

NEWS RELEASE**Contact:****FOR IMMEDIATE RELEASE**

New Concept Energy Inc.
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New Concept Energy, Inc. Reports Fourth Quarter and Full Year 2016 Results

Dallas (April 3, 2017) New Concept Energy, Inc. (NYSE MKT: GBR), (the “Company” or “NCE”) a Dallas-based oil and gas company, today reported Results of Operations for the fourth quarter ended December 31, 2016. During the three months ended December 31, 2016 the Company reported net income of \$641,000 or (\$0.32) per share, compared to a net loss of \$2,971,000 or (\$1.53) per share for the same period ended December 31, 2015. Included in the income for 2016 was a non-cash gain of \$888,000 from the prepayment of debt and included in the loss for 2015 is a \$2,717,000 non-cash charge for impairment of the value of the Company’s oil and gas properties.

For the full year ended December 31, 2016 the Company reported net income of \$48,000 or (\$0.02) per share, compared to a net loss of \$2,622,000 or (\$1.35) per share for the same period ended December 31, 2015.

Revenues: Total revenues from the oil and gas operation was \$764,000 in 2016 and \$820,000 in 2015. Net revenue for our oil and gas operation decreased by \$56,000 in 2016 as compared to 2015. Included in 2016 revenue is a onetime fee of \$30,000. The drop in revenue in 2016 was principally due to a reduction in the quantity of oil and gas produced.

Operating Expenses: Operating expenses for the oil and gas operation were \$1.2 million in 2016 and \$1.8 million in 2015. This decrease was the result of an overall reduction in operating expenses as the Company has actively reduced expenses to compensate for a slowdown in the oil and gas operation.

Corporate Expenses were \$352,000 in 2016 and \$605,000 in 2015. The decrease is primarily due to a reduction in wages and general operating expenses.

Interest Income & Expense: Interest Expense was \$38,000 in 2016 as compared to \$62,000 in 2015. The decrease was due to a reduction in the long term debt owed to the bank as well as previous owners of the Company’s oil and gas operation in West Virginia / Ohio.

Gain on Prepayment of Debt: In 2016 the Company settled a long term debt that was generated from the purchase of the oil and gas operation in 2008. The settlement resulted in a gain of \$888,000.

Other Income & (Expense): Other income & (expense) was (\$110,000) for 2016 as compared to (\$32,000) in 2015. The expenses in 2016 were principally the write off assets pertaining to the termination of the lease at the retirement center.

Bad Debt Expense (Recovery): In 2015 the company recorded a bad debt expense recovery of \$1,430,000 with respect to a note receivable that was fully reserved in a prior year.

Discontinued Operations: The Company leased and operated Pacific Pointe Retirement Inn (“Pacific Pointe”) a retirement community in King City, Oregon. Our lease provides that should the property be sold the lease maintained by the Company would be terminated. The owners completed the sale of the building on March 30, 2017 and our lease terminated on that date. These financial statements reflect the operations of the retirement community as a discontinued operation. Net income from discontinued operations was \$4,000 and \$332,000 in 2016 and 2015 respectively.

About New Concept Energy, Inc.

New Concept Energy, Inc. is a Dallas-based oil and gas company which owns oil and gas wells and mineral leases in Ohio and in West Virginia. For more information, visit the Company's website at www.newconceptenergy.com.

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NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATION
(amounts in thousands, except per share data)

	Year Ended December 31,		
	2016	2015	2014
Revenue			
Oil and gas operations, net of royalties	\$ 764	\$ 820	\$ 1,489
	<u>764</u>	<u>820</u>	<u>1,489</u>
Operating expenses			
Oil & gas operations	1,181	1,800	1,853
Corporate general and administrative	352	605	823
Impairment of natural gas and oil properties	-	2,717	-
	<u>1,533</u>	<u>5,122</u>	<u>2,676</u>
Operating earnings (loss)	(769)	(4,302)	(1,187)
Other income (expense)			
Interest income	23	12	5
Interest expense	(38)	(62)	(91)
Gain on prepayment of debt	888		
Gain on sale of land	50		
Bad debt expense (recovery) - note receivable	-	1,430	-
Other income (expense), net	(110)	(32)	197
	<u>813</u>	<u>1,348</u>	<u>111</u>
Earnings (loss) from continuing operations	44	(2,954)	(1,076)
Earnings from discontinued operations	4	332	297
	<u>48</u>	<u>(2,622)</u>	<u>(779)</u>
Net income (loss) applicable to common shares	\$ 48	\$ (2,622)	\$ (779)
Net income (loss) per common share-basic and diluted	<u>\$ 0.02</u>	<u>\$ (1.35)</u>	<u>\$ (0.40)</u>
Weighted average common and equivalent shares outstanding - basic	1,947	1,947	1,947

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(amounts in thousands)

	December 31,	
	2016	2015
Assets		
Current assets		
Cash and cash equivalents	\$ 113	\$ 473
Accounts receivable from oil and gas sales	119	141
Other current assets	206	37
Total current assets	438	651
 Oil and natural gas properties (full cost accounting method)		
Proved developed and undeveloped oil and gas properties, net of depletion	5,608	5,914
 Property and equipment, net of depreciation		
Land, buildings and equipment - oil and gas operations	706	803
Other	25	134
Total property and equipment	731	937
 Other assets	401	1,373
 Total assets	\$ 7,178	\$ 8,875

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - CONTINUED
(amounts in thousands, except share amounts)

	December 31,	
	2016	2015
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable - trade (including \$160 and \$168 in 2016 and 2015 due to related parties)	\$ 238	\$ 241
Accrued expenses	59	151
Current portion of long term debt	96	831
Total current liabilities	393	1,223
Long-term debt		
Notes payable less current portion	296	1,211
Asset retirement obligation	2,770	2,770
Total liabilities	3,459	5,204
Stockholders' equity		
Series B convertible preferred stock, \$10 par value, liquidation value of \$100 authorized 100 shares, issued and outstanding one share	1	1
Common stock, \$.01 par value; authorized, 100,000,000 shares; issued and outstanding, 1,946,935 shares at December 31, 2016 and 2015	20	20
Additional paid-in capital	58,838	58,838
Accumulated deficit	(55,140)	(55,188)
	3,719	3,671
Total liabilities & stockholders' equity	\$ 7,178	\$ 8,875