

NEWS RELEASE

New Zealand Energy Corp announces 2020 Quarter 1 Results

26 August 2020 – Wellington, New Zealand - New Zealand Energy Corp. ("NZE" or the "Company") (TSX-V: NZ) announced today it has filed with Canadian regulatory authorities its Q1 2020 consolidated financial results and management discussion and analysis 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 first quarter 2020 results, Chairman James Willis said "The results saw a loss of \$891,992. There was a \$221,474 reduction in cash held (\$1,253,335 was held at the end of the quarter). Cash used in operating activities for the quarter was \$107,701 (2019: \$168,695). The net loss for the quarter was \$791,036 (2019: net loss \$161,325). The Company achieved average net daily production of ~146 boe/d (99% oil) through Q1."

As previously reported, 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. During the quarter ended March, the company implemented a Low Cost Midstream Focused Operating Mode and a restructuring of the business involving a reduction in manpower and a change to shift patterns at the plant.

The Company has directed efforts to revenues from third party services. LPG storage has resumed in August. Technical work has continued in relation to the Tariki licence.

The Company expects to file the Q2 2020 financial results by 31 August 2020.

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 quarter ended 31 March 2020 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.