NEWS RELEASE

New Zealand Energy Amends Deal Terms, Finalizes Sale and Purchase Agreement Related to the Acquisition of Assets from Origin Energy, Identifies Substantial Oil and Gas Reserves and Resources

June 17, 2013 – Vancouver, British Columbia – New Zealand Energy Corp. (TSX-V: NZ, OTCQX: NZERF) ("NZEC" or the "Company") is pleased to announce that it has finalized the Sale and Purchase Agreement ("SPA") to acquire strategic upstream and midstream assets (the "Acquisition") from Origin Energy Resources NZ (TAWN) Limited, a wholly-owned subsidiary of Origin Energy Limited (ASX: ORG) (collectively "Origin"), subject to meeting the financing condition precedent by August 14 and the government approval condition precedent by September 13, in order to close the Acquisition by September 20, 2013. The assets being acquired include three net Petroleum Mining Licences totaling 23,049 acres in the main Taranaki Basin production fairway (the "TWN Licences") as well as the Waihapa Production Station and associated gathering and sales infrastructure. All amounts are stated in Canadian dollars unless otherwise noted. More information regarding the Acquisition is available in the Company's Annual Information Form for the year ended December 31, 2012, which was filed today on SEDAR at www.sedar.com.

In conjunction with the Acquisition, NZEC commissioned Deloitte LLP ("Deloitte") to prepare an independent assessment of reserves and resources attributable to the TWN Licences. Proved and Probable Reserves[1] are estimated at 1,852,700 barrels of oil, 1.45 billion cubic feet of natural gas and 50,700 barrels of natural gas liquids, collectively 2,144,700 barrels of oil equivalent[2] ("boe"), estimated by Deloitte to have a before tax net present value ("NPV") of $62.9 million (assuming a 10% discount rate). Contingent Resources[1] are estimated at 1,162,000 boe, with Prospective Resources[1] estimated at 23,541,000 boe. These reserves and resources will not be attributed to the Company until the Acquisition is complete and NZEC files an updated NI 51-101 reserve report.

Highlights

- Revised purchase price to $33.5 million with no additional adjustments (from original purchase price in May 2012 of $42 million plus adjustments, estimated by NZEC to be $9 million)
- Purchase price comprises $30 million in cash plus a 9% royalty on net revenues, both payable to Origin, and a $3.5 million cash payment to Contact Energy Limited (NZX: CEN) ("Contact")
- NZEC purchases the Tariki, Waihapa and Ngaere petroleum licences totaling 23,049 acres (93.3 km^2)
- NZEC retains 100% of production from all existing and new wells on the TWN Licences in all formations, subject to the 9% royalty payable to Origin
- Origin relinquishes all other rights and encumbrances on the TWN Licences, other than the royalty
- Reserve and resource estimate attributable to the TWN Licences, prepared by Deloitte LLP
  - Proved and Probable Reserves[1] of 2,144,700 boe
  - Before tax NPV (10% discount) for 2P Reserves of $62.9 million[1]
  - Contingent Resources[1] (best estimate) of 1,162,000 boe
  - Prospective Resources[1] (best estimate) of 23,541,000 boe
- Waihapa Production Station
  - Facility ready for gas processing, oil handling and water disposal
  - 10 TJ/day[3] gas supply identified to operate the gas plant and reactivate gas lift system on Tikorangi wells

[1] Reserve and resource estimates for the TWN Licences prepared by Deloitte LLP, with an effective date of April 30, 2013. See detailed reserve and resource tables and Cautionary Note Regarding Reserve and Resource Estimates.
[2] Barrels of oil equivalent (boe) calculated using a conversion rate of 6 Mcf : 1 bbl. May be misleading, particularly if used in isolation. The boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead
[3] A TerraJoule (TJ) is a measure of energy and is equivalent to approximately 1 MMcf of natural gas.

"Negotiations over the past year have resulted in a revised purchase price and a simplified sale agreement," said John Proust, Chief Executive Officer and Director of NZEC. "The additional time for review has ultimately proved beneficial to NZEC and its shareholders. The extended technical review of the TWN Licences has identified reserves that will more than quadruple NZEC's reserve base, plus significant oil and gas resources, that together underscore the prospectivity of the petroleum licences.

"We have developed a business plan to deliver our liquid-rich gas production to market, activate the gas lift to recommence oil and gas production from existing Tikorangi wells located on the TWN Licences, and establish new business opportunities for the Waihapa Production Station.

"We appreciate the patience of our shareholders. With these negotiations behind us, we are focused entirely on closing the acquisition and executing our exploration and business plans to demonstrate the value of this acquisition for NZEC's shareholders."

Waihapa Reserves and Resources

During this period of review and renegotiation, NZEC commissioned Deloitte LLP (formerly AJM Deloitte) to prepare a reserve estimate and economic evaluation for the Tikorangi formation on the TWN Licences, along with a resource evaluation for the Urenui, Mt. Messenger, Moki and Kapuni formations. The estimates and evaluations were prepared in accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities with an effective date of April 30, 2013. **These reserves and resources will not be attributed to the Company until the Acquisition is complete and NZEC files an updated NI 51-101 reserve report.** Upon closing of the Acquisition, the Waihapa reserves and resources will increase NZEC's 2P Reserves (Proved + Probable) by 303% and increase the net present value (10% discount, before tax) of NZEC's 2P reserves to $85.5 million.

Marketable Oil and Gas Reserves Attributable to the TWN Licences
As at April 30, 2013
Forecast Prices and Costs

Reserves Category	Light & Medium Oil (Mbbl)	Natural Gas (MMcf)	Natural Gas Liquids (Mbbl)	Barrels Oil Equivalent (Mboe)
Proved Developed	983.7	762.0	26.7	1,137.4
Proved Undeveloped	258.1	206.5	7.2	299.8
Total Proved	**1,241.8**	**968.5**	**33.9**	**1,437.1**
Probable	610.9	479.3	16.8	707.6
Proved + Probable	**1,852.7**	**1,447.8**	**50.7**	**2,144.7**

Notes:

(1) Estimated by Deloitte LLP. These reserves will not be attributed to the Company until the Acquisition is complete.

(2) Reserves are presented before the deduction of royalty obligations payable to Origin and to the New Zealand government.

(3) Mbbl – thousand barrels. MMcf – million cubic feet. Mboe – thousand barrels of oil equivalent using a conversion ratio of 6 Mcf : 1 bbl. Barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. The boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

(4) Proved Reserves are 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. Probable Reserves are those 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. See Cautionary Note Regarding Reserve and Resource Estimates.

Net Present Value of Future Net Revenue Attributable to TWN Licences Reserves
Before Tax
As at April 30, 2013
Forecast Prices and Costs

	Net Present Value of Future Net Revenues Before Tax, Discounted at % per year						
Reserves Category	**0% ($'000)**	**5% ($'000)**	**8% ($'000)**	**10% ($'000)**	**15% ($'000)**	**20% ($'000)**	**Unit Value 10% ($/boe)**
Proved Developed	54,432	43,656	38,848	36,142	30,677	26,554	31.65
Proved Undeveloped	11,874	9,168	7,990	7,340	6,058	5,115	24.34
Total Proved	**66,306**	**52,824**	**46,838**	**43,482**	**36,735**	**31,669**	**30.12**
Probable	44,522	27,897	22,201	19,393	14,496	11,400	27.32
Proved + Probable	**110,828**	**80,721**	**69,039**	**62,875**	**51,231**	**43,069**	**29.20**

Oil and Gas Resources Attributable to TWN Licences
As at April 30, 2013

	Mboe		
Resource Category	**Low**	**Best**	**High**
Contingent Resources	567	1,162	2,426
Prospective Resources	10,825	23,541	54,368
Discovered Petroleum Initially in Place (PIIP)	1,529	2,976	5,889
Undiscovered Petroleum Initially in Place (PIIP)	31,145	63,955	138,781

Notes:
(1) Estimated by Deloitte LLP. These resources will not be attributed to the Company until the Acquisition is complete. Estimates assume 9 to 14% recovery for oil resources and 50% for gas resources. See Cautionary Note Regarding Reserve and Resource Estimates.
(2) Mboe – thousand barrels of oil equivalent using a conversion ratio of 6 Mcf : 1 bbl. Barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. The boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Terms of the Acquisition

The final purchase price for the Acquisition comprises $33.5 million in cash ($30 million payable to Origin and $3.5 million payable to Contact). NZEC paid a $5 million deposit to Origin for the Acquisition in June 2012. The remaining $28.5 million will be payable upon closing of the Acquisition. The Company is considering a number of options to increase its financial capacity to carry out the Acquisition and other anticipated activities. In addition, NZEC will pay Origin a 9% net revenue royalty. The Company can reduce the Origin Royalty at any time by as much as 4% by paying Origin $4.25 million per percentage point. The TWN Licences are also subject to a "grandfathered" New Zealand Petroleum & Minerals 10% net revenue royalty. The royalty regime allows for the deduction of specified portions of operating costs when calculating royalties payable.

Other than the 9% royalty, Origin has relinquished all rights to the TWN Licences and the Waihapa Production Station, and to production from existing and future wells in all formations.

As one of the conditions of the transaction, NZEC has entered into an agreement with Contact regarding Contact's Ahuroa Gas Storage Facility ("AGS") located in the Contact-owned permit adjacent to the TWN Licences and the Waihapa Production Station. Contact, owned 53.1% by Origin, is one of New Zealand's leading energy generators and retailers, providing electricity, natural gas and LPG to customers in New Zealand. NZEC will transfer ownership of the Ahuroa Licence (3,857 acres, 15.6 km^2) to Contact upon closing of the transaction. NZEC's technical review of the Ahuroa Licence did not identify significant accessible prospectivity. In exchange for transfer of the Ahuroa Licence to Contact, NZEC will receive a compressor capable of handling 10 MMcf/d of natural gas. NZEC will act as operator of AGS, for which Contact will pay NZEC a monthly operating fee of NZ$200,000.

Two final conditions are required to close the Acquisition: deposit of the remaining $28.5 million of the purchase price into an escrow account, and government approval. The New Zealand Government has voiced its approval for the transaction. NZEC will proceed to lodge the SPA and other agreements with the New Zealand Government for final approval. The TSX Venture Exchange has provided conditional approval for the transaction.

TWN Mining Licences

Upon closing of the Acquisition and after transferring the Ahuroa Permit to Contact, NZEC will own the Tariki, Waihapa and Ngaere Licences ("TWN Licences") in the main production fairway of the Taranaki Basin, contiguous with the northern border of NZEC's existing Eltham and Alton permits (Figure 1). Totalling 23,049 acres (93.3 km^2), the TWN Licences offer multi-zone potential from the Urenui, Mt. Messenger, Moki, Kapuni and Tikorangi formations and will bring NZEC's Taranaki Basin acreage to 210,153 acres (850.5 km^2). The TWN Licences are permitted and renewable without relinquishment, subject to government approval. Included are 16 established drill pads with gathering systems in place, which will allow for timely tie-in to the Waihapa Production Station upon exploration and completion success.

The Acquisition includes 3D seismic data covering approximately 50% of the TWN Licences as well as 585 km of 2D seismic data. NZEC has access to extensive information from 27 previously drilled wells, offering the necessary well control to expedite exploration cycle time and reduce drilling risk. NZEC's review to date of the 3D seismic and well log data has identified exploration leads in all of the formations, significantly expanding NZEC's drilling inventory in the Taranaki Basin.

Upon closing of the Acquisition, NZEC plans to reactivate an established gas lift system for six existing wells on the TWN Licences to recommence oil and gas production from the Tikorangi formation, which is estimated to have remaining Proved and Probable Reserves of 2,144,700 boe. NZEC has also determined that six wells that previously produced from the Tikorangi formation have uphole completion potential in the shallower Moki, Mt. Messenger and Urenui formations. Reactivation and uphole completion of these wells would be significantly less expensive and faster than drilling new wells, and economic discoveries could be quickly tied in to the Waihapa Production Station using existing oil and gas gathering pipelines. Both the reactivations and uphole completions could bring near-term, low-cost production and cash flow to the Company.

NZEC's technical team has also identified five high-priority Mt. Messenger targets on the Waihapa and Ngaere permits of the TWN Licences. NZEC has completed permitting for a new site to access these targets, called the Waipapa site.

Longer-term exploration plans on the TWN Licences include accessing Mt. Messenger targets from 16 existing drill pads with gathering systems in place, which offer lower-cost exploration potential and can be tied-in to the Waihapa Production Station on an expedited basis. The resource evaluation also confirmed the prospectivity of the deeper Moki and Kapuni formations on the TWN Licences. Discoveries by other companies on offsetting permits have demonstrated significant flow rates and long-term production from reservoirs in these deeper formations.

Production and Infrastructure Assets

Owning the Waihapa Production Station (Figure 2) will give NZEC strategic control over gathering, processing and sales infrastructure in the Taranaki Basin and provide NZEC with the ability to quickly bring on near-term production additions, reduce full-cycle development lead times and execute on longer-term growth plans. In addition, as the only open-access midstream facility in the Taranaki Basin, the Waihapa Production Station offers business opportunities for processing third-party gas, liquids, oil and water. The Waihapa Production Station is central to NZEC's producing wells and inventory of exploration prospects, thereby reducing transportation and processing costs for NZEC's oil and gas production.

The Waihapa Production Station and associated infrastructure includes:

- 45 MMcf/d gas processing, gas compression and LPG extraction facility;
- 51 km 8-inch gas sales pipeline from the Waihapa Production Station to the Stratford Gas Power Generation Plant then terminating in New Plymouth;

- 59 km of oil/gas mixed product pipelines including gas lift lines;
- 25,000 bbl/d oil processing facility;
- 49 km oil sales pipeline from the Waihapa Production Station to the Omata Tank Farm, capable of transporting up to 15,500 bbl/d; and
- 18,000 bbl/d water disposal processing system.

Since initiating the Acquisition in 2012, NZEC has recruited industry professionals with expertise in operating a full-cycle production facility. When the Acquisition closes, Mike Oakes, NZEC's General Manager Upstream Operations, will assume responsibility for the Waihapa Production Station.

Contact Agreement

As part of the Acquisition, Contact and NZEC have agreed to undertake a joint study that is expected to lead to the commencement of a six-month gas looping trial in Q4-2013. NZEC intends to loop a minimum of 10 TJ/day[3] through the Waihapa Production Station, shipped from the existing gas network through the Contact pipeline. A volume of 10 TJ/day will be adequate to commence operations at the Waihapa Production Station, allowing NZEC to process gas produced from its own wells. During the trial, gas will be used to reactivate the existing gas lift system on the TWN Licences to lift oil and gas from reserves in the Tikorangi formation. The trial will also determine the economics of stripping natural gas liquids ("NGLs") from the liquids-rich gas. Any NGLs that are recovered during the trial will be the property of NZEC and can be sold at market prices. NZEC will sell any additional gas produced through this process to Contact at an estimated price of NZ$4.75/mcf.

On behalf of the Board of Directors

"John Proust"

Chief Executive Officer & Director

About New Zealand Energy Corp.

NZEC is an oil and natural gas company engaged in the production, development and exploration of petroleum and natural gas assets in New Zealand. NZEC's property portfolio collectively covers approximately 2.27 million acres (including permits and acquisitions pending) 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. NZEC 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. NZEC 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 or by emailing info@newzealandenergy.com.

New Zealand Energy Contacts

North American toll-free: 1-855-630-8997
John Proust – Chief Executive Officer & Director
Bruce McIntyre – Executive Director
Rhylin Bailie – Vice President Communications & Investor Relations

New Zealand: 64-6-757-4470
Chris Bush – New Zealand Country Manager

Email: info@newzealandenergy.com
Website: www.newzealandenergy.com

Figure 1 – NZEC Exploration Permits, New TWN Licences and the Waihapa Production Station

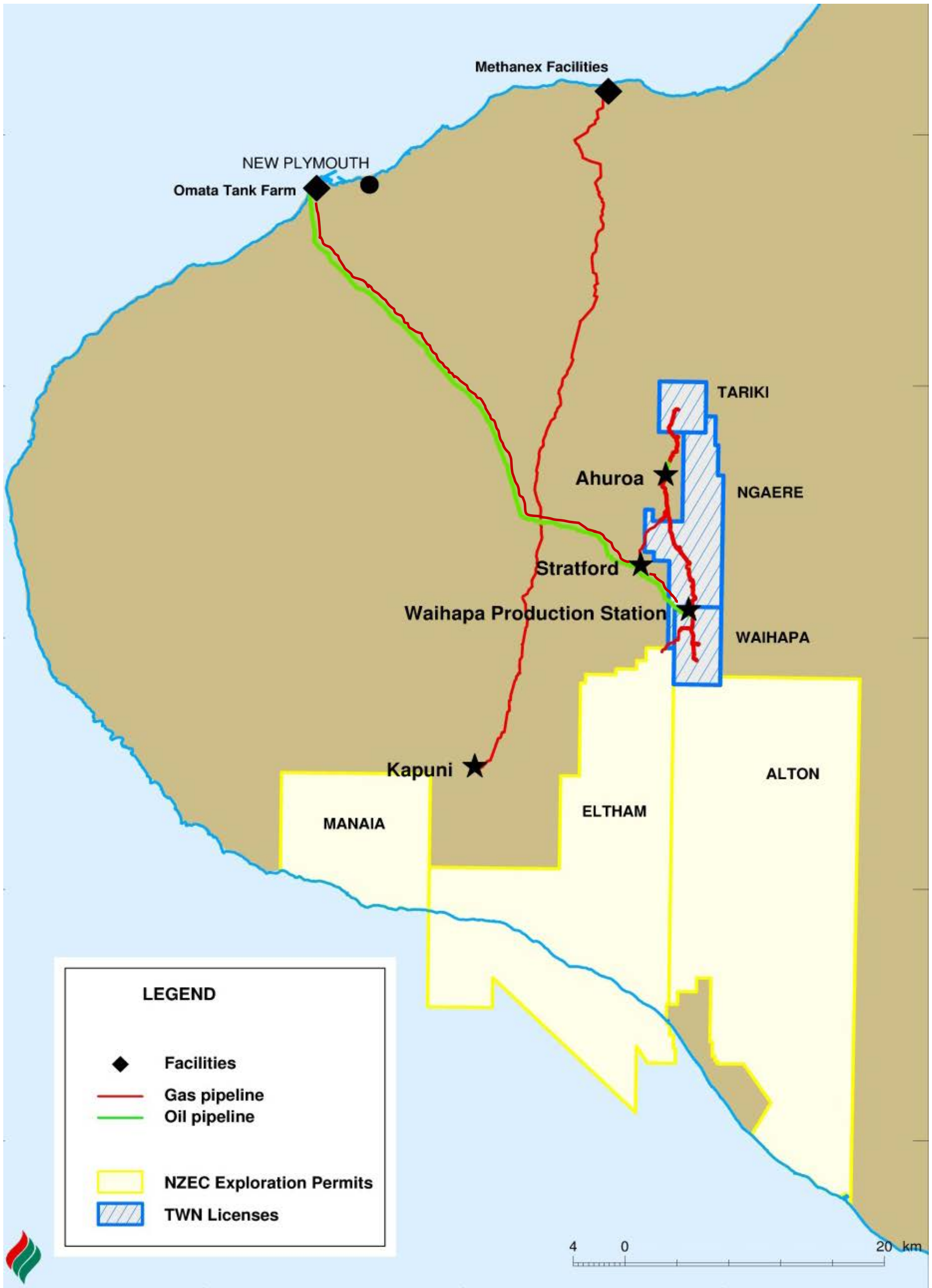

Figure 2 – Waihapa Production Station

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

This document 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 "being", "will", "until", "estimate", "will be", "is considering", "will proceed", "plans", "reactivate", "recommence", "would be", "could be", "will bring", "could bring", "expected", 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. Such forward-looking statements should not be unduly relied upon. The Company 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. This document contains forward-looking statements and assumptions pertaining to the following: business strategy, strength and focus; the granting of regulatory approvals; the timing for receipt of regulatory approvals; geological and engineering estimates relating to the resource potential of the Properties; the estimated quantity and quality of the Company's oil and natural gas resources; supply and demand for oil and natural gas and the Company's ability to market crude oil, natural gas and; expectations regarding the ability to raise capital and to continually add to reserves and resources through acquisitions and development; the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner; the ability of the Company to obtain the necessary approvals and secure the necessary financing to conclude the acquisition of assets from Origin on schedule, or at all; the ability of the Company's subsidiaries to obtain mining permits and access rights in respect of land and resource and environmental consents; the recoverability of the Company's crude oil, natural gas reserves and resources; and future capital expenditures to be made by the Company. Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in the document, such as the speculative nature of exploration, appraisal and development of oil and natural gas properties; uncertainties associated with estimating oil and natural gas resources; 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; operating hazards and risks inherent in oil and natural gas operations; volatility in market prices for oil and natural gas; 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. Readers are cautioned that the foregoing list of factors is not exhaustive. Statements relating to "reserves and resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources described can be profitably *produced in the future. The forward-looking statements contained in the document are expressly qualified by this cautionary statement. These statements speak only as of the date of this document and the Company does not undertake to update any forward-looking statements that are contained in this document, except in accordance with applicable securities laws.*

CAUTIONARY NOTE REGARDING RESERVE AND RESOURCE ESTIMATES

The oil and gas reserve and resource calculations and net present value projections were estimated in accordance with the Canadian Oil and Gas Evaluation Handbook (“COGEH”) and National Instrument 51-101 (“NI 51-101”). The term barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of six Mcf: one bbl was used by NZEC. This conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. 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: the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates. Proved Reserves are 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. Probable Reserves are those 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. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. Revenue projections presented are based in part on forecasts of market prices, current exchange rates, inflation, market demand and government policy which are subject to uncertainties and may in future differ materially from the forecasts above. Present values of future net revenues do not necessarily represent the fair market value of the reserves evaluated. Information concerning reserves may also be deemed to be forward looking as estimates imply that the reserves described can be profitably produced in the future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause the actual results to differ from those anticipated. Contingent resources are those quantities of oil and gas estimated on a given date to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters, or a lack of markets. Prospective resources are those quantities of oil and gas estimated on a given date to be potentially recoverable from undiscovered accumulations. Undiscovered resources means those quantities of oil and gas estimated on a given date to be contained in accumulations yet to be discovered. The resources reported are estimates only and there is no certainty that any portion of the reported resources will be discovered and that, if discovered, it will be economically viable or technically feasible to produce.