

KELOWNA, BC, Dec. 6, 2016 /CNW/ - [Georox Resources Inc.](#) ("Georox" or the Corporation") (GXR:TSX-V; OF6A:FRA) Recently Georox has initiated a process to enhance production and reduce operating costs from its existing oil wells at Red Earth, Alberta. In addition the company has pre evaluated opportunities beyond primary oil recovery. The Corporation owns 2.125 sections of land and operates eight wells. The property is located approximately 320 km northwest of Edmonton. Georox is producing 78 barrels of light oil and 20,000 cubic feet of solution gas per day from the Q4Q Pool in the Granite Wash formation.

1. All producing Red Earth wells have been recently converted to utilize solution gas produced from the Red Earth wells for fuel instead of propane. This will significantly reduce operating costs, resulting in higher cash flows. The amount of gas being processed for sales will accordingly be reduced giving rise to a slightly lower boepd rate but significantly higher cash flow income.
2. Two low rate wells have been shut in at locations 1-11 and 2-11 due to uneconomic production. These wells will be evaluated for future use as injection wells in the potential water flood.
3. Preliminary evaluation of a water flood program at Georox's Red Earth Granite Wash pool indicates that more than 200,000 barrels of incremental oil is likely. Preliminary economics indicate that such a project would be economic at current oil prices. Reviews are underway to determine the optimal injection sites and detailed economic analysis will follow.

Georox is encouraged with the results from its preliminary evaluation and work program and is continuing to investigate other methods to increase production and reduce operating costs at Red Earth.

About Georox

Georox is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in Western Canada. Georox will use its experience to develop, acquire, and drill assets with potential for primary and secondary recovery.

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 the use of proceeds from the Private Placement.

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