

Permex Petroleum Announces Non-Brokered Private Placement of up to C\$1.5M of Units

Vancouver, British Columbia--(Newsfile Corp. - January 9, 2019) - Permex Petroleum Corporation (CSE: OIL) (the "**Corporation**") announced today that it is conducting a non-brokered private placement financing of a minimum of 2,500,000 units (the "**Units**") up to a maximum of 7,500,000 units (the "**Units**") at a price of C\$0.20 per Unit (the "**Offering**"), for minimum aggregate proceeds of \$500,000 up to a maximum of C\$1,500,000. Each Unit will consist of one common share (a "**Common Share**") in the capital of the Corporation and one Common Share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one Common Share of the Corporation at an exercise price of C\$0.30 per Common Share for a period of 24 months from the closing of the Offering, subject to accelerated expiry in the event the price of the Corporation's shares closes at or greater than C\$0.50 for ten consecutive trading days on the Canadian Securities Exchange.

All Common Shares issued in connection with the Offering will be subject to a four-month plus one day hold period under applicable Canadian securities laws. Finder's fees may be payable on all or a portion of the Offering to eligible finders of 8%.

All proceeds from the Offering will be used for starting new waterfloods, bringing online shut-in wells, and general working capital purposes. If the minimum amount is raised, \$250,000 will be allocated towards shut-in wells, and the balance will be allocated towards working capital. If the maximum offering is raised, \$750,000 will be allocated towards shut-in wells and waterfloods, and the balance towards working capital.

The Offering will permit participation of existing shareholders of the Corporation who held shares of the Corporation as of December 31, 2018 (the "**Record Date**") and who continue to hold shares of the Corporation as of the closing date of the Offering, pursuant to the existing security holder prospectus exemption available under BC Instrument 45-534 - *Exemption from prospectus requirement for certain trades to existing security holders* and equivalent provisions of other applicable securities laws (the "**Existing Shareholder Exemption**"). In addition, for those shareholders and for others who do not qualify under the Existing Shareholder Exemption, such persons may qualify to participate under other prospectus exemptions, such as the "accredited investor" (as the term is defined in the *Securities Act* (British Columbia) or other legislation applicable in the jurisdiction in which such subscriber resides) prospectus exemption.

To participate, shareholders relying on the Existing Shareholder Exemption will be required to represent in writing certain requirements of the Existing Shareholder Exemption, including that they were as of the Record Date and continue to be as of the closing date, a shareholder of the Corporation, and that they are purchasing the Offering Shares as principal for their own account. The aggregate acquisition cost to a shareholder relying on the Existing Shareholder Exemption, and not the "accredited investor" prospectus exemption, cannot exceed C\$15,000 in the 12-month period immediately preceding the closing date of the Offering, unless that shareholder has obtained advice regarding suitability of the investment from a registered investment dealer in the shareholder's jurisdiction.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the United States, or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") or any United States state securities laws, and may not be offered or sold in the United States or to the account or benefit of a "U.S. person" (as defined in Regulation S under the 1933 Act) or a person in the United States absent registration or an applicable exemption from the registration requirements.

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 New Mexico. The company focuses on combining its low-cost development of Held by Production assets for sustainable growth with its current and future Blue-Sky projects for scale growth. The company through its wholly owned subsidiary Permex Petroleum US Corporation is a licensed operator in both states; and owns and operates on Private, State and Federal land.

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Forward-Looking Statements

This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including information concerning the Offering and use of proceeds thereof, are forward-looking statements and contain forward-looking information. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. Forward-looking statements are based on certain material assumptions and analysis made by the Corporation and the opinions and estimates of management as of the date of this press release, including that regulatory approval of the Offering will be obtained in a timely manner; and the use of the proceeds of the Offering will not change. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Corporation's expectations include those relating to the ability to complete the Offering on the terms described above; that the Corporation will not obtain the requisite approvals or otherwise satisfy the necessary conditions precedent to complete the Offering; and other risks detailed from time to time in the filings made by the Corporation with securities regulations.

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 the Corporation. 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 news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

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