Greenfields Petroleum Corporation Announces Financial Results for the Three Months Ended March 31, 2016 and Operations Update

Houston, Texas – (May 27, 2016) – Greenfields Petroleum Corporation (the "**Company**" or "**Greenfields**") (TSXV: GNF and GNF.DB), an independent exploration and production company with producing assets in Azerbaijan, announces its financial results and operating highlights for the first quarter 2016. Except as otherwise indicated, all dollar amounts referenced herein are expressed in United States dollars.

First Quarter 2016 Financial Results and Operating Highlights

- On March 7, 2016 the Company, through its wholly-owned subsidiary, Greenfields Petroleum International Company Ltd. ("**GPIC**"), entered into a share purchase agreement with Baghlan Group Limited (in liquidation) ("**Baghlan**") and its liquidator as agent for and on behalf of Baghlan, pursuant to which, GPIC agreed to purchase Baghlan's 66.67% interest in Bahar Energy Limited ("**BEL**") and Baghlan's interest in a shareholder loan receivable due from BEL to Baghlan (the "**Acquisition**"), for cash consideration of $6.0 million.

- On March 4, 2016 the Company signed the fifth amending agreement (the "**Fifth Amending Agreement**") to the loan agreement dated November 25, 2013 (the "**Loan Agreement**") with its lenders (the "**Lenders**"). Through the Fifth Amending Agreement, the Company extended the loan maturity date under the Loan Agreement until May 16, 2016 and received additional advance of $7.0 million to fund the purchase price with respect to the Acquisition and for working capital purposes. On May 16, 2016 the Company signed the sixth amending agreement (the "**Sixth Amending Agreement**") to extend the loan maturity date to June 30, 2016.

- BEL's entitlement sales volumes averaged 886 bbl/d and 13,629 mcf/d or 3,158 boe/d in the first quarter 2016. In comparison to the average volumes for the same quarter in 2015, volumes increased 7% for oil, and decreased 5% for gas and 2% for boe/d, respectively. The Company's 33.33% share of BEL entitlement sales volumes averaged 295 bbl/d and 4,543 mcf/d or 1,052 boe/d in the first quarter 2016.

- For the first quarter of 2016, the Company, through its interest in BEL, realized an average oil price of $29.99 per barrel, a decrease from $46.36 per barrel realized for the same period in 2015. The Company realized an average natural gas price of $3.96 per mcf for the same period, which is a contractually constant fixed price.

- For the first quarter of 2016, the Company's 33.33% share of BEL financial results represented net income of $0.3 million. These results compare to a net income of $0.2 million for the same period in 2015.

- For the first quarter of 2016, the Company realized net losses of $3.6 million which represents a loss per share (basic and diluted) of $0.16. In comparison with the same period in 2015, the Company realized net losses of $1.4 million with a loss per share of $0.06.

- Bahar Energy Operating Company ("**BEOC**") continues to make progress with its cost savings programs realizing a 42% reduction in operating and administrative costs when comparing first quarter 2016 versus first quarter 2015. The Bahar project has seen cost savings in areas such as: (i) staffing, as the organization is further streamlined, and (ii) reduced third party services costs, as some of the fixed monthly service contracts have been eliminated and the internal workforce has been trained to perform these services. The project has also seen significant cost savings from devaluations of the Manat to US dollar of 35% on February 2015 and 47% on December 2015, which impacted local employment costs, services and procurement.

Operating Highlights and Plans

- The 2016 budget for BEOC was approved by the operating company's contractor management committee on March 1, 2016. The approved budget reflects a total spending of $44.2 million represented by $22.2 million in operating expenses and $22.0 in capital expenditures. During the first quarter 2016, operating expenses were mainly in line with budget while capital expenditures were under budget as a result of capital projects being optimized or delayed.

- BEOC completed 15 workovers during the first quarter 2016, primarily in the Gum Deniz Oil Field, where production additions helped stem production declines in producing wells. At the end of the first quarter, BEOC secured access to a crane barge to mobilize workover rigs to the Bahar Gas Field and had two gas workovers in progress at the end of the quarter. Gas workovers will continue for the foreseeable future with plans to add a third rig when available.

- BEOC continued progress on several construction projects. The activity in first quarter 2016 focused on platform refurbishment, causeway strengthening, facility operation and safety upgrades. BEOC's construction team performed most of the platform and causeway work, eliminating the need to contract with third parties for these services.

- The Bahar Gas Field static reservoir and geological model study completed in 2015 identified numerous workover and drilling opportunities. The workovers have been prioritized on the basis of potential and well condition. The platform refurbishment schedules have been modified to conform to the workover program. With recent access to the workover rigs noted above, BEOC began implementation of the study's workover program in late first quarter 2016.

- The data obtained from the Gum Deniz Oil Field 104 sq. km. 3D seismic acquisition, processing, and interpretation program completed in 2015 was integrated with existing well control into a full field geophysical, geological and reservoir study, and a full field static model, which was completed in February 2016. The model identified the potential for additional workover and drilling targets in the field. A revised development plan was proposed, which included 40 new development wells to be drilled from one new and three existing platforms. Additionally, 22 recompletion candidates in existing wells were identified and put in the work program for 2016 and beyond.

Acquisition of remaining 66.67% interest in BEL and Restructuring of Senior Debt

On March 7, 2016 the Company, through its wholly-owned subsidiary, GPIC, entered into a share purchase agreement with Baghlan Group Limited (in liquidation) and its liquidator, as agent for and on behalf of Baghlan, pursuant to which, GPIC agreed to purchase Baghlan's 66.67% interest in BEL and Baghlan's interest in a shareholder loan receivable due from BEL to Baghlan. The aggregate consideration payable by GPIC for the Acquisition includes a cash payment of $6.0 million, and a release and discharge of liabilities, claims and demands in relation to certain default loan amounts and any and all other obligations, liabilities, claims or demands of any kind owed to BEL, BEOC and/or Greenfields by Baghlan (the "**Default Obligations**"). The Company estimates the accrued Default Obligations to be an aggregate of $57.6 million. Upon completion of the Acquisition, BEL will become a wholly-owned subsidiary of GPIC. The cash consideration of $6.0 million has been placed into escrow pending satisfaction of certain conditions to the completion of the Acquisition. Greenfields anticipates closing of the Acquisition to occur in June 2016. Completion of the Acquisition is subject to certain closing conditions, including, without limitation, receipt of the approval of the TSX Venture Exchange (the "**TSXV**") and other necessary regulatory approvals.

In order to fund the Acquisition, the Company has agreed to restructure its debt and, in that regard, on March 4, 2016 the Company signed the Fifth Amending Agreement. The Fifth Amending

Agreement provides for, among other things: (i) additional funding in the aggregate amount of $7.0 million to satisfy the purchase price in respect of the Acquisition and for working capital purposes; and (ii) an extension of the maturity date under the Loan Agreement from March 15, 2016 to May 16, 2016 in order to facilitate the completion of the Restructuring Transaction (as defined below). On May 16, 2016, the Company signed the Sixth Amending Agreement to extend the loan maturity date to June 30, 2016.

In connection with entering into the Fifth Amending Agreement, the Company has agreed to: (i) obtain the approval of holders ("**Debentureholders**") of the 9.00% convertible unsecured subordinated debentures due May 31, 2017 (the "**Debentures**") for the conversion (the "**Debenture Conversion**") of the CAD$23,725,000 aggregate principal amount of Debentures into an aggregate of approximately 33.2 million common shares in the capital of the Company ("**Common Shares**"); (ii) issue, in connection with the completion of the restructuring, up to an aggregate of 2,394,000 Common Shares for every $1,000,000 of principal due to the Lenders under the Loan Agreement; and (iii) issue, in connection with the completion of the restructuring, an equivalent number of Common Share purchase warrants ("**Warrants**") to the Lenders (collectively, the "**Restructuring Transaction**"). The Debenture Conversion will be implemented upon the approval of the Debentureholders, by way of extraordinary resolution, pursuant to and in accordance with the terms of the indenture governing the Debentures.

Contemporaneous with the completion of the Restructuring Transaction, the Company anticipates signing an amending agreement to further extend the maturity date under the Loan Agreement to December 31, 2017. The Restructuring Transaction will allow the Company to become the 100% shareholder of BEL, to reduce debt and related annual cash interest and to reduce financing expenses.

Both the Acquisition and Restructuring Transaction remain subject to approval in their entirety by the TSXV.

Selected Financial and Operating Information

The selected information below is from the Greenfields' Management Discussion & Analysis for the three months ended March 31, 2016. The Company's complete financial statements as of and for the three months ended March 31, 2016 and 2015 with the notes thereto and the related Management's Discussion & Analysis can be found on Greenfields' website at **www.Greenfields-Petroleum.com** and on SEDAR at **www.sedar.com**. All amounts below are in thousands of US dollars unless otherwise noted.

Greenfields Petroleum Corporation

(US$000's,except as noted)	Three months ended March 31	
	2016	2015
Financial		
Revenues	334	337
Net (loss) income	(3,602)	(1,352)
Per share, basic and diluted	($0.16)	($0.06)
Capital Items		
Cash and cash equivalents	906	65
Total Assets	97,220	84,608
Working capital	(14,345)	735
Convertible debt and Shareholders' equity	53,990	60,103

Bahar Energy Limited (a Joint Venture) [2]

	Total Joint Venture		Company's share	
(US$000's,except as noted)	Three months ended March 31			
	2016	2015	2016	2015
Financial				
Revenues	7,399	9,430	2,466	3,143
Net income	771	747	257	248
Operating				
Average Entitlement Sales Volumes [1]				
Oil and condensate (bbl/d)	886	826	295	275
Natural gas (mcf/d)	13,629	14,400	4,543	4,800
Barrel oil equivalent (boe/d)	3,158	3,226	1,052	1,075
Average Oil Price				
Oil price ($/bbl)	$30.84	$47.75	$30.84	$47.75
Net realization price ($/bbl)	$29.99	$46.36	$29.99	$46.36
Brent oil price ($/bbl)	$33.84	$53.98	$33.84	$53.98
Natural gas price ($/mcf)	$3.96	$3.96	$3.96	$3.96
Capital Items				
Total Assets	197,699	200,849	65,893	66,943
Total Liabilities	35,335	40,627	11,777	13,541
Net Assets	162,364	160,222	54,116	53,402

(1) Daily volumes represent the Company's share of the Contractor Parties' entitlement volumes net of compensatory petroleum and the government's share of profit petroleum. Compensatory petroleum delivered to SOCAR is 10% where it will remain until specific cumulative oil and gas production milestones are attained.

(2) The Company's 33.33% interest in Bahar Energy Limited is disclosed in the Unaudited Condensed Consolidated Financial Statements as a Joint Venture and accounted for using the equity method.

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: operating plans of the Company, the Restructuring Transaction, the signing of an amending agreement to further extend the maturity date under the Loan Agreement; and the anticipated benefits of the Restructuring Transaction. 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. All volumes disclosed in this press release 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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