

**NEWS RELEASE**

**Contact:**

**FOR IMMEDIATE RELEASE**

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## **New Concept Energy, Inc. Reports Second Quarter 2020 Results**

Dallas (August 13, 2020) – New Concept Energy, Inc. (NYSE American: 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 June 30, 2020 of \$137,000 or (\$0.03) per diluted share, compared to net loss from continuing operations of \$141,000 or (\$0.03) per share for the three months ended June 30, 2019.

The Company reported a net loss from continuing operations for the six months ended June 30, 2020 of \$234,000 or (\$0.05) per share, compared to net loss from continuing operations of \$15,000 for the six months ended June 30, 2019.

For the three months ended June 30, 2019, the Company recorded oil and gas revenues of \$93,000 as compared to \$164,000 for the comparable period of 2019. The decrease was principally due to a lower price received for the sale of natural gas.

For the three months ended June 30, 2020, the Company recorded oil and gas operating expenses of \$163,000 as compared to \$231,000 for the comparable period of 2019. The decrease was principally due to reductions in payroll, consulting fees and overall expenses.

For the three months ended June 30, 2019, corporate general & administrative expenses were \$127,000 as compared to \$134,000 for the comparable periods in 2019.

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

	<u>June 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 39	\$ 22
Accounts receivable from oil and gas sales	69	73
Current portion note receivable (including \$3,620 and \$4,136 in 2020 and 2019 from related parties)	3,660	4,046
Other current assets	25	-
<b>Total current assets</b>	<u>3,793</u>	<u>4,141</u>
 <b>Oil and natural gas properties (full cost accounting method)</b>		
Proved developed and undeveloped oil and gas properties, net of depletion	706	767
 <b>Property and equipment, net of depreciation</b>		
Land, buildings and equipment - oil and gas operations	662	668
 <b>Note receivable</b>	 <u>192</u>	 <u>214</u>
 <b>Total assets</b>	 <u>\$ 5,353</u>	 <u>\$ 5,790</u>

The accompanying notes are an integral part of these consolidated financial statements.

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

	<u>June 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable - (including \$20 and \$180 due to related parties in 2020 and 2019)	\$ 195	\$ 355
Accrued expenses	37	35
Current portion of long term debt	40	44
<b>Total current liabilities</b>	<u>272</u>	<u>434</u>
<b>Long-term debt</b>		
Notes payable less current portion	161	177
Asset retirement obligation	2,745	2,770
<b>Total liabilities</b>	<u>3,178</u>	<u>3,381</u>
<b>Stockholders' equity</b>		
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 June 30, 2020 and December 31, 2019	51	51
Additional paid-in capital	63,579	63,579
Accumulated deficit	<u>(61,456)</u>	<u>(61,222)</u>
<b>Total shareholder equity</b>	<u>2,175</u>	<u>2,409</u>
<b>Total liabilities &amp; equity</b>	<u>\$ 5,353</u>	<u>\$ 5,790</u>

The accompanying notes are an integral part of these consolidated financial statements.

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

(amounts in thousands, except per share data)

	<b>For the Three Months</b>		<b>For the Six Months</b>	
	<b>ended June 30,</b>		<b>ended June 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Revenue</b>				
Oil and gas operations, net of royalties	\$ 93	\$ 164	\$ 218	\$ 344
<b>Operating expenses</b>				
Oil and gas operations	163	231	341	410
Corporate general and administrative	127	134	231	222
Total Operating Expenses	<u>290</u>	<u>365</u>	<u>572</u>	<u>632</u>
Operating earnings (loss)	(197)	(201)	(354)	(288)
<b>Other income (expense)</b>				
Interest income	63	64	127	129
Interest expense	(3)	(4)	(7)	(9)
Other income (expense), net	-	-	-	153
Expense	<u>60</u>	<u>60</u>	<u>120</u>	<u>273</u>
Net income (loss) applicable to common shares	<u>\$ (137)</u>	<u>\$ (141)</u>	<u>\$ (234)</u>	<u>\$ (15)</u>
Net income (loss) per common share-basic and diluted	<u>\$ (0.03)</u>	<u>\$ (0.03)</u>	<u>\$ (0.05)</u>	<u>\$ -</u>
Weighted average common and equivalent shares outstanding - basic	5,132	5,132	5,132	5,132

The accompanying notes are an integral part of these consolidated financial statements.