



Release Date: 17 November 2017

ASX Announcement

AOW BOOKS FIRST REVENUE FROM RECENTLY ACQUIRED OIL AND GAS ASSETS

- First production recorded & revenue collected from recently acquired oil & gas assets
- Becoming a significant production company with 2018 set to be transformative
- Exiting 2017 with 500 barrels of oil equivalent per day on track to be cash flow positive
- Follows recent acquisition which doubled reserves to 2 million barrels of oil equivalent which will generate USD \$50m revenue @ \$50/oil

American Patriot Oil and Gas (ASX:AOW) ("American Patriot", "the Company") has achieved first oil and gas production and booked first cash flows from assets recently acquired in South Texas and Louisiana, USA with Anasazi New Venture Corporation (*ASX announcement 2 August 2017*).

These are important milestones for American Patriot as it seeks to become a significant oil and gas production company and put it well on track to being cash flow positive. The Company expects production and revenue will increase significantly as it closes additional transactions and enhances production in recently acquired oil and gas fields.

American Patriot is on track to achieve a production rate of 500 barrels of oil equivalent (boe) per day by the end of 2017 with over 2 million barrels of proven oil and gas reserves certified by independent reserve reports. These assets will generate over US\$50 million revenue at USD\$50/bbl oil prices over a period of time. Importantly, reserve studies undertaken to value the Company's assets have been conservatively valued at US\$50/bbl oil prices versus the current market price of more than US\$55/bbl.

In further news, American Patriot is close to finalising the recently announced US\$40 million facility that will allow the Company to pursue other value accretive acquisitions. The New York-based lender is now completing additional due diligence including land title and environmental reviews on all American Patriot assets. The closing of the facility is expected in the next 40 days, coinciding with the closure of the East Texas acquisition announced on 2 November 2017.

American Patriot CEO Alexis Clark said: *"We are pleased to record our first oil and gas revenues from the recently completed South Texas transactions and we look forward to shortly closing the most recent transaction we have announced, which will add further to the Company's production profile. This production and revenue base is expected to increase significantly as we continue to acquire new assets, and enhance production in the field"*

"American Patriot has its sights set on becoming a significant US oil and gas production company and with the backing of our US funders, we are well on the way to achieving this. We are continuing to find attractive conventional assets with significant upside potential in the current



market and we are currently completing due diligence on assets which are more than five times the size of our recent acquisitions. With the pipeline of deals in front of us, 2018 is shaping up to be a significant year for the Company.”

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About American Patriot Oil and Gas

American Patriot Oil and Gas (AOW) is an oil and natural gas exploration and development (E&P) group headquartered in Melbourne, Australia, with a U.S. office in Denver, Colorado. The Company is focused on developing a significant conventional oil and gas production company focused on assets in the Texas and Gulf Coast region. The company has announced a number of recent acquisitions with a focus on acquiring conventional producing properties with low operating costs onshore USA with reserve reports and significant production upside via shut in wells, workover potential, behind pipe potential and infill drilling upside.