NEW ZEALAND ENERGY CORP.

TSX-V: NZ

RELEASE

New Zealand Energy Corp announces Reserves Evaluation for its Tariki Licence and Extension of Outstanding Convertible Loan

1 November 2022 – Wellington, New Zealand - New Zealand Energy Corp. ("NZEC" or the "Company") (TSX-V: NZ) announced today it has received an independent reserves evaluation (the "RPS Reserve Report") dated October 29, 2022 with an effective date of January 1, 2023, from RPS Energy Canada Limited ("RPS") in respect of the Tariki field located in the Petroleum Mining Licence (PML 38138) held as to 50% by NZEC's wholly owned subsidiary, NZEC Tariki Limited.

This reserves evaluation continues the work programme undertaken by the Tariki Joint Venture over the last two years. During 2020, reservoir studies indicated the likely presence of undeveloped gas in the Tariki Field. Encouraged by this assessment and also in support of the gas storage development, the Tariki Joint Venture acquired a 3D seismic survey over the Tariki Permit which was completed in June 2021. Processing of the new data was completed by the end of 2021 and interpretation of the Tariki field data has been ongoing throughout 2022. The Tariki Joint Venture engaged RPS to prepare an independent report of the oil and gas reserves of the Tariki Field and is formalizing plans for drilling a well at Tariki in the first half of 2023 to produce the identified reserves.

A summary of the evaluation follows:

- Undeveloped reserves have been assigned to the planned new well which is to be drilled in the crest of the Tariki sandstone member in the overthrust structure of the field during 1H 2023;
- Gross (before royalties) remaining reserves net to NZEC are:
    - 3.20PJ (2.56 Bcf) gas and 51.9 thousand stock tank barrels condensate of Proven (1P)
    - 6.88PJ (5.50 Bcf) gas and 136.9 thousand stock tank barrels condensate of Proven plus Probable (2P)
    - 9.24PJ (7.39 Bcf) gas and 205.8 thousand stock tank barrels condensate of Proven plus Probable plus Possible (3P) (1)
- Net Present Value of Future Cash Flow net to NZEC of:
    - NZ$14.66 million after tax for Proved reserves (1P) at a discount of 10%
    - NZ$37.09 million after tax for Proved and Probable reserves (2P) at a discount of 10%
    - NZ$45.56 million after tax for Proved and Probable and Possible reserves (3P) at a discount of 10% (1)
    - Tax losses of NZ$50 million have been assumed in all cases
- Key assumptions (on a 100% basis with 50% of the subject costs net to NZEC) are:
    - New well drilled in 1H 2023 at a cost of NZ$8.25 million
    - Production facilities installed 1H 2023 at a cost of NZ$1.75 million
    - Pipelines exist from the Tariki-A site to the NZEC Waihapa Production Facility and are connected to export routes
    - Fixed operating costs of NZ$0.5 million per annum inflated at 2%
    - Variable operating costs of NZ$1.50/Mcf and $8.24/stb inflated at 2%
    - Gas price of NZ$8.93 in 2023 escalated at 2% per annum
    - Condensate price of NZ$139.56/bbl (derived from Brent at $95/bbl) in 2023 and $124.06/bbl (derived from Brent at $85/bbl) in 2024 inflated at 2% per annum thereafter

(1) Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

Also in relation to Tariki, on 28 August, the company advised the licence holders had notified the regulator of their commitment to transform the Tariki field into a gas storage facility. Following receipt of this reserves evaluation, NZEC is proceeding to share technical data with storage counterparties who have entered confidentiality agreements. The planned well could form part of the storage development.

NZEC also announced that further to its July 20, 2021, August 16, 2021 and July 17, 2022 news releases, in connection with the existing CAD$2,000,000 Convertible Loan Agreement with Arizona Finance Limited, the term of such Convertible Loan Agreement has been extended with the agreement of both the Company and Arizona Finance Limited to May 31, 2023, subject to approval of the TSX Venture Exchange.

The company is reviewing its requirements for capital for 2023, and plans to reach a conclusion on this by the end of Q1, 2023. Further details will be announced in due course.

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 STATEMENTS

This document contains certain forward- looking information or statements ("forward-looking statements"), including statements regarding NZEC's business and the proposed extension of the Convertible Loan Agreement. 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. Statements relating to "reserves" are also deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future.

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.

OIL & GAS ADVISORIES

All reserve references in this press release are to gross reserves as at the effective date of the applicable evaluation. Gross reserves are NZEC's total working interest reserves before the deduction of any royalties and including any royalty interests *of NZEC. The recovery and reserve estimates of NZEC's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein. All estimates of reserves and future net revenue contained herein were derived from the RPS Reserve Report, in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 Standards for Disclosure for Oil and Gas Activities, adjusted for change of working interests and sale of interests as a result of the Company's asset transactions, as reconciled on the reserves reconciliation slide. It should not be assumed that the present worth of estimated future cash flow presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of NZEC's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.*

*"**reserves**" are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on (a) analysis of drilling, geological, geophysical, and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. **Reserves are classified according to the degree of certainty associated with the estimates being "proved reserves", "probable reserves" and "possible reserves".***

*In this press release "**1P**" means "proved reserves", those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.*

*In this press release "**2P**" means "proved plus probable reserves", probable reserves being additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.*

*In this press release "**3P**" means "proved plus probable plus possible reserves", possible reserves being those additional reserves that are less certain to be recovered than probable reserves.*

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.