

KELOWNA, BC, May 4, 2015 /CNW/ - [Georox Resources Inc.](#) ("Georox" or the "Corporation") (GXR:TSX-V; OF6A:FRA) is seeking to raise up to \$500,000 in a non-brokered Private Placement.

Under the proposed terms of the Private Placement, the Corporation will issue 10 million units at a price of \$0.05 per unit for gross cash proceeds of approximately \$500,000 the ("Offering").

Each unit will consist of one common share of the Corporation and one-half common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share at a price of 10 cents for a period of 24 months following the closing date of the Private Placement. The Offering will be completed in one or more tranches and the securities under the Offering will have a hold period of four months from the applicable closing date of each tranche. Closing of the Offering is not subject to a minimum aggregate subscription amount but shall be subject to receipt of all required regulatory approvals, including the TSX Venture Exchange.

It is expected that the Corporation will pay finders' fees to eligible persons consisting of either cash or units, at the finder's election, equal to 7 per cent of the proceeds from the units sold to investors introduced by, or which subscriptions are attributable to the efforts of, the finders, or 7 per cent of the number of units issued in connection with such investor subscriptions under the Offering. The Corporation will also issue to the finders non-transferable finders' warrants equal to 7 per cent of the number of units issued in connection with such investor subscriptions under the Offering. Each finder's warrant will entitle the finders to acquire one common share at a price of five cents for one year from the closing of the Private Placement.

After giving effect to the Offering, Georox will have 45,146,185 Common Shares outstanding on a basic basis. Any participation by insiders of the Corporation in the Offering will be on the same terms as the arm's length investors. The Corporation has no reason to believe that the Private Placement will result in a change of control of the Corporation.

Use of Proceeds

The use of proceeds will be for general corporate purposes, expenditures related to the optimization of production, and reduction of bank debt. The Offering expected to close within thirty days.

Share for Debt Settlement

Savi Franz, has agreed with the Corporation to settle the full amount of \$125,000 outstanding loan made to the Corporation in 2013, plus accrued interest at 5% per annum, through the issuance of Georox common shares at a deemed price of \$0.05. This would result in an issuance of 2,739,580 common shares. The issuance of shares will be subject to the TSX Venture Exchange approval.

Corporation's AGM

The Corporation held its Annual General and Special Meeting of shareholders in Calgary on April 30, 2015. All resolutions were passed as outlined in the Information Circular dated April 1, 2015.

About Georox

The Corporation produces currently 190 boepd of which 75% are light oil, 24% are heavy oil and 1% are gas. The Corporation's December's 31, 2014 reserve report indicated 520,700 bbl P+P reserves and \$10.6 million 10% net present value before tax. The reserve information was prepared in accordance with NI51-101 and was previously announced on February 25, 2015 of which details will be found on the Corporation's filings at www.sedar.com.

During the recent month the Corporation has reduced administrative and operational costs.

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. More particularly, it contains forward-looking statements concerning: (i) production (ii) timing and completion of the Transaction, including expectations and assumptions concerning timing of receipt of required regulatory approvals and the satisfaction of other conditions to the completion of the Transaction, and (v) potential development opportunities associated with the Transaction.

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.

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

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