

**NEWS RELEASE**

**Contact:**

**FOR IMMEDIATE RELEASE**

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

Dallas (August 14, 2017) – New Concept Energy, Inc. (NYSE American: GBR), ( the “Company” or “NCE”) a Dallas-based oil and gas company, today reported a net loss for the three months ended June 30, 2017 of \$135,000 or (\$0.07) per share, compared to a net loss of \$133,000 or (\$0.07) per share for the three months ended June 30, 2016.

The net loss from continuing operations was \$124,000 for the three months ended June 30, 2017 compared to a net loss of \$171,000 for the similar period in the prior year.

At March 30, 2017 the Company’s operating lease expired at the retirement center it operated in Oregon. The operations of the retirement center are reflected as a discontinued operations.

For the three months ended June 30, 2017, the Company recorded oil and gas revenues, net of royalty expenses of \$243,000 as compared to \$170,000 for the comparable period of 2016. The increase in oil and gas revenue was principally due to an increase in production in 2017 as compared to 2016.

For the three months ended June 30, 2017, the Company recorded oil and gas operating expenses of \$256,000 as compared to \$233,000 for the comparable period of 2016. The increase was due to general operating expenses.

For the three months ended June 30, 2017, corporate general & administrative expenses were \$122,000 as compared to \$101,000 for the comparable period in 2016. The increase was due to overall operating expenses.

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

	<u>June 30,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 433	\$ 113
Accounts receivable from oil and gas sales	143	119
Other current assets	87	206
<b>Total current assets</b>	<u>663</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	5,489	5,608
<b>Property and equipment, net of depreciation</b>		
Land, buildings and equipment - oil and gas operations	689	706
Other	<u>-</u>	<u>25</u>
<b>Total property and equipment</b>	689	731
<b>Other assets</b> (including \$124 due from related parties in 2015)	<u>298</u>	<u>401</u>
<b>Total assets</b>	<u>\$ 7,139</u>	<u>\$ 7,178</u>

**NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS - CONTINUED**

(unaudited)

(amounts in thousands, except share amounts)

	<u>June 30,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities</b>		
Accounts payable (includes \$540 and \$160 due to related parties in 2017 & 2016) \$	555	\$ 238
Accrued expenses	26	59
Current portion of long term debt	87	96
<b>Total current liabilities</b>	<u>668</u>	<u>393</u>
<b>Long-term debt</b>		
Notes payable less current portion	276	296
Asset retirement obligation	2,770	2,770
<b>Total liabilities</b>	<u>3,714</u>	<u>3,459</u>
<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 June 30, 2017 and December 31, 2016	20	20
Additional paid-in capital	58,838	58,838
Accumulated deficit	<u>(55,434)</u>	<u>(55,140)</u>
	<u>3,425</u>	<u>3,719</u>
<b>Total liabilities &amp; equity</b>	<u>\$ 7,139</u>	<u>\$ 7,178</u>

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

(amounts in thousands, except per share data)

	<b>For the Three Months ended June 30,</b>		<b>For the Six Months ended June 30,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>				
Oil and gas operations, net of royalties	\$ 243	\$ 170	\$ 438	\$ 389
Total Revenue	<u>243</u>	<u>170</u>	<u>438</u>	<u>389</u>
<b>Operating expenses</b>				
Oil and gas operations	256	233	512	629
Corporate general and administrative	<u>122</u>	<u>101</u>	<u>222</u>	<u>267</u>
Total Operating Expenses	<u>378</u>	<u>334</u>	<u>734</u>	<u>896</u>
Operating earnings (loss)	(135)	(164)	(296)	(507)
<b>Other income (expense)</b>				
Interest income	11	5	15	11
Interest expense	(6)	(7)	(13)	(18)
Other income (expense)	<u>6</u>	<u>(5)</u>	<u>(2)</u>	<u>(10)</u>
	<u>11</u>	<u>(7)</u>	<u>0</u>	<u>(17)</u>
Loss from continuing operations	(124)	(171)	(296)	(524)
Earnings (loss) from discontinued operations	<u>(11)</u>	<u>38</u>	<u>2</u>	<u>95</u>
Net income (loss) applicable to common shares	<u>\$ (135)</u>	<u>\$ (133)</u>	<u>\$ (294)</u>	<u>\$ (429)</u>
Net income (loss) per common share-basic and diluted	<u>\$ (0.07)</u>	<u>\$ (0.07)</u>	<u>\$ (0.15)</u>	<u>\$ (0.22)</u>
Weighted average common and equivalent shares outstanding - basic	1,947	1,947	1,947	1,947