

Permex Petroleum Corporation Signs LOI to Acquire Additional Oil and Gas Assets in the Delaware Basin of Eddy County New Mexico

VANCOUVER, BRITISH COLUMBIA – June 20, 2018 -- Permex Petroleum Corporation (“**Permex**” or the “**Company**”) (CSE: OIL) is pleased to announce that it has signed a Non-binding Letter of Intent (“LOI”) with Cameron Oil and Gas Co., Inc. (“**Cameron**” or “**Seller**”), for the purchase of all the Seller’s rights, title and interest in the SW Henshaw Premier Unit (the “**Assets**”) located in Eddy County, New Mexico.

Permex will acquire 100% working interest with an 83.91% net revenue interest in the 840 gross acre property which is held by production (“**HBP**”) in the Delaware Basin of New Mexico. There are a total of 7 vertical wells, of which 2 are producing 5 barrels of oil per day and holding the acreage, as well as 5 shut in wells which provide the opportunity for Permex to re-enter and put on production for added production. The area’s geology consists of numerous formations including but not limited to the Wolfcamp, San Andres, Grayburg, Queen, Seven Rivers, and Yates formations.

"We are very pleased to move forward with our expansion plans in the Delaware Basin of New Mexico, where there has recently been tremendous production among a diverse mix of formations for both oil and gas," said Mehran Ehsan, President and CEO of Permex Petroleum Corporation. "This is yet another strategic acquisition as it is a direct offset property of our own West Henshaw Premier Unit, which puts our ownership over 3 sections in the area. We look forward to consummating our acquisition and in the short term bringing online the shut-in wells while drilling new wells in the long term on the lease," he added.

The acquisition of the Assets represents a 33% HBP increase to Permex’s New Mexico land portfolio. The purchase price for the Assets is USD\$100,000 which Permex intends to satisfy by issuing to Cameron common shares upon closing at a deemed price calculated by a 10-day VWAP.

Permex and Cameron expect to close the proposed transaction on or about July 31, 2018.

About Permex Petroleum Corporation - www.permexpetroleum.com

Permex Petroleum is a uniquely positioned junior Oil & Gas company with assets and operations across the Permian Basin of west Texas and the Delaware Sub-Basin of south east New Mexico. Permex has a current focus on identifying, evaluating and acquiring oil and natural gas assets in North America and enhancing and developing its currently held oil and natural gas assets in Texas and New Mexico. Permex owns and operates on Private, State and Federal land.



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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 closing of the transactions contemplated under the LOI.

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, that the transactions contemplated under the LOI will close in accordance with the terms set forth therein and that the attributes of the property subject to the LOI will not vary materially from management's expectations. 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; reliance on partners; 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; changes to expectations resulting from independent reserves evaluations, drilling programs and other activities related to the Company's properties; 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.