NEWS RELEASE

Trading Symbol: NWX (TSX-V)

DEVELOPMENT, EXPLORATION AND PRODUCTION GUIDANCE UPDATE

Vancouver, British Columbia, April 27th, 2017. Newport Exploration Ltd ("Newport" or "the Company") is pleased to provide an update on exploration activities on licences in the Cooper Basin, Australia on which the Company has a 2.5% gross overriding royalty. This information was reported by Beach Energy Ltd ("Beach") on April 27th, 2017, in a Quarterly Report for the period ended 31st March, 2017. Reference should be made to Beach's news release and their website for their interpretation of results and plans to bring wells into production.

PRODUCTION

Cooper Basin Western Flank Oil – ex PEL 91 (Beach 100%)

Production was supported by connection of the Kangaroo-1 exploration well and better than expected performance from prior quarter well connections and artificial lift installations. Average daily oil production of 9,770 bbl was 6% lower than the prior period, and total oil production of 880 kbbl was 8% lower than the prior period.

The Bauer facility expansion progressed, with mechanical installation near complete and commissioning expected by the end of April 2017. The expansion will increase fluids handling capacity by 60% from 75,000 bfpd to 120,000 bfpd, providing headroom for new discoveries and an increasing water cut. The Bauer-24 and Bauer-25 development wells will be the first connections into the expanded facility and will contribute incremental oil production from mid-Q4 FY17.

Western Flank Gas and Gas Liquids – ex PEL 106 (Beach 100%)

Initial production from the Middleton East-1 exploration well mitigated the impact of natural field decline and shut-in requests from the Moomba plant operator.

Average ex PEL 106 daily gas and gas liquids production of 2,050 boe was 13% lower than the prior period, and total gas and gas liquids production of 185 kboe was 15% lower than the prior period.

Production comprised sales gas of 125 kboe (down 18%), LPG of 25 kboe (up 1%) and condensate of 35 kboe (down 12%).

Installation of Commissioning and Compression at Middleton.

Installation and commissioning of compression at Middleton was completed and final acceptance testing and full production volumes are expected to be achieved in May 2017. Compression is expected to allow currently producing wells to reach and maintain maximum daily raw gas production of 25 MMscf (broadly equivalent to 1.3 MMboe of annual sales gas and gas liquids production).
Production at maximum capacity of 25 MMscfd will allow a portion of Beach’s operated gas volumes to be sold under short term contracts or into the spot market.

With expected reserve additions from recent exploration success, Beach is planning to maintain maximum daily raw gas production beyond FY18 (excluding maintenance downtime and Moomba operator shut-in requests). Furthermore, due to an expanded gas exploration drilling program currently planned for FY18, and assuming continued exploration success, expansion of capacity to 40-50 MMscfd is currently being evaluated.

DEVELOPMENT

Cooper Basin Western Flank Oil – ex PEL 91 (Beach 100%)

A two-well oil development campaign commenced in the Pennington Field, located approximately 10 kilometres east of the Bauer Field. Reservoir simulation modelling identified potential for improved field commerciality through in-fill drilling to accelerate production. The wells are targeting the Namur Sandstone as a primary objective and the McKinlay Member and Mid-Namur Sandstone as secondary objectives.

The first well of the campaign, Pennington-5, intersected net oil pay of 2.2 metres in the Namur Sandstone and 1.8 metres in the McKinlay Member. The well also encountered oil shows in the Birkhead Formation.

EXPLORATION

Western Flank Gas – ex PEL 106, ex PEL 107; ex PEL 91 (Beach 100%)

Beach completed its FY17 operated gas exploration and appraisal campaign. The campaign delivered three gas discoveries from four wells, including two during the past quarter. All discoveries indicate potential for high liquids content and estimated initial flow rates ranging from 3 MMscfd to 12 MMscfd. Crockery-1, Dandy-1 and Mokami-1 were drilled during the quarter and targeted stratigraphic traps in the Patchawarra Formation.

- **Crockery-1** (ex PEL 106) confirmed a southern extension of the Southwest Patchawarra play fairway. The result reinforces potential for further stratigraphically trapped gas discoveries within the region.

- **Dandy-1** (ex PEL 106) was drilled to the south of Crockery-1 and intersected gas shows in good quality reservoir sands, however was plugged and abandoned due to lack of commercial pay.

- **Mokami-1** (ex PEL 91) confirmed a western extension of the Southwest Patchawarra play fairway. The discovery is encouraging for upcoming exploration activity in the adjacent frontier Permian Edge play fairway.

Preliminary Exploration Results

Preliminary results from the discoveries are summarised below. As a result of this successful campaign, Beach are planning for an expanded FY18 operated gas drilling campaign is underway, with more than twice the number of gas wells drilled in FY17 currently anticipated.
<table>
<thead>
<tr>
<th>Note</th>
<th>Canunda-3</th>
<th>Crockery-1</th>
<th>Mokami-1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Gas Pay</td>
<td>2.8 metres</td>
<td>7.2 metres</td>
<td>10.1 metres</td>
</tr>
<tr>
<td>Gross Section</td>
<td>6.1 metres</td>
<td>19.0 metres</td>
<td>19.2 metres</td>
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<tr>
<td>Preliminary Estimate of 2P Reserve Addition</td>
<td>1.0 MMboe</td>
<td>0.9 MMboe</td>
<td>1.5 MMboe</td>
</tr>
<tr>
<td>Peak Single Interval Flow Rate</td>
<td>1.9 MMscf/d</td>
<td>-</td>
<td>8.6 MMscf/d</td>
</tr>
<tr>
<td>Estimated Initial Production Rate</td>
<td>&gt;3 MMscf/d</td>
<td>3-8 MMscf/d</td>
<td>8-12 MMscf/d</td>
</tr>
<tr>
<td>Liquids Content of Raw Gas</td>
<td>&gt;150 bbl/MMscf</td>
<td>TBC</td>
<td>93 bbl/MMscf</td>
</tr>
<tr>
<td>Expected Connection Date</td>
<td>Q1 FY18</td>
<td>Q1 FY18</td>
<td>Q2 FY18</td>
</tr>
</tbody>
</table>

1. Preliminary estimates of 2P reserve additions are based on testing undertaken to 5 April 2017. Final estimates of 2P reserves may differ from preliminary estimates. Reserve estimates are probabilistic and aggregated arithmetically. Conversion to MMboe at 0.172 MMboe per PJ. FY17 2P reserves will be booked as at 30 June 2017 and announced in August 2017 following the annual reserve review process and external audit.

2. **Canunda-3**: First DST over 2,673 – 2,678 metre interval, 16/64” choke, flowing at 1,302 psig, 3 hour test; second DST over 2,533 – 2,547 metre interval, 16/64” choke, flowing at 730 psig, 2 hour test; **Crockery-1**: DST failed due to tool blockage; 40 Mscf entered drill string in 8 minutes prior to blockage; **Mokami-1**: First DST over 2,426 – 2,433 metre interval, 32/64” choke, flowing at 1,593 psig, 1.5 hour test; second DST over 2,459 – 2,464 metre interval, 16/64” choke, flowing at 62 psig, 2 hour test. Third interval not tested.

3. Total estimated well production rate including estimated production from untested intervals.

4. Estimated connection dates subject to change and timing of receipt of various long-lead items

**Seismic Surveys**

Preparations for the Spondylus 3D seismic survey in ex PEL 107 commenced. The survey spans approximately 340 km² and will seek to identify new prospects to test a possible southern extension of the Southwest Patchawarra play fairway. Line preparation is expected to commence in late April 2017, with recording to be completed in July 2017. Interpretation and identification of prospects will be undertaken during FY18.

**GUIDANCE**

The Company receives a gross overriding royalty from the operator who is not a reporting issuer in Canada, and therefore, not required to comply with the requirements of NI 51-101 – *Standards of Disclosure for Oil and Gas Activities* hence, Newport is not able to confirm if the disclosure satisfies the requirements of NI 51-101 – *Standards of Disclosure for Oil and Gas Activities*, or other requirements of Canadian securities legislation.
The Company is unable to report on the potential productivity for each well and continues to strongly encourage shareholders and potential investors to access information released independently by Beach and Santos Ltd to keep current during exploration, development and production guidance of all the licences subject to the Company's gross overriding royalty.

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This news release, which contains certain forward-looking statements, is intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "should", "could", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. These forward-looking statements pertain to assumptions regarding the price of oil, fluctuations in currency markets (specifically the Australian dollar), and the future development of the Company's project. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, which considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in forward-looking statements. Such factors include, but are not limited to, the risk of fluctuations in the assumed prices of oil, the risk of changes in government legislation including the risk of obtaining necessary licences and permits,, taxation, controls, regulations and political or economic developments in Canada, Australia or other countries in which the Company carries or may carry on business in the future, risks associated with developmental activities, the speculative nature of exploration and development, and assumed quantities or grades of reserves. Many of these uncertainties and contingencies may affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

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