

PETROX CAPITAL CORP.

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

**PETROX ANNOUNCES PROPOSED QUALIFYING
TRANSACTION WITH RICHFIELD OILS INC.**

For Immediate Release

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

Calgary, Alberta – January 24, 2012. Petrox Capital Corp. (PTC.P: TSXV) (“**Petrox**” or the “**Corporation**”), a capital pool company listed on the TSX Venture Exchange (the “**Exchange**” or “**TSXV**”) is pleased to announce that it has entered into a letter of intent (“**Letter of Intent**”) dated January 19, 2012 with Richfield Oils Inc. (“**Richfield**”) with respect to the proposed acquisition by the Corporation (the “**Acquisition**”) of Richfield’s interests in oil and gas properties located in the Bashaw area of Alberta (the “**Richfield Assets**”). It is intended that the Acquisition will constitute the Qualifying Transaction of the Corporation in accordance with Policy 2.4 of the Exchange.

The Letter of Intent contemplates that, in exchange for the Richfield Assets, Petrox shall issue to Richfield an aggregate of 3,000,000 Common Shares in the capital of Petrox at a deemed price of CA\$0.25 per common share for a total deemed purchase price of CA\$750,000.

The Letter of Intent also contemplates that Petrox will complete a brokered private placement of a minimum of 2,000,000 Common Shares and a maximum of 12,000,000 Common Shares at a price of \$0.25 per share for aggregate gross proceeds of a minimum of CA\$500,000 and a maximum of CA\$3,000,000 (the “**Offering**”), which Offering shall close concurrently with the Acquisition.

The proceeds from the Offering will be used by the Resulting Issuer for exploration and development of the Richfield Assets and general working capital requirements. Additional amounts have been allocated for costs required to complete the Acquisition and for unallocated working capital. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Corporation to achieve its business objectives.

The completion of the Acquisition and the Offering are subject to the approval of the Exchange and all other necessary approvals. The completion of the Acquisition is also subject to certain other additional conditions precedent, including, but not limited to: (i) the entering into of a definitive agreement by Petrox and Richfield on or before February 15, 2012 (the “**Definitive Agreement**”); (ii) completion of satisfactory due diligence by each of Petrox and Richfield; (iii) completion of an engineering report on the Richfield Assets, which report shall be satisfactory to Petrox and shall be compliant with the requirements of National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*; (iv) the approval of the Acquisition by the Exchange, each of Petrox’s and Richfield’s respective board of directors and the shareholders of Richfield, if required; (v) completion of at least the minimum amount of the Offering; (vi) the absence of any material change or change in a material fact which might reasonably be expected to have a material adverse effect on the financial and operational conditions or the assets of each of the parties to the Definitive Agreement; and (viii) certain other conditions typical in a transaction of this nature.

The Corporation also proposes to appoint Garry Willem Lohuis, P. Eng., to its Board of Directors. Mr. Lohuis was formerly the President and CEO and a Director of Lift Resources Inc., a private heavy oil producer in Western Canada. Lift was sold to Gear Energy in September 2011. From 2005 to 2008, Mr. Lohuis was the President and CEO and a Director of Athlone Energy Ltd., a public oil and gas producer in Western Canada that was listed on the TSXV. Mr. Lohuis holds a Bachelor of Science (Petroleum Engineering) which he obtained in 1982 from Montana Tech of the University of Montana, Butte, Montana, and a Diploma of Petroleum Reservoir Technology which he obtained in 1977 from SAIT Polytechnic, Calgary, Alberta.

At present, no other changes to the Corporation's board of directors are expected to arise as a result of the Acquisition.

Following the completion of the Acquisition and assuming completion of the maximum Offering, approximately 21,600,000 Common Shares are anticipated to be issued and outstanding in the capital of the Corporation. In addition, the Corporation already has issued and outstanding incentive stock options entitling the holders thereof to purchase up to an aggregate of 660,000 Common Shares and agents' options entitling the holders thereof to purchase up to an aggregate of 300,000 Common Shares. The Corporation also intends to issue additional agent's options pursuant to the Offering.

Following the completion of the Acquisition, subject to the approval of the Exchange, Petrox also intends to grant additional incentive stock options to employees, consultants, directors and officers of Petrox. The number of stock options issued will not exceed 10% of the issued and outstanding shares of the Resulting Issuer.

The only insiders of the Corporation after completion of the Acquisition will be Richfield and the directors and officers of the Corporation, being Edward S. L. Tam, Alan P. Chan, Richard W. McIver, Rudolf Cech, Kelly Lo, Douglas A. Baird and Gerry A. Peacock and Garry W. Lohuis.

The proposed Qualifying Transaction will be at arm's length, and accordingly, will not require approval by the majority of the minority shareholders of the Corporation.

The Corporation anticipates that the proposed transaction will not require Sponsorship and will be applying to the Exchange for an exemption of Sponsorship of the transaction.

Trading in the shares of the Corporation will be halted until such time as all required documents are filed with the Exchange.

Upon completion of the Qualifying Transaction, the Corporation will be classified as an Oil and Gas Issuer on the Exchange.

About Richfield

Richfield Oils Inc. is a private company incorporated under the *Business Corporations Act* (Alberta) on September 26, 1980 under the name 252904 Alberta Ltd. The company changed its name to "Richfield Oils Inc." on November 1, 1996.

The Richfield Assets are located in the Bashaw area of Alberta and comprise approximately $\frac{3}{4}$ of Section 5-42-23W4M, below the base of the Mannville. According to Richfield Oils, the Bashaw D2H pool was discovered in 1992. 3D seismic survey was shot in early 1990's resulting in the drilling of four wells, which have produced approx 600,000 bbls of oil. The four wells have been abandoned since 2002. Certain wells can be re-completed and placed back on production. A third party engineering evaluation

will be conducted to confirm the feasibility of the re-completion and the economic benefit of the operation.

The shares of Richfield are owned by Richard J. Boswell (99.9%), President of Richfield, and Anne M. Boswell (0.1%), wife of Richard J. Boswell.

Richard J. Boswell graduated from the University of Calgary with a Bachelor of Commerce degree and has 29 years of oil and gas industry experience. He was a co-founder and President of Crozet Exploration Ltd, a private resource company, from 1980 to 1987 and was Land Manager of its successor, Crozet Oil & Gas Ltd., from 1987 to 1989. From 1989 to 1992, Mr. Boswell was Land Manager for Hardy Oil and Gas Ltd. a private resource company. From 1992 to 1996, he was an Officer and Director of Stateside Energy Ltd., a publicly listed company. Mr. Boswell was also a founding Director of Tonko Development Ltd., a publicly listed company, from incorporation until its sale in March 2002. From March, 2006, to May, 2007 Mr. Boswell was Vice President of Land at Mirage Energy Ltd., a public resource company. From June, 2007 to Nov 30, 2010, Mr. Boswell was President and Director of Kierland Resources Ltd.

About Petrox

Petrox is a capital pool company listed and posted for trading on the TSXV under the trading symbol “PTC.P”.

The following is a brief description of key management and directors of the Corporation:

Edward S. L. Tam is the President and a Director of the Corporation. Mr. Tam is a professional engineer and an entrepreneur. He graduated from University of Calgary with a Bachelor of Science Degree in 1979 and with a Master of Science Degree in 1982 both in Mechanical Engineering. Since graduation, he worked for a number of energy companies and held various senior technical positions in exploitation and exploration. He has experience in finding oil and gas accumulations, developing exploitation strategies that create value by optimizing production and identifying development potentials. In 2001, he co-founded Petrox Energy Corporation, a private company established to pursue oil and gas projects in Alberta.

Alan P. Chan is the Chief Financial Officer and a Director of the Corporation. Mr. Chan is a professional engineer and an entrepreneur. He graduated from the University of Saskatchewan with a Bachelor of Science Degree in 1973. Since graduation, he worked in a number of industries and held various senior technical and management positions. In 1994, he founded China Pacific Industrial Corp. to pursue joint venture projects in China, and subsequently established two joint ventures in China. Since the late 1990s, Mr. Chan has been involved in the establishment of a number of public companies and assisted them in completing a number of financings, mergers and acquisitions. Currently, he is a director, Chief Financial Officer and Secretary of Grand Power Logistics Group Inc., listed on the TSX Venture Exchange. He is also a director of Ginger Beef Corporation and Hunt Mining Corporation, both listed on the TSX Venture Exchange.

Richard W. McIver is a Director of the Corporation. He has nine years' of experience on the City Council of The City of Calgary. During this time he also served on many external boards and committees including two years on the Calgary Police Commission, three years as chair of the Calgary Housing Company and eight years on the board of the Alberta Urban Municipalities Association. He has an entrepreneurial background having owned and operated a marketing distribution business for 10 years before he was elected an alderman. He is currently the principal of McIver and Associates Inc. with a consulting practice serving the construction, architecture, and government relations industries.

Rudolf Cech is a Director of the Corporation. Mr. Cech is a professional engineer and president of Adur Energy Ltd., a private consulting company. He graduated from the University of Mining Technology, Ostrava, Czech Republic, with a Master of Science Degree in 1966. Since graduation, he worked in the coal mining industry and in 1970 he joined Sproule Associates in Calgary. Mr. Cech has conducted reserve estimates and evaluation studies on petroleum and mineral properties; he has supervised and managed exploration and development projects, and he has conducted regional and local geological studies worldwide. Mr. Cech had thirty-six years' experience at Sproule Associates and has appeared as an expert witness in testimony concerning oil and gas reserves and minerals. He has international experience in evaluating petroleum and coal properties, which includes determining reserves, preparing exploration programs, and evaluating the results obtained, and he has presented numerous papers concerning the development of coalbed methane projects. Since his retirement in 2006, he has been active through his consulting company and sits on the board of directors of a number of private and public oil and gas companies.

Kelly Lo is a Director of the Corporation. She has over a decade of experience in oil marketing, starting her career with Husky Energy. She transitioned to several oil marketing and trading companies, including start-up companies that have been sold. She has experience in pricing analysis, logistics coordination, marketing and trading crude oil from the wellhead to end users. Ms Lo received her Bachelor of Commerce degree from the University of Calgary in 2001. Prior to her oil marketing career she was involved in land development.

Douglas A. Baird is a Director of the Corporation. He graduated from the University of Calgary with a Bachelor of Commerce degree in 1972 and obtained his Chartered Accountant designation in 1974 while employed by Price Waterhouse and Co. in Calgary. Mr. Baird has been employed in various management positions and has served as an officer and director of both TSX and TSX Venture corporations. Currently he is a director and president of Appulse Corporation, a TSX Venture company.

Gerry A. Peacock is the Secretary of the Corporation. He has been a Barrister and Solicitor since 1992. He runs his own private practice as a sole practitioner. In addition to his legal practice, Mr. Peacock is an entrepreneur involved in a number of venture projects and investments. He has held directorship in a number of public companies. Currently, he is a director and a member of the audit committee of Grand Power Logistics Group Inc., a public company listed on the TSX Venture Exchange.

READER ADVISORY

Investors are cautioned that, except as disclosed in the information circular or filing statement to be prepared in connection with the Acquisition, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

Statements in this press release may contain forward-looking information including, operating costs, administrative costs, acquisitions and dispositions, capital spending, access to credit facilities, income taxes, regulatory changes, and other components of cash flow and earnings. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expects" and similar expressions. 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 Petrox. 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 press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and Petrox 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 securities law.

THIS PRESS RELEASE, REQUIRED BY APPLICABLE CANADIAN LAWS, IS NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES, AND DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO SELL ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES. THESE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS REGISTERED OR EXEMPT THEREFROM.

Completion of the Acquisition is subject to a number of conditions, including but not limited to, Exchange acceptance, and, if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Acquisition cannot close until the required shareholder approval is obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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