NEWS RELEASE

Trading Symbol: **NWX (TSX-V)**

PRODUCTION UPDATE – EX PEL'S 91 AND 106

Vancouver, British Columbia, August 2nd, 2016. Newport Exploration Ltd ("Newport" or "the Company") is pleased to report that Beach Energy Ltd (ASX: BPT, "Beach") recently provided the following guidance in relation to FY17 capital expenditure and production volumes.

Production volumes in FY17 are expected to exceed volumes achieved in FY16, and are expected to be influenced by the following factors.

- Bauer facility expansion: Fluid handling capacity to be increased to 120,000 barrels of fluid per day (+60% / 45,000 barrels), enabling a material increase in production capacity. Commissioning is expected in early Q3 FY17.

- Middleton compression project: Gas compression to be completed at the Middleton facility in Ex PEL 106 to ensure maximum production capacity is maintained. Commissioning is expected in early Q3 FY17.

The Company continues to strongly encourage shareholders and potential investors to access information released independently by Beach, Santos Ltd and Rawson Resources Ltd in order to keep current during the exploration and development and production of the licenses applicable to the Company's gross overriding royalty.

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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 accuracy or adequacy of this news release.

Cautionary Statement on Forward-Looking Information

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 U.S. dollar), the future funding of the Company’s projects, and the future development of the Company’s projects. 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 the forward-looking statements. Such factors include, but are not limited to, the risk of fluctuations in the assumed exchange rates of currencies that directly impact the Company, such as the Canadian dollar, Australian dollar and U.S. dollar, the risk of fluctuations in the assumed prices of oil, the risk of changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, 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, including the risk of obtaining necessary licences and permits, and assumed quantities or grades of reserves. Many of these uncertainties and contingencies can 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.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

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