

**NEWS RELEASE**

**Contact:**

**FOR IMMEDIATE RELEASE**

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## **New Concept Energy, Inc. Reports First Quarter 2017 Results**

Dallas (May 15, 2017) – New Concept Energy, Inc. (NYSE MKT: GBR), (the “Company” or “NCE”) a Dallas-based oil and gas company, today reported a net loss from continuing operations for the three months ended March 31, 2017 of \$172,000 or (\$0.09) per share, compared to net loss from continuing operations of \$351,000 or (\$0.18) per share for the three months ended March 31, 2016.

On March 30, 2017 the owners sold the property which triggered the termination of the Company’s lease to operate the 114 unit retirement center located in King City, Oregon. The operations of the retirement center, which is reflected as discontinued operations resulted in net earnings of \$13,000 (\$0.01 per share) and \$55,000 (\$0.03 per share) for the periods ended March 31, 2017 and 2016 respectively.

For the three months ended March 31, 2017, the Company recorded oil and gas revenues of \$195,000 as compared to \$219,000 for the comparable period of 2016. The decrease in oil & gas revenue for the three months ended March 31, 2017 was principally due to the production and price the Company received for oil.

For the three months ended March 31, 2017, the Company recorded oil and gas operating expenses of \$256,000 as compared to \$396,000 for the comparable period of 2016. The decrease was due to a specific effort by management to reduce operation costs. The decrease represents a \$28,000 reduction in payroll costs and a reduction in general operating expenses of \$38,000.

For the three months ended March 31, 2017, corporate general and administrative expenses were \$100,000, as compared to \$169,000 for the comparable period in 2016. The decreases was principally due to a decrease in corporate payroll.

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

	<u>March 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 520	\$ 113
Accounts receivable from oil and gas sales	122	119
Other current assets	73	206
<b>Total current assets</b>	<u>715</u>	<u>438</u>
<b>Oil and natural gas properties (full cost accounting method)</b>		
Proved developed and undeveloped oil and gas properties, net of depletion	5,551	5,608
<b>Property and equipment, net of depreciation</b>		
Land, buildings and equipment - oil and gas operations	703	706
Other	-	25
<b>Total property and equipment</b>	<u>703</u>	<u>731</u>
<b>Other assets</b>	<u>322</u>	<u>401</u>
<b>Total assets</b>	<u>\$ 7,291</u>	<u>\$ 7,178</u>

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

	<u>March 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable - (including \$463 and \$160 due to related parties in 2017 and 2016)	\$ 526	\$ 238
Accrued expenses	53	59
Current portion of long term debt	89	96
<b>Total current liabilities</b>	668	393
<b>Long-term debt</b>		
Notes payable less current portion	293	296
Asset retirement obligation	2,770	2,770
<b>Total liabilities</b>	3,731	3,459
<b>Stockholders' equity</b>		
Preferred stock, Series B	1	1
Common stock, \$.01 par value; authorized, 100,000,000 shares; issued and outstanding, 1,946,935 shares at March 31, 2017 and December 31, 2016	20	20
Additional paid-in capital	58,838	58,838
Accumulated deficit	(55,299)	(55,140)
Total shareholders' equity	3,560	3,719
<b>Total liabilities &amp; equity</b>	\$ 7,291	\$ 7,178

**NEW CONCEPT ENERGY, INC AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF OPERATIONS**

(unaudited)

(amounts in thousands, except per share data)

	<b>For the Three Months ended</b>	
	<b>March 31,</b>	
	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Revenue</b>		
Oil and gas operations, net of royalties	\$ 195	\$ 219
Total Revenues	<u>195</u>	<u>219</u>
<b>Operating expenses</b>		
Oil and gas operations	256	396
Corporate general and administrative	<u>100</u>	<u>167</u>
Total Operating Expenses	<u>356</u>	<u>563</u>
Operating earnings (loss)	(161)	(344)
<b>Other income (expense)</b>		
Interest income	4	6
Interest expense	(7)	(11)
Other income (expense), net	<u>(8)</u>	<u>(2)</u>
Expense	<u>(11)</u>	<u>(7)</u>
Earnings (loss) from continuing operations	(172)	(351)
Earnings from discontinued operations	<u>13</u>	<u>55</u>
Net income (loss) applicable to common shares	<u>\$ (159)</u>	<u>\$ (296)</u>
Net (loss) per common share from continuing operations	\$ (0.09)	\$ (0.18)
Net income per common share from discontinued operations	<u>\$ 0.01</u>	<u>\$ 0.03</u>
Net income (loss) per common share-basic and diluted	<u>\$ (0.08)</u>	<u>\$ (0.15)</u>
Weighted average common and equivalent shares outstanding - basic	1,947	1,947