at Copper-Moki-2;
- low cost restoration of Waihapa-1B to temporary production;
- low cost flow testing of Tariki-1 and 4 for gas production potential”.

“Of these activities, the first 3 of the 5 listed above have been successful, and are the reason NZEC has weathered the very low oil prices in January 2016 without heading to the capital markets or incurring debt. The last two listed above have been disappointing and were always the least certain of the activities we carried out, which is why they were carried out using low cost and temporary equipment.”

“The next year will be focussed on putting what we have learnt from gas-lifting and data collection at Waihapa-Ngaere into practice and on enhancing oil recovery in the Copper-Moki pools. We will also be looking at our exploration permits and carrying out appropriate work in these permits.”

“NZEC has previously referred to the Waihapa Voidage Project. This is being matured into a business case as part of the new Waihapa Enhanced Oil Project. This project leverages our evidence based understanding of the Tikorangi reservoir behaviour to create an investment plan that could materially change long term oil and gas production volumes from the Waihapa-Ngaere assets. This work is in the final stages of preparation and will be reviewed by the Waihapa-Ngaere Joint Venture in the next quarter. I am excited by the transformational opportunities this particular project, if approved, may provide to NZEC.”

“The results of the water-flood in the Copper-Moki-1 pool continue to be positive. We are looking to expand the Copper-Moki-1 pool water-flood and its application to the Copper-Moki-2 pool is being investigated.”

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“Appraisal and exploration activities have necessarily taken a lower priority in the past year and we are returning effort to these activities through the next quarter so that we will be ready to progress on these at short notice should the oil price continue to rise.”

“The past year has been about demonstrating that NZEC is now a smart and effective onshore Operator. The next year will be about transforming NZEC to growth and creating value from our existing assets on the back of smart investments.”

“By this time next year NZEC could be a very different company again and I hope that our shareholders are willing to stay with us through this interesting and exciting period.”

On behalf of the Board of Directors

"James Willis"

Chairman

New Zealand Energy Corp.

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FORWARD-LOOKING INFORMATION

This document, the consolidated interim financial statements for the period ended 30 September 2016 and 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.

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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.