

**Permex Petroleum Corporation**  
**(the “Company”)**

**Form 58-101F2**  
***Corporate Governance Disclosure***  
***(Venture Issuers)***

**1. Board of Directors**

The board of directors of the Company (the “**Board**”) is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board has adopted a Code of Business Conduct and Ethics, which addresses, but is not limited to, the following issues:

- (a) conflicts of interest;
- (b) compliance with laws, rules, and regulations;
- (c) protection and proper use of corporate opportunities;
- (d) protection and proper use of corporate assets;
- (e) confidentiality of corporate information;
- (f) fair dealing with securityholders, customers, competitors, and employees; and
- (g) accuracy of business records.

As of the date hereof, the Board consists of three directors: Bradley Taillon, Richard Little and Kevin Nanke.

Richard Little and Kevin Nanke were considered to be "independent" within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") (by way of Section 1.4 of NI 52-110). Bradley Taillon is not independent as he is the CEO of the Company.

**2. Directorships**

No directors of the Company also serve as directors of other reporting issuers.

**3. Orientation and Continuing Education**

Each new director of the Company is briefed about the nature of the Company's business, its corporate strategy and current issues within the Company. New directors will be encouraged to review the Company's public disclosure records as filed on under its profile at [www.sedarplus.ca](http://www.sedarplus.ca). Directors are also provided with access to management to better understand the operations of the Company, and to the Company's legal counsel to discuss their legal obligations as directors of the Company.

#### **4. Ethical Business Conduct**

The Board has adopted a Code of Business Conduct and Ethics that is posted under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca). The Board is also required to comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia) and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to declare the nature and extent of his interest and is not entitled to vote on any matter that is the subject of the conflict of interest.

#### **5. Nomination of Directors**

The Company's management is in contact with individuals involved in the oil and gas and other relevant sectors. From these sources management has made a number of contacts and in the event that the Company requires any new directors, such individuals will be brought to the attention of the Board. The Company will conduct reference and background checks on suitable candidates. New nominees generally must have a track record in business management, areas of strategic interest to the Company, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

#### **6. Compensation**

The Board as a whole determines the compensation of the Company's CEO and CFO and does so with reference to industry standards and the financial situation of the Company. The Board has the sole responsibility for determining the compensation of the directors of the Company. Given the Company's size, limited operating history and lack of revenues, the Board does not plan to form a compensation committee to monitor and review the salary and benefits of the executive officers of the Company at the present time. The Board will carry out these functions until such time as it considers the formation of a compensation committee to be warranted.

#### **7. Other Board Committees**

As the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

#### **8. Assessments**

Neither the Company nor the Board has developed a formal review system to assess the performance of the directors or the Board as a whole. The contributions of individual directors are monitored by other members of the Board on an informal basis through observation.