

NEWS RELEASE

Contact:

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New Concept Energy Inc.
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New Concept Energy, Inc. Reports First Quarter 2020 Results

Dallas (May 13, 2020) – New Concept Energy, Inc. (NYSE American: GBR), (the “Company” or “NCE”) a Dallas-based oil and gas company, today reported Results of Operations for the first quarter ended March 31, 2020.

During the three months ended March 31, 2020, the Company reported a net loss applicable to common shares for the three months ended March 31, 2020 of (\$97,000) or \$0.00 per share, compared to net income of \$126,000 or (\$0.02) per share for the three months ended March 31, 2019.

For the three months ended March 31, 2020, the Company recorded oil and gas revenues of \$125,000 as compared to \$180,000 for the comparable period of 2019. The reduction was principally due to the dollar amount per barrel for oil and MCF for gas the Company received from the sale of natural gas.

For the three months ended March 31, 2020, the Company recorded oil and gas operating expenses of \$178,000 as compared to \$179,000 for the comparable period of 2019.

For the three months ended March 31, 2020, corporate general & administrative expenses were \$104,000 as compared to \$88,000 for the comparable periods in 2019. The increase was due, for the most part, to consulting fees paid by the Company regarding oil and gas matters.

For the three months ended March 31, 2019 the Company recorded a one-time gain of \$153,000 which was reflected as other income.

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 BALANCE SHEETS
(amounts in thousands)

	March 31,	December 31,
	2020	2019
Assets	(Unaudited)	(Audited)
Current assets		
Cash and cash equivalents	\$ 27	\$ 22
Accounts receivable from oil and gas sales	56	73
Current portion note receivable (including \$3,950 and \$4,005 in 2020 and 2019 from related parties)	3,990	4,046
Other current assets	38	-
Total current assets	<u>4,111</u>	<u>4,141</u>
 Oil and natural gas properties (full cost accounting method)		
Proved developed and undeveloped oil and gas properties, net of depletion	735	767
 Property and equipment, net of depreciation		
Land, buildings and equipment - oil and gas operations	665	668
 Note Receivable	 <u>204</u>	 <u>214</u>
 Total assets	 <u>\$ 5,715</u>	 <u>\$ 5,790</u>

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - CONTINUED
(dollars in thousands, except par value amount)

	March 31, 2020	December 31, 2019
	(Unaudited)	(Audited)
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable - (including \$243 and \$180 due to related parties in 2020 and 2019)	\$ 367	\$ 355
Accrued expenses	55	35
Current portion of long term debt	40	44
Total current liabilities	462	434
Long-term debt		
Notes payable less current portion	171	177
Asset retirement obligation	2,770	2,770
Total liabilities	3,403	3,381
Stockholders' equity		
Preferred stock, Series B	1	1
Common stock, \$.01 par value; authorized, 100,000,000 shares; issued and outstanding, 5,131,934 and 2,036,935 shares at March 31, 2020 and December 31, 2019	51	51
Additional paid-in capital	63,579	63,579
Accumulated deficit	(61,319)	(61,222)
Total shareholders' equity	2,312	2,409
Total liabilities & equity	\$ 5,715	\$ 5,790

NEW CONCEPT ENERGY, INC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(amounts in thousands, except per share data)

	For the Three Months	
	ended March 31,	
	2020	2019
	<u> </u>	<u> </u>
Revenue		
Oil and gas operations, net of royalties	\$ 125	\$ 180
Total Revenues	<u>125</u>	<u>180</u>
Operating expenses		
Oil and gas operations	178	179
Corporate general and administrative	104	88
Total Operating Expenses	<u>282</u>	<u>267</u>
Operating earnings (loss)	<u>(157)</u>	<u>(87)</u>
Other income (expense)		
Interest income	64	65
Interest expense	(4)	(5)
Other income (expense), net	-	153
Expense	<u>60</u>	<u>213</u>
Earnings (loss) applicable to common shares	<u>(97)</u>	<u>126</u>
Net income (loss) per common share-basic and diluted	<u>\$ 0.01</u>	<u>\$ 0.02</u>
Weighted average common and equivalent shares outstanding - basic	5,132	5,132