



Permex Petroleum has closed the acquisition of Peavy Lease

September 15, 2015

Energy Resources Corp., through its established GP, Permex Petroleum Operating, announced today that it has closed the acquisition of the Peavy lease in August, and has taken over operations as of September 2015.

Permex Petroleum LP has acquired all rights, title and interest of T&I PETROLEUM COMPANY INC, et al in the Peavy Lease. The property contains 160 net acres in a well-established oil and gas production area. The acreage is located in Young County, Texas, adding to a new, concentrated land position, proximal to prior acquisitions.

Permex will operate the newly acquired Peavy property on a 100% working interest, 87.5% net revenue interest basis. There are 14 wells located on the lease. This is comprised of two gas wells, two salt water disposal/injector wells and ten oil wells. The wells produce from various horizons: the Mississippi, Marble Falls Conglomerate, the Strawn, a shale sand carbonate sequence and the Caddo limestone. Potential re-completion targets exist in all the producing wells from uphole zones which exhibit hydrocarbons but have not been tested for productive capability. The property also contains several additional PUD locations (Proven Undeveloped Reserves) lying within the field boundaries.

The gas wells produce a liquid-rich gas which commands a sale price in excess of \$5.10 per Mcf versus the dry gas price of \$2.50 per Mcf. The oil wells produce a high quality 35-40°API oil. The salt water disposal/injection wells are dual purpose acting as water disposal wells and also as Enhanced Oil Recovery (EOR) waterflood system.

Management has taken over operations and will initiate enhanced oil recovery (EOR) techniques on the wellbores in the months to come. In addition to the EOR plans, management will immediately replace the current separator with a three phase separator and consolidate all of the flow lines within the lease. The lease is adjacent to an oil field owned by American Eagle Corporation which further proves the strategic location of the lease. Adjacent wells and fields could be potential for future acquisitions.

ON BEHALF OF THE BOARD

“Mehran Ehsan”

President & Director

Permex Petroleum Operating Ltd.

Permex Petroleum Operating Ltd. (PPO) is an incorporated entity under the management of Energy Resources Corp. PPO's sole responsibility is to be the general partner for the “Permex Petroleum Limited Partnership” and associated properties under the LP fund.

Disclaimer: Except for historical information contained herein, the matters set forth above may be forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ from those in the forward-looking statements. Words such as “anticipate,” “believe,” “estimate,” “expect,” “intend” and similar expressions, as they relate to Energy Resources Corp. and Permex Petroleum Operating Ltd., the potential reserves, production and ability to establish wells on the Prospect, identify forward-looking statements. Such forward-looking statements are based on the current beliefs of management, as well as assumptions made by and information currently available to management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors such as the nature of business negotiations, the operational details of oil and gas properties, the competitive environment within the industry, the ability of Energy Resources Corp. and Permex Petroleum Operating Ltd. to expand its operations, the level of costs incurred in these expansion efforts, economic conditions in the industry and Energy Resources Corp / Permex Petroleum's financial strength. Energy Resources Corp and Permex Petroleum Operating Ltd. do not undertake any obligation to update such forward-looking statements. Investors are also directed to consider all other risks and uncertainties.