

**NEWS RELEASE**

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**New Zealand Energy Announces \$35.1 Million Bought Deal Financing**

**March 1, 2012 – Vancouver, British Columbia** – New Zealand Energy Corp. (TSX-V: NZ, OTCQX: NZERF) (“NZE” or the “Company”) is pleased to announce that it has entered into an agreement with Canaccord Genuity Corp. on behalf of a syndicate of Underwriters (the “Underwriters”) to purchase, on a bought deal basis for resale to the public, 11,700,000 common shares of NZEC at a price of \$3.00 per common share for gross proceeds of \$35,100,000 (the “Offering”).

NZE has also granted the Underwriters an option to purchase, on the same terms, up to an additional 1,755,000 common shares at \$3.00 per common share for additional gross proceeds of \$5,265,000 (the “Over-Allotment Option”). The Over-Allotment Option shall be issued on the same terms and conditions as the Offering and is exercisable in whole or in part by the Underwriters at any time up to 30 days after closing.

The net proceeds of the Offering and Over-Allotment Option will be used to explore and develop NZE’s oil and gas properties, for additional geologic and technical studies, and for other general corporate purposes.

The common shares will be offered in all provinces of Canada, excluding Québec, by way of a short form prospectus and on a private placement basis elsewhere. The closing of the Offering is expected to occur on or about March 21, 2012, and is subject to certain conditions, including, but not limited to, the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This news release does not constitute an offer to sell or the solicitation of any offer to buy nor will there be any sale of these securities in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such province, state or jurisdiction.

On behalf of the Board of Directors

*“John Proust”*

Chief Executive Officer & Director

**About New Zealand Energy Corp.**

NZE is an oil and natural gas company engaged in the production, development and exploration of petroleum and natural gas assets in New Zealand. NZE’s property portfolio collectively covers nearly two million acres of conventional and unconventional prospects in the Taranaki Basin and East Coast Basin of New Zealand’s North Island. The Company’s management team has extensive experience exploring and developing oil and natural gas fields in New Zealand and Canada, and takes a multi-disciplinary approach to value creation with a track record of successful discoveries. NZE plans to add shareholder value by executing a technically disciplined exploration and development program focused on the onshore and offshore oil and natural gas resources in the politically and fiscally stable country of New Zealand. NZE is listed on the TSX Venture Exchange under the symbol NZ and on the OTCQX International under the symbol NZERF. More information is available at [www.newzealandenergy.com](http://www.newzealandenergy.com) or by emailing [info@newzealandenergy.com](mailto:info@newzealandenergy.com).

## **New Zealand Energy Contacts**

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### **Forward-looking Statements**

*This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). The use of any of the words “will be” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including without limitation, the speculative nature of exploration, appraisal and development of oil and natural gas properties; uncertainties associated with estimating oil and natural gas resources; uncertainties in both daily and long-term production rates and resulting cash flow; volatility in market prices for oil and natural gas; changes in the cost of operations, including costs of extracting and delivering oil and natural gas to market, that affect potential profitability of oil and natural gas exploration; the need to obtain various approvals before exploring and producing oil and natural gas resources; uncertainty in the timing of receipt of permits and the Company’s ability to extend the permits if required; exploration hazards and risks inherent in oil and natural gas exploration; operating hazards and risks inherent in oil and natural gas operations; market conditions that prevent the Company from raising the funds necessary for exploration and development on acceptable terms or at all; global financial market events that cause significant volatility in commodity prices; unexpected costs or liabilities for environmental matters; competition for, among other things, capital, acquisitions of resources, skilled personnel, and access to equipment and services required for exploration, development and production; changes in exchange rates, laws of New Zealand or laws of Canada affecting foreign trade, taxation and investment; failure to realize the anticipated benefits of acquisitions; and other factors as disclosed in documents released by NZEC as part of its continuous disclosure obligations. NZEC believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. Such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release and NZEC does not undertake to update any forward-looking statements that are contained in this news release, except in accordance with applicable securities laws.*

### **United States Advisory**

*This news release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, any securities of NZEC in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered hereunder have not and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States of America (the “United States”) and, subject to certain exceptions, may not be offered or sold within the United States or its territories or possessions except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States, its territories or possessions.*

***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.***