

NEWS RELEASE

Contact:

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New Concept Energy, Inc. Reports Second Quarter 2019 Results

Dallas (August 13, 2019) – 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 June 30, 2019 of \$141,000 or (\$0.03) per share, compared to net loss from continuing operations of \$174,000 or (\$0.08) per share for the three months ended June 30, 2018.

The Company reported a net loss from continuing operations for the six months ended June 30, 2019 of \$15,000 or (\$0.00) per share, compared to net loss from continuing operations of \$308,000 or (\$0.14) per share for the six months ended June 30, 2018.

For the three months ended June 30, 2019, the Company recorded oil and gas revenues of \$164,000 as compared to \$173,000 for the comparable period of 2018. The decrease was principally due to a lower price received for the sale of natural gas.

For the three months ended June 30, 2019, the Company recorded oil and gas operating expenses of \$231,000 as compared to \$239,000 for the comparable period of 2018.

For the three months ended June 30, 2019, corporate general & administrative expenses were \$134,000 as compared to \$108,000 for the comparable periods in 2018. The increase was due to an increase in general operating expenses.

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NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(unaudited)
(amounts in thousands)

	<u>June 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 175	\$ 361
Accounts receivable from oil and gas sales	77	72
Current portion note receivable (including \$4,136 and \$4,017 in 2019 and 2018 from related parties)	4,179	4,063
Other current assets	23	-
Total current assets	<u>4,454</u>	<u>4,496</u>
Oil and natural gas properties (full cost accounting method)		
Proved developed and undeveloped oil and gas properties, net of depletion	2,492	2,517
Property and equipment, net of depreciation		
Land, buildings and equipment - oil and gas operations	675	618
Note receivable	<u>231</u>	<u>251</u>
Total assets	<u>\$ 7,852</u>	<u>\$ 7,882</u>

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

(unaudited)

(dollars in thousands, except par value amount)

	<u>June 30,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable - (including \$59 and \$37 due to related parties in 2019 and 2018)	\$ 85	\$ 59
Accrued expenses	13	32
Current portion of long term debt	<u>51</u>	<u>59</u>
Total current liabilities	149	150
Long-term debt		
Notes payable less current portion	187	201
Asset retirement obligation	<u>2,770</u>	<u>2,770</u>
Total liabilities	3,106	3,121
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 June 30, 2019 and December 31, 2018	51	51
Additional paid-in capital	63,579	63,579
Accumulated deficit	<u>(58,885)</u>	<u>(58,870)</u>
Total shareholder equity	<u>4,746</u>	<u>4,761</u>
Total liabilities & equity	<u>\$ 7,852</u>	<u>\$ 7,882</u>

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

	For the Three Months		For the Six Months	
	ended June 30,		ended June 30,	
	2019	2018	2019	2018
Revenue				
Oil and gas operations, net of royalties	\$ 164	\$ 173	\$ 344	\$ 377
Operating expenses				
Oil and gas operations	231	239	410	514
Corporate general and administrative	134	108	222	183
Total Operating Expenses	<u>365</u>	<u>347</u>	<u>632</u>	<u>697</u>
Operating earnings (loss)	(201)	(174)	(288)	(320)
Other income (expense)				
Interest income	64	4	129	11
Interest expense	(4)	(5)	(9)	(11)
Other income (expense), net	-	1	153	12
Expense	<u>60</u>	<u>0</u>	<u>273</u>	<u>12</u>
Net income (loss) applicable to common shares	<u>\$ (141)</u>	<u>\$ (174)</u>	<u>\$ (15)</u>	<u>\$ (308)</u>
Net income (loss) per common share-basic and diluted	<u>\$ (0.03)</u>	<u>\$ (0.08)</u>	<u>\$ (0.00)</u>	<u>\$ (0.14)</u>
Weighted average common and equivalent shares outstanding - basic	5,132	2,132	5,132	2,132