

KELOWNA, BC, March 22, 2017 /CNW/ - [Georox Resources Inc.](#) ("Georox" or the "Corporation") (GXR:TSX-V; OF6A:FRA) is pleased to provide information on its oil and gas reserves as of December 31, 2016 as evaluated in a report (the "Report") by the Corporation's independent reserve engineering firm, Sproule Unconventional Limited ("Sproule"). The reserves were evaluated in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and the Canadian Oil and Gas Evaluation ("COGEH") Handbook. The Statement of Reserves Data (Form 51-101 F1), providing additional summary information from the Report can be found on SEDAR at [www.sedar.ca](http://www.sedar.ca) under the Corporation's name.

Highlights of Georox's year end reserves are as follows:

- A year over year increase of 19% in total proved plus probable oil and gas reserves, or an increase of 112,700 barrels of oil equivalent ("boe") to 696,000 boe.
- A year over year increase of 56% in the before tax net present value of the proved plus probable reserves, discounted at 10 percent, to \$16.1MM.
- Current reserve life index of 19.0 years based on proved plus probable reserves.
- Reserves weighted 98% to crude oil as a percentage of total proved plus probable reserves.

## APPRAISAL REPORT - EFFECTIVE DATE DECEMBER 31, 2016

### PETROLEUM RESERVES AND ECONOMIC EVALUATION<sup>(1)</sup>

RED EARTH & POUCE COUPE, ALBERTA and SILVERDALE AREA,  
SASKATCHEWAN

### RESERVES NET TO APPRAISED INTEREST<sup>(2) (3)</sup>

PRODUCT VOLUMES Net Working Interest		BEFORE TAX CASH FLOW (Thousands of Dollars CDN) Discounted Per Annum @			
BOE					
RESERVE (MBOE) CATEGORY		0%	5%	10%	15%
		\$	\$	\$	\$
Proved Developed Producing		4,516	4,047	3,631	3,284
Not Producing		709	543	427	345
Proved Undeveloped		6,865	5,445	4,338	3,477
Total Proved		12,090	10,035	8,396	7,106
Probable		12,813	9,737	7,682	6,248
Total Proved Plus Probable		24,903	19,772	16,078	13,354

Notes:

1. Based on Sproule's December 31, 2016 escalated price forecast.
2. The reserves definitions and ownership classification used in this evaluation are the standards defined by COGEH reserve definitions and consistent with NI 51-101 and used by Sproule. The oil reserves are presented in thousands of barrels, at stock tank conditions. The natural gas reserves are presented in millions of cubic feet, at base conditions of 101.325kPa and 15 degrees Celsius. The natural gas liquids reserves are presented in thousands of barrels, at base conditions of 15 degrees Celsius and equilibrium pressure.
3. Numbers may not reflect exact numbers in report tables due to rounding.

## Reserve Reconciliation

The following is a reconciliation of Georox's Reserve changes in the Corporation's gross working interest reserves from December 31, 2015 to the gross working interest reserves at December 31, 2016.

Reserves (MBOE)	Proved	Probable	Proved plus Probable
Opening Balance (December 31, 2015)	437.7	145.7	583.4
Infill Drilling	0	0	0
Extensions	0	0	0
Acquisitions	0	0	0
Economic Factors	(10.2)	(1.1)	(11.3)
Dispositions	0	0	0
Production	(43.5)	0	(43.5)
Technical Revisions	(18.1)	23.9	5.8
Improved Recovery	45.5	116.2	161.7
Closing Balance (December 31, 2016)	411.4	284.7	696.1

The term "gross working interest" means Georox's working interest (operated or non-operated) share before the deductions of royalties and without any royalty interests of Georox, which is referred to as "Gross" reserves under NI 51-101.

Georox is pleased to announce that it has received significant recognition in both proven and proven plus probable reserves categories for its future water flood in Red Earth. In addition to increased reserves and future rates, this water flood is also expected to significantly reduce operating costs. Georox has begun the application process for the water flood which is expected to be fully operational later this year.

## About Georox:

Georox is a Canadian natural resource company engaged in the acquisition, exploration and development of oil and gas properties in Western Canada. The Common Shares trade on the TSX Venture Exchange under the symbol GXR and on the Frankfurt Stock Exchange under the symbol OF6A.

## Cautionary Statement:

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

No stock exchange, securities commission or other regulatory authority has approved nor disapproved the information contained herein.

## FORWARD-LOOKING STATEMENTS

## READER ADVISORIES

### Forward-Looking Statements

Statements in this document may contain forward-looking information including management's assessment of future plans and operations, reserve estimates and the total future capital associated with development of reserves, capital expenditures and timing of release of 2011 financial results. The reader is cautioned that assumptions used in the preparation of such 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 the Corporation. These risks include, but are not limited to: the risks associated with the oil and gas industry; commodity prices, and; exchange rate changes. Industry related risks could include, but are not limited to: operational risks in exploration; development and production; delays or changes in plans; risks associated to the uncertainty of reserve estimates; health and safety risks, and the uncertainty of estimates and projections of production, costs and expenses. The recovery and reserve estimates of Georox's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. In addition, forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Corporation believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Corporation can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which the Corporation has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Corporation to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Corporation to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation operates; and the ability of the Corporation to successfully market its oil and natural gas products. Readers are cautioned that the foregoing lists of factors and assumptions are not exhaustive. Additional information on these and other factors that could affect the Corporation's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)) or at the Corporation's website ([www.georoxresources.com](http://www.georoxresources.com)).

### Conversion

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one boe (6 mcf/bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in this report are derived from converting gas to oil in the ratio of six thousand cubic feet of gas to one barrel of oil. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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 applicable securities law.

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