

Permex Petroleum Corporation Signs Transformational LOI to Acquire a 7,800-Acre Oil & Gas Asset in the Permian Basin of West Texas

Vancouver, British Columbia--(Newsfile Corp. - September 13, 2021) - Permex Petroleum Corporation (CSE: OIL) (OTCQB: OILCF) ("Permex" or the "Corporation"), a leading junior oil and gas company, has entered into a non-binding Letter of Intent ("LOI") with an arms-length third party independent seller(s), for the purchase of all the seller's rights, title, 3D seismic data and interests in their oil and gas assets located in Martin County, Texas. Under the terms of the LOI, the purchase price will be for USD \$2.0 million in an all-stock transaction.

Pursuant to the acquisition, Permex will acquire 100% Working Interest ("WI") with an average 81.75% net revenue interest ("NRI") in 7,870.23 gross acres in the Permian basin of West Texas. Of the 7,870.23 acres being acquired, over 98% is considered held by production ("HBP"), meeting Permex's strict internal HBP acquisition requirements. The acreage also contains dozens of drill sites which are allowable under the spacing requirements, which could also be utilized to increase and enhance the recovery of the hydrocarbons in the producing reservoir.

"The primary purpose of an oil and gas company is to continuously add to its land holdings, increase reserves, transition reserves from 'Probable' to 'Proved' to 'Producing', which ultimately, drives shareholder value. We believe this transaction checks all of the above," said Mehran Ehsan, President and CEO of Permex. "This acquisition will not only add reserves and production, but further Permex's strategy of building a scalable portfolio of free cash-flow generating assets that offer attractive opportunities to allocate capital for both near and long-term development."

A full disclosure of the assets, transaction and opportunity will be announced upon execution of the definitive agreement between the parties.

About Permex Petroleum Corporation

Permex Petroleum (CSE:OIL) (OTCQB: OILCF) 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. For more information, please visit www.permexpetroleum.com.

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