

KELOWNA, BC, Sept. 8, 2017 /CNW/ -

Lender Arrangements

[Georox Resources Inc.](#) ("Georox" or the "Corporation") (TSXV:GXR) announces that it has entered into an amended credit facility and forbearance agreement with Tallinn Capital Mezzanine Limited Partnership ("Tallinn" or the "Lender"). Under the terms of the forbearance agreement, Tallinn has agreed to forbear from exercising enforcement rights and remedies in respect of its credit facilities with Georox until July 31, 2018, subject to customary conditions. As a term of the forbearance arrangement, Georox has provided Tallinn with a quitclaim of its properties which may be used by Tallinn in the event that Georox defaults under the credit arrangements, including the forbearance agreement, provided that if at maturity, the petroleum and natural gas assets of Georox have a fair market value greater than 90% of the then outstanding amount owing to Tallinn, the forbearance period and use of the quitclaim will be extended until January 31, 2019 if Georox shall go into default under the amended credit facility or forbearance agreement.

The amended commitment letter with Tallinn provides for a new second credit facility in the amount of \$600,000 to be used to fund the Red Earth waterflood project.

Red Earth Waterflood

The Corporation has obtained the requisite regulatory approvals and initiated the waterflood project with the goal of significantly improving the production and net back economics of its Red Earth properties. Operations with respect to institution of waterflood are expected to be completed by late October, 2017 and the full impact of the benefits of the waterflood are expected to be realized around Q2, 2018.

About Georox

Georox is a public oil and gas exploration, exploitation 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.

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, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Georox. These risks include, but are not limited to; the risks associated with the oil and gas industry, availability of capital to carry on operations, commodity prices, financial market volatility, availability of key personnel 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, environmental, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward looking information.

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.

SOURCE [Georox Resources Inc.](#)

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