NEW ZEALAND ENERGY CORP.

TSX-V: NZ

NEWS RELEASE

New Zealand Energy Corp announces 2019 End of Year Results

7 August 2020 – Wellington, New Zealand - New Zealand Energy Corp. ("NZEC" or the "Company") (TSX-V: NZ) announced today it has filed with Canadian regulatory authorities its 2019 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.

Commenting on the Company's 2019 end of year results, Chairman James Willis said "The results saw a loss of $1,624,881 (2018 loss of $996,660) which was substantially attributable to non-cash expenses including depreciation and depletion."

There was a small ($237,790) increase in cash. $1,474,809 was held as at 31 December 2019 with modest development expenditure ($21,095) paid in the quarter. Production was down as a result of a hole identified in the tubing in Ngaere-1, above the Electric Submersible Pump. The Copper Moki wells continued to perform well during 2019, with regular condensate flushes removing wax and sand disposition and increasing productivity.

Cash provided by operating activities was $787,751, compared to 2018 when $1,750,824 of cash was provided by operations. The Company achieved average net daily production of 158 boe/d (99% oil) through 2019 compared to 164 boe/d (93% oil) during 2018.

The Company has been through a difficult period since the start of 2020. The COVID-19 pandemic and its effect on the price of oil required management to act decisively. As announced on 24 March 2020, the Company implemented a Low Cost Midstream Focussed Operating Mode. These measures have included the elimination of all non-essential capital expenditures and a reduction in operating costs by ceasing to use gas lift to sustain production from the Waihapa and Ngaere wells. These wells are now produced on a cyclic basis.

The Company has also implemented a restructuring of the business which has involved a reduction in manpower and a change to shift patterns at the plant. The Company is continuing to direct its efforts to increasing revenues from third party services.

As to the future, Mr Willis commented that "The Company is considering new opportunities, with a particular focus on by-passed gas and gas storage projects at Tariki, the duration of which was extended in June 2020. The forward plan is to acquire seismic at Tariki in Q1, 2021."

On behalf of the Board of Directors

"James Willis"

Chairman

New Zealand Energy Corp.

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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 year ended 31 December 2019 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.