

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name & Address of Company**

Permex Petroleum Company (the "**Company**")  
Suite 1290 – 625 Howe Street  
Vancouver, BC V6C 2T6

**Item 2. Date of Material Change**

May 8, 2019

**Item 3. News Release**

Issued on May 9, 2019 and distribute through the facilities of Newsfile Corp.

**Item 4. Summary of Material Change**

On May 8, 2019, the Company completed the first tranche of its non-brokered private placement (the "**Offering**") 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.

**Item 5.1 Full Description of Material Change**

In connection with the Offering, the Company issued 4,050,366 Units, each Unit consisting 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 Company'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 Company 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 Offering nor the consideration to be received for those securities, in so far as the Offering 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 Offering as the details of the Offering and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company 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.

**Item 5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

Contact: Mehran Ehsan, President & Chief Executive Officer  
Telephone: (604) 259-2525

**Item 9. Date of Report**

May 16, 2019