

PETROX RESOURCES CORP.

P R E S S R E L E A S E

**PETROX ANNOUNCES PROPOSED DEVELOPMENT AND
ACQUISITION SECURED LOAN FACILITY, CONCURRENT
NON-BROKERED PRIVATE PLACEMENT AND RESIGNATION
OF DIRECTOR**

For Immediate Release

Not for distribution in the United States or through United States wire services.

Calgary, Alberta – August 20, 2013. Petrox Resources Corp. (“**PTC**”: **TSXV**) (“**Petrox**” or the “**Corporation**”) today announced that it has signed a Conditional Commitment Letter with Macquarie Bank Limited (“**Macquarie**”) for a Development and Acquisition Secured Loan Facility. Upon closing, the loan facility is intended to be funded in tranches, with the first tranche of \$3,000,000 to be used to drill and complete two Viking horizontal wells, the second tranche of \$2,000,000 to be used to drill and complete an additional two Viking horizontal wells (dependent upon the success of the first two new Viking wells) and the third tranche of up to \$70,000,000 to be applied towards future development capital and/or acquisitions. All funding under the third tranche will be at Macquarie’s sole discretion.

The funded amounts under the loan facility will bear interest at a rate of 9% over Canadian LIBOR. The loan facility will mature 36 months from closing. Petrox will pay 100 bps on funded amounts.

At closing, Petrox will assign to Macquarie a Net Profit Interest (“**NPI**”) equal to 75% of Petrox’s working interest in all oil and gas properties during the period for which the facility is outstanding, stepping down to 25% once Petrox achieves a 25% cash-on-cash IRR to Macquarie (inclusive of all interest payments, fees, and NPI proceeds). The NPI shall be convertible into common shares of Petrox, at Macquarie’s option, using an appropriate equity valuation methodology.

Concurrently, Petrox will undertake a non-brokered private placement of flow-through shares at a price of \$0.11/share and common shares at a price of \$0.10/share, for aggregate net proceeds of a minimum of \$1,500,000 and a maximum of \$2,000,000. Proceeds from the private placement will be directed towards drilling a Viking core test and a Viking horizontal well. Cash commissions of up to 8% may be payable on some or all of the gross proceeds of the private placement. The closing of the Macquarie loan facility and the funding of the first tranche thereof are subject to certain conditions precedent including, without limitation, the private placement.

Proceeds of the Proposed Transactions will be used to fund the exploitation and development plans for Petrox’s P&NG properties in Central Alberta. Specifically, Petrox intends to use the funds to drill a Viking core test and four or five Viking horizontal wells on its properties, as well as for general corporate purposes.

Additionally, the Corporation announces that Kelly Lo has resigned as a director of the Corporation. The Corporation thanks Ms. Lo for her contributions to the Corporation and wishes her success in her future endeavours.

READER ADVISORY

Statements included in this press release that are not historical facts may be considered "forward looking statements". All estimates and statements that describe the Corporation's objectives, goals or future plans are forward looking statements. Forward-looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

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