

KELOWNA, BC, June 19, 2015 /CNW/ - [Georox Resources Inc.](#) ("Georox" or the "Corporation") (GXR:TSX-V; OF6A:FRA) wishes to announce an update on activities.

## General Corporate Matters

Georox estimates that for the 12 months ended April 30, 2015 average daily production was 185 boe/d and the average sale price was \$69 per boe with a net back of \$34 per boe. Gross oil sales for the 12 month period ending April 30, 2015 were approximately \$4,663,824. Net revenues for the same period were approximately \$2,465,647. The Corporation has rights in 7,440 acres gross (5,980 net acres) and produces from 37 wells gross (14 net wells).

The Corporation's proved plus probable (2P) as calculated by the Corporation's reserve engineers, as of December 31, 2014 were 520,000 boe with a net present value before tax and applying a 10% discount of \$10,600,000. Further reserve information, including applicable assumptions, is contained in the Corporation's press release dated February 25, 2015 and available on SEDAR. It should be noted that reserve information is based on December 31, 2014 pricing assumptions in use by the Corporation's reserve engineers and it is not adjusted for activity on the Corporation's properties, including depletion of reserves due to production.

The Corporation produces oil in three core areas in Alberta and Saskatchewan, which are Red Earth, Pouce Coupe and Silverdale. Georox also owns several non-core properties for future development at Meekwap, Swan Hills, Virginia Hills and Couteau Lake.

Georox estimates that its current production is stable at approximately 180 boe/d, comprised of 115 boe/d of light oil, 61 boe/d heavy oil and 4 boe/d of natural gas. Production consists of 64% light oil & ngl's, 34% heavy oil, and 2% solution gas.

## Red Earth, Alberta

In 2014 Georox acquired a 100% working interest in oil and gas properties located in the Red Earth area, approximately 320 kms northwest of Edmonton in northwest Alberta. Production at Red Earth is presently approximately 94 boe/d from 8 wells in the Granite Wash Q4Q Pool formation. Management is reviewing and assessing the Red Earth properties to identify if opportunities to enhance production exist before initiating new operations. During July 2014 Georox completed a geological study to identify growth opportunities at Red Earth. The study identified two potential vertical locations to drill in the Granite Wash formation and one horizontal location to drill in the Slave Point formation. Further information on Red Earth is contained in the Corporation's July 15, 2014 press release.

The table below indicates the potential beyond primary recovery through the implementation of water flood/pressure support to significantly extend the life and recoverable reserves from the Red Earth properties.

## Red Earth Reserves Volumetric Summary (from geological and 3D seismic mapping)

OOIP		Primary Rec. (26%)		Secondary Rec. (8%)		ROIP		Cumm (8 Wells) Remaining	
(MBOE)		(MBOE)		(MBOE)		(MBOE)		(MBOE)	
3100	806		248		1054	579		475	

Georox's production is gathered and pipelined about 1.5 miles to a Penn West Petroleum treating facility. Penn West is a major operator in the area adjacent to Georox's producing properties.

## Pouce Coupe, Alberta

In 2013 Georox acquired oil and gas interests located in the Pouce Coupe area, northwest Alberta. The Corporation has a 52% working interest in this property. [Georox Resources Inc.](#) (two wells) and [Birchcliff Energy Ltd.](#) (one well) are the operators of the three producing wells. Production from the three wells consist of approximately 13 barrels of light oil and 25,000 cubic feet of solution natural gas per day (aggregate 17 boe/d net to the Corporation).

Georox is reviewing and assessing the Pouce Coupe property to identify opportunities to enhance production. There is potential to drill two additional development wells on its lands in this area.

## Silverdale (GP Channel and Sparky Project), Saskatchewan

In 2009 the Corporation earned a 6.9% working interest in the GP formation of the Silverdale oil property, where 9 wells were drilled and put on production (8 HZ wells and 1 vertical well). Husky Oil is the operator. In addition Georox earned a 15% working interest in the Sparky oil property (8 vertical wells) located in northwest Saskatchewan near Lloydminster. Georox's current net production from this property is approximately 61 boe/d. The Corporation expects that the GP Channel project will be followed up with further horizontal drilling.

Coteau Lake, Saskatchewan

In 2012 Georox participated in the drilling of one horizontal well in the Coteau Lake area in southeastern Saskatchewan earning a 31.875% working interest before payout and 21.25% after payout. Production from this well is currently 9 boe/d (based on a before payout status) net to Georox from the Ratcliffe formation.

## Go Forward Plans

Due to the low oil prices, resource based energy companies have experienced a significant reduction in net present values of their oil and gas reserves as well as reduction of costs for field operations. Management believes that oil prices may have reached its lowest price level and that there are unique opportunities to acquire discounted assets in the immediate future. Georox is currently reviewing acquisition possibilities in prolific oil producing areas in Western Canada to bolster its assets.

## About Georox

The Corporation is a Canadian oil and gas exploration and production company engaged in the acquisition, exploration and development of oil and gas in western Canada.

Production volumes are commonly expressed on a barrel of oil equivalent ("BOE") basis whereby natural gas volumes are converted at a ratio of six thousand cubic feet to one barrel of oil. The intention is to convert oil and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants. The term BOE may be misleading, particularly if used in isolation. The conversion ratio is based on an energy equivalent method and does not represent an economic value equivalency at the wellhead.

## FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements relating to the future operations of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding future plans and objectives of the Corporation, are forward looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Although Georox 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 Georox 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. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These 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 and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Georox. As a result, we cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release, and Georox does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by Canadian securities law.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the Units in the United States. The Units (or constituent securities) have not been and will not be registered under the United States Securities Act of 1933, as

amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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