

Permex Petroleum Corporation Announces USD \$5 Million Loan Facility

Vancouver, British Columbia--(Newsfile Corp. - October 16, 2018) - Permex Petroleum Corporation (CSE: OIL) ("**Permex**" or the "**Company**") is pleased to announce that it has secured a \$5,000,000 USD lending agreement (the "**Loan**") with R.C. Morris Capital Management Ltd. (the "**Lender**"). The Company has qualified for an initial cash issuance of USD \$2,000,000. The additional draws will be available depending on satisfaction of relevant terms and conditions met on both sides.

Permex intends to use the funding to pursue play extension and acquire-and-exploit continued opportunities throughout the Permian Basin by applying the same geologic and petrophysics-driven thesis used in their acquisitions to date. The funding will allow an increase in monthly net cashflow by acquiring interests in producing properties with good potential for additional production increase once enhancement work has been undertaken by Permex. These producing properties and working interests that the company has narrowed down for acquisitions are within the Permian Basin.

The Loan repayment, including all outstanding principal, fees and interest, will be due in full 36 months post Closing Date (the "**Maturity Date**"). Interest will accumulate at a rate of 16.75% per year and paid monthly in arrears.

Permex has agreed to provide the Lender with share purchase authorizations at the market price on the Loan's Closing Date, equivalent to 0.5% of the fully diluted shares of the company.

R.C. Morris Capital Management Ltd. operates in private, special opportunity debt funds.

Permex President and CEO commented, "We are very pleased to have the support of RC Morris as we continue to pursue attractive opportunities in this prolific region while achieving immediate goals without dilution of the company's capital structure."

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. There can be no assurance that forward-looking statements will prove to be accurate. These forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. 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.