

Greenfields Petroleum Corporation Announces Financial and Operating Results for the Year-Ended December 31, 2016

Houston, Texas (April XX, 2017) – Greenfields Petroleum Corporation (the "**Company**" or "**Greenfields**") (TSX VENTURE: **GNF**) is pleased to report its financial and operating results for the fourth quarter and year-ended December 31, 2016. Selected financial and operational information is set forth below and should be read in conjunction with the Company's December 31, 2016 audited annual financial statements and the related management's discussion and analysis ("**MD&A**"). Also, the Company today announces the filing of its Annual Information Form ("**AIF**") for the year-ended December 31, 2016 which contains the Company's reserves data and other oil and natural gas information, as required under National Instrument 51-101. The AIF, financial statements and MD&A are available for review at www.sedar.com or on the Company's website at www.greenfields-petroleum.com.

Except as otherwise indicated, all dollar amounts referenced herein are expressed in United States dollars.

Fourth Quarter and 2016 Fiscal Year Financial Results and Operating Highlights

- Bahar Energy Limited's ("**BEL**") entitlement sales volumes averaged 647 bbl/d for crude oil and 17,403 mcf/d for natural gas or 3,547 boe/d in the fourth quarter and 764 bbl/d for crude oil and 15,691 mcf/d for natural gas or 3,379 boe/d for 2016. In comparison to the average volumes for the same quarter in 2015, volumes decreased 37% for oil, increased 16% for natural gas and no change for boe/d, respectively. 2016 average volumes decreased 26% for oil, increased 6% for natural gas and decreased 4% for boe/d, respectively, when compared to 2015.
- The Company's share of BEL entitlement sales volumes averaged 647 bbl/d for crude oil and 17,403 mcf/d for natural gas or 3,547 boe/d in the fourth quarter and 443 bbl/d for crude oil and 9,833 mcf/d for natural gas or 2,082 boe/d for 2016. 2016 volumes include the Company's 33.33% share of BEL held prior to the completion of the acquisition of Baghlan Group Limited's ("**Baghlan**") 66.67% interest in BEL on August 9, 2016 and 100% of BEL from acquisition date.
- For the fourth quarter and 2016 fiscal year, BEL realized an average oil price of \$42.99 and \$37.52, respectively. This reflects an increase from \$31.60 per barrel and a decrease from \$43.57 per barrel, respectively, for the same periods in 2015. BEL realized an average natural gas price of \$3.96 per mcf for 2016 and 2015, which was a contractually constant fixed price.
- For the fourth quarter and 2016 fiscal year, the Company realized a loss of \$4.6 million and income of \$99.2 million, respectively, which represents income (loss) per share (basic and diluted) of (\$0.03) and \$1.52, respectively. For 2016, income included \$113.6 million of one-time net realized gains attributable to acquisition and restructuring transactions. Excluding this one-time gain, the Company realized a loss of \$14.4 million or \$0.22 per share. In comparison with the same periods in 2015, the Company realized net losses of \$1.5 million and \$7.5 million, respectively, with a loss per share of \$0.07 and \$0.34, respectively.

Operating Highlights and Plans

- Gross production from the exploration, rehabilitation, development and production sharing agreement ("**ERDPSA**") averaged 784 bbl/d for crude oil, 20.8 mmcf/d for natural gas or 4,251 boe/d for the fourth quarter and 884 bbl/d for crude oil, 18.3 mmcf/d for natural gas or 4,167 boe/d for 2016. 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 fourth quarter and 2016 fiscal year, operating expenses 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, Bahar Energy Operating Company ("**BEOC**") completed six capital workovers during the fourth quarter and a total of eleven for 2016. BEOC also completed thirteen service workovers during the fourth quarter and a total of forty for 2016.
- In the Bahar Gas Field, BEOC completed four capital workovers during the fourth quarter and a total of eight for 2016. Three of these capital workovers were initiated using a limited capacity A-80 rig. A tender is underway for heavier workover rigs which will allow more aggressive fishing jobs and well clean out.
- In 2016, BEOC continued progress on several construction projects including platform refurbishment, causeway structure reinforcement and facility and HSE upgrades. With the exception of scaffolding services, BEOC's construction department performed all work, eliminating the need for third party contractors which resulted in improved efficiency and lower costs.
- Reservoir simulation model studies continue for both Bahar and Gum Deniz fields and are expected to be completed in mid-2017. The results of these simulation studies will serve as the basis for future development plans in both fields.
- 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 the State Oil Company of the Republic of Azerbaijan ("**SOCAR**") in Azerbaijan.

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 continued on a month to month basis on original terms set forth in the Original GSA while a revised gas sales agreement was negotiated with SOCAR. With the continued difficult economic conditions in Azerbaijan due to low oil prices, 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, effective from April 1, 2017, 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) established by 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 will also 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. Per the Protocol, any funding by BEL of the deficiencies in SOA's cash call payments will be added to the outstanding Carry 1 balance and subsequently reimbursed in accordance with the terms of the ERDPSA through payment of SOA's share of cost recovery revenues to BEL.
- Considering the new lower gas pricing terms from April 2017, BEOC is planning to 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 will initiate programs to further reduce field operating costs while maintaining HS&E standards. The completion of the detailed reservoir engineering modeling will provide for a revised Plan of Development for the Bahar and Gum Deniz fields which is focused on long term development of oil and natural gas resources and alternatives for testing exploration opportunities identified on the recently acquired 3D Seismic.

Selected Financial Information

The selected information below is from the MD&A. The Company's complete financial statements as of and for the years ended December 31, 2016 and 2015, with the notes thereto and the related MD&A can be found either on Greenfields' website at www.Greenfields-Petroleum.com or on SEDAR at www.sedar.com.

Revenues and operating results in the "**Selected Financial Information**" have been adjusted to reflect the Company's share of BEL. Upon closing the acquisition of Baghlan Group Limited's 66.67% interest in BEL on August 9, 2016 (the "**Acquisition**") and BEL becoming a wholly-owned subsidiary, the Company consolidates the revenues and operating results from BEL on a going forward basis. Revenues, entitlement sales volumes and operating results presented in these tables have been adjusted to include the Company's 33.33% share of petroleum, natural gas and transportation revenues from BEL, previously included in the income or loss on Investment in Joint Venture under the equity method of accounting through August 8, 2016, combined with the Company's 100% share of BEL consolidated from the August 9, 2016 acquisition date. The combined financial and operating results have been presented only for comparative purposes and does not reflect proper accounting practices under GAAP.

Greenfields Petroleum Corporation

All amounts below are in thousands of US dollars unless otherwise noted.

(US\$000's, except as noted)	Year ended December 31,	
	2016	2015
Financial		
Revenues	21,592	14,657
Net income (loss) ⁽¹⁾	99,193	(7,524)
Per share, basic and diluted	\$1.52	(\$0.34)
Capital items		
Cash and cash equivalents	1,361	100
Total assets	199,341	89,523
Working capital	(1,444)	(6,478)
Long term debt and shareholders' equity	185,103	55,600

⁽¹⁾ For the 2016 fiscal year, \$113.6 million of net realized gains from the Acquisition and the debt restructuring transactions were included in income.

Bahar Energy Limited

(US\$000's, except as noted)	Year ended December 31,		Company's share	
	2016	2015	2016	2015
Financial				
Revenues	33,507	39,313	20,783	13,103
Operating				
Average Entitlement Sales Volumes ⁽¹⁾				
Oil and condensate (bbl/d)	764	1,033	443	344
Natural gas (mcf/d)	15,691	14,837	9,833	4,945
Barrel oil equivalent (boe/d)	3,379	3,506	2,082	1,169

Average Oil Price				
Oil price (\$/bbl)	\$38.44	\$44.82	\$38.44	\$44.82
Net realization price (\$/bbl)	\$37.52	\$43.57	\$37.52	\$43.57
Brent oil price (\$/bbl)	\$43.67	\$52.42	\$43.67	\$52.42
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 year ended December 31, 2016 include the Company's 33.33% share of BEL entitlement volumes through August 8, 2016 and from August 9, 2016 through December 31, 2016, 100% of BEL's entitlement volumes resulting from the Acquisition.

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 may include, but is not limited to, statements concerning: operational plans; 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", "forecast", "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, 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 Greenfields' Management's Discussion & Analysis 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.

Notes to Oil and Gas Disclosures

Barrels Oil Equivalent or “boe” may be misleading, particularly if used in isolation. The volumes disclosed in this press release under the headings “Financial Results and Operating Highlights” 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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