NEW ZEALAND ENERGY CORP.

TSX-V: NZ

RELEASE

New Zealand Energy Corp announces 2022 Quarter 3 Results

25 November 2022 – Wellington, New Zealand - New Zealand Energy Corp. ("NZEC" or the "Company") (TSX-V: NZ) announced today it has filed with Canadian regulatory authorities its Q3 2022 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 third quarter 2022 results, Chairman James Willis said "The results saw a total comprehensive loss of $318,741. (2021: Loss $385,465). There was a $296 decrease in cash held ($462,976 was held at the end of the quarter). Cash provided in operating activities for the quarter was $611,940 (2021: Used $50,696). The Company achieved average net daily production of ~86 boe/d (88% oil) through Q3."

Regarding Waihapa/Ngaere, gas lifting with the compressor acquired last year is underway with tie-in of the Northern Ngaere wells in progress. The Company is also intending to utilize these licences for carbon sequestration.

With respect to development operations, Mr Willis commented: "Tariki is a prime focus for the company. The licence holders are progressing utilization of the Tariki field for gas storage".

The data indicates that up to 15PJ of gas can be stored in the Tariki formation with injection and production at a rate of 25TJ/day from a single well (and up to 75TJ/day from 3 wells).

During Q3, the Tariki Joint Venture engaged RPS Energy Canada Limited ("RPS") to prepare an independent report of the oil and gas reserves of the Tariki Field which evaluation was received after the end of Q3. The Tariki Joint Venture is anticipating drilling an updip well at Tariki in 2023.

A summary of the RPS 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 probably reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

Regarding the company's CAD$2,000,000 Convertible Loan Facility with Arizona Finance Limited, the term of this Agreement has been extended to May 31, 2023.

The Group intends to fund its commitment to various development projects, and to repay the convertible loan either by selling prospective gas entitlements and/or raising additional capital.

On behalf of the Board of Directors

"James Willis"

Chairman

New Zealand Energy Corp.

New Zealand Energy Contacts

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 30 September 2022 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.