

Increased Offset Investment & Horizontal Drilling Surrounds Permex's Assets & Operations in Texas

Operational Team Prepares for a Targeted Fall 2019 Horizontal Drilling Program

Vancouver, British Columbia--(Newsfile Corp. - June 25, 2019) - Permex Petroleum Corporation (CSE: OIL) (OTCQB: OILCF) ("Permex" or the "Corporation") announces positive offset operator well results in conjunction with our operational team receiving confirmation from Working Interest partners for additional well location and possible horizontal drilling joint venture program.

Permex has continued its strategy of staying debt free in an environment where the burden of debt can drive good oil and gas companies out of business. The company has not only shown resilience in a down market, but patience since entering the highly prolific, low-cost Play in the Central Basin of west Texas. With a primary focus on the San Andres formation, we can see surrounding activity from various, well-known large cap offset operators, extending their investment and drilling of horizontal wells into this highly prolific formation. Permex continues to closely monitor the activity, and evaluate best course of action to start its own horizontal drilling while comparing notes against various drilling and completion techniques used by offset operators to maximize production and create efficiency within the wellbores.

Public production data from recent horizontal wells targeting the San Andres in the Central Basin have shown impressive results, which are associated with focused lateral landing and improved stimulation designs. Wells completed by Ring Energy such as Ellen B Peters 4H and Loki 2H, which surround our properties, came online at over 400 boepd or 80 boepd per 1000 foot lateral. Other operators such as Chevron USA, Occidental Petroleum, Hess Corporation and Steward Energy continue to invest in the San Andres drilling and production in the region.

As a result, we are very pleased with the validation of our resource and acreage value on the backs of strong well results, and offset operator capital coming in from these large cap E&P's. While our pace has been slow, it has been calculated, and our blue sky drilling growth will be timed in accordance with our industry recovery and overall strategy to maximize shareholder value.

Permex's CEO, Mehran Ehsan, said, "In a fast paced industry such as ours, where operators have gone from profitable to filing for bankruptcy within months due to miscalculated risk taking, such as putting unnecessary debt on the books, we at Permex have been patiently accruing our land position, strategizing and now preparing for drilling programs as our industry embarks on a correction".

About Permex Petroleum Corporation (CSE: OIL) (OTCQB: OILCF) - 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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