

# Permex Petroleum Corporation Announces Closing of First Tranche of Private Placement

Vancouver, British Columbia--(Newsfile Corp. - May 9, 2019) - **Permex Petroleum Corporation (CSE: OIL) (OTCQB: OILCF) ("Permex" or the "Corporation")** is pleased to announce that it has completed the first tranche of its non-brokered private placement (the "**Private Placement**") previously announced on April 22, 2019. The first tranche raised a total of \$607,554.90 from the issuance of 4,050,366 units ("**Units**") at a price of \$0.15 per Unit.

Each Unit consists of one common share (a "**Share**") and one common share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder to purchase one additional Share at an exercise price of C\$0.25 per 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 close at or greater than C\$0.50 for ten consecutive trading days on the Canadian Securities Exchange.

In consideration of their services, the Corporation has paid to certain finders a cash commission equal to 8% of the gross subscription proceeds and 8% broker warrants having the same terms as the Warrants.

In connection with the Offering, management and insiders participated by contributing a total of \$185,300.00 to acquire 1,235,333 Units. Their participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("**MI 61-101**"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities to be distributed in the Private Placement nor the consideration to be received for those securities, in so far as the Private Placement involves the insiders, exceeds \$2,500,000. The Company did not file a material change report more than 21 days before the expected closing of the Private Placement as the details of the Private Placement and the participation therein by related parties of the Corporation were not settled until shortly prior to closing and the Corporation wished to close on an expedited basis for sound business reasons.

The securities issued under the Offering are subject to a four month restricted period expiring on September 9, 2019.

## Early Warning Disclosure

Prior to the issuance of the Units, Mehran Ehsan, President, CEO and a director of the Corporation held 3,096,974 Shares and stock options of the Corporation (the "**Options**") exercisable to acquire 675,000 Shares. Following completion of the Private Placement, Mr. Ehsan now has control and direction over an aggregate of 3,826,974 Shares, Options exercisable to acquire 675,000 Shares and Warrants exercisable to acquire 730,000 Shares. If the Warrants and Options held by Mr. Ehsan are fully exercised, Mr. Ehsan would own 12.6% of the issued and outstanding Shares on a partially-diluted basis.

All securities of the Company controlled by Mr. Ehsan are held for investment purposes. In the future, Mr. Ehsan (directly or indirectly), may acquire and/or dispose of securities of the Company through the market, privately or otherwise, as circumstances or market conditions may warrant.

This portion of this news release is issued pursuant to National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues of the Canadian Securities Administrators, which also requires an early warning report to be filed with the applicable securities regulators containing additional information with respect to the foregoing matters. A copy of the early warning report filed by Mr. Ehsan in connection with completion of the Private Placement is available under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

**About Permex Petroleum Corporation (CSE: OIL) (OTCQB: OILCF) - [www.permexpetroleum.com](http://www.permexpetroleum.com)**

Permex 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 Corporation 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. Permex 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.

## CONTACT INFORMATION

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