

NEWS RELEASE**New Zealand Energy Secures NZ\$5 Million Loan to Advance its Taranaki Assets**

September 24, 2014 – Vancouver, British Columbia – New Zealand Energy Corp. (“NZE” or the “Company”) (TSX-V: NZ, OTCQX: NZERF) is pleased to announce that the Company has executed a Working Capital Facility Agreement (the “Facility”) with New Dawn Energy Limited (“New Dawn”) for up to NZ\$5 million. New Dawn is the parent company of L&M Energy Limited, NZE’s 50% partner in the Tariki, Waihapa and Ngaere Licenses (the “TWN Licenses”) and the Waihapa Production Station (collectively the “TWN Assets”) and NZE’s 35% partner in the Alton exploration permit, all located in the Taranaki Basin of New Zealand’s North Island.

“Execution of this NZ\$5 million working capital facility is the first step in a capital rebuilding process for New Zealand Energy,” said John Proust, Chief Executive Officer and Director of NZE. “New Dawn’s willingness to advance funds is a strong vote of confidence in both the quality of the TWN Assets, and the ability of NZE’s team as operator of the assets.

“The additional working capital will allow NZE to undertake the activities required to further exploit the TWN Licences, with the objective of increasing oil production,” continued Mr. Proust. “In addition, NZE, as operator of the TWN Assets, is reviewing an opportunity at the Waihapa Production Station that could enable liquefied petroleum gas (LPG) to be extracted, bringing in additional revenue.

“NZE has made progress in 2014 to right-size the business, reduce operating costs, and focus on its most promising assets in both the Taranaki and East Coast basins. With this inflow of capital, NZE’s technical and operations teams can apply the insight gained from nearly a year of operating the TWN Assets to advance additional production and cash flow opportunities.”

“The facility has been put in place to enhance oil and gas production from the TWN wells and expand third-party use of existing TWN income-producing infrastructure,” said Geoff Loudon, Founder of New Dawn Energy and Chairman of L&M Energy. “New Dawn and L&M Energy are fully supportive of the joint venture with New Zealand Energy, and look forward to unlocking the full potential of these promising assets.”

The Facility, to the extent drawn down, will bear interest at 12% per annum with a maturity date of March 31, 2015, or as extended by agreement. Interest is payable monthly, or may be capitalized with New Dawn’s consent, while NZE may prepay the Facility at any point without penalty. NZE’s obligations under the Facility are secured against NZE’s 50% interest in the TWN Limited Partnership, the legal owner of the Waihapa Production Station, and NZE’s 50% interest in NZE Ngaere Limited, the general partner of the TWN Limited Partnership.

NZE can draw down the Facility to fund its share of expenditures and equipment required to advance the TWN Assets, and for other working capital purposes as agreed to by New Dawn.

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 1.15 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 oil and gas exploration and operations experience in New Zealand. NZEC plans to execute 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.

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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 the words "first step", "will", "undertake", "further", "objective", "could", "advance", "may", "reviewing" 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 reserves and 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 and production; the need to obtain various approvals before exploring and producing oil and natural gas resources; exploration hazards and risks inherent in oil and natural gas exploration; operating hazards and risks inherent in oil and natural gas operations; the Company's ability to generate sufficient cash flow from production to fund future development activities; market conditions that prevent the Company from raising the funds necessary for exploration and development on acceptable terms or at all; the Company's requirement to pay back the working capital facility; the need for New Dawn's agreement when deciding on which working capital purposes to apply the working capital facility; 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. 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. Actual results could differ materially from those anticipated in these forward-looking statements. 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.