



Permex Petroleum Corporation Starts Re-Entry and Stimulation Program on Shut-in Wells to Increase Production

VANCOUVER, BRITISH COLUMBIA – June 27, 2018 -- Permex Petroleum Corporation (“**Permex**” or the “**Company**”) (CSE: OIL) is announcing that it has now begun its re-stimulation and re-entry program on two of its oilfields. The company has begun this program on its Bullard and West Henshaw fields. Permex has retained Basic Energy Services (“**Basic**”) (NYSE: BAS), to handle the re-entries and stimulation of the company wells.

The Bullard property is in west Texas (Stonewall County) currently producing from the Tannehill formation at depths of 3,200 feet. The West Henshaw property is located in south east New Mexico (Eddy County) currently producing from the Grayburg formation at a depth of 2,850 feet. The stimulation and re-entry of all 33 shut-in wells that the company currently owns is expected to provide the company with an additional 150 barrels of oil in production per day (“boepd”).

Management believes a combination of waterflooding, re-entry of all shut in wells and infill drilling of shallow wells will yield exit rates of approximately 400 – 500 boepd for 2018.

“Our approach is to target our lowest hanging fruit to increase production. In our opinion, these shut-in wells represent low cost, low risk opportunity for us to increase our current production to targeted levels. These re-entries fall under (Phase One) of Permex’s developmental plan which is tiered towards sustainable growth. Once we have maximized output through these re-entries, we will move towards more capital-intensive programs which will provide production scale to the company, these include but are not limited to vertical and horizontal drilling”, said Mehran Ehsan, President and CEO of Permex.

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 production and exit rates.

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.