

Georox Resources Completes Non-Brokered Private Placement

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KELOWNA, BC, Aug. 15, 2016 /CNW/ - Georox Resources Inc. ("**Georox**" or the "**Corporation**") (GXR:TSX-V; OF6A:FRA) has completed its previously announced non-brokered private placement (the "**Private Placement**") of 7,698,333 units of the Corporation ("**Units**") at a price of \$0.06 per Unit for aggregate gross proceeds of \$461,899.98. Each Unit consists of one (1) common share of the Corporation (a "**Common Share**") and one (1) Common Share purchase warrant (a "**Warrant**"). The Warrants will not be listed. Each Warrant shall be exercisable for one Common Share at a price of \$0.12 per Common Share for a period to and including April 30, 2018.

All securities in the Private Placement will be subject to a four month hold period from closing.

In connection with the Private Placement, agents will be paid an aggregate of \$4,800 in finder's fees (10% of the proceeds from the Units sold to investors introduced by and attributable to the efforts of the agents).

The Private Placement proceeds will be used for current general payables, general corporate purposes and expenditures related to the optimization of production in its Red Earth property.

After giving effect to Private Placement, Georox now has 22,973,895 Common Shares outstanding on a basic basis.

Directors or officers of Georox subscribed for 3,233,333 Units or 42% of the Private Placement.

About Georox

The Corporation currently produces approximately 140 boepd of which 75% is light oil, 24% is heavy oil and 1% is gas.

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 the use of proceeds from the Private Placement.

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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