Greenfields Petroleum Corporation Announces Financial Results and Operating Highlights for the Three Months Ended March 31, 2017

Houston, Texas (May 26, 2017) – Greenfields Petroleum Corporation (the "**Company**" or "**Greenfields**") (TSX VENTURE: **GNF**), an independent exploration and production company with producing assets in Azerbaijan, announces its financial results and operating highlights for the first quarter of 2017. Selected financial and operational information is set out below and should be read in conjunction with the Company's complete financial statements as of and for the three months ended March 31, 2017, with the notes thereto and related management's discussion and analysis ("**MD&A**"), which can be found on Greenfields' website at **www.Greenfields-Petroleum.com** and on SEDAR at **www.sedar.com**. Except as otherwise indicated, all dollar amounts referenced herein are expressed in United States dollars.

First Quarter 2017 Financial Results and Operating Highlights

- Bahar Energy Limited's ("**BEL**") entitlement sales volumes averaged 709 bbl/d for crude oil and 17,296 mcf/d for natural gas or 3,591 boe/d in the first quarter 2017, which represents 83.6% of the gross entitlement volumes delivered to the State Oil Company of the Azerbaijan ("**SOCAR**"). As compared to the same quarter in 2016, average entitlement sales volumes decreased 20% for oil, increased 27% for natural gas and increased 14% for boe/d, which represented 83.2% of gross entitlement volumes in the first quarter 2016. Gross entitlement volumes for both years include 10% compensatory petroleum delivered to SOCAR at no charge.

- For the first quarter 2017, BEL realized an average oil price of $48.20 per barrel. This reflects an increase from $30.84 per barrel for the same period in 2016. BEL realized a natural gas price of $3.96 per mcf for 2017 and 2016, which was a contractually constant fixed price.

- For the first quarter 2017, the Company realized a loss of $1.4 million which represents a loss per share (basic and diluted) of $0.01. In comparison, for the same period in 2016, the Company realized a net loss of $3.6 million with a loss per share (basic and diluted) of $0.16.

Operating Highlights and Plans

- Gross entitlement volumes produced from the Exploration, Rehabilitation, Development Production Sharing Agreement ("**ERDPSA**") averaged 865 bbl/d for crude oil, 20.7 mmcf/d for natural gas or 4,309 boe/d for the first quarter 2017. Production was impacted by the slower pace of executing scheduled workovers due to limited availability of crane barges as well as lower than expected post-workover production results.

- During the first quarter 2017, operating expenses at Bahar Energy Operating Company ("**BEOC**") were mainly in line with budget while capital expenditures were significantly under budget as a result of capital projects being reduced in scope or delayed.

- In the Gum Deniz Oil Field, BEOC completed five capital and ten service workovers during the first quarter 2017.

- In the Bahar Gas Field, BEOC completed one capital workover during the first quarter 2017. The Bahar-83 well was completed with an initial production rate of 2.2 mmcf/d. Two additional gas workovers were initiated and are expected to be completed in the second quarter 2017.

- In the first quarter 2017, BEOC continued progress on several construction projects, including platform refurbishment, causeway structure reinforcement and facility and health, safety and environment (HS&E)

upgrades. BEOC's construction department performed the majority of this work, eliminating the need for third party contractors, which resulted in improved efficiency and lower costs.

- The dynamic reservoir model simulation studies continued for both the Bahar and Gum Deniz fields and are expected to be completed in mid-2017. The results of these simulation studies will enable more thorough evaluation of development options in the Bahar and Gum Deniz fields. A new plan of development will follow completion of the studies.

- On March 3, 2017, BEOC signed an amendment to the gas sales agreement (the "**Amended GSA**") for the sale of non-associated natural gas produced under the ERDPSA with SOCAR, which took effect April 1, 2017.

  The original gas sales agreement (the "**Original GSA**") for the sale of non-associated natural gas from the Bahar Gas Field expired on October 1, 2015. Natural gas sales had continued on a month to month basis on the terms set forth in the Original GSA while a revised gas sales agreement was negotiated with SOCAR. Due to the continued difficult economic conditions in Azerbaijan, SOCAR has placed pressure on all production sharing agreement holders to lower prices for natural gas sold to SOCAR for domestic consumption. The Amended GSA extends the term of the arrangement by 5 years and establishes a fixed natural gas price of $95/mcm ($2.69/mcf), which is reduced from the natural gas price of $140/mcm ($3.96/mcf) in the Original GSA.

  In addition, the Amended GSA expands SOCAR's obligation to purchase non-associated natural gas. Under the terms of the Original GSA, SOCAR purchased only non-associated natural gas from Bahar Gas Field. Under the terms of the Amended GSA, SOCAR has agreed to purchase non-associated natural gas from the entire ERDPSA area.

- On April 19, 2017 BEL and SOCAR signed a protocol in respect of the carry of certain costs and related issues (the "**Protocol**") which addresses the shortfall by SOCAR Oil Affiliate ("**SOA**") in funding its 20% share of project expenditures incurred under the ERDPSA since April 2014. In accordance with the Protocol, SOA's 20% share of project expenditures will be funded from SOA's entitlement share of profit petroleum revenues and revenues generated from the sale of SOCAR's compensatory petroleum. Any funding deficiencies in SOA's cash call payments will be borne by BEL and added to the outstanding Carry 1 balance which will subsequently be reimbursed in accordance with the terms of the ERDPSA through payment of SOA's share of cost recovery petroleum revenues to BEL.

- For the remainder of 2017, BEOC will focus on increasing gas production from the Bahar Gas Field through a series of recompletions of existing wells to improve project cash flows. Additionally, BEOC is initiating programs to further reduce field operating costs while maintaining HS&E standards.

Selected Financial Information

Revenues and operating results in the "***Selected Financial Information***" have been adjusted to reflect the Company's share of BEL. Upon the closing of the acquisition of Baghlan Group Limited's 66.67% interest in BEL on August 9, 2016, BEL became a wholly-owned subsidiary of the Company and the Company began consolidating 100% of the revenues and operating results from BEL on a going forward basis. Revenues for the three months ended March 31, 2016 presented in the tables below have been adjusted to include the Company's 33.33% share of petroleum, natural gas and transportation revenues from BEL. Prior to the acquisition, the Company's share of BEL revenues was included in the income or loss on Investment in Joint Venture under the equity method of accounting. The combined financial and operating results have been presented only for comparative purposes and do not reflect proper accounting practices under GAAP for the three months ended March 31, 2016.

Greenfields Petroleum Corporation

(US$000's, except as noted)	Three months ended March 31, 2017	2016
Financial		

Revenues	9,238	2,800
Net loss	(1,368)	(3,602)
Per share, basic and diluted	($0.01)	($0.16)
Capital items		
Cash and cash equivalents	1,891	906
Total assets	198,781	97,220
Working capital	(48,189)	(14,345)
Debt and shareholders' equity	138,147	53,990

Bahar Energy Limited

			Company's share	
(US$000's, except as noted)	Three months ended March 31,			
	2017	2016	2017	2016
Financial				
Revenues	9,238	7,399	9,238	2,466
Operating				
Average Entitlement Sales Volumes (1)				
Oil and condensate (bbl/d)	709	886	709	295
Natural gas (mcf/d)	17,296	13,629	17,296	4,543
Barrel oil equivalent (boe/d)	3,591	3,158	3,591	1,052
Average Oil Price				
Oil price ($/bbl)	$48.20	$30.84	$48.20	$30.84
Net realization price ($/bbl)	$47.24	$29.99	$47.24	$29.99
Brent oil price ($/bbl)	$53.59	$33.84	$53.59	$33.84
Natural gas price ($/mcf)	$3.96	$3.96	$3.96	$3.96

(1) Daily volumes represent the Company's share of the entitlement volumes of the contractor parties to the ERDPSA net of compensatory petroleum and the government's share of profit petroleum. Compensatory petroleum represents 10% of gross production and continues to be delivered until specific cumulative petroleum and natural gas production milestones are attained. Daily volumes for the three months ended March 31, 2016 include the Company's 33.33% share of BEL entitlement volumes and 100% of BEL's entitlement for the three months ended March 31, 2017.

About Greenfields Petroleum Corporation

Greenfields is a junior oil and natural gas company focused on the development and production of proven oil and gas reserves principally in the Republic of Azerbaijan. The Company plans to expand its oil and gas assets through further farm-ins, and acquisitions of Production Sharing Agreements from foreign governments containing previously discovered but under-developed international oil and gas fields, also known as "greenfields". More information about the Company may be obtained on the Greenfields website at www.greenfields-petroleum.com.

Forward-Looking Statements

This press release contains forward-looking statements. More particularly, this press release includes forward-looking statements concerning, but not limited to: operational and development plans; the completion of workovers and anticipated timing thereof; the Protocol and the expectations in relation thereto; the Bahar and Gum Deniz field studies and the expectations in relation thereto; production; and programs initiated by BEOC. In addition, the use of any of the words "initial, "scheduled", "can", "will", "prior to", "estimate", "anticipate", "believe", "should", "future", "continue", "may", "expect", and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key *expectations and assumptions made by the Company, including, but not limited to, expectations and assumptions concerning the success of optimization and efficiency improvement projects, the availability of capital, current legislation and regulatory regimes, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, general economic conditions, availability of required equipment and services, weather conditions and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct.*

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties most of which are beyond the control of Greenfields. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking information. These risks include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety, political and environmental risks), commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Additional risk factors can be found under the heading "Risk Factors" in Greenfields' Annual Information Form and similar headings in the MD&A which may be viewed on www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Greenfields undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The Company's forward-looking information is expressly qualified in its entirety by this cautionary statement.

Abbreviations

bbls	*barrels*	*mcf*	*thousand cubic feet*
bbls/d	*barrels per day*	*mmcf*	*million cubic feet*
boe	*barrels of oil equivalent*	*mcf/d*	*thousand cubic feet per day*
boe/d	*barrels of oil equivalent per day*	*mmcf/d*	*million cubic feet per day*
mcm	*million cubic meters*		

Notes to Oil and Gas Disclosures

Barrels of Oil Equivalent or "boe" may be misleading, particularly if used in isolation. The volumes disclosed in this press release under the headings "First Quarter 2017 Financial Results and Operating Highlights", "Operating Highlights and Plans" and "Selected Financial Information" use a 6mcf: 1boe, as such is typically used in oil and gas reporting and is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. The Company uses a 6mcf: 1boe ratio to calculate its share of entitlement sales from the Bahar project for its financial reporting and reserves disclosure.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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