

**FORM 51-102F3
MATERIAL CHANGE REPORT**

ITEM 1. NAME AND ADDRESS OF COMPANY

Permex Petroleum Corporation (the "Company")
Suite 1290 – 625 Howe Street
Vancouver, BC V6C 2T6

ITEM 2. DATE OF MATERIAL CHANGE

May 16, 2018

ITEM 3. NEWS RELEASE

Issued on May 16, 2018 and distributed through the facilities of Canada NewsWire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced that it has completed its initial public offering (the "Offering") of 8,135,500 common shares ("Common Shares") of the Company at a price of \$0.50 per share for aggregate gross proceeds of \$4,067,750.

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Company has completed the Offering of 8,135,500 Common Shares at a price of \$0.50 per share for aggregate gross proceeds of \$4,067,750.

Canaccord Genuity Corp., Gravitas Securities Inc. and their selling agents have received a cash commission equal to 8% of the gross proceeds of the Offering, an aggregate of 203,387 Common Shares representing shares issuable pursuant to the agents' 2.5% corporate finance fee, and warrants exercisable to acquire up to 650,840 Common Shares at a price of \$0.50 per share until May 16, 2021.

A copy of the Company's news release dated May 16, 2018 announcing the completion of the Offering is attached as Schedule "A" hereto.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTION

Not applicable.

ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

Not applicable.

ITEM 8. EXECUTIVE OFFICER

Contact: Mehran Ehsan, President and Chief Executive Officer
Telephone: (604) 259-2525

ITEM 9. DATE OF REPORT

May 25, 2018.

Schedule "A"

News Release

(see attached)



Permex Petroleum Corporation Completes Initial Public Offering
Listing on CSE under Symbol "OIL"

NOT FOR DISTRIBUTION IN THE UNITED STATES OR OVER UNITED STATES NEWS WIRE SERVICES

VANCOUVER, BRITISH COLUMBIA - May 16, 2018 -- Permex Petroleum Corporation (the "**Company**" or "**Permex**") is pleased to announce that it has completed its initial public offering (the "Offering") of 8,135,500 common shares ("Common Shares") of the Company at a price of \$0.50 per share for aggregate gross proceeds of \$4,067,750.

The Common Shares were listed on the **Canadian Securities Exchange** (the "CSE") on May 15, 2018 and are expected to resume trading on the CSE **at market open on May 17, 2018**, under the symbol "**OIL**".

The Company anticipates using the net proceeds from the Offering as described in its final prospectus dated March 7, 2018 (the "Final Prospectus"), including to enhance and develop existing properties by returning shut in wells to production, initiating planned waterflood activities, re-entering and stimulating well candidates that indicate the most potential for production, infill drilling on shallow fields and asset acquisitions.

Canaccord Genuity Corp., Gravititas Securities Inc. and their selling agents have received a cash commission equal to 8% of the gross proceeds of the Offering, an aggregate of 203,387 Common Shares representing shares issuable pursuant to the agents' 2.5% corporate finance fee and warrants exercisable to acquire up to 650,840 Common Shares at a price of \$0.50 per share until May 16, 2021.

Upon commencement of trading, it is anticipated that Permex will have 35,661,248 issued and outstanding Common Shares, 3,332,185 Common Shares reserved for issuance pursuant to the exercise of outstanding options, 650,840 Common Shares reserved for issuance pursuant to the exercise of outstanding agents' warrants and 375,000 Common Shares reserved for issuance pursuant to an advisory agreement between the Company and Gravititas Securities Inc.

Detailed information about the Offering is available in the Final Prospectus, which was filed with securities commissions or similar authorities in the provinces of British Columbia, Alberta, Saskatchewan and Ontario and is available under Permex Petroleum Corporation's profile on SEDAR (www.sedar.com).

About Permex Petroleum Corporation - www.permexpetroleum.com

Permex Petroleum Corporation is a junior oil and gas company with a focus on identifying, evaluating and acquiring oil and natural gas assets in North America. Permex focuses on enhancing and developing its current portfolio of oil and natural gas assets in the state of Texas and the state of New Mexico.

CONTACT INFORMATION

Permex Petroleum Corporation
Mehran Ehsan
President & Chief Executive Officer
(604) 259-2525

Or for Investor Relations, please contact:

The Howard Group Inc.
Dave Burwell
Vice President
Email: dave@howardgroupinc.com
Tel: +1(403) 221-0915
Toll Free in Canada: 1-888-221-0915

No securities regulatory authority has either approved or disapproved of the contents of this press release.

Forward-Looking Statements

This press release contains forward-looking statements and information within the meaning of applicable securities laws (collectively, "forward-looking statements"), which reflect the Company's current expectations regarding future events. Statements in this press release which are not purely historical are forward-looking statements and include any statements that express or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases including, but not limited to, and including grammatical tense variations of such words as: "may", "anticipates", "is expected to", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Such forward-looking statements include, among others, the anticipated time of trading of the Common Shares on the CSE, the anticipated use of net proceeds raised under the Offering and the anticipated outstanding Common Shares and shares reserved for issuance at the time of listing.

The forward-looking statements in this press release are based on a number of assumptions, including, but not limited to, assumptions regarding the stability of commodity prices, that general business, economic, capital market, legal and political conditions will not change in a materially adverse manner and that necessary governmental, securities regulatory authority or stock exchange permits or approvals will be obtained in connection with the Offering and the listing of the Common Shares on the CSE. Actual results could differ materially from those projected in any



forward-looking statements due to numerous risks, uncertainties and other factors. Such factors include, among others, risks inherent in the oil and gas industry as well as the risks normally encountered in a newly established business, including but not limited to: negative cash flow; lack of adequate capital; title to property; reliance on operators; liquidity concerns and future financing requirements to sustain operations; dilution; limited history of operations and revenues and no history of earnings or dividends; competition; economic changes; and uninsured risks.

There can be no assurance that forward-looking statements will prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements. Any forward-looking statement included in this press release is based only on information currently available to the Company and speaks only as of the date on which it is made. Except as otherwise required by law, the Company undertakes no obligation to update any of the forward-looking statements in this press release to reflect new circumstances or events.