

NEWS RELEASE

New Zealand Energy Corp announces First Quarter 2016 Results and details of the Company's 2016 Annual General Meeting

27 May 2016 – Wellington, New Zealand - New Zealand Energy Corp. ("NZEC" or the "Company") (TSX-V: NZ) announced today it has filed with Canadian regulatory authorities its consolidated interim financial results and management discussion and analysis for the quarter ended 31 March 2016, which documents are available on the Company's website at www.newzealandenergy.com and on SEDAR at www.sedar.com.

The net loss for the quarter was \$959,085 compared with a loss for the first quarter of 2015 of \$1,179,930. The more significant non-cash items contributing to the net loss during the Three Month Period included \$823,478 in depreciation and accretion (2015: \$550,499). Cash used in operating activities for the quarter was \$53,188 compared with \$660,364 in the first quarter of 2015.

The Company achieved average net daily production of 326 BOE/D (74% oil) through the first quarter of 2016. Production of oil and gas from the Copper-Moki fields accounted for 280 BOE/d (i.e. 71%) of this production rate.

The Company will hold its annual general meeting at 10am (New Zealand Time) on 22 June 2016 in Wellington, New Zealand at the offices of Straterra, Ground Level, 93 The Terrace. The business of the Meeting will include resolutions to fix the number of directors of the Company at three (3), with existing directors James Willis, Mark Dunphy and Dr. David Llewellyn standing for re-election.

The record date, for shareholders to receive notice of meeting and for voting, is 16 May 2016. The Company encourages all shareholders to vote their shares. Meeting materials are being distributed to shareholders and made available on the Company website at www.newzealandenergy.com.

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 interim financial statements for the period ended 31 March 2016 and 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.