



Greenfields Petroleum Corporation Announces Financial and Operating Results for the Year-Ended December 31, 2015

Houston, Texas (April 29, 2016) – Greenfields Petroleum Corporation (the "**Company**" or "**Greenfields**") (TSX VENTURE:**GNF**) (TSX VENTURE:**GNF.DB**) is pleased to report its financial and operating results for the fourth quarter and year-ended December 31, 2015. Selected financial and operational information is set forth below and should be read in conjunction with the Company's December 31, 2015 audited annual financial statements and the related management's discussion and analysis ("**MD&A**"), which are available for review at www.sedar.com or on the Company's website at www.greenfields-petroleum.com.

The Company has also filed its statement of reserves data, the report of its independent qualified reserves evaluator and the related report of management and directors (National Instrument 51-101 Forms 51-101F1, 51-101F2 and 51-101F3) for the year-ended December 31, 2015, which are also 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 2015 Fiscal Year Financial Results and Operating Highlights

- Subsequent to Bahar Energy Operating Company Limited ("**BEOC**") receiving confirmation from SOCAR in May 2015 that the TPR1⁽¹⁾ contractual obligation under the ERDPSA have been fulfilled, Bahar Energy Limited ("**BEL**") paid the required \$2.0 million bonus to the State Oil Fund of the Republic of Azerbaijan. This payment secured BEL's rights to the full twenty-five (25) year development and production term, through September 30, 2035, for the Contract Rehabilitation Area (as defined in the ERDPSA).
- Bahar Energy's entitlement sales volumes averaged 1,024 bbl/d and 15,060 mcf/d or 3,534 boe/d in the fourth quarter 2015, and 1,033 bbl/d and 14,837 mcf/d or 3,506 boe/d for 2015. In comparison to the average volumes for the same quarter in 2014, volumes decreased 1% for oil, 20% for gas and 15% for boe/d, respectively. 2015 average volumes also decreased 4% for oil, 30% for gas and 24% for boe/d, respectively, when compared with 2014. The Company's 33.33% share of Bahar Energy entitlement sales volumes averaged 341 bbl/d and 5,019 mcf/d or 1,178 boe/d in the fourth quarter 2015, and 344 bbl/d and 4,945 mcf/d or 1,169 boe/d for 2015.
- For the fourth quarter and 2015 fiscal year, the Company, through its interest in BEL, realized an average oil price of \$31.60 and \$43.57 per barrel, respectively. These prices decreased in comparison with an average of \$54.86 and \$87.51 per barrel realized for the same periods in 2014. The Company realized an average natural gas price of \$3.96 per mcf for the same periods, which is a contractually constant fixed price.
- For the fourth quarter and 2015 fiscal year, the Company's 33.33% share of BEL financial results represented net income of \$1.1 million and \$2.3 million, respectively. These results compare to a net loss of (\$0.6) million and net income of \$3.3 million for the same periods in 2014.
- For the fourth quarter and 2015 fiscal year, the Company realized net losses of \$1.5 million and \$7.5 million, respectively, which represents a loss per share (basic and diluted) of \$0.07 and \$0.34, respectively. In comparison with the same periods in 2014, the Company realized net losses of \$2.8 million and \$7.3 million with losses per share of \$0.14 and \$0.37.
- BEOC continues to make progress with its cost savings programs realizing a 47% reduction in operating and administrative costs when comparing 2015 versus 2014. The Bahar project has seen cost savings in areas such as: (i) staffing, as the organization is further streamlined, (ii) insurance, as the organization maintains a low incident safety record, and (iii) 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. Operating materials and supplies purchases have been reduced by utilizing existing inventories and maintaining lower levels of stock on hand. The project has also seen a significant cost savings from a 35% devaluation of the Manat to US dollar on February 21, 2015, which impacts local employment costs, services and procurement.

⁽¹⁾ TPR1 refers to Target Production Rate 1 under the ERDPSA whereby BEOC must maintain a daily production rate for 90 consecutive days equal to 1.5 times the average 2008 production rate, that rate being 6,944 boe/d.

2015 Operating Highlights and Plans

- On October 1, 2015 the existing agreement for sale and purchase of natural gas from the Bahar Gas Field between BEOC and SOCAR expired. An amendment extending the term of the original contract has been approved by SOCAR. The amendment maintains the current pricing structure fixed at \$140 per cubic meter of gas or approximately \$3.96 per mcf until terminated by either party upon 15 days written notice.
- BEOC completed 16 capital workovers during 2015, primarily in the Gum Deniz Oil Field, where production growth averaged 350 bbl/d. Workover activity for the Bahar Gas Field continues to be hampered by the limited access to suitable marine crane barge vessels necessary to mobilize rigs.
- BEOC continued progress on several construction projects. The activity in 2015 focused on platform refurbishment, causeway strengthening and facility operation and safety upgrades. Platform work occurred on twelve platforms.
- The Bahar Field static reservoir and geological model study was completed in 2015 resulting in numerous workover and drilling opportunities being identified. The workovers identified in the study have been prioritized on the basis of potential and well condition. The platform refurbishment schedule has been modified to conform to the proposed workover program with consideration of the cost and timing of refurbishment. BEOC will begin implementation of the study's revised Bahar workover program in 2016.
- The Gum Deniz Field 104 square kilometer 3D seismic acquisition, processing, and interpretation program was completed in 2015. The data obtained was integrated with existing well control in a full field geophysical, geological and reservoir study, and a full field static model was completed in February 2016 identifying additional potential for workovers and drilling locations. A revised development plan was proposed for the oil field, 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 included in the work program for 2016 and beyond.

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

On March 8, 2016 Greenfields announced that it, through its wholly-owned subsidiary, Greenfields Petroleum International Company Ltd. (“**GPIC**”), has entered into a share purchase agreement with Baghlan Group Limited (in liquidation) (“**Baghlan**”) and its liquidator, as agent for and on behalf of Baghlan (the “**Liquidator**”), pursuant to which, GPIC has agreed to purchase Baghlan's 66.67% interest (the “**Interest**”) in BEL and Baghlan's interest in a shareholder loan receivable due from BEL to Baghlan (the “**Acquisition**”). 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 currently 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 May 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, has signed a fifth amending agreement (the “**Fifth Amending Agreement**”) to the loan agreement dated November 25, 2013 (the “**Loan Agreement**”) with the lenders under the Loan Agreement (the “**Lenders**”). 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).

In consideration of the Lenders 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 to reduce related annual cash interest and financing expenses.

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

Select Financial and Operating Information for the Year-Ended December 31, 2015

The selected information below is from the Greenfields’ Management Discussion & Analysis. The Company’s complete financial statements as of and for the years ended December 31, 2015 and 2014, with the notes thereto and the related Management’s Discussion & Analysis can be found either on Greenfields’ website at www.Greenfields-Petroleum.com or on SEDAR at www.sedar.com.

Greenfields Petroleum Corporation

(US\$000’s, except as noted)	Year ended December 31,	
	2015	2014
Financial		
Revenues	1,555	2,044
Net (loss) income	(7,524)	(7,324)
Per share, basic and diluted	(\$0.34)	(\$0.37)
Capital Items		
Cash and cash equivalents	100	736
Total Assets	89,523	82,192
Working capital	(6,478)	(1,466)
Long term loan, convertible debt and Shareholders’ equity ⁽¹⁾	55,600	57,674

⁽¹⁾ Convertible debt is combined with shareholders’ equity at December 31, 2015 due to the Company’s right to settle this debt by issuing shares.

Bahar Energy Limited (Joint Venture)

(US\$000's, except as noted)	Total Joint Venture		Company's share	
	Year ended		December 31,	
	2015	2014	2015	2014
Financial				
Revenues	39,311	69,642	13,102	23,212
Net income	6,915	9,810	2,305	3,270
Operating				
Average Entitlement Sales Volumes ⁽¹⁾				
Oil and condensate (bbl/d)	1,033	1,071	344	357
Natural gas (mcf/d)	14,837	21,184	4,945	7,061
Barrel oil equivalent (boe/d)	3,506	4,602	1,169	1,534
Average Oil Price				
Oil price (\$/bbl)	\$44.82	\$89.47	\$44.82	\$89.47
Net realization price (\$/bbl)	\$43.57	\$87.51	\$43.57	\$87.51
Brent oil price (\$/bbl)	\$52.42	\$98.97	\$52.42	\$98.97
Natural gas price (\$/mcf)	\$3.96	\$3.96	\$3.96	\$3.96
Capital Items				
Total Assets	197,915	196,702	65,965	65,560
Total Liabilities	36,037	36,391	12,011	12,129
Net Assets	161,878	160,311	53,954	53,431

⁽¹⁾ Daily volumes represent the Joint Venture's and Company's share of the Contractor Parties entitlement volumes net of 10% compensatory petroleum beginning October 1, 2013 and the government's share of profit petroleum.

2015 Year-End Reserves

The present value of future net revenue discounted at 10% ("**PV10**") of the proved reserves is \$47.2 million net to the Company at year-end 2015 (an increase of 9% from year-end 2014), while the PV10 of the proved plus probable reserves is \$104.7 million at year-end 2015 (a decrease of 31% from year-end 2014). The majority of the downward revisions in valuations were due to the worldwide price decline for crude oil.

As at December 31, 2015, the total proved reserves are stated at 7,274 MBOE net to the Company through its interest in BEL, a 27% increase from year-end 2014, while total proved plus probable reserves are stated at 12,499 MBOE net to the Company, a 10% decrease from year-end 2014.

Greenfields Net Reserves	1P 2014 MBOE	1P 2015 MBOE	2P 2014 MBOE	2P 2015 MBOE	3P 2014 MBOE	3P 2015 MBOE
Oil	1,626	2,071	3,775	3,816	5,032	5,343
Gas	4,107	5,203	10,051	8,683	14,474	11,225
TOTAL	5,733	7,274	13,826	12,499	19,106	16,567
NPV 10% (in thousands)	\$43,407	\$47,226	\$151,351	\$104,741	\$240,584	\$165,396

Management Summary

"The integration of the newly acquired 3-D and 2-D seismic with detailed structural, stratigraphic, and reservoir analysis of both Gum Deniz and Bahar fields has led to positive revisions to our proved reserves for year-end 2015. However, the continued drilling hiatus, due to the funding shortfall, has again deferred some planned drilling to beyond the five year reserves forecast period and has thus adversely impacted the value of our 2P and 3P oil reserves. The valuation of oil reserves was further impacted by the reduced oil price forecast for future years due to the current global oil supply situation. Gas workovers were adversely affected in 2015 by the unavailability of marine crane barge vessels to move workover rigs from platform to platform resulting in lower production rates from producing wells as we entered 2016. In 2015, the Company realized an average netback oil price of \$43.57 per barrel compared to \$87.51 per barrel in 2014, a 50% decline. On a positive note, the Bahar Gas Field continues to realize an average gas price of \$3.96 per mcf due to the extension of the gas sales contract with SOCAR. In conclusion, post completion of the planned consolidation of Baghlan's interest in the Bahar project into Greenfields, we are expecting to fully re-establish both oil and gas workovers in the near term and oil drilling in the longer term to realize the full potential of the Bahar ERDPSA in coming years." stated John W. Harkins, President and Chief Executive Officer of Greenfields.

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: production, drilling and completion plans and the expected timing thereof, implementation of the Bahar static reservoir and geological model study in 2016 and matters related to the Restructuring Transaction. Statements relating to "reserves" are also deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. 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 in reference to "TPR1" under operating Highlights and Plans" uses a 5.559 mcf: 1boe conversion ratio as the Bahar Contract (ERDPSA) uses a 5.559 mcf: 1boe conversion ratio to measure total field production in calculating the 6,944 boe production threshold to earn the full 25 year initial term of the Bahar Contract.

The volumes disclosed in this press release under the heading "Financial Results and Operating Highlights", "Selected Information" and Reserves disclosures uses 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, but, for greater clarity, not for the purposes of the information under the headings "2015 Operating Highlights and Plans" in this press release.

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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